Town of Cumberland
Finance Committee Meeting
Monday, April 24, 2023

5:00 PM – Chambers

I. TIF / Capital Budget Review

II. Final Questions from Council

III. Preparation for Saturday April 29, 2023, 8 AM budget Review

IV. Next Meetings

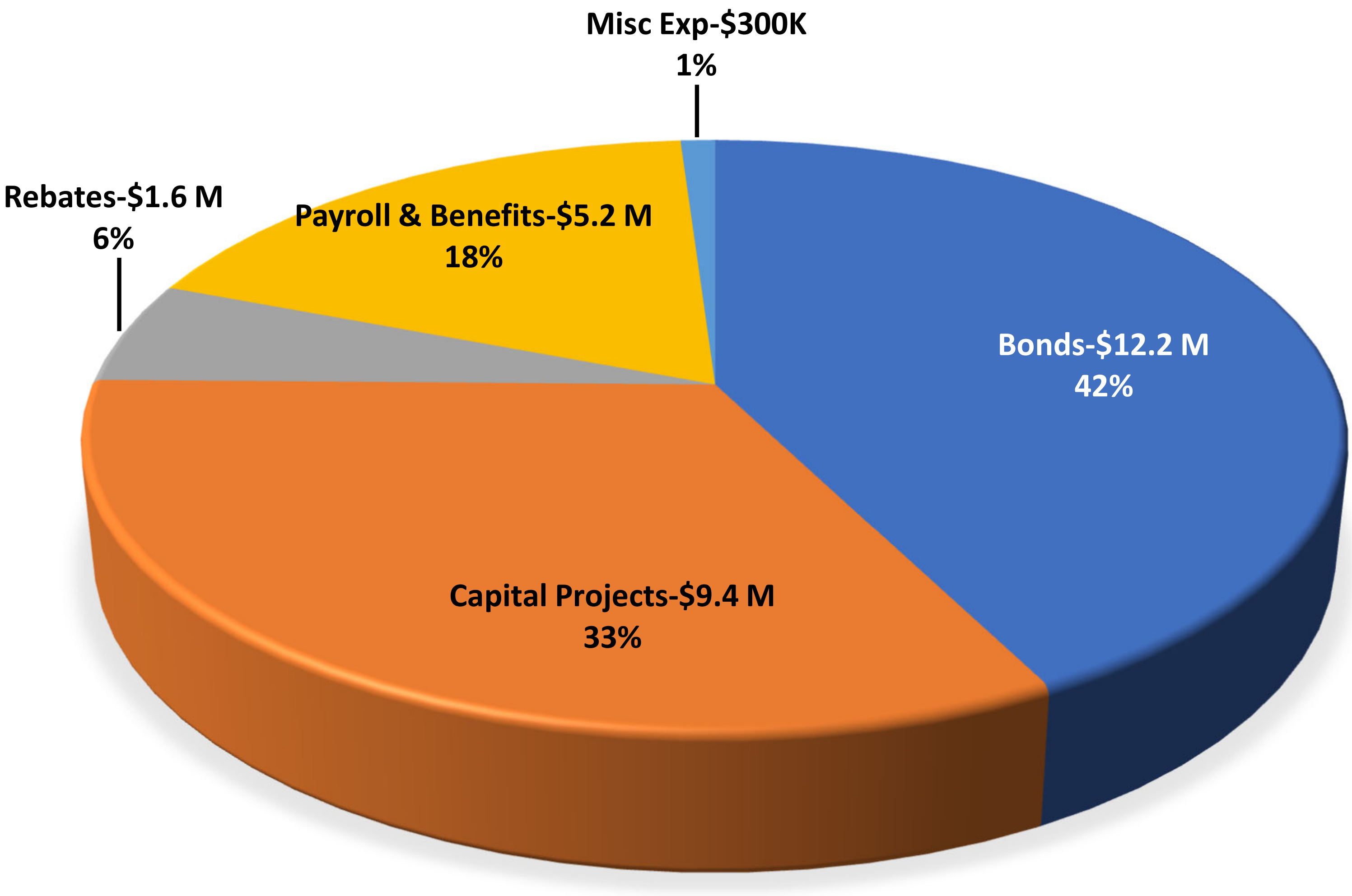
a. 8 AM, April 29, 2023
b. 7 PM – May 8, 2023- Budget Public Hearing

V. Adjournment

FY 2023 Town Council - Finance Committee

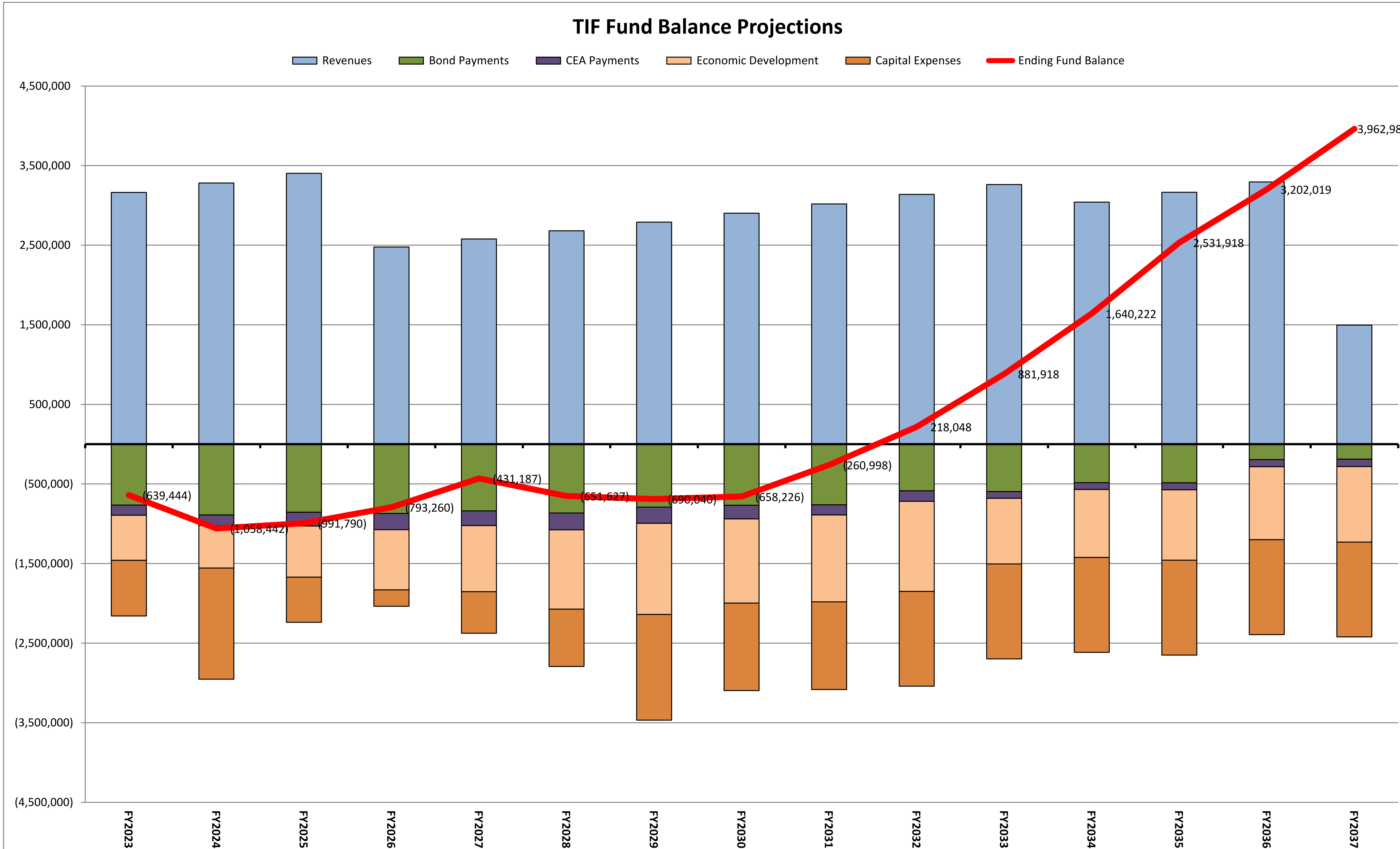
Bob Vail – Councilor   Mark Segrist - Chairman   Tig Filson – Councilor

LIFE-TO-DATE SPENDING OF TAX INCREMENTAL FINANCING (TIF)



Projects:

- Range Road
- Central Fire Station
- Route 1
- Route 100 waterlines, sidewalks, and drainage
- Road paving
- Gas mains
- Tuttle Road
- Twin Brooks
- Sewer units
- Castlerock Infrastructure

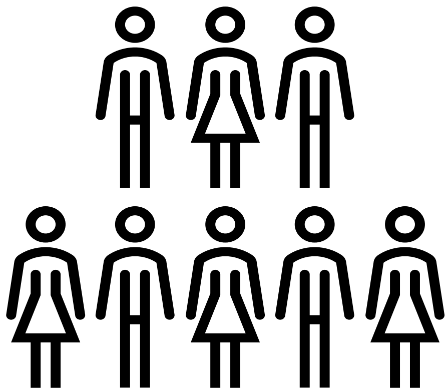

TIF Fund Balance Projections
Revenues
Bond Payments
CEA Payments
Economic Development
Capital Expenses
Ending Fund Balance
4,500,000
3,500,000
2,500,000
1,500,000
500,000
(500,000)
(1,500,000)
(2,500,000)
(3,500,000)
(4,500,000)
(639,444)
(1,058,442)
(991,790)
(793,260)
(431,187)
(651,627)
(690,040)
(658,226)
(260,998)
218,048
881,918
1,640,222
2,531,918
3,202,019
3,962,980
FY2023
FY2024
FY2025
FY2026
FY2027
FY2028
FY2029
FY2030
FY2031
FY2032
FY2033
FY2034
FY2035
FY2036
FY2037

TIF FUND
PROJECTION REVIEW
FY2024-2035

	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
	BUDGETED					70.67%							
Total Estimated TIF Values	132,385,265	136,999,135	137,999,136	138,999,137	139,999,138	98,941,439	99,941,440	100,941,441	101,941,442	102,941,443	103,941,444	104,941,445	105,941,446
Mil rate incr per year	21.20	*22.25*	*22.92*	*23.61*	*24.31*	*25.04*	25.79	26.57	27.36	28.19	29.03	29.90	30.80
Revenues	**2,806,568**	**3,048,231**	**3,162,595**	**3,281,078**	**3,403,824**	**2,477,748**	**2,577,874**	**2,681,778**	**2,789,596**	**2,901,470**	**3,017,545**	**3,137,974**	**3,262,912**
Expenses													
Economic Development													
Pay & Benefits	*970,652*	*1,120,051*	*1,031,067*	*1,067,154*	***1,104,505***	***807,906***	*836,183*	*865,449*	*895,740*	*927,091*	*959,539*	*993,123*	*1,027,882*
General Expenses	18,140	16,499	16,994	17,504	18,029	18,570	19,127	19,701	20,292	20,900	21,527	22,173	22,838
Contracted Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Kinney Land Lease	7,485	7,747	8,018	8,299	8,590	-	-	-	-	-	-	-	-
	996,277	**1,144,297**	**1,056,079**	**1,092,957**	**1,131,124**	**826,476**	**855,309**	**885,150**	**916,031**	**947,991**	**981,066**	**1,015,296**	**1,050,720**
Bond Principal & Interest payments													
	865,059	**790,428**	**768,588**	**762,216**	**587,431**	**597,140**	**483,930**	**485,214**	**194,109**	**189,497**	**184,886**	**179,888**	**174,891**
Credit Enhancement Rebates													
Dirigo Management - 1	23,991	25,179	25,934	26,712	27,514	-	-	-	-	-	-	-	-
Maine Colloids LLC - 2	33,285	34,934	9,104	-	-	-	-	-	-	-	-	-	-
Maine Standards - 3	43,891	46,065	38,508	-	-	-	-	-	-	-	-	-	-
Hardy Street LLC - 3	23,805	3,861	3,977	4,096	4,219	4,346	4,476	4,610	4,749	4,891	5,038	-	-
Lola in Pearls LLC - 1		3,861											
Memory Care - 1	20,505	21,520	22,166	22,831	23,515		-	-	-	-	-	-	-
Casco Systems - 5	29,326	30,778	31,701	32,652	33,632	34,641	35,680	36,751	37,853	38,989	40,158	40,443	-
McCloy/Integrative Health - 3	17,255	18,109	18,652	19,212	19,788	20,382	20,993	21,623	22,272	22,940	23,628	24,337	25,067
Belted Cow - 3	19,643	20,616	21,234	21,872	22,528	23,203	23,900	24,617	25,355	26,116	26,899	27,706	28,537
Credit Enhancement Rebates	**211,701**	**204,923**	**171,277**	**127,375**	**131,196**	**82,572**	**85,049**	**87,600**	**90,228**	**92,935**	**95,723**	**92,486**	**53,604**
Capital Expenses													
Available for TIF eligible projects													
Paving Plan/CIP	700,000	1,307,581	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	500,000	500,000	500,000
Tower - Public Safety			160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Rte 100 Round-a-bout			80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Tuttle Rd Bridge Sidewalk				700,000									
Affordable Housing													
Baseball Fields for Housing			240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Bond Payment (2 FD Veh @ $800k/ea)					112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000
Summit Expenses (Cap Outlay)	20,000	20,000	20,000	20,000									
	720,000	**1,327,581**	**1,100,000**	**1,800,000**	**1,192,000**	**1,192,000**	**1,192,000**	**1,192,000**	**1,192,000**	**1,192,000**	**1,092,000**	**1,092,000**	**1,092,000**
Total Expenses	**2,793,037**	**3,467,229**	**3,095,944**	**3,782,548**	**3,041,751**	**2,698,187**	**2,616,288**	**2,649,964**	**2,392,369**	**2,422,423**	**2,353,676**	**2,379,670**	**2,371,216**
Change in Fund Balance	**13,531**	**(418,998)**	**66,651**	**(501,470)**	**362,073**	**(220,439)**	**(38,414)**	**31,815**	**397,227**	**479,047**	**663,870**	**758,304**	**891,696**
Ending Fund Balance	**(639,447)**	**(1,058,445)**	**(991,793)**	**(1,493,263)**	**(1,131,190)**	**(1,351,630)**	**(1,390,043)**	**(1,358,229)**	**(961,001)**	**(481,955)**	**181,915**	**940,219**	**1,831,915**

Inflation v COLA

Employees



July 1, 2020 -			**Full-time average salary**	**$**	**66,058**
FY 2021:	**Inflation**	5%	**Inflation**	$	(3,303)
	COLA	0%	**COLA**	$	-
				$	62,755
FY 2022:	**Inflation**	9%	**Inflation**	$	(6,242)
	COLA	4%	**COLA**	$	2,642
				$	59,155
FY 2023:	**Inflation**	2%	**Inflation**	$	(1,512)
	COLA	6%	**COLA**	$	4,122
			Salary as of June 30, 2023	**$**	**61,765**

Source: U.S. Bureau of Labor Statistics - https://www.bls.gov/data/inflation_calculator.htm

2024 TAX RATE CALCULATION

			FY 23
Preliminary	**AS OF 4/24/2023**	**$22.25**	**$21.20**

5.73% School Assessment Increase and additional

				2023	***2024***	
				21.20	***22.25***	
1	Local Taxable R/Estate Valuation			1,460,057,180	**1,482,839,270**	
2	Local Taxable PP Valuation			**14,570,700**	**14,570,700**	
3	Total Taxable Valuation (line 1 + line 2)			1,474,627,880		
4a	Total of all Homestead Exempt Valuation ($25,000)			43,854,750	**40,328,750**	
4b	Total of all H/Stead Exempt Val @ 73%			30,698,325	**29,439,988**	
5	Total of all BETE Exempt Valuation			**4,080,200**	**4,080,200**	
5a	Line 5 X 50% for year 7			2,040,100	**2,040,100**	
6	Total Valuation Base (line 3 + line 4b)+line 5			1,505,326,205		
	APPROPRIATIONS					
				FY 23	**FY 24**	
7	County Tax			1,009,811	**1,189,811**	***03/15/23***
8	Municipal Appropriation		**2023 Value**	**12,580,402**	**$13,884,949**	
9	TIF Financing Plan Amount		**$136,999,135**	2,806,568	**3,048,231**	***4/11/2023***
10	School Appropriations			21,851,719	**23,103,879**	***4/3***
11	Total Appropriations (Add lines 7-10)			38,248,500		
	ALLOWABLE DEDUCTIONS					
				FY 23	**FY 24**	
12	State Municipal Rev| Revenue Sharing			$925,000	**1,700,000**	***(Estimate)***
13	Other Revenues			$5,129,394	**$5,644,810**	***(Estimate)***
14	Total Deductions(line 12 + line 13)			**6,054,394**	**7,344,810**	
15	To be raised by local property tax(line 11 - line 14)					

16	33,882,060	**X**	1.05	**=**	35,576,162.74	**Maximum Allowable Tax**
17	33,882,060	**/**	1,528,890,058	**=**	**0.022161**	**Minimum Tax Rate**
18	35,576,162.74	**/**	1,528,890,058	**=**	0.023269	**Maximum Tax Rate**
19	**1,497,409,970**	**X**	**0.022250**	**=**	**$33,317,372**	**Tax for Commitment**
	31,480,088		4.95%			
20	33,882,060	**X**	0.05	**=**	$1,694,103	**Maximum Overlay**
21	29,439,988	**X**	0.022250	**=**	$655,040	**Homestead Reimbursement**
22	2,040,100	**X**	0.022250	**=**	$45,392	**BETE Reimbursement**
23	34,017,803.78	**-**	33,882,060	**=**	**$135,744**	**Overlay**
	(line 19 + 21 & 22)					