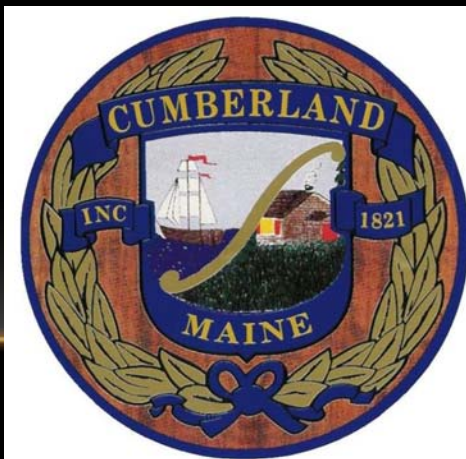


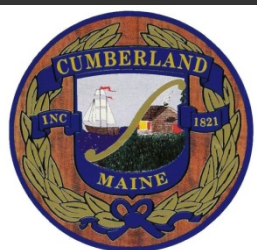
TOWN OF CUMBERLAND MUNICIPAL BUDGET PROPOSAL FY 2016

William R. Shane

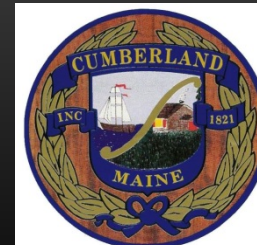
Town Manager

February 09, 2015





Budget Proposal FY 2016



Town Charter Requirements – Article V Budget

- Town Manager shall submit a budget prior to May 26th
- “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



Budget Proposal FY 2016

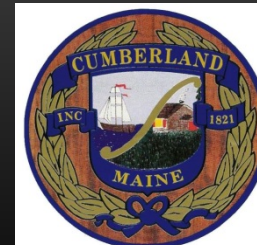


A. Financial Condition Overview

- The Town is in a very good Financial Position
- Close FY 2014 with \$1.7 M Fund balance with \$1.2 M of unassigned
- 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



Budget Proposal FY 2016



B. Detail of Expenditures

- Successfully bonded the \$3M Payson property purchase at 2.5% vs 4%
- Re- financed 3 Sets of Bonds for savings over \$250,000
- Proposing a New Debt Reserve to flatten future Capital Spending Impacts
- Budget to be posted on line Tuesday



Budget Proposal FY 2016



C. Capital Improvements Overview

- Payson Property development on-hold
- Town Garage relocation delayed to FY 2018
- Closing of the Stump Dump Summer of 2017
- Over \$1M in paving proesed this Summer
- Turnpike Interchange Application submitted



Budget Proposal FY 2016



B. Debt Service – Town Garage

Phase One – 58 New Homes- \$350,000 to \$600,000 – 30 Homes built/underway

Phase Three – Full – 38 Affordable Senior Housing Units

Phase Two – On Deck – 20-30 Town Houses & 10,000 SF of retail plus new Mini Park consisting of an outdoor Ice Pond, Outdoor Basketball Courts and Bathroom facilities – Estimated Value = \$ 20 - \$30 Million

Annual Tax Base = \$352,000 + Personal Property Tax + annual appreciation

Very Prelim. \$\$ to Move Town Garage at \$4 M = \$320,000 - 20 year debt service



Budget Proposal FY 2016



E. Debt Service – Town Garage

NEXT STEPS - FOR TOWN GARAGE RELOCATION FY 2018

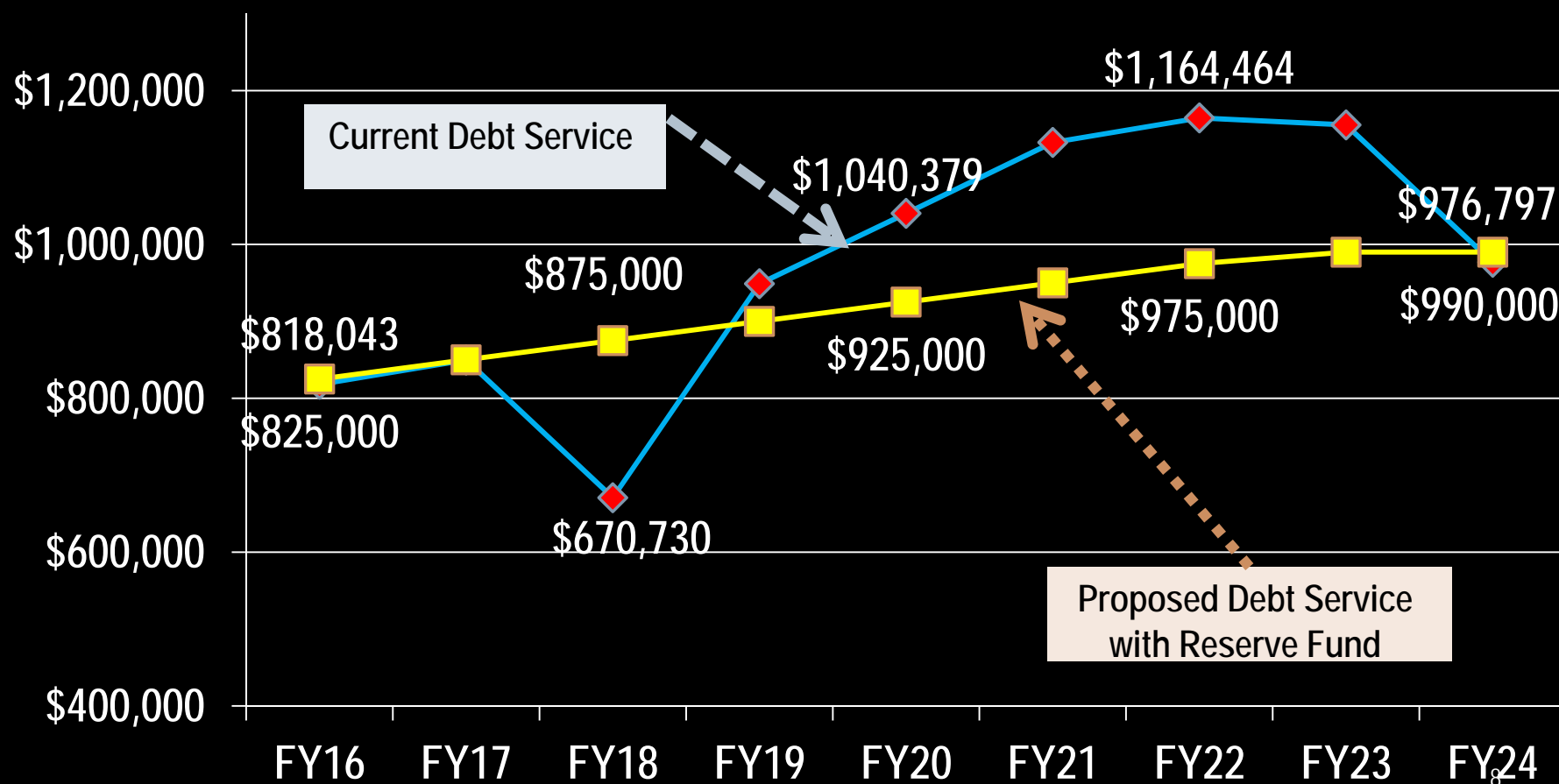
- Evaluate Land Options- preference toward Sewer & Water
- Determine if North Yarmouth would be interested in a common facility with MSAD 51
- Hold Public Meetings on Land Options and Preliminary Costs
- Develop Budget and Advertise for Design Build of new facility
- Select Development Team
- Return to Town Council with Final Costs
- Hold Public Hearing for Bonding and authorization for PB Review
- Begin Construction Spring 2017
- Move into New Facility Summer 2018
- **Begin Phase Two of Village Green – Late Summer 2018**



Budget Proposal FY 2016



E. Debt Service





Budget Proposal FY 2016



Knowns

- Val Halla & Adult Education Moved to the General Fund
- Rise in Expenses \$950,000
- Increase in Revenues \$ 772,000 Non-property taxes
- Increase in New Property Taxes \$532,500
- Paving Plan fully funded
- Commitment Date – July 13, 2015



Budget Proposal FY 2016



Unknowns

- MSAD 51 Budget
- Health Insurance- 15% - 30% Increase
- Governor's Budget Impacts on Schools & Town's
- \$ 375,000 Revenue Sharing lost
- Impact of Homestead Exemptions – Under 65 will see a \$175 increase in taxes without any changes to current budget
- Town Council may need to restart Budget process after State Legislature adjourn based on Municipal Impacts



Budget Proposal FY 2016

Preliminary Tax Rate Impact



Municipal

\$950,652 Expenses - \$772,147 Rev Incr \$178,495
Val Halla + Adult Ed (Exp.) – VH +AE (Rev)

County Tax Increase \$ 51,358

Tax Base Growth FY 16 vs FY 15 \$ 532,500
\$302,647

If the MSAD 51 Assessment increase less than \$716,000 or 5%
Mil Rate for FY 2016 = \$ 17.75 or less 2% increase over FY 2015



Budget Proposal FY 2016

Next Steps



- Budget Workshop - 2/23/14 – prior to Council Meeting – 6 PM
- Budget Workshop - 3/09/14 – prior to Council Meeting – 6 PM
- Budget Workshop - Saturday, March 14, 2015
8 AM until Completed
- March 23, 2015 Public Hearing FY 2016 Budget – 7 PM