



Town of Windham
Office of the Town Manager
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MEMORANDUM

To : Finance Committee
From : Anthony T. Plante, Town Manager
Date : February 8, 2017
Re : Mid-year budget update and projection

In anticipation of the budget process for fiscal 2018, I have updated the five year projection used for the first time in the fiscal 2017 process. In the attached update I have accounted for:

Summary Statement

- The Summary Statement of Estimated Revenues and Proposed Appropriations shows the FY 2017 budget as approved. FY 2018 through 2022 are estimates based on assumptions detailed on the Statement of Estimated Revenues and Projections 2018-2022 worksheets that follow.
- For the purposes of this initial projection operating and non-operating (capital, sewer assessment, debt, and contingency) have not been broken down.

Statement of Estimated Revenues

- For fiscal years 2018 through 2022 revenues have been projected according to a method identified in the projection factor column, shaded in green. These factors may be an annual percentage increase based on FY 2017, adjusted by a fixed amount per year, held flat, or some other notation.
- R0416, Recreation Fees, has been estimated as a direct offset of expenses in expenditure account 5111, Recreation Programs, for years. This is because recreation programs, for the most part, have been handled in a special revenue fund. An additional amount would be estimated as revenue to pay the general fund some portion of administrative costs. This was not the case in fiscal 2017 and is not expected to be for subsequent years, as the town looks for more ways to deliver community programming at no additional cost to participants.

- R0495, Fund Balance, offsets the two contingency funds for a total of \$300,000; the additional amounts are to offset capital projects as permitted by the town's fund balance policy. However, these amounts are likely to vary each year due to the previous year end's closing balances in unexpended appropriations and revenue surpluses; in particular, any amounts the town receives in municipal revenue sharing. Revenue sharing was completely phased out of the town's revenue estimates for fiscal 2017 as part of a three year effort to reduce reliance on it, insulate the town's budget from the uncertainty of the legislative process in Augusta, and add further stability to the town's finances.
- R0497, Impact Fees, will vary from year to year, but this reflects continuing residential development to offset continued capital investment in Lippman Park, the community/skate park, and other recreational facilities.

Projections 2018-2022

This sheet is sorted and subtotaled both by object account and the standard department view. Accounts that are highlighted are those that reflect the implementation of goals in the strategic plan. These mainly relate to staffing. In FY 2018 through 2022 the additional cost of implementing these goals is reflected (such as where additional staffing was budgeted for less than a full fiscal year), and totals an estimated \$189,000.

- 1120, Town Manager's Office: Increasing administrative assistants in the town manager's office from 32 hours per week to 40 hours per week, implemented at 100%, no additional share in subsequent years.
- 2110, Public Works Administration: Storm water compliance coordinator, budgeted at 75%, additional \$15,750.
- 2210, Public Works Building Maintenance: Building maintenance position, budgeted at 75%, additional \$11,025
- 3110, Police Services: 27th sworn police officer, budgeted at 50%, additional \$29,400
- 4110, Fire-Rescue Services: Two paramedics, budgeted at 50%, additional \$59,325
- 4110, Fire-Rescue Services: Overtime for additional paramedics, additional \$11,550
- 5510, Library: Circulation supervisor, budgeted at 50%, additional \$24,675
- 6120, Planning: Town engineer, budgeted at 75%, additional \$17,325 (at least partly offset by inspection fees)
- 6510, Assessing: Appraiser, budgeted at 75%, additional \$13,650
- 7510, Town Clerk: Deputy Clerk, 24 hours per week budgeted at 75%, additional \$6,300

As with revenues, projections are based on certain assumptions and are noted in the projection factor column.