

Agenda
Town of Skowhegan
Selectmen Budget Meeting
Tuesday, May 26, 2020
6:30 P.M.
Wednesday, May 27, 2020
5:30 P.M.

****This meeting will take place with some members present and some members participating via conference call and/or Zoom. Public wishing to see this meeting may do so from the Town of Skowhegan Facebook page****

Board of Selectmen:

Paul York, Chairman
Gene Rouse, Vice Chairman
Betty Austin
Roger Staples
Dennis Willette

Town Manager:

Christine Almand

Finance Director:

Trisha Austin

Call Meeting to order.

Regular Agenda:

1. Discussion and decision on department budgets.
2. Other Business.

Adjourn Meeting.

Budget Comparison

	FY2020	FY2021	Increase/ (Reduction)
Amount to Fund (Expenses)	\$ 12,085,410.50	\$ 12,745,763.50 *	\$ 660,353.00
Less Operational Revenues	\$ (2,111,333.00)	\$ (2,208,200.00)	\$ (96,867.00)
	<u>\$ 9,974,077.50</u>	<u>\$ 10,537,563.50</u>	<u>\$ 563,486.00</u>
Less Surplus	\$ (511,071.00)	\$ (511,071.00) **	\$ -
Less State Revenue Sharing	\$ (709,817.38)	\$ (463,960.07) **	\$ 245,857.31
	<u>\$ 8,753,189.12</u>	<u>\$ 9,562,532.43</u>	<u>\$ 809,343.31</u>

* Includes adjusted budget from 5/11/20 with service organization requests going on the town meeting warrant.

** If we use the same amount of surplus as last year and a 40% reduction to projected revenue sharing.

Significant Changes

	FY2020	FY2021	Increase
Wages & Benefits (without new positions) *	\$ 5,301,618.00	\$ 5,596,980.00	\$ 295,362.00
3 Proposed Positions	\$ -	\$ 187,202.00	\$ 187,202.00
Capital Reserves	\$ 1,649,016.00	\$ 1,747,432.00	\$ 98,416.00
			<u>\$ 580,980.00</u>

* Approximately \$170,000 of the increase in wages and benefits is attributed to new pay scales effective 7/01/2020.

Tax Levy Limit (LD1)

		Without Surplus
Amount to Fund (Expenses)	\$ 12,745,763.50	\$ 12,745,763.50
Less Operational Revenues	\$ (2,208,200.00)	\$ (2,208,200.00)
Less Surplus	\$ (511,071.00) *	\$ -
Less State Revenue Sharing	\$ (463,960.07) *	\$ (463,960.07)
Less Homestead	\$ (384,509.00)	\$ (384,509.00)
Levy Limit (LD1)	<u>\$ (9,382,422.00)</u>	<u>\$ (9,382,422.00)</u>
Over/(Under) Levy Limit	\$ (204,398.57)	<u>\$ 306,672.43</u>
		Over Levy Limit

* If we use the same amount of surplus as last year and a 40% reduction to projected revenue sharing.

There is \$1,232,326.60 available surplus over the recommended level.

In order to avoid increasing the tax levy limit, we need to use at least \$306,672.43 of surplus to reduce the tax commitment.

(Assuming a 40% decrease to projected revenue sharing)

Surplus

History of Usage:

FY2008	\$500,000.00	
FY2009	\$700,000.00	
FY2010	\$800,000.00	
FY2011	\$700,000.00	
FY2012	\$400,000.00	
FY2013	\$756,864.25	
FY2014	\$1,000,000.00	
FY2015	\$1,000,000.00	
FY2016	\$1,000,000.00	
FY2017	\$750,000.00	
FY2018	\$750,000.00	<i>\$475,000 to reduce tax commitment; \$150,000 for PW Roads & Sidewalks; \$100,000 for Public Safety Building; \$25,000 for P&R Ballfield Compound</i>
FY2019	\$1,418,000.00	<i>\$1,000,000 to reduce tax commitment; \$300,000 for P&R Ballfield Compound; \$100,000 for PW Roads & Sidewalks; \$18,000 for Police Department</i>
FY2020	\$1,167,071.00	<i>\$511,071 to reduce tax commitment; \$500,000 for Public Safety Building; \$75,000 for PW Roads & Sidewalks (Bridges); \$57,000 for Police Department; \$24,000 for P&R Ballfield Compound</i>

Surplus (Audited Fund Balance)	\$	3,587,289.00
Recommended Surplus (10% of FY2020 Budgets*)	\$	2,354,962.40
Available Surplus	\$	1,232,326.60
* FY2020 Town, School, & County Budgets	\$	23,549,623.96

Town Manager's FY2021 Recommendation:

TBD	<i>to reduce tax commitment</i>
TBD	<i>for Public Safety Building</i>
\$	-

Revenue Sharing

	Amount	Increase/ (Decrease)
FY08 Revenue Sharing	\$ 1,054,916.33	
FY09 Revenue Sharing	\$ 977,641.19	\$ (77,275.14)
FY10 Revenue Sharing	\$ 840,340.39	\$ (137,300.80)
FY11 Revenue Sharing	\$ 775,602.63	\$ (64,737.76)
FY12 Revenue Sharing	\$ 722,076.76	\$ (53,525.87)
FY13 Revenue Sharing	\$ 659,291.42	\$ (62,785.34)
FY14 Revenue Sharing	\$ 417,392.42	\$ (241,899.00)
FY15 Revenue Sharing	\$ 436,569.85	\$ 19,177.43
FY16 Revenue Sharing	\$ 436,449.38	\$ (120.47)
FY17 Revenue Sharing	\$ 404,074.57	\$ (32,374.81)
FY18 Revenue Sharing	\$ 439,368.23	\$ 35,293.66
FY19 Revenue Sharing	\$ 482,501.23	\$ 43,133.00
FY20 Projected Revenue Sharing	\$ 709,817.38	\$ 227,316.15
FY21 Projected Revenue Sharing*	\$ 773,266.79	\$ 63,449.41
FY21 Less 40%	\$ 463,960.07	

A sample poll compiled at the beginning of May of municipal managers showed that municipalities are estimating a 36% reduction of State Revenue Sharing.

** Maine State Treasurer projection published 3/05/20.*

***IMPORTANT** Revenue sharing projections are based upon the most recent Revenue Forecast available at the time of publication. The State's Revenue Forecasting Committee may reconvene at any time and issue a revised forecast. Revenue sharing receipts to municipalities almost certainly will differ from projections as distributions are based upon actual tax revenue received and not on projected revenues.

TOWN OF SKOWHEGAN OPERATING BUDGET			
COMPOSITE			
	2020 Budget	2021 Initial Department Requests	Increase (Decrease)
General Government			
Finance Department pg.1-4	826,630.00	545,752.00	(280,878.00)
Municipal Building Maintenance pg.5-6	91,988.00	103,293.00	11,305.00
Assessing pg.7-8	107,291.00	115,322.00	8,031.00
Town Manager pg.9-10	160,196.00	172,513.00	12,317.00
Planning & Ordinance Administration pg.11-12	14,183.00	32,334.00	18,151.00
Code Enforcement pg.13-14	160,978.00	164,396.00	3,418.00
Employee Benefits pg.15-16	304,335.00	320,045.00	15,710.00
Town Insurances pg.15-16	128,280.00	133,780.00	5,500.00
Economic & Community Development pg.17-18	152,203.00	173,326.00	21,123.00
ARTICLE 3	1,946,084.00	1,760,761.00	(185,323.00)
Public Safety			
Police Department pg.19-21 ARTICLE 4	1,495,627.00	1,628,815.00	133,188.00
Public Safety			
Fire Department pg.22-24 ARTICLE 5	860,345.00	970,703.00	110,358.00
Public Safety			
Other Protection pg.25-26 ARTICLE 6	536,036.00	561,075.00	25,039.00
Health & Human Services			
General Assistance pg.27-28	158,086.00	154,329.00	(3,757.00)
Health Department pg.30-31	1,292.00	1,292.00	0.00
ARTICLE 7	159,378.00	155,621.00	(3,757.00)
Health & Human Services			
Human Service Agencies pg.29 ARTICLES 40-47	62,088.50	68,876.50	6,788.00
Waste Water Treatment pg.32-36			
Pollution Control Plant	535,663.00	576,898.00	41,235.00
Pumping Stations	27,575.00	31,515.00	3,940.00
Sewers	22,000.00	22,000.00	0.00
ARTICLE 8	585,238.00	630,413.00	45,175.00
Sanitation			
Solid Waste & Recycling pg.37-39 ARTICLE 9	866,027.00	912,817.00	46,790.00
Public Works pg.40-45			
Summer Roads Maintenance ARTICLE 10	479,551.00	545,436.00	65,885.00
Winter Roads Maintenance ARTICLE 11	647,612.00	738,047.00	90,435.00
Vehicle Maintenance ARTICLE 12	242,000.00	247,000.00	5,000.00
	1,369,163.00	1,530,483.00	161,320.00
Public Properties			
Cemeteries pg.46-47 ARTICLE 13	105,308.00	108,205.00	2,897.00
Parks & Recreation			
Recreation pg.48-51 ARTICLE 14	474,367.00	523,493.00	49,126.00
Community Services			
Service Organizations pg.52 ARTICLES 33-39	241,294.00	369,000.00	127,706.00
Capital Expenditures			
Debt Retirement pg.54-55 ARTICLE 15	1,735,439.00	1,739,639.00	4,200.00
Capital Reserve Funds pg.56-63 ARTICLES 16-32	1,649,016.00	1,747,432.00	98,416.00
TOTAL	12,085,410.50	12,707,333.50	621,923.00

Initial Proposed Budget 3/06/20

12,707,333.50 FY21
12,085,410.50 FY20
621,923.00 Increase
5.15%

Adjusted Budget 3/10/20

12,707,333.50 Initial Proposed Budget
-2,500.00 Service Orgs not on warrant
-151,060.00 HRA
18,160.00 Police Proposed Position
73,945.00 Fire Proposed Position
57,676.00 Highway Proposed Position
55,581.00 P&R Proposed Position
12,759,135.50 Adjusted Budget
12,085,410.50 FY20
673,725.00 Increase
5.57%

Adjusted Budget 5/11/20

12,707,333.50 Initial Proposed Budget
-2,500.00 Service Orgs not on warrant
-151,060.00 HRA
73,945.00 Fire Proposed Position
57,676.00 Highway Proposed Position
55,581.00 P&R Proposed Position
4,788.00 Social media archive
12,745,763.50 Adjusted Budget
12,085,410.50 FY20
660,353.00 Increase
5.46%