

To: Board of Selectmen

June 5, 2020

Cc: Town Administrator, Deputy Town Administrator

Treasurer's Report for May 2020

Due to COVID-19, life has not been the same for anyone in the past 2.5 months. The Town Office closed to the public on March 18 and recently re-opened on June 1. While many staff members did conduct business during that time, the Town's collection of non-property tax revenues was impacted, resulting in lower than anticipated collections. In anticipation of these lower revenues, the 2020 revenue forecasts for excise and revenue sharing were reduced. Below are a few financial highlights as well as trial balance, revenue comparison report and an appropriation control comparison report.

Balance Sheet Items:

Cash balances: \$ 2,604,563.

The Town's short-term borrowing closed on April 15th and \$2 million has been drawn against the note. Current approval is for \$2.8 million.

2019 taxes outstanding: \$ 68,601.10 (99.45 % of commitment collected). The Tax Collector expects to file liens on these parcels on Monday. There are currently 54 parcels for which liens will be filed.

Other years' taxes outstanding: \$ 26,937, a decline of approximately \$10,500 since December 31, 2019. This amount includes 20 outstanding liens for the 2018 tax year, which would be subject to foreclosure in December if they remain unpaid.

Revenue and Expense Items:

Non-property tax revenue available to reduce taxes: \$ 694,766 (34.69% of forecast)

Single largest source of revenue (other than property taxes) is excise tax which is approximately \$157,000 or 29% behind 2019. However, the Governor's extension of vehicle and boat registration deadlines is coming to an end. Therefore, Harpswell should be able to 'catch up' on excise revenue before the end of the year. Mooring and shellfish license deadlines were also extended but should be paid before the end of the year. While revenue sharing is up over last year, it is expected to drop off in the second half of 2020.

Spending in the first five months of 2020 followed historical experience. Any new items proposed in the 2020 budget are on hold until the Town votes on the budget on July 14. Due to the current times, our March 14 Town Meeting was cancelled and the Governor issued an order allowing municipalities to operate under the prior year's approved budget. Capital Reserve expenditures include those for the purchase of law enforcement & marine patrol vehicles (until April 30), and for the Cundy's Harbor ambulance which was rechartered.

**TRIAL
BALANCE**

	December 31, 2019	May 31, 2020
Assets:		
Cash, including petty cash	\$5,091,745.13	\$2,604,562.90
Taxes Receivable:		
2019	\$394,693.48	\$68,601.10
2018	\$35,092.93	\$24,719.65
Other years	\$2,218.41	\$2,217.07
Prepaid Expenses	\$18,694.00	\$18,694.00
Accounts Receivable	\$118,519.73	\$48,571.41
TOTAL ASSETS	\$5,660,963.68	\$2,767,366.13
Liabilities and Deferred Revenues:		
Fees Collected for the State	\$4,934.50	\$33,308.28
Amts Withheld (Advanced on behalf of) Employees		(\$8,234.08)
Accounts Payable and Other Liabilities	\$29,893.23	\$13,331.89
Prepaid/Overpaid Taxes & Refunds	\$1,568.53	\$13,657.64
Prepaid Mooring Fees & Licenses	\$3,200.00	\$6,625.00
Deferred Revenue	\$213,740.00	\$202,340.00
Total Liabilities & Deferred Revenues	\$253,336.26	\$261,028.73
Fund Balance:		
Interfund Liability - Special Revenue Funds*	\$47,593.04	\$47,593.04
- Bandstand Fund	\$19,518.96	\$19,518.96
Capital Project Carryover	\$408,797.55	\$408,797.55
Pier Demolition	\$408,052.88	\$408,052.88
Tax Supplements/Abatements		\$0.00
Amounts Carried forward	\$895,544.00	\$895,544.00
Fund Balance:	\$3,628,120.99	(\$1,273,169.03)
Tax Anticipation Note		\$2,000,000.00
TOTAL LIABILITIES & FUND BALANCE	\$5,660,963.68	\$2,767,366.13

Non-property Tax Revenues

	5/31/2019	5/31/2020	% of Forecast	2020 Forecast
Excise taxes (auto, boat)	\$535,030.24	\$377,675.04	35.46%	\$1,065,000.00
Registrations (auto, boat, atv, snowmobile)	\$9,296.00	\$7,872.00	26.24%	\$30,000.00
Permits (building, plumbing, planning bd)	\$45,082.14	\$49,397.41	52.00%	\$95,000.00
Fees (moorings, passports, bd of appeals)	\$129,107.00	\$92,974.00	66.41%	\$140,000.00
Licenses & Fines (shellfish, hunting, fishing, dogs)	\$26,253.98	\$6,109.60	20.37%	\$30,000.00
Franchise Fee	\$3,935.91	\$2,720.17	2.92%	\$93,000.00
Copies	\$1,192.65	\$1,187.75	39.59%	\$3,000.00
R/C & Transfer Station (fees & sales)	\$66,854.55	\$66,243.92	32.31%	\$205,000.00
Interest	\$10,221.18	\$9,940.80	45.19%	\$22,000.00
Donations	\$1,600.00	\$1,600.00	13.33%	\$12,000.00
Refunds and other	\$1,033.68	\$956.08	63.74%	\$1,500.00
Property Sales & Leases	\$2,636.00	\$2,620.00	43.67%	\$6,000.00
Interest on Prop. Tax & Lien Charges	\$6,028.44	\$6,100.15	40.67%	\$15,000.00
Other State Reimbursements (URIP, GA, etc.)	\$2,953.42	\$9,262.77	14.25%	\$65,000.00
Harpswell Coastal Academy	\$10,000.00	\$0.00	0.00%	\$10,000.00
Tower Lease	\$11,742.95	\$12,095.24	50.40%	\$24,000.00
Land Use Violation	\$20,000.00	\$0.00		
Subtotal	\$882,968.14	\$646,754.93	35.60%	\$1,816,500.00
Revenue Sharing	\$29,958.23	\$47,973.31	68.53%	\$70,000.00
Homestead Exemption & BETE	\$40.00	\$38.00	0.03%	\$116,000.00
Total Available to Reduce the Commitment	\$912,966.37	\$694,766.24	34.69%	\$2,002,500
Recreation Fees (excluded from forecast)	\$12,593.39	\$6,387.99		
Grants & Gifts with specified purposes	\$52,238.81	\$35,235.14		
Comcast Grants	\$11,400.00	\$11,400.00		
Interest on Emergency Vehicle and Bond A/C	\$3,541.55	\$2,378.11		
Total (Agrees to Revenue Control)	\$992,740.12	\$750,167.48		

Condensed Appropriation Control

	Expended		Appropriations & Carryovers	
	2019	2020		
General Gov't, incl. Elected Officials	\$191,939	\$189,284	\$482,592.00	39.22%
Risk Management	\$38,918	\$38,876	\$99,494.00	39.07%
Employee Benefits	\$159,183	\$175,287	\$401,954.00	43.61%
Town Departments:				
Assessing	\$28,102	\$28,515	\$84,479.00	33.75%
Codes Enforcement	\$56,133	\$49,128	\$143,430.00	34.25%
Tax Collector's Office	\$12,489	\$11,891	\$39,470.00	30.13%
Town Clerk's Office	\$20,135	\$29,357	\$64,340.00	45.63%
Town Planner	\$20,233	\$20,562	\$77,941.00	26.38%
Committees & Commissions	\$917	\$573	\$4,860.00	11.80%
Treasurer	\$12,523	\$10,323	\$13,451.00	76.74%
Harbormaster	\$24,335	\$22,773	\$98,007.00	23.24%
Animal Control	\$15,005	\$13,804	\$29,173.00	47.32%
Facilities:				
Municipal Buildings	\$38,882	\$35,481	\$106,520.00	33.31%
Town Dock & Landings	\$858	\$1,331	\$28,000.00	4.75%
Cedar/Robinhood Beach	\$299	\$90	\$5,050.00	1.78%
Cemeteries	\$0	\$0	\$16,970.00	0.00%
Public Works:				
Recycling Ctr. & Transfer Stn.	\$116,968	\$113,371	\$394,802.00	28.72%
Road Maintenance	\$18,761	\$28,279	\$113,240.00	24.97%
Snow Removal	\$387,272	\$389,654	\$503,969.00	77.32%
Protection & Safety:				
Law Enforcement	\$196,739	\$214,795	\$424,836.00	50.56%
Marine Patrol	\$100,202	\$103,242	\$219,464.00	47.04%
Marine Specialist	\$731	\$0	\$4,000.00	0.00%
Fire & Rescue Dept. Operations	\$60,242	\$48,000	\$205,000.00	23.41%
Municipal Fire Assistance	\$55,892	\$56,839	\$178,586.00	31.83%
Paramedics & Other	\$142,848	\$144,384	\$290,773.00	49.66%
Street Lighting	\$9,911	\$9,317	\$27,000.00	34.51%
Social & Cultural:				
General Assistance	\$8,340	\$6,740	\$45,000.00	14.98%
Social Services	\$0	\$0	\$21,380.00	0.00%
Health & Wellness	\$22,478	\$10,471	\$44,688.00	23.43%
Cultural	\$40,113	\$41,863	\$297,379.00	14.08%
Recreation Programs	\$12,349	\$9,349	\$10,400.00	89.90%
Recreation Department	\$20,262	\$23,624	\$64,208.00	36.79%

Special Projects & Capital Reserves:

Special Projects	\$6,400	\$15,562	\$106,349.00	14.63%
Capital Reserves	\$157,580	\$121,864	\$1,562,228.00	7.80%
Mitchell Field	\$2,599	\$1,209	\$18,700.00	6.46%
Other:				
Contingency	\$0	\$0	\$57,727.00	0.00%
Debt Service	\$13,169	\$10,132	\$365,000.00	2.78%
Grants	\$38,503	\$3,671		
Total Municipal Budget	\$2,031,312	\$1,979,641	\$6,650,460.00	29.77%
MSAD # 75	\$3,225,228	\$3,671,817		
Cumberland County	\$0	\$0		
TOTAL	\$5,256,540	\$5,651,458		