

# Memo

To: Board of Selectmen  
From: Jodie Sanborn  
CC: Larissa Crockett  
Date: October 21, 2021  
Re: FY 2022 – First Quarter Reporting

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Through the Fiscal Year 2022 First Quarter the Town's Balance Sheet position has decreased by \$8,706,648. Changes consisted of:

- Banking and Investments decreased with summer expenditures and slowed tax bill collection. Next billing due date falls in Q2.
- Accounts Receivable decreased with the collection of expected June revenues that were received in July or August such as the cable TV franchise fee for April to June.
- The increases in Special Reserves and Capital Reserves come from adding Fiscal Year 2022 capital improvement funding to the various Special Reserve or Capital Reserve Funds. Significant spending from these reserve accounts are from 0713 (Inland Golf) for Town Hall Meetingroom AV project and library copier, 0724 (Infrastructure Bond) for work on Swamp John Road, 0734 (FD Misc Operating Equipment) for turnout gear purchases, 0735 (WEMS Major Medical) for the purchase of AED lifepaks, 0739 (Townwide Misc) for the Comprehensive Plan Update, 0742 (PD Recorder/Equipment) for the Communications Tower, 0804 (Beach Erosion) for partial revenue received from daily beach parking fees, 0851 (Library Building) for Library Column Installation, 0951 (Harbor Grant) for receipt of Velux Group Funding for Shellfish Building Project, 0952 (FLAP – Furbish) receiving of grant fund for Furbish Rd project, and 0953 (FLAP – Harbor) for receiving of grant funds for Harbor Road sidewalk project.
- Enterprise changes include a decrease in the Recreation Enterprise from Summer Camp expenses for July and August, the return of the Before/Aftercare program in September, the payment of the final multipurpose field enterprise loan payment to the Town, purchase of the mower, and continued work on the parking lot expansion project have reduced the fund balance. The Beach Enterprise also decreased with slowed issuance of beach stickers (majority are purchased prior to July 4<sup>th</sup>), and continued expenses for seasonal staffing, beach sticker program and issuance fees, restroom cleaning and waste removal services. The Transfer Station Enterprise deficit has been resolved with final deficit payment occurring in the FY 2022 budget.
- Tax receivable decreased in the quarter from the continued collection of FY 2021 bills that went to tax lien in the quarter. Prior to going to tax lien taxpayers were given 30 days to pay the outstanding amounts due. Tax receivable will increase in Quarter 2 with the commitment of the FY 2022 tax bills in October.
- In late September the Town received its Federal ARPA grant funds. The Consolidated General Fund Balance Sheet now reflects this grant fund.

The Town's Enterprise Funds have changes in balances.

- Transfer Station Enterprise deficit was paid off at the beginning of Quarter 1.
- Beach Enterprise currently has a fund balance of \$269,420. The fund has decreased from last quarter by \$55,790.
- Recreation Enterprise currently has a fund balance of \$334,543. The fund has decreased from last quarter by \$116,960.

**Town of Wells**  
**Consolidated General Fund Balance Sheet**  
**For Month Ending September 30, 2021**

	Previous Quarter	Current Quarter	Period Change
			current vs previous
<b>Assets</b>			
Total Banking & Investments	24,241,709.07	18,378,533.10	-5,863,175.97
Total Accounts Receivable	66,744.27	5,112.00	-61,632.27
Total Due To/From Special Reserves	-4,977,434.94	-5,793,638.83	-816,203.89
Total Due To/From Capital Reserves	-5,401,721.66	-6,777,564.22	-1,375,842.56
Total Due To/From Enterprise Funds	-676,714.53	-603,963.88	72,750.65
Total Due To/From Fed ARPA Grant	0.00	-563,724.34	-563,724.34
Total Deferred Revenue	-638,660.44	352,350.75	991,011.19
Total Tax Receivable	1,362,058.32	272,227.13	-1,089,831.19
<b>Total Assets</b>	<b>13,975,980.09</b>	<b>5,269,331.71</b>	<b>-8,706,648.38</b>
<b>Liabilities</b>			
Total Accounts Payable	-305,715.76	14,086.84	319,802.60
Total Payroll Accruals	-31,304.27	-68,116.91	-36,812.64
Total Due To/From Other Agencies	8,567.34	12,001.75	3,434.41
Total Designated for Subsequent Years	-112,800.02	-112,800.02	0.00
Total Planning Escrows	-772,427.13	-1,121,190.99	-348,763.86
<b>Total Liabilities</b>	<b>-1,213,679.84</b>	<b>-1,276,019.33</b>	<b>-62,339.49</b>
<b>Fund Balance</b>			
Appropriations Control	-42,752,808.24	-42,888,494.00	-135,685.76
Expense Control	40,103,764.50	11,937,020.92	-28,166,743.58
Undesignated Fund Balance	-11,790,790.13	-12,718,266.86	-927,476.73
Budgetary Fund Balance Unreserved	0.00	0.00	0.00
Revenue Control	-41,075,274.62	-3,212,066.44	37,863,208.18
Estimated Revenue	42,752,808.24	42,888,494.00	135,685.76
<b>Total Fund Balance</b>	<b>-12,762,300.25</b>	<b>-3,993,312.38</b>	<b>8,768,987.87</b>
<b>Total Liabilities + Fund Balance</b>	<b>-13,975,980.09</b>	<b>-5,269,331.71</b>	<b>8,706,648.38</b>

Total revenue collections at the end of the First Quarter are at 7.5% collected. The collection rate is in line with the collection percentage for the prior three years. Revenue collections for FY 22 are 39,676,428 below budget. Departments are expected to be around 25% collected.

- Departments that are above 25% collected are Dispatch, Code Enforcement, Transfer Station, and Harbor.
  - Dispatch revenue is at 50% collected due to the payments for services provided to Ogunquit are paid to the Town in two installments. The first half in July and the second half in January.
  - Code Enforcement has show strong collections in the first quarter for building permits, plumbing permits, stop work orders, base fees, reinspection fees, and flood permits all being over 25% collected.
  - Transfer Station shows strong collections for tires, trash bags, brush, and demolition. All are currently over 25% of their budgeted amounts.
  - Harbor revenues for the Restaurant and Marina are collected in full during the first quarter. The remaining Harbor revenues for the bait locker will start to be collected in March (Q3).
- Departments that are significantly less than 25% collected are Finance, Police, Planning and Public Works.
  - Finance revenue is mainly from property tax payments. The due dates fall during quarter 2 and quarter 4. Specific revenue lines in the budget such as excise tax on vehicles, interest and penalties on taxes, agent fee on vehicle registrations, and revenue sharing are all at or above 25% collected.
  - Police major revenue source is for salary reimbursements for outside details and for the SRO officers. The SRO reimbursement traditionally comes in Q4. The specific budget lines of police fines, gun permits, and accident reports are all currently above 25% collected.
  - Planning revenue for planning board applications which is the major revenue budgeted in the department is currently at only 10% collected.
  - Public Works revenue is generated by need. The department receives funds from developers as new street signs are created.

REVENUE COLLECTIONS							
	FY 2022 REVISED	FY 2022 ACTUAL	FY 2022 REMAINING	FY 2022 %	FY 2021 %	FY 2020 %	FY 2019 %
012 TOWN CLERK	\$ 79,600	\$ 13,975	\$ 65,625	17.6	12.7	13.0	14.4
013 FINANCE	\$ 41,553,560	\$ 2,696,207	\$ 38,857,353	6.5	7.0	7.7	6.1
020 CONSERVATION COMMISSION	\$ -		\$ -	0.0	0.0	100.0	0.0
021 POLICE	\$ 161,900	\$ 12,433	\$ 149,467	7.7	16.0	158.9	28.3
022 FIRE	\$ -		\$ -	0.0	100.0	0.0	100.0
023 DISPATCH	\$ 105,000	\$ 55,000	\$ 50,000	52.4	50.0	50.0	50.0
025 PLANNING	\$ 20,700	\$ 2,870	\$ 17,830	13.9	28.0	67.1	15.3
027 CODE ENFORCEMENT	\$ 267,000	\$ 155,454	\$ 111,546	58.2	29.2	26.1	25.2
031 PUBLIC WORKS	\$ 1,000	\$ 50	\$ 950	5.0	100.0	100.0	100.0
032 LOCAL ROADS REIMBURSEMENT	\$ 200,000	\$ -	\$ 200,000	0.0	0.0	0.0	0.0
036 TRANSFER STATION	\$ 374,500	\$ 158,735	\$ 215,765	42.4	37.8	32.5	31.8
048 CABLE TV STUDIO	\$ -	\$ -	\$ -	0.0	0.0	0.0	0.0
052 HARBOR	\$ 90,484	\$ 89,976	\$ 508	99.4	6.7	6.8	6.5
055 LIBRARY	\$ 9,750	\$ 2,367	\$ 7,383	24.3	5.3	36.5	34.7
070 TRANSPORTATION CENTER	\$ -	\$ -	\$ -	0.0	1.9	0.0	0.0
093 FIXED CHARGES	\$ 25,000	\$ 25,000	\$ -	100.0	0.0	0.0	0.0
<b>TOTAL REVENUE</b>	<b>\$ 42,888,494</b>	<b>\$ 3,212,066</b>	<b>\$ 39,676,428</b>	<b>7.5</b>	<b>7.5</b>	<b>8.5</b>	<b>6.6</b>

Total salary and operating expenses at the end of the First Quarter are at 27.8% expended. The spending rate is in line with the spending percentage for the prior three years. Expenses for FY 22 are \$30,951,473 below budget at this time.

- Departments that are significantly below the expected 25% are Conservation Commission, EMA (Civil Defense), Cable TV Studio, Animal Control, Fixed Charges, and Warrant Articles.
  - The Conservation Commissions trail maintenance line is most of the budget. Trail maintenance is performed on an as needed basis.
  - The EMA (Civil Defense) operating supplies line is most of the budget. Supplies are purchased from the line as needed during or after major incidents. This line is often used during weather events (large snowstorms, flooding, hurricanes, etc).
  - Cable TV Studio salaries are significantly below the expected 25% expended. Staff is paid based on the duration of the meeting they are filming. Shorter meetings result in less being paid out.
  - The Animal Control position has been unfilled since August. The salary and benefits for that position are a significant part of the expense budget.
  - Fixed Charges are the Town's debt service payments. Bond payments are made twice a year and happen to occur in Q2 and Q4.
  - The majority of Warrant Articles line items are paid for projects that have been approved by the Board of Selectmen after a public hearing. It is not unusual for this line to be below the expected spending percentage for the quarter.
- The Information Center and Capital Outlay (Proposed) are all at 100% expended. Ambulance, Grants, Union/Non-Union Salary, Employee Benefits, and Insurance are all near or above 50% expended.
  - The Information Center funding is paid in full in July.
  - The Capital Outlay (Proposed) line is used to move the General Fund funding for the approved Article 9 Capital Improvement Program warrant article to all the Special Reserve and Capital Reserve funds. This is done yearly in July.
  - Ambulance is used for the quarterly funding paid to WEMS. The second payment is due October 1 so the check was processed on the second warrant in September.
  - Grant funding to outside agencies are paid when the organization submits an invoice for payment. Most agencies send their invoices for payment in July.
  - Union/Non-Union Salary are primarily used for July 1 salary adjustments.
  - Employee Benefits is for quarterly unemployment expenditures. Two payments have been paid to date.
  - Insurance covers the property and casualty line and workers compensation. In past years the property and casualty billing was paid throughout the year. In the current year the entire annual amount was paid in Q1.

OPERATIONAL COSTS							
	FY 2022	FY 2022	FY 2022	FY 2022	FY 2021	FY 2020	FY 2019
	REVISED	ACTUAL	AVAILABLE	%	%	%	%
012 TOWN CLERK	\$ 299,768	\$ 65,646	\$ 234,122	21.9	22.1	24.9	20.3
013 FINANCE	\$ 689,655	\$ 123,807	\$ 565,848	18.0	7.5	8.8	7.0
014 ASSESSING	\$ 304,338	\$ 67,910	\$ 236,428	22.3	18.2	25.0	21.3
016 TOWN MANAGER	\$ 442,667	\$ 86,276	\$ 356,391	19.5	24.7	24.1	17.9
017 HUMAN RESOURCES	\$ 268,370	\$ 42,880	\$ 225,490	16.0	21.7	25.9	22.7
018 SELECTMEN	\$ 12,885	\$ -	\$ 12,885	0.0			
019 GENERAL GOVERNMENT	\$ 57,220	\$ 13,944	\$ 43,276	24.4	18.3	14.0	15.2
020 CONSERVATION COMMISSION	\$ 5,450	\$ 289	\$ 5,161	5.3	20.1	19.0	3.1
021 POLICE	\$ 3,617,685	\$ 788,419	\$ 2,829,266	21.8	17.3	23.7	21.0
022 FIRE	\$ 1,999,170	\$ 416,164	\$ 1,583,006	20.8	19.0	22.1	18.0
023 DISPATCH	\$ 785,107	\$ 189,441	\$ 595,666	24.1	23.3	22.5	18.6
024 PUBLIC SAFETY FACILITY	\$ 130,900	\$ 22,311	\$ 108,589	17.0	19.2		
025 PLANNING	\$ 259,123	\$ 78,610	\$ 180,513	30.3	27.8	29.0	24.4
026 EMA (CIVIL DEFENSE)	\$ 59,083	\$ 1,431	\$ 57,652	2.4	24.5	2.2	3.8
027 CODE ENFORCEMENT	\$ 478,255	\$ 113,812	\$ 364,443	23.8	18.4	25.3	22.4
031 PUBLIC WORKS	\$ 1,689,947	\$ 352,189	\$ 1,337,758	20.8	12.9	19.0	12.4
033 PUBLIC WORKS BUILDINGS							5.9
036 TRANSFER STATION	\$ 664,628	\$ 131,457	\$ 533,171	19.8	18.5	21.0	21.6
047 IT INFRASTRUCTURE	\$ 337,988	\$ 70,843	\$ 267,145	21.0	20.9	20.8	22.5
048 CABLE TV STUDIO	\$ 18,675	\$ 1,739	\$ 16,936	9.3	24.9	9.5	17.6
051 PARKS AND RECREATION	\$ 446,502	\$ 97,516	\$ 348,986	21.8	19.9	27.0	21.0
052 HARBOR	\$ 163,848	\$ 33,467	\$ 130,381	20.4	21.4	22.6	21.4
053 FACILITIES MANAGEMENT	\$ 160,659	\$ 35,577	\$ 125,082	22.1	0.0		
055 LIBRARY	\$ 625,975	\$ 144,233	\$ 481,742	23.0	17.4	21.3	20.9
057 ANIMAL CONTROL	\$ 97,528	\$ 11,009	\$ 86,519	11.3	21.0	25.9	24.1
058 AMBULANCE	\$ 390,000	\$ 195,000	\$ 195,000	50.0	50.0	25.0	32.2
059 GRANTS	\$ 114,627	\$ 85,377	\$ 29,250	74.5	59.2	77.3	60.1
060 EDUCATION	\$ 21,067,213	\$ 5,266,803	\$ 15,800,410	25.0	25.0	25.0	25.0
070 TRANSPORTATION CENTER	\$ 80,835	\$ 14,001	\$ 66,834	17.3	15.5	15.4	22.3
071 UNION/NON UNION SALARY	\$ 10,547	\$ 8,612	\$ 1,935	81.7	0.8	1.0	5.8
080 COUNTY TAX	\$ 1,797,259	\$ -	\$ 1,797,259	0.0	0.0	0.0	100.0
086 INFORMATION CENTER	\$ 55,900	\$ 55,900	\$ -	100.0	100.0	100.0	100.0
087 ACTIVITY CENTER	\$ 23,210	\$ 4,004	\$ 19,206	17.3	8.1	5.3	7.1
092 EMPLOYEE BENEFITS	\$ 16,000	\$ 10,558	\$ 5,442	66.0	16.1	0.9	23.7
093 FIXED CHARGES	\$ 1,790,877	\$ 100,000	\$ 1,690,877	5.6	14.7	14.8	0.0
096 INSURANCES	\$ 600,000	\$ 364,255	\$ 235,745	60.7	25.7	49.9	53.8
098 WARRANT ARTICLES	\$ 390,000	\$ 6,942	\$ 383,059	1.8	3.7	24.4	1.3
099 CAPITAL OUTLAY (PROPOSED)	\$ 2,936,600	\$ 2,936,600	\$ -	100.0	100.0	100.0	100.0
TOTAL EXPENSE	\$ 42,888,494	\$ 11,937,021	\$ 30,951,473	27.8	26.1	28.0	29.8

The Overall Summary shows the Town is on track with the prior three years for revenue collections and expenditures. Departments below 10% overall are Finance, Selectmen, Conservation Commission, EMA (Civil Defense), Code Enforcement, Transfer Station, Harbor, Fixed Charges and Warrant Articles. Departments at or over 50% overall are Ambulance, Grants, Union/Non-Union Salary, Information Center, Employee Benefits, Insurances and Capital Outlay (Proposed).

- In Finance, Code Enforcement, Transfer Station and Harbor the amount of revenue collected is more than the total expended in the quarter.
- Selectmen lines have nothing expended at this time.
- Conservation Commission, EMA (Civil Defense), Fixed Charges and Warrant Articles spending has been slow. Some line items are only used on an as needed basis or expended on specific dates.
- Grants, Union/Non-Union Salary, Information Center and Capital Outlay (Proposed) are traditionally expended primarily in Q1.

**OVERALL DEPARTMENTAL SUMMARY**

	FY 2022 REVISED	FY 2022 ACTUAL	FY 2022 AVAILABLE	FY 2022 %	FY 2021 %	FY 2020 %	FY 2019 %
<b>012 TOWN CLERK</b>	\$ 220,168	\$ 51,671	\$ 168,497	23.5	24.6	29.0	22.9
<b>013 FINANCE</b>	\$ (40,863,905)	\$ (2,572,400)	\$ (38,291,505)	6.3	7.0	7.7	6.0
<b>014 ASSESSING</b>	\$ 304,338	\$ 67,910	\$ 236,428	22.3	18.2	25.0	21.3
<b>016 TOWN MANAGER</b>	\$ 442,667	\$ 86,276	\$ 356,391	19.5	24.7	24.1	17.9
<b>017 HUMAN RESOURCES</b>	\$ 268,370	\$ 42,880	\$ 225,490	16.0	21.7	25.9	22.7
<b>018 SELECTMEN</b>	\$ 12,885	\$ -	\$ 12,885	0.0			
<b>019 GENERAL GOVERNMENT</b>	\$ 57,220	\$ 13,944	\$ 43,276	24.4	18.3	14.0	15.2
<b>020 CONSERVATION COMMISSION</b>	\$ 5,450	\$ 289	\$ 5,161	5.3	20.1	10.2	3.1
<b>021 POLICE</b>	\$ 3,455,785	\$ 775,987	\$ 2,679,798	22.5	17.3	19.5	20.8
<b>022 FIRE</b>	\$ 1,999,170	\$ 416,164	\$ 1,583,006	20.8	19.0	22.1	18.0
<b>023 DISPATCH</b>	\$ 680,107	\$ 134,441	\$ 545,666	19.8	18.9	17.3	12.0
<b>024 PUBLIC SAFETY FACILITY</b>	\$ 130,900	\$ 22,311	\$ 108,589	17.0	19.2		
<b>025 PLANNING</b>	\$ 238,423	\$ 75,740	\$ 162,683	31.8	27.7	24.5	25.9
<b>026 EMA (CIVIL DEFENSE)</b>	\$ 59,083	\$ 1,431	\$ 57,652	2.4	24.5	2.2	3.8
<b>027 CODE ENFORCEMENT</b>	\$ 211,255	\$ (41,642)	\$ 252,897	-19.7	2.2	23.6	9.7
<b>031 PUBLIC WORKS</b>	\$ 1,688,947	\$ 352,139	\$ 1,336,808	20.8	12.9	19.0	12.4
<b>032 LOCAL ROADS REIMBURSEMENT</b>	\$ (200,000)	\$ -	\$ (200,000)	0.0	0.0	0.0	0.0
<b>033 PUBLIC WORKS BUILDINGS</b>							5.9
<b>036 TRANSFER STATION</b>	\$ 290,128	\$ (27,278)	\$ 317,406	-9.4	-7.0	2.2	-2.6
<b>047 IT INFRASTRUCTURE</b>	\$ 337,988	\$ 70,843	\$ 267,145	21.0	20.9	20.8	22.5
<b>048 CABLE TV STUDIO</b>	\$ 18,675	\$ 1,739	\$ 16,936	9.3	24.9	9.5	17.6
<b>051 PARKS AND RECREATION</b>	\$ 446,502	\$ 97,516	\$ 348,986	21.8	19.9	27.0	21.0
<b>052 HARBOR</b>	\$ 73,364	\$ (56,510)	\$ 129,874	-77.0	41.2	52.1	70.2
<b>053 FACILITIES MANAGEMENT</b>	\$ 160,659	\$ 35,577	\$ 125,082	22.1			
<b>055 LIBRARY</b>	\$ 616,225	\$ 141,866	\$ 474,359	23.0	17.6	21.1	20.6
<b>057 ANIMAL CONTROL</b>	\$ 97,528	\$ 11,009	\$ 86,519	11.3	21.1	25.9	24.1
<b>058 AMBULANCE</b>	\$ 390,000	\$ 195,000	\$ 195,000	50.0	50.0	25.0	32.3
<b>059 GRANTS</b>	\$ 114,627	\$ 85,377	\$ 29,250	74.5	59.2	77.3	60.1
<b>060 EDUCATION</b>	\$ 21,067,213	\$ 5,266,803	\$ 15,800,410	25.0	25.0	25.0	25.0
<b>070 TRANSPORTATION CENTER</b>	\$ 80,835	\$ 14,001	\$ 66,834	17.3	16.1	15.5	22.5
<b>071 UNION/NON UNION SALARY</b>	\$ 10,547	\$ 8,612	\$ 1,935	81.7	0.8	1.0	5.8
<b>080 COUNTY TAX</b>	\$ 1,797,259	\$ -	\$ 1,797,259	0.0	0.0	0.0	100.0
<b>086 INFORMATION CENTER</b>	\$ 55,900	\$ 55,900	\$ -	100.0	100.0	100.0	100.0
<b>087 ACTIVITY CENTER</b>	\$ 23,210	\$ 4,004	\$ 19,206	17.3	8.1	5.3	7.1
<b>092 EMPLOYEE BENEFITS</b>	\$ 16,000	\$ 10,558	\$ 5,442	66.0	16.1	0.9	23.7
<b>093 FIXED CHARGES</b>	\$ 1,765,877	\$ 75,000	\$ 1,690,877	4.2	15.1	15.5	0.0
<b>096 INSURANCES</b>	\$ 600,000	\$ 364,255	\$ 235,745	60.7	25.7	49.9	53.8
<b>098 WARRANT ARTICLES</b>	\$ 390,000	\$ 6,942	\$ 383,059	1.8	3.7	2.4	1.3
<b>099 CAPITAL OUTLAY (PROPOSED)</b>	\$ 2,936,600	\$ 2,936,600	\$ -	100.0	100.0	100.0	100.0
<b>TOTAL REVENUE</b>	\$ (42,888,494)	\$ (3,212,066)	\$ (39,676,428)	7.5	7.5	8.5	6.6
<b>TOTAL EXPENSE</b>	\$ 42,888,494	\$ 11,937,021	\$ 30,951,473	27.8	26.1	28.0	29.8
<b>GRAND TOTAL</b>	\$ -	\$ 8,724,954	\$ (8,724,954)				