



MIL RATE

FY 22-23 draft

8.392 +4.4%

FY 21-22 current yr 8.035 +2.0%

FY 20-21 7.880 no change

FY 19-20 7.880 +2.4%

FY 18-19 7.694 no change

FY 17-18 7.694 no change

FY 16-17 7.694 no change



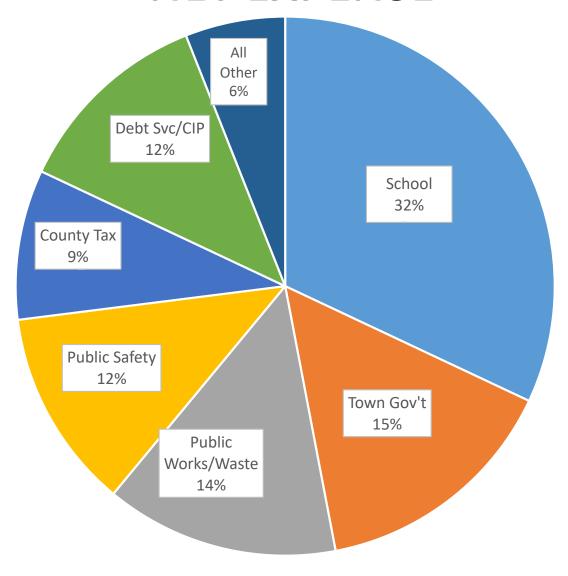
MIL RATE Impact on taxes

The proposed 4.4% mil rate increase will have this impact on individual property taxes:

\$200,000 property	+ \$71
\$300,000 property	+ \$107
\$400,000 property	+ \$142
\$500,000 property	+ \$178



NET EXPENSE





Year-over-Year Budget Expenses NET of Revenues

757 19 ^{1,3}	FY 22	% change	FY 23
Budgeted use of prior-year surplus & reserves	-97k	-18%	-80k
> Town Positions/Government/Wellness Center	201k	+9%	218k
> Education expenses	417k	<mark>+10%</mark>	457k
Public Safety expenses	174k	<mark>-1%</mark>	173k
Solid Waste & Public Works expenses	208k	<mark>-1%</mark>	205k
Direct Funded CIP & Debt Service expenses	175k	-5%	167k
Cumberland County Tax	121k	+5%	127k
All other (including Community Center & Insurance)	35k	<mark>-24%</mark>	27k



Major Revenue Changes

compared with this year's budget (\$ in thousands)

Auto excise tax	14	Estimate based on this year's actual
American Rescue Plan Grant	13	2nd payment in FY23
State education subsidy	(13)	Current State estimate
GDI students' tuition	(12)	FY22 budget number was incorrect
Dump fees	2	+10% (last increase was +5% in 2020)
Prior year surpluses	(14)	Leaves \$38k for contingencies
All other non-property tax changes	8	Net increases and decreases



Major Expense Changes

compared with this year's budget (\$ in thousands)

Estimating and Other Adjustments

Town Office staff	7	Approved by Select Board June 2021
Employee health benefits	18	Approved by Select Board June 2021
Public buildings expenses	(5)	Assumes lower FY23 expenses
Middle/High school tuition	12	More students in FY23
School and Town Heating	9	Estimates based on FY22 actuals
Public Safety	(15)	Estimates based on past years actuals
Cardiac Monitor Lease	(10)	Payments completed in FY22
All other non-policy changes	(2)	Net increases and decreases



Major Expense Changes

compared with this year's budget (\$ in thousands)

Policy Changes

fellow in FY23
t; \$20k less \$5k reserve
ater study reserve
l request +\$2,500
restructuring request
.5k less \$5k reserve
cch
500k MMBB loans 2022
= 1 month property tax



School Enrollment Projections

	Actual	Actual	Actual	Budget/P	
Students:	<u>2028-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Students.					
PreK	1	4	2	2	1
Elementary (K-5)					
Long Island	10	7	8	7	7
GDI Tuition	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>6</u>
Elementary Total	14	12	14	14	13
Middle and High (6-12)					
Tuition Total	15	18	18	16	15



Proposed CIP Projects

CIP Category – Maintaining Essential Services

➤ Mariners wave-break repair/extension 175k

(total project = 754k, including 430k grants & 149k loans approved in prior years)

> Road renovation and repair

50k

(total project = 150k, including 100k loans approved in prior years)

- > Town buildings water supply improvement 26k
- Ponce's Wharf engineering study
 8k
- > Fire station replacement engineering study 9k

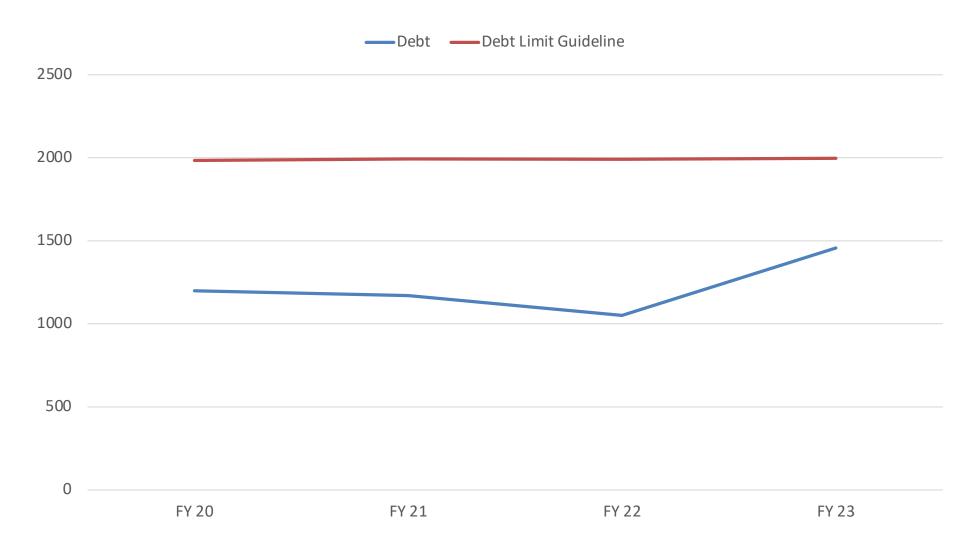


DEBT SERVICE

	FY 22-23	FY 23-24
Prior year program:		
Community Center	29k	29k
Rescue Boat Overhaul, Cemetery	22k	22k
Expansion, Police House, Fire Truck		
Roads including Wash-Out	13k	13k
Elevator, VFW, Mariners I,	23k	23k
CC finish, School heating system		
Mariners II, Wellness Center	18k	18k
Solid Waste Truck	12k	
VFW Septic, Roads	11k	11k
Roads, cemetery, transfer station	11 k	11 k
EMS stretcher	8k	8k
FY 23 Consolidated Mariners, roads,	5k	59k
water supply improvement		
TOTAL	152k	194k



Total Debt (\$ 000s)



Financial Planning Guideposts: FY 2022-23 Scorecard

<u>Guidepost</u>

1. Maintain strict spending discipline for Government Expenditures for the next five years—hold all budgets as close to flat as possible.



- 2. Limit annual mil rate increase to a maximum of 2.5% in any given year with a five-year cumulative increase max at 7.75%.
- 3. Commit at least 50%¹ of mil rate related revenue increase to new debt for CIPs.
- 4. Limit debt level not to exceed 1.25%² of Assessed Value.



Comment

After a 2% increase this year, the proposed budget would increase net spending by 4.4%.

4.4% increase is above the annual guidepost and the five-year cumulative increase is 8.8%.

MMBB funding moves the debt service increase from FY23 to FY24.

The proposed ratio of debt to Assessed Value is 0.9%.

Notes:

- 1. If department budgets require increases, operational spending should not exceed 50% of the revenue generated by the mil rate increase. That is, revenue from tax increases should be devoted primarily to CIPs.
- 2. Maine state law limits the amount of debt a municipality may incur to 15% of the municipality's last full State valuation.