

Executive Summary for the period ending September 30, 2017

Overall, for the first three months of the 2018 fiscal year, Scarborough is on track and doing well. The assets and liabilities are mostly determined by the timing of the expenditures and revenues and as such, I will focus on these two areas. On an annual basis, we update the total fund balance. As a general indicator of fund balance, actual revenues and expenditures can measure the anticipated changes that could affect total fund balance.

With the approval of the school budget for fiscal 2018, we are in the process of updating and finalizing the 2018 budget documents.

Positive indicators show in that the town has spent about \$234,000 less through September than this same time last year. Due to the timing of the quarterly payment to the Library, 2018 only shows one quarter payment compared to two quarters in 2017. The Public Works department has spent a fair amount from their paving budget this year compared to the prior year. Capital expenditures are lower than last year due to the uncertainty of the school budget approval in July. I anticipate this will even out during the remainder of the year. The Executive increase (+\$22,172) and the Finance decrease (-\$20,809) relate to the allocation of the Purchasing function from Finance to the Assistant Town Manager. The MIS department is showing a modest increase from last year (+\$30,530) as the Town implements new software such as SECLICKFIX to better respond to our citizens. Additionally, the town is in the process of converting to the GOOGLE platform to better serve our staff. The Planning decrease (-\$32,010) reflects the delay in hiring an Assistant Planner. Community Services is showing a sizable decrease from the prior year (-\$134,816) due to a delayed hiring of a full time position and doing more direct purchasing thus allowing for more tax exempt purchasing. Additionally, the CS staff are saving on contractual costs as they are performing more of the grounds maintenance work themselves (aerating and seeding).

On the revenue side, taxes raised to fund the Municipal budget decreased slightly (-\$41,665 excluding County Tax). Most revenue categories are close to or exceed 25% of their projections. Excise revenues are currently showing 25.7% collected and about \$14,200 higher than FY17. While charge for services is below the 25% mark, we are on par with the prior year and even showing a slight increase compared to the prior year.

Negative indicators: Interestingly enough, I see only two negative indicators. The first has to do with a slight uptick in general assistance housing (\$7,012 from \$5,844) or a 20% increase expenditures. The second is a slight decrease in boat excise revenues (\$4,202 in 2018 compared to \$5,003 in 2017) or about a 16% decrease.

In summary, through the first quarter of this fiscal year, we are on track with our expenditures and revenues.

**TOWN OF SCARBOROUGH
TOWN GENERAL FUND BALANCE SHEET**

	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>Variance</u>
<u>ASSETS</u>			
Cash	11,441,032	10,193,913	1,247,119
Taxes Receivable	56,241,384	54,730,740	1,510,644
Accts Receivable	770,738	901,422	(130,684)
Due From Other Funds	2,317,932	2,553,569	(235,638)
Inventories	31,301	31,301	-
Total Assets and Outflows	<u>70,802,386</u>	<u>68,410,945</u>	<u>2,391,441</u>
<u>LIABILITIES</u>			
Accounts Payables	1,636,205	1,339,389	296,816
Accrued Payroll	4,517,095	4,345,036	172,059
Prepaid Items	-	-	-
Deferred Tax Revenues	863,100	863,100	-
Taxes Collected In Advance	6	-	6
Total Liabilities and Inflows	<u>7,016,405</u>	<u>6,547,524</u>	<u>468,881</u>
<u>FUND BALANCE</u>			
Fund Balance Unrestricted	9,676,097	9,327,005	(349,092)
Fund Balance Reserved	4,375,231	4,375,231	-
Fuel Inventory Reserve	31,301	31,301	-
Actual Revenues	66,712,691	64,538,623	(2,174,068)
Actual Expenditures	17,009,339	16,408,739	600,600
Fund Balance	<u>63,785,981</u>	<u>61,863,421</u>	<u>1,922,560</u>
Total Liabilities and Fund Balance	<u>70,802,386</u>	<u>68,410,945</u>	<u>2,391,441</u>

**Town of Scarborough
Comparative Year To Date Expenditures**

	9/30/2017			9/30/2016		
	Revised Appropriation	YTD Expended	Percent Used	Revised Appropriation	YTD Expended	Percent Used
1100 General Fund						
55 Legislative	11,573	2,893	25.0%	11,573	2,893	25.0%
56 Executive	2,226,711	571,306	25.7%	1,887,340	549,135	29.4%
57 Finance	1,030,572	221,349	21.5%	1,030,331	242,158	24.0%
58 Management Information Systems	1,207,438	291,877	25.3%	1,195,024	261,347	25.8%
59 Planning	976,741	184,340	19.0%	977,521	216,351	23.3%
62 Community Services	2,729,722	762,783	28.2%	2,767,520	897,091	33.1%
63 Library	1,130,246	282,562	25.0%	1,099,898	549,949	50.0%
66 Public Health & Welfare	30,211	7,012	23.2%	29,656	5,844	19.7%
68 SEDCo	234,773	44,885	19.1%	224,694	41,983	18.7%
71 Fire Services	5,043,056	1,110,855	22.2%	4,908,206	1,061,846	22.1%
72 Police Services	6,415,138	1,500,497	23.4%	6,274,840	1,425,511	23.0%
81 Public Works	6,762,140	1,600,988	52.7%	6,798,462	1,342,635	32.3%
85 Debt	4,817,198	-	0.0%	4,840,496	-	0.0%
91 County Tax	2,709,666	-	0.0%	2,568,852	-	0.0%
94 Capital Equipment	1,040,617	198,757	43.0%	1,218,172	396,666	49.6%
97 Other	987,053	140,100	14.2%	1,081,403	160,674	14.9%
Total General Fund Expenditures	37,352,855	6,920,205	24.5%	36,913,988	7,154,084	22.6%
Fund 7150 Adult Education	182,701	29,670	16.2%	182,805	34,729	19.0%
Fund 7100 Total School General Fund	47,125,168	10,059,464	22.0%	45,856,180	9,219,926	20.5%
Total School General Fund Expenditures	47,307,869	10,089,134	22.0%	46,038,985	9,254,655	20.5%
Grand Total	84,660,724	17,009,339	23.1%	82,952,972	16,408,739	21.4%

3 Months = 25.00%

NOTES:

56: Expenditures are higher than the prior year, generally related to the cost of insurance repairs, mostly reimbursed by our insurance company and shown as a revenue. The Ass't Town Manager position was funded in FY17 starting in October. In FY18, this position is funded for twelve months. The Human Resource budget shows less spent as we worked to hire a new director.

57: Contractual payments for assessing contract higher in FY18 than FY17. Purchasing decrease in 2018 as a result of moving Purchasing to Asst. Manager's budget at the end of FY17. In 2018 the cost for printing taxbills delayed until October due to school budget referendum

58: MIS Software Maintenance added: Google, SECLICKFIX and timing of payments

59: Assistant Planner budget shows less spent as we worked to hire a new assistant planner.

62: Staffing changes, less spent on grounds maintenance contractual work from prior year, year end adjustments still in process.

63: Timing of Library quarterly payment.

71: Fire Dept staffing costs.

72: Police Staffing costs.

81: PW Paving spent \$250,800 between July and September 2017 but only \$470 in the prior year - more contractor availability.

94: Timing of capital equipment purchases for prior year and current year.

**Town of Scarborough
Comparative Year To Date Revenues**

	<u>9/30/2017</u>			<u>9/30/2016</u>		
	<u>Revised Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>% Collected</u>	<u>Revised Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>% Collected</u>
<u>1100 General Fund</u>						
90 Taxes	25,508,095	21,242,572	83.3%	25,408,946	21,492,517	84.6%
91 Interest On Delinquent Taxes	89,000	5,026	5.6%	88,000	9,712	11.0%
92 Licenses And Permits	645,680	161,891	25.1%	596,480	155,084	26.0%
93 Intergovernmental Revenues	2,923,418	770,959	26.4%	2,840,502	655,235	23.1%
94 Charge For Services	5,760,260	1,280,883	22.2%	5,555,292	1,217,481	21.9%
95 Fines Forfeits And Assessments	71,500	34,114	47.7%	65,550	23,937	36.5%
96 Miscellaneous Revenues	619,197	163,091	26.3%	566,556	195,737	34.5%
99 Other Financing Sources	1,735,705	5,000	0.3%	1,612,958	5,000	0.3%
Total General Fund Revenues	37,352,855	23,663,536	63.4%	36,734,284	23,754,703	64.7%
Fund 7150 Adult Education	182,701	101,986	55.8%	182,805	103,966	56.9%
Fund 7100 Total School General Fund	47,125,168	42,947,168	91.1%	45,855,067	40,679,953	88.7%
Total School General Fund Revenues	47,307,869	43,049,155	91.0%	46,037,872	40,783,920	88.6%
Grand Total	84,660,724	66,712,691	78.8%	82,772,156	64,538,623	78.0%

Property Taxes Collected: 11.13%
Collections as of 10-13-17: 41.34%
3 Months = 25.00%

2017 Property Taxes Collected Sep 2016: 10.32%
2016 Property Taxes Collected Sep 2015: 10.44%

NOTES:

- 90: Taxes include property and excise taxes. Property taxes are recorded as revenue when the bills are issued.
- 91: Interest rate remains at 7% for unpaid property taxes - this is set by the State.
- 92: Licenses & Permits are on track through the first quarter.
- 93: Intergovernmental Revenues are on track for the first quarter.
- 94: Slightly higher than FY 2017
- 95: Ordinance Violations down \$5,480, Parking fines up \$8,531 and False Alarm Violations increase 6,750.
- 96: Decrease in sale of town property (-\$92,000) and increase in insurance reimbursements (+\$53,687).

**Town of Scarborough
Year To Date Expenditures
Through September 30, 2017**

	<u>Original Appropriation</u>	<u>Revised Budget</u>	<u>YTD Expended</u>	<u>Encumb</u>	<u>Available Budget</u>	<u>Percent Used</u>
<u>Other Town Fund Expenditures</u>						
Fund 1200 Total Special Revenue Fund	-	-	512,229	-	(512,229)	100.0%
Fund 1300 Total Capital Projects Fund	255,900	255,900	20,437	19,406	216,057	15.6%
Fund 1310 Total Capital Projects Fund	3,582,850	3,582,850	788,104	(450,020)	3,244,766	9.4%
Fund 1500 Total Cemetery Permanent Fund	-	-	-	-	-	0.0%
Total Town Other Fund Exp	3,838,750	3,838,750	1,320,770	(430,614)	2,948,594	23.2%

<u>Other School Fund Expenditures</u>						
Fund 72xx Total School Special Revenue Fund	-	-	214,643	21,976	(236,618)	100.0%
Fund 7300 Total School Capital Projects Fund	110,000	110,000	-	-	110,000	0.0%
Fund 7400 Total School Capital Projects Fund	1,286,200	1,286,200	612,724	40,086	633,391	50.8%
Fund 7600 Total School Nutrition Program	1,521,802	1,521,802	205,130	442,673	874,000	42.6%
Fund 7800 Total School Scholarship Funds	-	-	-	-	-	100.0%
Total School Other Fund Exp	2,918,002	2,918,002	1,032,496	504,734	1,380,772	52.7%

**Year To Date Revenues
Through September 30, 2017**

	<u>Original Estimated Revenue</u>	<u>Revised Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>Remaining Revenue</u>	<u>% Collected</u>
<u>Other Town Fund Revenues</u>					
Fund 1200 Total Special Revenue Fund	-	-	550,192	(550,192)	100.0%
Fund 1300 Total Capital Projects Fund	255,900	255,900	80,970	174,930	31.6%
Fund 1310 Total Capital Projects Fund	3,582,850	3,582,850	14,583	3,568,267	0.4%
Fund 1500 Total Cemetery Permanent Fund	-	-	229	(229)	100.0%
Total Town Other Fund Rev	3,838,750	3,838,750	645,974	3,192,776	16.8%

<u>Other School Fund Revenues</u>					
Fund 72xx Total School Special Revenue Fund	-	-	4,090	(4,090)	0.0%
Fund 7300 Total School Capital Projects Fund	110,000	110,000	0	110,000	0.0%
Fund 7400 Total School Capital Projects Fund	1,286,200	1,286,200	53,100	1,233,100	4.1%
Fund 7600 Total School Nutrition Program	1,521,802	1,521,802	345,719	1,176,083	22.7%
Fund 7800 Total School Scholarship Funds	-	-	210	(210)	100.0%
Total School Other Fund Rev	2,918,002	2,918,002	403,118	2,514,884	13.8%

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>YTD Activity</u>	<u>Remaining Bal</u>	<u>Percentage</u>
Grand Totals Expenditures	91,748,476.46	91,417,476.46	19,362,605.76	69,436,034.10	24.0%
Grand Totals Revenues	91,748,476.46	91,417,476.46	67,761,783.86	23,655,692.60	74.1%

Town of Scarborough
Year To Date Education Expenditures
Through September 30, 2017

Education:	<u>Original</u>	<u>Revised</u>	<u>YTD</u>	<u>Encumb</u>	<u>Available</u>	<u>Percent</u>
	<u>Appropriation</u>	<u>Budget</u>	<u>Expended</u>		<u>Budget</u>	<u>Used</u>
Regular instruction	28,068,091	27,892,549	6,676,147	127,261	21,089,141	24.4%
Improvement of instruction	943,675	913,675	297,098	14,531	602,046	34.1%
Special services	4,162,949	4,141,207	1,060,349	44,952	3,035,906	26.7%
General & special administration	246,043	246,043	63,418	-	182,625	25.8%
Board of education	32,723	32,723	17,237	-	15,486	52.7%
Office of the superintendent	705,950	710,550	245,058	16,500	448,991	36.8%
Business administration	2,225,025	2,161,709	531,893	462	1,629,355	24.6%
Transportation	1,615,051	1,615,051	254,754	373	1,359,924	15.8%
Operation and maintenance of plant	3,808,090	3,808,090	913,509	96,585	2,797,996	26.5%
Adult Education	182,701	182,701	29,670	-	153,031	16.2%
Food Service Allocation	-	-	-	-	-	0.0%
Debt service	5,603,571	5,603,571	-	-	5,603,571	0.0%
Total Education	47,593,869	47,307,869	10,089,134	300,664	36,918,071	22.0%

<u>Selected Revenues</u>	<u>Estimated Revenue</u>	<u>Actual YTD Revenue</u>	<u>% Collected</u>
Excise Tax Collections	5,600,000	1,440,466	25.7%
State Revenue Sharing	837,993	209,969	25.1%
Rescue Revenues	900,000	225,000	25.0%
LRAP-Local Road Assist.	354,978	-	0.0%
Building Permits	425,000	114,990	27.1%
Investment Interest	41,500	8,343	20.1%
Plumbing Permits	41,000	11,053	27.0%
Electrical Permits	57,000	14,777	25.9%
Education Subsidy	2,150,151	533,387	24.8%

Town General Fund Revenues by Department

Executive (TM, HR, TC)	544,936	97,464	17.9%
Fund Balance	-	-	0.0%
Finance	5,716,900	1,478,313	25.9%
Property Taxes	19,797,611	19,797,611	100.0%
MIS	505,425	-	0.0%
Planning	624,250	171,347	27.4%
Senior Programs	33,000	10,179	30.8%
Community Serv	2,149,836	648,925	30.2%
SEDCO	-	-	100.0%
Fire Dept	989,400	253,342	25.6%
Police Dept	797,981	205,468	25.7%
Public Works	1,553,568	233,333	15.0%
Debt	728,735	-	0.0%
Intergovernmental	2,914,243	767,553	26.3%
TIFs and Interfund Transfer:	996,970	-	0.0%
	<u>37,352,855</u>	<u>23,663,536</u>	63.4%