

# TOWN OF CUMBERLAND MUNICIPAL BUDGET PROPOSAL FY 2017

William R. Shane

Town Manager

February 22, 2016



# Budget Proposal FY 2017

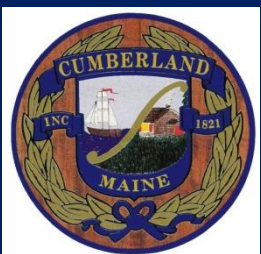


## Town Charter Requirements – Article V Budget

- Town Manager shall submit a budget prior to May 26<sup>th</sup>
- “The budget authority of the Council shall be limited to the final determination of the total appropriation to be made to each of the several offices, departments and agencies of the town.”

### **Budget Shall Include :**

- a. Statement of Financial Condition of the Town
- b. Detail of Expenditures, past, current and proposed
- c. Proposed Capital Budget
- d. Itemized Revenues
- e. Debt Service Budget- Interest & Principal detailed
- f. Other information as required by Town Council

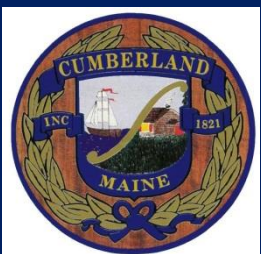


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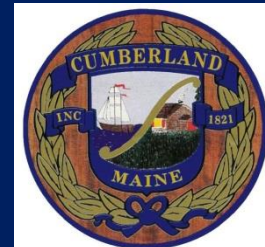


## A. Financial Condition Overview

- The Town is in a very good Financial Position
- Closed FY 2015 with \$2.1 M Fund balance with all of it unassigned - no more “deficit funds”
- Bond Ratings Held at A 3 for Moody’s and AA+ Standard & Poore’s
- Tax Payments were at a near all-time high collection of 99% and Foreclosed properties less than \$10,000 uncollected

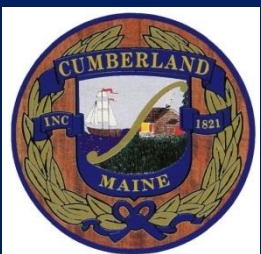


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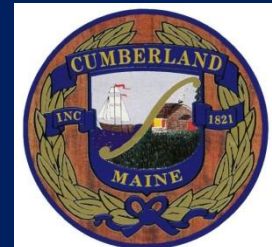


## B. Expenditures – Past - Current- Proposed

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Budget	FY2017 Proposed
<b>Total Expenses</b>	<b>\$8,777,049</b>	<b>\$9,043,008</b>	<b>\$9,562,512</b>	<b>\$10,355,079</b>	<b>\$10,726,164</b>
Operating Expenses	\$7,880,912	\$7,909,315	\$8,238,644	\$9,173,579	\$9,557,566
Capital Expenses	\$896,137	\$1,133,693	\$1,323,868	\$1,181,500	\$1,168,598

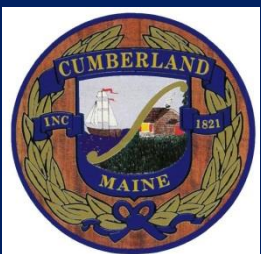


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## C. Capital Improvements Overview

- Payson Property development moving forward
- Town Garage relocation delayed to FY 2018
- Closing of the Stump Dump Summer of 2017
- Over \$1M in paving proosed this Summer
- Fire Station Committee Appointed
- Middle Road Waterline & Recon beginning Engineering

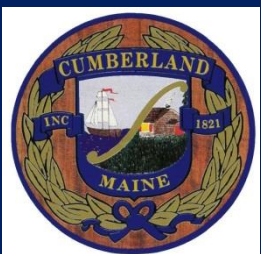


# Budget Proposal FY 2017



## D. Revenues

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Budget	FY2017 Proposed
Total Revenues	4,264,445	4,251,908	4,487,020	4,555,489	4,535,720
Revenue Sharing	612,537	424,348	421,155	385,710	385,710
Rev Shar as % of Total	14%	10%	9%	8%	9%

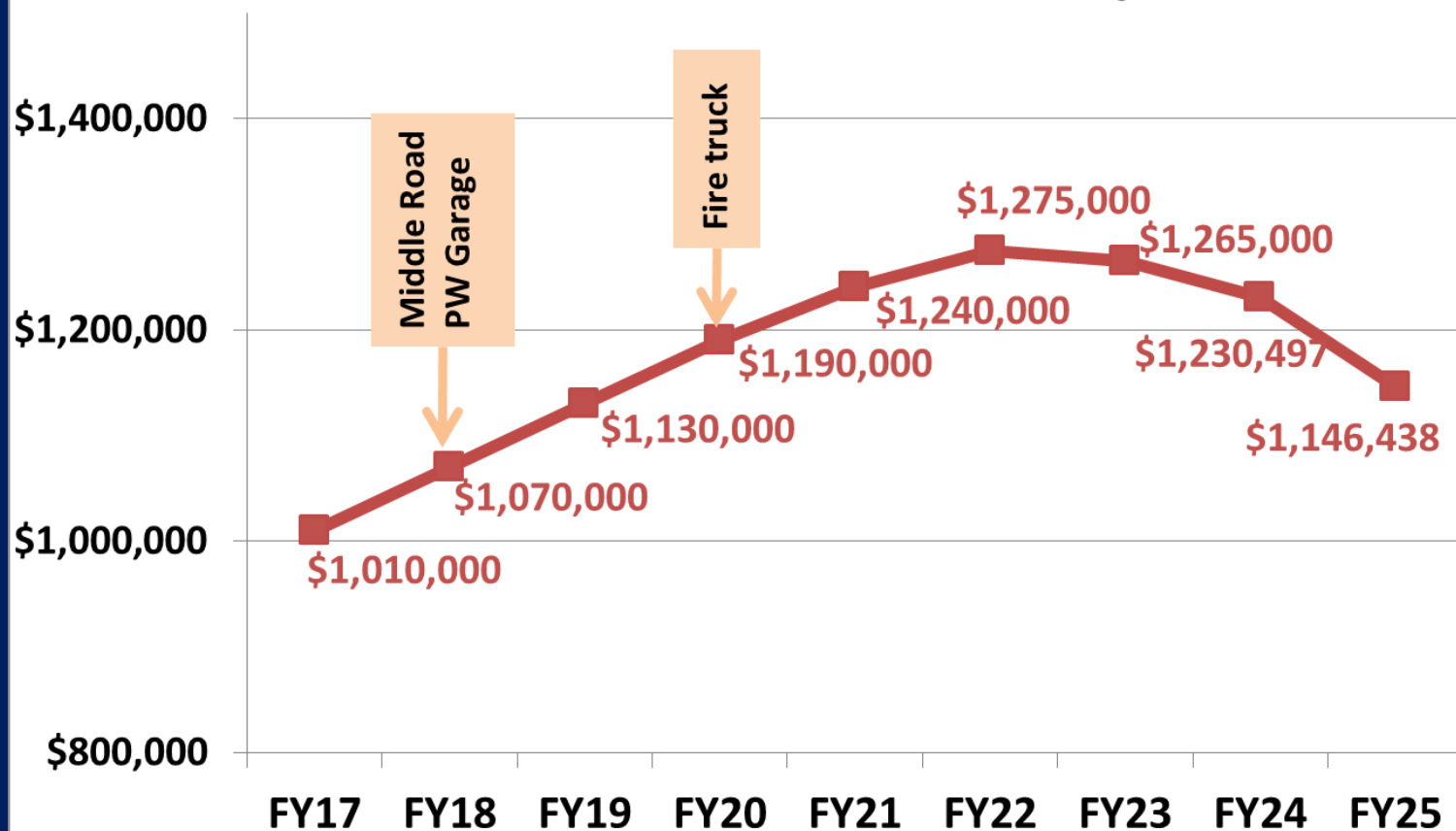


# Budget Proposal FY 2017

## E. Debt Service



Town of Cumberland - Future Debt Service Budgets





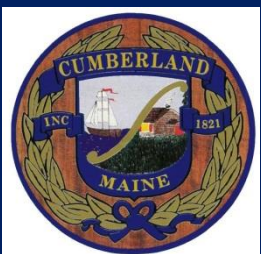
# Budget Proposal FY 2017



## E. Debt Service

FY	Current DS GF	Middle Road \$3.2 MM	PW Addition \$2.5 MM	Fire Truck \$1.0 MM	Projected Debt Svc	Add to or (Use) Reserve Fund	PROPOSED BUDGET
FY17	\$854,468	\$0			\$854,468	\$155,532	\$1,010,000
FY18	\$755,270	\$256,000	\$200,000		\$1,211,270	(\$141,270)	\$1,070,000
FY19	\$713,224	\$256,000	\$200,000		\$1,169,224	(\$39,224)	\$1,130,000
FY20	\$724,318	\$256,000	\$200,000	\$80,000	\$1,260,318	(\$70,318)	\$1,190,000
FY21	\$816,097	\$256,000	\$200,000	\$80,000	\$1,352,097	(\$112,097)	\$1,240,000
FY22	\$848,359	\$256,000	\$200,000	\$80,000	\$1,384,359	(\$109,359)	\$1,275,000
FY23	\$838,814	\$256,000	\$200,000	\$80,000	\$1,374,814	(\$109,814)	\$1,265,000
FY24	\$659,904	\$256,000	\$200,000	\$80,000	\$1,195,904	\$34,593	\$1,230,497
FY25	\$610,438	\$256,000	\$200,000	\$80,000	\$1,146,438	\$0	\$1,146,438





# Budget Proposal FY 2017



## Knowns

- Loss of Homestead Reimbursement -\$100,0000
- Reduce Overlay to \$200,000 – slows Fund Balance Growth
- Debt Service Town- Very measured & predictable
- Health Insurance- 20% - 30% Increase
- Increase in Property Value – Expect \$20M

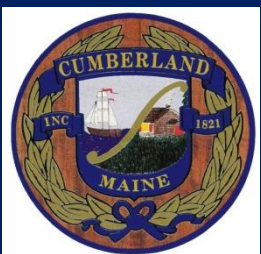


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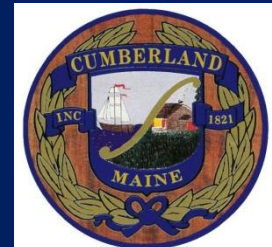


## Unknowns

- MSAD 51 Budget
- Increase in Property Value – Expect \$20M



# Budget Proposal FY 2016



## Preliminary Tax Rate Impact

### Municipal

Payson Debt	\$185,000		1.8%
Insurance	\$100,000		1.0%
Remainder of Town Budget	<u>\$ 58,142</u>		0.5 %
	\$343,142		

\$343,142

### County Tax Increase

\$ 27,943    0.3%

### Total Increase without Schools

\$371,085    3.6%

### Tax Base Growth    FY 16 vs FY 15

\$ 362,000

### NET to Tax Rate if 30% of Growth Used (\$ 108,600)

\$ 262,485    \$0.24

### County + Town    - 1.4% Increase to Mil Rate

\$0.26



# Budget Proposal FY 2017

## Next Steps



- **Budget Workshop - Saturday, March 19, 2016  
8 AM until Completed**
- **March 28, 2016 Public Hearing FY 2017 Budget – 7 PM**