

FAQ'S for 2012-13 Budget

Original questions Contributed by
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Demographics

What is the population? Can the following breakdown be provided?

1. School Age – MSAD is the best resource – but I believe it is 1,500 -1,600 from Cumberland.
2. 65+ - 11% +/-
3. Total – 7,211

Roads

1. Top 10 most traveled (excluding Turnpike, Interstate)

	8090 Average Daily Traffic Counts
Main St	
Rt 1	7000
Rt 100	6010
Tuttle	5040
Blanchard	3770
Rt 88	2890
Middle Road	2890 Yarmouth end
Middle Road	2790 Falmouth end
Blackstrap	2770
Winn Road	2430
Skillin Road	2120

<http://www.state.me.us/mdot/traffic-counts/2008tc/cumberland.pdf>

2. What roads would be eligible for state funds if they met state requirements and the state had funds

Blackstrap, Blanchard, Skilling, Winn, Longwoods (Lower Main St)

Roads eligible for PACTS Funding

Rt One - All Ok	2.78
Tuttle Road	0.28
Main St- Tuttle to Greely	0.91

Non PACTS eligible

Rt 88	3.14 Miles
Tuttle Road	3.25 Miles
Kings Highway	0.11 Miles

3. How many miles of roads do we plow – 65

4. **Cost per mile to plow (excluding materials) \$5,900**

5. **Has any consideration been given to sub-contracting some plowing**

Yes- with attrition we will be moving toward a subcontract model. I estimate that will begin to happen within 3-5 years.

Valuation

1. **What is the total valuation of property in Cumberland**

\$1,159,428,600.00

2. **What is the breakdown residential vs. commercial**

Town	Total Taxable Valuation	% Residential	% Commercial
Cumberland	\$1,159,428,600	97%	3%
Falmouth	\$2,131,400,000	84%	16%
Freeport	\$1,526,300,000	71%	29%
Yarmouth	\$1,634,600,000	74%	26%
(150 Million Power Plant- Almost 50% of Commercial)			

3. **What is the formula for determining the tax impact of expenses? The formula I have seen is: expense / total valuation x individual valuation**

Example: A \$300,000 net increase (no offset in revenues) to the Town budget results in a Tax Increase of:

$$\frac{\$300,000}{\$1,158,854,400} \times 1,000 = \$0.259$$
 This is an approximate value impact
It does get adjusted by other factors but typically is very close (within a few cents to the final number)

The \$00.259 x Home Valuation/1000 = Tax Impact on your Home

Budget

1. How long can/will Econ. Dev. Director position be funded by TIF monies

5 years – Phase out in years 5-10

Only 600 Acres of potential Commercial Property to develop

2. What type of Health Ins. Plan(s) is/are offered to employees

For the coming year, a standard Anthem PPO and a “high-deductible” PPO with a health reimbursement account attached. We eliminated our HMO on June 30, 2010.

3. Does expense item for health ins include Vision and Dental plans

Vision, yes. It's about \$6.55 a month for a single employee, \$17 for a full family. Dental is paid entirely by the employees, so no employer contribution.

4. Do we have a Section 125 (Cafeteria) type plan that lets employees spend benefit dollars pre-tax on different benefits

Yes. It is fully funded by employees.

5. Are health premiums for employees 100% funded by town

No. Employees pay a maximum of 20% of the total plan cost, down to a possible minimum of 10%, depending on participation in the town Wellness Plan. The more they participate, the lower their pay-in.

6. What is ICMA

Essentially, the municipal version of a 401K plan. Technically, it's a 457 plan, but really not much different.

7. What is MSRS Retire Life Ins

When town employees who were enrolled in Maine State Retirement retire, the town is then required to pay their life insurance premiums.

8. Is the town subject to both federal and state unemployment?

As a municipality, we are self-insured, which means we pay as we go. Unfortunately, it has been too low in past years, which is why we are raising the amount to \$5,000

9. What is RHSA in the Insurance budget

Retirement Health Savings Account. A few years ago, we dropped the cap on maximum sick hours accumulated from 960 down to 480, but placed money into individual accounts for those employees above 480 hours. This accomplishes two objectives. First, it lowers our overall liability. Second, it creates an incentive not to use sick time, improving productivity.

This was done on a 5 year schedule to get everyone down to 480, and is in the final year.

10. What is the Insurance Premiums in the Insurance budget?

Assuming property and vehicle?

Correct. It is the liability policy for everything in the town.

11. What is Health Insurance Incentive Pay? Is this the “opt” out of the town plan?

Yes. Each year, more employees take this option. Thus, overall health insurance premiums did not rise as much as they could have. This has been an enormous money saver for us.

12. Given the current economic environment, the General Assistance budget seems meager. What happens when that money runs out? Do we pull from other funds or are applicants turned away?

No, we end up overspending the budget if that occurs, but keep in mind that we do get a large chunk of this back from the state.

13. What is TAN Interest in the Debt Service budget?

Tax Anticipation Note. The town borrows money for the low points between tax cycles. This is the primary reason that we are constantly pushing the need to increase our overall fund balance. Higher fund balance equals lower TAN payments.

14. What are the Lease Payments in the Debt Service budget?

This is a 5 year lease on a bunch of building improvements 3 years ago. New roofs for the Town Garage and Val Halla Banquet Center, a new pump station at Val Halla, and conversion expenses to split the banquet center from the rest of the Valhalla Clubhouse, in preparation for the 2011 sale of the Banquet Center to the Maine State Golf Association. Also, \$35,000 for a five year lease on a new plow truck.

15. Are there any “one time” items in the proposed 2013 budget?

No. However, both the revenues and expenses for Rec programs grew substantially due to the addition of the after school programs.

16. What consideration has been given to sub-contracting some of the functions of Parks and Public Works departments?

Parks & Public Works are fairly different. Parks labor is pretty much lawn mowing and field maintenance and there is no indication we'd do any better contracting this. Public Works (excluding plowing) has actually already occurred. There was a time not too long ago that Public Works handled a lot of the road improvements themselves. Now, they do very little.

17. What is the cost for the bulky waste pickups each year? Has there been discussion about eliminating this expense in lieu of increasing bag costs?

\$4,500 per collection- no real discussion of eliminating the service as many residents actively participate in both collection. Plus \$95/ton disposal for 350 tons of materials or \$ 33,250.

18. The quality of the current bags are substandard. You cannot use them as your primary trash bag as they are so thin so you buy trash bags to use to put your trash into the town bag. How can we consider increasing a cost on an item that is poor quality?

We will be doing a public service announcement on recycling and part of that is to encourage people to use the green bag as a liner inside a 30 gallon trash can. By doing so, people can compact most 13 gallon kitchen trash bags into the bag without much effort. I get 2-3 bags into my container without much effort and put my trash container out every other week. This also keeps the birds from tearing the bags apart and keeps the rain out of the bag (which adds weight).