

Memo

To: Finance Committee
From: Brian Wolcott, Finance Director
Through: Tony Plante
Date: 10/14/2014
Re: Quarterly Budget Variance Analysis

B. Wolcott

This report covers activity from July 1, 2014 through October 8th, slightly beyond one-quarter of the fiscal year.

With expenses, we begin with a global approach, initially reviewing variances at the department level, looking at "Per Cent Expended" (not encumbered). If the variance appears excessive given the report date, then we drill down to the sub-department level (i.e. individual accounts).

On the revenue side, we tend to examine some of the larger revenue line items that deviate significantly from budget.

If you have any questions, please let us know.

Town of Windham
Revenue Variances
October 8, 2014

| Account | Description | YTD Balance | Budget | % of Budget | Comments |
|---------|--------------------------------|-------------|---------|-------------|--|
| R0415 | Dundee Park | 21,193 | 37,000 | 57% | June is historically a big month. This will show up next summer. |
| R0430 | State Revenue Sharing | 113,301 | 669,014 | 17% | We budgeted based on the latest estimates from Augusta. We have heard nothing indicating that will change. |
| R0470 | Solid Waste Fees | 49,402 | 515,000 | 10% | We accrue a significant amount of revenue at year-end. During the year this account usually lags the budget, but it should be close to budget by June 30th. |
| R0480 | Interest on Investments | (690) | 10,000 | -7% | Similar to the solid waste account, we accrue a considerable amount of CD interest at year end. Because of this, it takes several months for this account to reach a meaningful balance. We will be in good shape at year end as the budget is a conservative one. |
| R0482 | General Assistance | 0 | 25,000 | 0% | We have billed the State for \$569 for July & August. GA assistance is down from budget - see #8110-43090. |
| R0484 | Miscellaneous Revenues | 919 | 72,000 | 1% | Included in the budget is \$45,000 from RSU #14 for 1/2 the cost of the school resource officer, and \$17,000 from Gorham for GA services - the contracted amount was increased to \$27,000 effective July 1, 2014. |

Town of Windham
Expense Variances
October 8, 2014

| <i>Department</i> | <i>Number</i> | <i>Account Name</i> | <i>Annual Budget</i> | <i>Spent</i> | <i>% Expend ed</i> | <i>Reason for Variance</i> |
|---------------------------------|---------------|-----------------------------|----------------------|--------------|--------------------|---|
| Community TV & E-Government | 1160 | | 55,412 | 26,383 | 48% | |
| | 42030 | Professional Svs | 39,815 | 24,185 | 61% | Includes a payment to Granicus (\$14,592) for the annual fee for managed services. |
| Municipal Insurances | 1210 | | 121,440 | 55,481 | 46% | This is a timing difference; premiums are paid annually. |
| Solid Waste | 2910 | | 793,856 | 126,296 | 16% | |
| | 4226 | Contracted Services | 591,572 | 97,916 | 17% | Missing one month's invoice. |
| Communications | 3120 | | 367,684 | 11,046 | 3% | |
| | 42260 | Contracted Services | 319,619 | -8 | 0% | Services from Cumberland County dispatch are billed semi-annually. |
| Animal Control | 3140 | | 60,892 | 10,176 | 17% | |
| | 41010 | Compensation | 34,992 | 3,413 | 10% | This is budgeted for a full-time position, but we are currently utilizing a part-timer. |
| Fire Rescue/Vehicle Maintenance | 4210 | | 149,000 | 36,875 | 25% | |
| | 42200 | Outside Vehicle Maintenance | 19,000 | 17,168 | 90% | A new motor was installed in Ladder 4 (\$14,224). The funds were budgeted in capital. A transfer of budget monies will be done. |
| Social Service Agency Funding | 8120 | | 21,400 | 18,300 | 86% | Most of the budgeted funds have already been disbursed. |
| Equipment Replacement | 9110 | | 625,000 | 197,745 | 32% | Includes a \$99,500 lease payment to TD Equipment for Public Safety equipment, plus \$82,000 to Quirk Ford for 3 new police interceptors, all budgeted. |
| Sewer | 9170 | | 351,756 | 58,626 | 17% | Missing one month's invoice covering the South Windham sewer system. |