Town of Lisbon

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To: Town Council / Finance Committee / Glenn Michalowski, Town Manager / Sarah Bennett, Assistant Town Manager
From: Samantha Bryant, Finance Director / Rick Billings, Finance Specialist
Subject: Statutory Quarterly Finance Report
Date: July 11, 2024

Per Town Code:

The finance director shall submit quarterly investment reports to the town manager and town council. The report shall list the institution, investment type, amount, interest rate, maturity, current market value (for maturities of over three months), and the aggregate rate of return on the investments for the quarter.
To ensure that adequate cash flows are available for town use, a cash flow budget report will also be required quarterly.
At the end of the fiscal year, the finance director will provide an aggregate report of the investments and the rate of return achieved.

Per State Law 30A MRSA 5603.2.B:
Upon request, provide an account of the finances of the municipality and exhibit the official records to the municipal officers or to any committee appointed by them to examine the accounts. The municipal officers shall examine the treasurer's accounts at least once every 3 months;

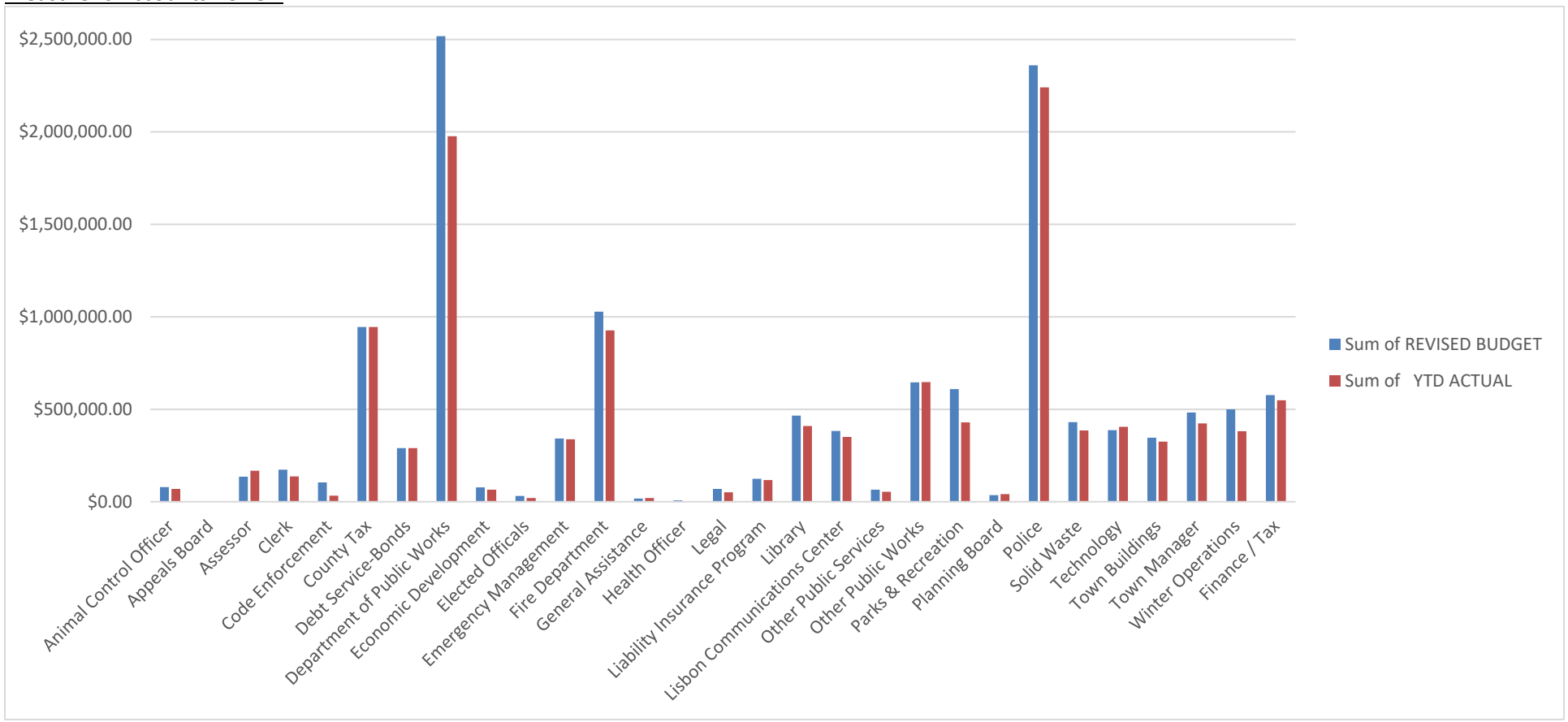
Investment Report

Institution	Investment Type	Current Value	Current Yield	Maturity
Northeast Bank	Money Market Account	$2,116,981.89	5.23%	n/a
Northeast Bank	Certificate of Deposit	$511,303.48	5.30%	7/25/24
Portland Trust Co	Mutual Fund	$1,351,841.77	5.23%	n/a
Portland Trust Co	Mutual Fund	$758,031.42	5.23%	n/a
Lisbon Community Federal Credit Union	Savings Account	$5,933.46	0.20%	n/a
Lisbon Community Federal Credit Union	Certificate of Deposit	$21,808.63	2.75%	7/15/24
Androscoggin Bank	Checking Account	$7,703,787.69	2.70%	n/a

Cash Flow Budget Report

At the end of the fourth quarter of fiscal year 2024, the Town had $12,411,085.02 in cash compared to $14,454,214.72 last quarter and $8,920,669.18 at the end of FY23. In regards to quarter end, cash went down because the Town received a large amount of property tax payments in the third quarter. In regards to year end, some of the cash differences are attributable to a change in timing of bill payments. In addition, as noted below, the Town overperformed budget in FY24 by even more than it did in FY23.

Treasurer's Accounts Review



For FY24, actual unaudited and unreconciled revenues exceeded expenses by just more than $2 million. The primary reasons are as follows:

- Motor Vehicle Revenue exceeded budget by $300k
- Investment Revenue exceeded budget by $300k
- MDEA Grant of $100k was not budgeted
- The Interim Public Works Director after a review of needs did not move forward with purchase of PW truck in FY24, saving $250k in expenses
- Parks and Recreation programs vastly exceeded expected revenues, netting a budget overperformance of $180k
- Winter Ops saved $115k from less snow than expected
- Health insurance expenses for fy24 were generally overbudgeted
- Vacant positions during fiscal year reduced Town expenses
- Nearly all Town Departments overperformed on budget with the following exceptions:
    - Other Public Works (-$2k) – Hydrant rental was more than budgeted due to mistake by previous Finance Director
    - General Assistance (-$2k) – Demand for GA was higher than budget anticipated
    - Planning Board (-$5k) – Contracted Services exceeded budget needs without revenue to cover due to Board waivers of applicant fees;
    - School (-$17k) – Actual expenses for payroll for school elected officials was accidentally allocated here instead of to "Elected Officials" department; miscalculation of budgeted funds owed to school for fy24;
    - Assessor (-$32k) – Town did not budget for abatements and refunds; change in employees/structure led to unbudgeted health insurance costs; (to emphasize none of this was the fault or control of the Assessor)

These figures may change slightly after reconciliation and audit, but I am very confident that overall revenues greatly exceeded overall expenses. While the Town would rather have a surplus than a deficit, excessive surplus means that the Town overtaxed its residents in a given year and/or went without providing services to residents that it could have. Going forward, I'm confident that the changes in our budget process and methodology starting with FY25 will result in more accurate budgeted amounts.