

Winchester Recreation Department Enterprise Account Information

Did you Know???

We Operate as an Enterprise Fund

The Winchester Recreation Department operates as an **Enterprise Account**. This means the department is financially self-supporting and responsible for covering all of its operating costs.

What Does That Mean?

Unlike traditional town departments that rely primarily on tax dollars, the Recreation Department:

- Covers **all direct program and staffing costs**
- Pays for **employee benefits**, including retiree benefits
- Covers **workers' compensation and unemployment claims**
- Pays for **energy and utilities**
- Contributes toward town-wide expenses that support our operations

What Are Indirect Costs?

Indirect costs are payments made to the Town to cover shared municipal services that support the Recreation Department, including:

- Town Manager's Office
- Treasurer/Collector
- Human Resources
- Department of Public Works
- Comptroller
- IT Department
- Legal services
- Annual audit costs
- FICA
- Property insurance
- OPEB (Other Post-Employment Benefits)

These costs ensure the Recreation Department operates **without increasing the local tax burden**.

Indirect costs are calculated annually, added to the department's expense budget, and paid back to the Town quarterly. These costs are considered part of the department's overall overhead and are factored into program fee setting.

Indirect Costs by Fiscal Year

- **FY22:** \$352,524
- **FY23:** \$351,725
- **FY24:** \$382,432
- **FY25:** \$448,776
- **FY26:** \$418,923
- **FY27:** \$412,023

Town Allocation Support

While we operate as an enterprise fund, the Town provides an annual allocation (approved at Spring Town Meeting) to help offset some costs and keep programs accessible.

Town Allocation by Fiscal Year:

- **FY22:** \$390,000
- **FY23:** \$200,000

- **FY24:** \$175,000
- **FY25:** \$175,000
- **FY26:** \$175,000
- **FY27 (proposed):** \$175,000

Additional Operating Responsibilities

In addition to programming, the Recreation Department directly funds:

- Janitorial services
- Cleaning and sanitary supplies
- Snow and ice removal at Mystic
- Landscaping services
- Pest control Mystic
- Alarm system monitoring Mystic

In 2025, the Recreation Department provided **over \$24,000 in financial assistance**, including:

- \$2,540 – Neighbors Helping Neighbors Fund
- \$6,267.50 – ENKA private scholarships
- \$15,483.50 – Recreation operating revenue (unfunded aid covered by department proceeds)

This reflects the department's ongoing commitment to ensuring programs remain accessible to all residents.

What This Means for Residents

Program fees directly support:

- High-quality programs and staffing
- Facility operations and maintenance
- Shared municipal services
- Community reinvestment
- Financial aid and scholarships

Our enterprise model allows us to:

- Deliver diverse, high-quality programming
- Maintain financial accountability
- Minimize impact on taxpayers
- Provide meaningful financial assistance to families in need
- Reinvest revenue back into the community