



**Virtual
Budget Hearing
March 21, 2020**



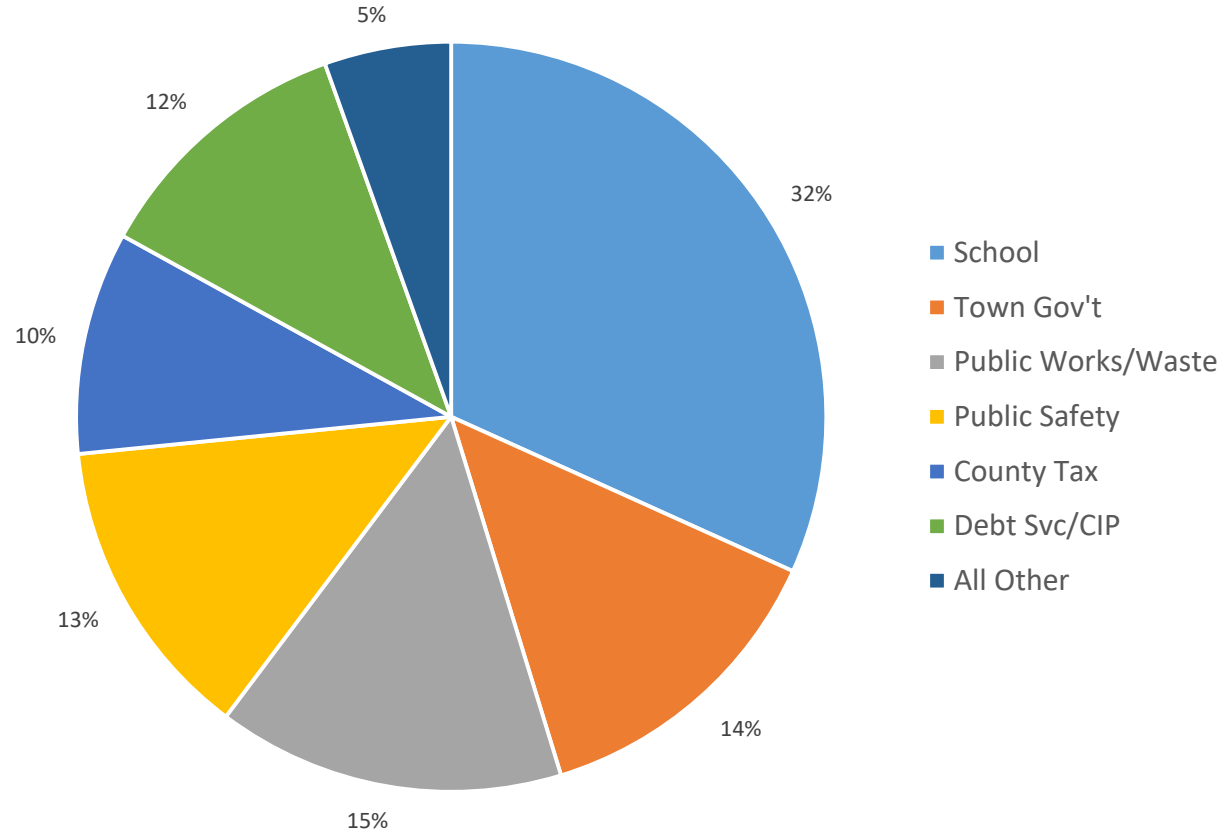
DRAFT MILL RATE For FY 20-21

7.880

**No Change
From Current Year**



NET EXPENSE



(\$ in '000s)	School	Town Gov't	Public Works/Waste	Public Safety	County Tax	Debt Svc/CIP	All Other	Total
Net Expense	430	183	203	178	130	156	74	1,354



MAJOR IMPACT

compared with this year's budget

- **Employee compensation up 14k**
 - 2% increase for Town salaries (3% this year)
 - 3.5% increase for School salaries (no increase this year)
 - Teacher step increases (this year as well)
 - Variety of other position-specific adjustments

- **Tuition paid to LI for Gt Diamond students up 22k; tuition paid to Portland for middle & high students up 18k**

- **Solid waste net expense up 15k** (increased disposal costs)

- **Debt service up 11k** (primarily for projects approved last year)

- **Cumberland County Tax up 11k** (fiscal year change)

- **All other net expenses down 22k**



MAJOR IMPACT continued

- **Use of prior year surplus to offset budget year expenses up 25k**
 - **Availability of prior years surpluses has varied widely in past years:**
 - \$89k - FY 16 surplus applied to FY 18 budget**
 - \$179k - FY 17 surplus applied to FY 19 budget**
 - \$74k - FY 18 surplus applied to FY 20 budget**
 - \$164k - FY 19 surplus available for FY 21 budget**
 - **To smooth out the use of surpluses from year to year, only \$99k (60%) of the FY 19 surplus will be applied to the FY 21 budget. The remaining \$65k will remain available for future years.**



School Tuition Option

- **FY 21 revenues of \$107k are City of Portland tuition payments for Great Diamond Island students who attend the Long Island school. A small change in the number of GDI students could have a big impact on Long Island's budget.**
- **An Option under consideration for the FY 21 budget is to take the school portion of the prior year surplus proposed to be applied to the budget - \$41k – and put it aside to offset any future decreases in Portland tuition payments for GDI students.**
- **The Option, if adopted, would result in a 3.2% increase in the FY 21 mil rate.**



School Enrollment Projections

	<u>Actual</u> <u>2017-18</u>	<u>Actual</u> <u>2018-19</u>	<u>Actual</u> <u>2019-20</u>	<u>Budget/Projection</u>	
				<u>2020-21</u>	<u>2021-22</u>
Students:					
PreK	1	1	4	2	2
Elementary (K-5)					
Long Island	14	10	7	9	8
GDI Tuition	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
Elementary Total	17	14	12	15	15
Middle and High (6-12)					
Tuition	11	11	14	14	13
Parochial/Private	<u>2</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>2</u>
Total	13	15	18	18	15



Year-over-Year Budget Expenses NET of Revenues

- **Budgeted use of/addition to prior-year surplus & reserves up 39%**
- **Town Positions/Government/Wellness Center down 2%**
- **Education expenses no change**
- **Public Safety expenses no change**
- **Solid Waste & Public Works expenses up 5%**
- **Debt Service expenses up 7%**
- **Cumberland County Tax up 9%**
- **All other (including Community Center & Insurance) down 4%**



DRAFT CIP Projects

Loan funded:

- Roads Renovations 50k
- Wharf lights 24k
- School/Library engineering study 15k
- High Speed Internet Project (see next slide)

No direct funded projects



High Speed Broadband Internet Connection Project

- Consolidated Communications would construct, operate and maintain a High Speed Internet Fiber to the Home System on Long Island. The system would serve all residents who want it.
- The Town would issue a bond of up to \$550,000 to finance construction of the system.
- Consolidated Communications would pay the Town each year an amount equal to the annual principal and interest cost of the bond.
- There would be no net cost to the Town of project.



DEBT SERVICE

	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>
<u>Prior year program:</u>			
Community Center	29k	29k	29k
Rescue Boat Overhaul, Cemetery Expansion, Police House, Fire Truck	22k	22k	22k
Roads including Wash-Out	13k	13k	13k
Elevator, VFW, Mariners I, CC finish, School heating system	23k	23k	23k
Mariners II, Wellness Center	18k	18k	18k
Solid Waste Truck, Cardiac Monitor	24k	21k	12k
VFW Septic, Wave Break, Roads	14k	14k	14k
Roads, cemetery, transfer station	2k	11k	11k
<u>FY 19-20 program:</u>			
Roads, wharf lights, school/library study	2k	11k	11k
TOTAL	156k	162k	152k