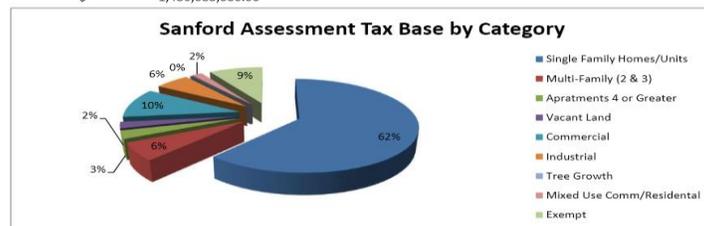


# The City Of Sanford, Maine Village of Springvale

## Budget Committee Meeting Minutes March 10, 2016, 6:00 PM City Hall Annex, 3<sup>rd</sup> Floor Council Chambers

1. **Call to Order:** Meeting Called to order by Chairman Lance Hoenig at 6:05 pm
  2. **Pledge of Allegiance**
  3. **Roll-Call:** Bruce Knight, Wes Davie, , Deputy Mayor Maura Herlihy, Mayor Tom Cote, Chairman Lance Hoenig, City Councilor Fred Smith (6:07 pm arrival), James Drummey (6:23 pm arrival) Others: City Finance Director Ronni Champlin, City Treasurer Paula Simpson, City Manager Steve Buck, Superintendent David Theoharides, School Business Manager Gwen Bedell
    - a. **Audience Participants:**
      - i. School Committee: John Mapes, Chair
      - ii. City Council: N/A
      - iii. Staff: Assistant Superintendent Matt Nelson (6:15 pm arrival)
  4. **Adjustments to the Agenda:** None.
  5. **Approval of the March 3, 2016 Meeting Minutes:** Moved by Mayor Tom Cote, seconded by Bruce Knight, 5-0 to approve.
  6. **Public Participation: None**
- Old Business:** To take action, if appropriate, on the following:
- a. Overview of Tax Base – City Manager Steve Buck. Took total assessed value and divided the amount by category. Primarily a discussion of percentage of housing that is Single family versus Multi Family and Commercial. Burden of the tax base sits primarily on the Single Family homeowner. Slides with data illustrating this trend follows.

Property Category	Assessed Value of Category	Property Category	Percentage of Total Assessed Value	Total Assessed Value
Single Family Homes/Units	\$ 888,319,100.00	Single Family Homes/Units	61.86%	\$ 1,436,083,080.00
Multi-Family (2 & 3)	\$ 89,258,900.00	Multi-Family (2 & 3)	6.22%	
Apartments 4 or Greater	\$ 40,748,000.00	Apartments 4 or Greater	2.84%	
Vacant Land	\$ 32,092,350.00	Vacant Land	2.23%	
Commercial	\$ 150,301,018.00	Commercial	10.47%	
Industrial	\$ 81,756,950.00	Industrial	5.69%	
Tree Growth	\$ 1,230,400.00	Tree Growth	0.09%	
Mixed Use Comm/Residential	\$ 25,157,562.00	Mixed Use Comm/Residential	1.75%	
Exempt	\$ 127,218,800.00	Exempt	8.86%	
Total Assessed Value	\$ 1,436,083,080.00			



The graph divides the total assessment of Sanford's property value into various tax categories: Highest percentage valuation is Single Family or 62%.

Property Category	Assessed Value of Category	Percentage of Assessed Value	Taxes Per Category	Number of Units	Value Per Unit	People at 2.36 Per	Taxes Per Unit	Taxes Per person
Single Family Homes/Units	\$ 888,319,100.00	61.86%	\$20,084,894.85	6,386.00	\$139,104.15	15,070.96	67.72%	\$3,145.14
Combined Multi-Family Units	\$ 130,006,900.00	9.05%	\$2,939,456.01	3,044.00	\$42,709.23	7,183.84	32.28%	\$965.66
						3.26	Ratio	3.26
Total Population in Survey	22,254.80							

Looks at the annual taxes per person and per unit using Single Family and multi-family categories and the average number of people per household. A single family household pays approximately \$ 3,145.14 per unit on average in taxes and \$ 1,332.69 per person on average. A multi-family pays \$ 965.66 on average per unit and \$ 409.18 per person on average.

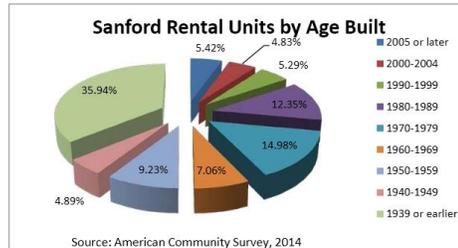
Looks at the Rental Units in Sanford and their age. Fully 1/3 of the rental units were built before 1939.

2010 Housing (American Community Surveys)

single family detached

**Renter Units by age built**

	Number	Percent
2005 or later	165	5.42%
2000-2004	147	4.83%
1990-1999	161	5.29%
1980-1989	376	12.35%
1970-1979	456	14.98%
1960-1969	215	7.06%
1950-1959	281	9.23%
1940-1949	149	4.89%
1939 or earlier	1094	35.94%
Total Renter Units	3044	100.00%



approximately half before 1960

Councilor Smith would like to see the breakdown within the Multi-family housing units to see the amount of annual taxes per unit and the amount of taxes per person for the 1960 or older versus the 1960 or newer housing stock. Believes the older buildings will show a much lower tax burden per unit and per person than the general Multi-family category shown in the 2<sup>nd</sup> slide.

Mr. Buck: Believes the Multi-family valuation is increasing and a Commercial revaluation will show that.

Mayor Cote: 35% of the population is contributing 9% of the taxes. Single family homeowners are stressed about their taxes and this is one of the reasons why. City is just starting to scratch the surface of the housing issue in the City.

Chairman Hoenig: Not just a problem of valuation in the older housing stock but fully 1/3 of the population are renters?

City Manager Buck: Other communities have a higher % of Homestead Exemptions which shows single family ownership versus renters.

b. Future Debt Service. Paula Simson, City Treasurer

<b>CITY OF SANFORD - FY17 DEBT SERVICE</b>							
<b>With Estimate of Local Share of New School</b>						MMBB refunded	
Prepared by Treasurer's Office				lower rates from fy16			
FY	ALC Interest	Orig: 131K Principal	PW/Fire Interest	Orig: 1.1M Principal	Orig: 1.0M SRLF	Millyard Road Interest	Orig: 1.5M Principal
2017	358	3,969.69	1,100.00	110,000.00	31,700.00	33,231.31	100,000.00
2018	238	3,969.69				25,681.14	100,000.00
2019	120	3,969.69				21,462.32	100,000.00
2020						19,108.17	100,000.00
2021						15,251.79	100,000.00
2022						9,689.43	100,000.00
2023						4,046.65	100,000.00
2024						597.39	100,000.00
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035							
2036							
2037							
Sub	716	11,909.07	1,100.00	110,000.00	31,700.00	129,068.20	800,000.00
	<b>TOTAL:</b>	<b>12,625.07</b>		<b>111,100.00</b>	<b>31,700.00</b>		<b>929,068.20</b>
<b>GRAND TOTAL (All Pgs):</b>			<b>9,951,374.84</b>	<b>Principal: 8,203,863.71</b>	<b>Interest: 1,747,511.13</b>		
<b>Grand Total:</b>			<b>24,062,237.84</b>	<b>Principal: 18,832,313.71</b>	<b>Interest: 5,229,924.13</b>		

Estimate Only

**CITY**

MMBB refunded

Prepared lower rates from fy16

PART I

SPRING 2010

PART II

FY	Land/Shed/Imp Interest	Orig: 1.35M Principal	PD/Imp/Cmptr Interest	Orig: 3.21M Principal	PD/Imp/Cmptr Interest	Orig: 3M Principal
2017	29,926.87	90,000.00	90,765.52	133,894.00	78,476.55	130,850.00
2018	23,159.49	90,000.00	88,060.59	136,599.00	75,762.62	132,639.00
2019	19,369.42	90,000.00	84,342.17	140,318.00	72,423.05	134,452.00
2020	17,253.80	90,000.00	77,955.38	146,704.00	68,373.38	138,398.00
2021	13,782.89	90,000.00	69,658.49	155,001.00	64,089.03	142,550.00
2022	8,776.59	90,000.00	60,892.34	163,768.00	59,389.54	146,967.00
2023	3,698.98	90,000.00	51,630.42	173,029.00	54,322.25	151,949.00
2024	566.58	90,000.00	41,844.71	182,815.00	49,083.18	157,100.00
2025			31,505.56	193,154.00	43,666.49	162,426.00
2026			21,733.51	202,926.00	38,066.18	167,932.00
2027			15,178.39	209,481.00	31,952.69	173,625.00
2028			10,946.45	213,713.00	25,296.43	180,158.00
2029			6,629.01	218,031.00	18,389.72	186,937.00
2030			2,224.30	222,435.00	11,223.12	193,972.00
2031					3,786.82	201,271.00
2032						
2033						
2034						
2035						
2036						
2037						
Sub	116,534.62	720,000.00	653,366.84	2,491,868.00	694,301.05	2,401,226.00
		836,534.62		3,145,234.84		3,095,527.05

**CITY**

Prepared

Amended 1/29/15

FY	School Heating Interest	Orig: 650,000 Principal	BF RLF Interest	Orig: 181,000 Principal	Sch Energy Imp Interest
2017	325.00	130,000.00	4,461.86	18,511.30	23,872.50
2018			3,898.81	19,074.35	22,642.50
2019			3,318.66	19,654.50	20,955.00
2020			2,720.85	20,252.31	18,802.50
2021			2,104.86	20,868.30	16,185.00
2022			1,470.13	21,503.03	13,125.00
2023			816.07	22,157.09	9,660.00
2024			175.68	15,139.76	5,902.50
2025					1,987.50
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					
Sub	325.00	130,000.00	18,966.92	157,160.64	133,132.50
		130,325.00		176,127.56	

**CITY**

FY	Orig: 1.5M Principal	Total before School	Principal & Interest	F/Y Payment
			NEW SCHOOL ESTIMATE	
2017	150,000.00	1,161,442.60	271,025.00	1,432,467.60
2018	150,000.00	871,725.19	798,994.00	1,670,719.19
2019	150,000.00	860,384.81	791,820.00	1,652,204.81
2020	150,000.00	849,568.39	784,114.00	1,633,682.39
2021	150,000.00	839,491.36	775,877.00	1,615,368.36
2022	150,000.00	825,581.06	767,108.00	1,592,689.06
2023	150,000.00	811,309.46	757,809.00	1,569,118.46
2024	150,000.00	793,224.80	747,977.00	1,541,201.80
2025	150,000.00	582,739.55	737,083.00	1,319,822.55
2026		430,657.69	725,126.00	1,155,783.69
2027		430,237.08	712,372.00	1,142,609.08
2028		430,113.88	698,555.00	1,128,668.88
2029		429,986.73	683,941.00	1,113,927.73
2030		429,854.42	668,795.00	1,098,649.42
2031		205,057.82	652,853.00	857,910.82
2032		-	635,847.00	635,847.00
2033		-	618,044.00	618,044.00
2034		-	599,710.00	599,710.00
2035		-	580,845.00	580,845.00
2036		-	561,448.00	561,448.00
2037		-	541,520.00	541,520.00
Sub	1,350,000.00	9,951,374.84		
	1,483,132.50	9,951,374.84	14,110,863.00	24,062,237.84
			Estimated total	TOTAL

Chart shows debt service from our oldest loan at the start of the chart (1<sup>st</sup> slide, 1<sup>st</sup> column) and the latest loan toward the end (new school estimate, public share) on this page. Interest only anticipated for the New School in the spring of 2017.

We are getting some lower rates and payments for some of our projects because the Maine Bond Bank has done some re-bonding.

New total with the school added on would be \$ 18 million bonded.

**New Business:** To take action, if appropriate, on the following:

**7. Budget Overview & Discussion (City and School)**

Presentation of Combined Budget Detail. City Manager, Steve Buck and School Business Administrator Gwen Bedell.

**FY 16/17 BUDGET  
CITY OF SANFORD**

**MUNICIPAL & SCHOOL  
OPERATIONS & CIP**

By: Steven R. Buck, City Manager  
& Gwen R. Bedell, School Business Admin.

Budget Committee Presentation  
March 10, 2016

**NET APPROPRIATION FOR  
FISCAL YEAR 2016 VS. 2017**

FY 16 vs. FY 17		Net Change LY
Combined Expense	\$ 60,110,337	\$ 2,577,868
Combined CIP	\$ 2,434,053	\$ 418,674
County Tax	\$ 818,859	\$ -
<b>Total Appropriation</b>	<b>\$ 63,363,249</b>	<b>\$ 2,996,542</b>
Combined Revenue	\$ (32,334,098)	\$ (1,901,497)
Combined Use of Fund Balance	\$ (850,000)	\$ -
<b>Net Appropriation</b>	<b>\$ 30,179,151</b>	<b>\$ 1,095,045</b>
Mil Rate for Municipal & School	\$ 22.86	\$ 0.82
FY 16	\$ 22.04	
<b>Total Net Change/\$1,000</b>	<b>\$ 0.82</b>	<b>3.72%</b>
<b>Net Appropriation due to Operations</b>	<b>\$ 676,371</b>	<b>2.33%</b>
<b>Net Appropriation due to CIP*</b>	<b>\$ 418,674</b>	<b>1.44%</b>
*Mandate 4% or \$318,674		

**Combined Expense increase:** \$ 2,577,868  
**Combined CIP increase:** \$ 418,674. Final year of increase that is charter mandated. Minor increase next year will be based on 4% of this year's combined budget.  
**Unknown County Tax.**  
**Total Combined:** \$ 63,363,249. Increase of \$ 2,996,542  
**Combined Revenue:** Up \$ 1,901,497  
**Net Appropriation:** \$ 30,179,151  
**Increase:** \$ 1,095,045  
**Combined Increase in Mil Rate:** \$ 0.82  
**Increase due to Operations:** 2.33%  
**Increase due to CIP:** 1.44%  
**Combined Increase:** 3.72%

## CONSOLIDATED INCREASE IN NET TAXATION 15/16

Source or Use of Funds	15/16 Municipal Budgeted Amount	15/16 School Budgeted Amount	15/16 Combined Budgeted Amount
Operational & CIP Expenses	\$23,209,898	\$36,337,950	\$59,547,848
- Revenues	<u>\$8,214,862</u>	<u>\$22,217,739</u>	<u>\$30,432,601</u>
= Net Taxation	\$14,995,036	\$14,120,211	\$29,115,247
1.9% Dollar Increase Based on Net Taxation	\$436,138	\$129,151	\$565,289

City of Sanford

FY 16/17

Budget Review

As of 3/10/16

Information from 15/16.

## SCHOOL EXPENSES

Use of Funds	15/16 Budgeted Expense	16/17 Budgeted Expense	Variance (16/17 vs. 15/16)
General Education	\$35,308,668	\$36,948,025	+\$1,639,357 4.64%
Adult Education	\$787,986	\$869,609	+\$81,623 10.36%
Capital Improvement Plan	<u>\$241,296</u>	<u>\$341,296</u>	+\$100,000 41.44%
All Education Expenses	\$36,337,950	\$38,158,930	+\$1,820,980 5%

Sanford School Dept

FY 16/17

Budget Review

As of 3/10/16

Gwen Bedell:

Recap of 15/16 and what School is asking for 16/17.

Looking to increase CIP by \$ 100,000 back to levels more similar to several years back.

Overall Expenses are up by 5%.

**C5**

## GENERAL EDUCATION & CIP EXPENSES BY FUNCTION [EXCLUDES ADULT ED]

Expense Classification	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
Salaries, Taxes & Benefits (51-52)	\$26,861,275	\$27,995,085	\$29,959,290	\$1,964,205 + 7%
Purchased Prof. & Tech Services (53)	\$1,227,874	\$1,738,065	\$1,820,658	\$82,593 + 4.8%
Property & Gen. Ops. (inc. CIP) (54-55)	\$3,404,580	\$3,516,818	\$3,242,108	(\$274,710) - 7.8%
Supplies & Energy (56)	\$1,428,793	\$1,591,242	\$1,508,089	(\$83,153) -5.2%
Equipment & Technology (57)	\$211,567	\$299,679	\$337,095	\$37,416 + 12.5%
Dues, Debts & Other (58-59)	<u>\$281,807</u>	<u>\$409,075</u>	<u>\$422,081</u>	\$13,007 +3.2%
Total Expenses	\$33,415,896	\$35,549,964	\$37,289,321	\$1,739,357 + 4.9%

**Salaries & Benefits:** General across the board increase in salaries & benefits of 2.5%. Net increase of (7) positions in Special Education. **Prof. & Tech Services:** CIP Increase of \$ 100k, JMG at the Junior High (\$ 24,500); New Accred. Process for High School (\$ 15k); Special Ed contracted support services. Offset by reductions in Prof. Dev. & Kids Club local support. Cuts in legal, audit & fees. **Property & Gen Ops:** Reductions in building care, rent (Adult Education move), cuts in software, cuts in out of district for Spec. Ed. Requested clarification for out of district versus in district reimbursement rates for Special Education. Not everything in Out of District is eligible for higher rate reimbursement.

Gwen Bedell is in the process of clarifying what is and is not reimbursed at the higher rate by the State of Maine. Sanford has the 4<sup>th</sup> highest reimbursement for Special Education in the State of Maine. Every effort is being made to maximize the Special Education reimbursements. Out of District placement example: Cost for service is separated from ed tech. We are reimbursed for service but not for ed tech. 1<sup>st</sup> 15% of special ed population is reimbursed @ higher rate, anything over that population is @ 38%. The state believes there are economies of scale over 15% and reduces the reimbursement.

**Supplies & Energy:** Asked teachers for cuts in supplies by 20%. Seeing savings in electricity but oil is a 2 year contract and they are fixed. Seen some efficiencies with propane conversion. **Equipment & Technology:** Increase in lease payment for technology, offset by a decrease in vehicles & equipment. **Dues, debts & Other:** Software fees for the High School which were formerly paid by a grant.

## GENERAL EDUCATION & CIP EXPENSES BY COST CENTER (1 OF 2) [EXC. ADULT ED.]

Warrant Article Cost Center	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
1. Regular Instruction	\$13,732,411	\$14,460,835	\$15,070,254	\$609,419 + 4.2%
2. Special Education	\$6,176,990	\$6,390,875	\$7,229,074	\$838,199 + 13.1%
3. Career & Technical Education	\$1,796,497	\$1,989,689	\$1,934,581	\$(55,108) - 2.8%
4. Other Instruction	\$780,819	\$897,071	\$956,266	\$59,195 + 6.6%
5. Student & Staff Support	\$2,568,079	\$3,207,138	\$3,278,009	\$70,871 + 2.2%
6. System Administration	\$796,179	\$833,479	\$837,325	\$3,846 + 0.5%

1. Regular Instruction: General Salary increase of 2.5%. Includes local cost for expansion of Pre-K which includes a cost for expansion of Pre-K that will not be reimbursed until next year. Reduction of 2 teachers at the high school, reduction of ed. Tech.
2. Special Education: 12 Ed Tech's & 2 teachers. Includes the necessary increase for increased numbers in the current years and numbers show a further increase for next year and will be at 24% next year if the increased Kindergarten numbers hold. Discussion of increases in Special Education and correlation to affordable housing stock. Also, savings associated with educating students within District rather than being sent out of District. Info from Service Center Communities: Most hovering around 15-16% of Student Population. At time, Sanford was 21%, Biddeford is 19%. Conversation about Sanford & Biddeford's proximity to the border for those relocating to Maine. Other communities in and around Portland (Westbrook, L/A) are seeing a large increase in ESL which is having a similar impact on their budget. ESL numbers have gone down and a retiring ESL teaching position will not be filled.
3. Career & Technical Education: Slight reduction. General salary increase of 2.5%. Offset by a guidance position that has gone over to the High School and is now seen in a different line. Reduction in Transportation due to the 2 vans. \$ 50k in a grant for equipment which is helping.
4. Other instruction: 2.5% + benefits.
5. Student & Staff Support: 2.5% + benefits. Transfer of Ed Tech Guidance person. Cut Kids Club local support. Potential to eliminate some Ed Tech position. Software cuts.
6. System Administration: 2.5% + benefits. Reduced legal, accounting & business software & supplies.

**Slide Follows:**

7. School Administration: 2.5% + benefits. Accreditation for H.S. Loss of 1 VP
8. Transportation & Busing: St. Thomas transportation (\$ 58,447).
9. Facilities Maintenance (including CIP): Includes the increase in the CIP numbers.
10. Debts: \$ 0
11. All Other Expenses & Rounding:

## GENERAL EDUCATION & CIP EXPENSES BY COST CENTER (2 OF 2) [EXC. ADULT ED.]

Warrant Article Cost Center	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
7. School Administration	\$1,829,483	\$1,944,849	\$2,044,274	\$99,425 + 5.1%
8. Transportation & Busing	\$1,799,040	\$1,699,037	\$1,695,061	\$(3,976) - 0.2%
9. Facilities Maintenance (including CIP)	\$3,931,021	\$4,117,003	\$4,244,475	\$127,472 + 3.1%
10. Debts	\$0	\$0	\$0	\$0
11. All Other Expenses & Rounding	\$5,377	\$9,988	\$2	\$(9,986) - 100.0%
<b>Total General Ed. + CIP Expenses</b>	<b>\$33,415,896</b>	<b>\$35,549,964</b>	<b>\$37,289,321</b>	<b>\$1,739,357 + 4.9%</b>

## ADULT EDUCATION EXPENSES

Expense Classification	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
Salaries, Taxes & Benefits (31-32)	\$702,867	\$644,865	\$700,324	\$55,459 + 8.6%
Purchased Prof & Tech. Serv. (33)	\$21,960	\$70,605	\$81,238	\$10,633 + 15.1%
Prop. & Gen. Ops. (inc. CIP) (34-35)	\$24,947	\$35,092	\$27,606	\$(7,486) - 21.3%
Supplies & Energy (36)	\$28,173	\$35,384	\$58,251	\$22,867 + 64.6%
Equipment & Technology (37)	\$0	\$0	\$0	\$0
Dues, Fees, Debts & Other (38-39)	\$12,348	\$2,040	\$2,190	\$150
<b>Total Adult Education Exps.</b>	<b>\$790,295</b>	<b>\$787,986</b>	<b>\$869,609</b>	<b>\$81,623</b>

Adult Education: Salaries: 2.5% plus a new position. Purchased Prof & Tech Serv.: Enrichment that is expanding offset by income.

**Prop. & Gen Ops.(incl CIP):** Decrease. Shifting between this and **Supplies & Energy:** Rent. Transferred rent from General to Adult Education.

## GENERAL EDUCATION NON-LOCAL REVENUES

Source	14/15 Actual	15/16 Budget	16/17 Budget	Variance (16/17 v. 15/16)
State Subsidy E279	\$18,945,853	\$20,480,871	\$21,692,733	\$1,211,862 + 5.9%
Tuition from other Districts	\$1,112,753	\$1,022,905	\$1,035,000	\$12,095 + 1.2%
State Agency clients	\$190,335	\$180,000	\$200,000	\$20,000 + 11.1%
Adult Ed & All Other Revenues	\$767,077	\$533,963	\$617,516	\$83,553 + 15.6%
<b>Total Non-Local Gen Ed Revenue</b>	<b>\$21,016,018</b>	<b>\$22,217,739</b>	<b>\$23,545,249</b>	<b>\$1,327,510 +6.0%</b>

General Education Non-Local Revenues:

**State Subsidy:** Preliminary. 15 million still has not been factored in nor has recalculation been done that includes Title 1 teachers. Awaiting final numbers within 2 weeks.

**Tuition:** Bridge & Acton Students.

**Adult Ed & All other Revenues:** Bulk from enrichment.

## GENERAL EDUCATION STATE SUBSIDY REVENUE

Component of EPS	2014/2015 Actual	2015/2016 Actual	2016/2017 Preliminary	Variance (16/17 vs. 15/16)
Basic Operating Allocation	\$23,045,177	\$23,225,741	\$23,723,954	\$498,213
Gifted & Talented	\$102,701	\$133,677	\$92,861	\$(40,816)
Special Education	\$4,249,625	\$5,485,431	\$5,484,358	\$(1,073)
Career & Technical Ed.	\$1,298,449	\$1,504,939	\$1,729,770	\$224,831
Transportation & Debts	\$1,502,895	\$1,526,941	\$1,628,603	\$101,662
Teach. Retire.(Wash)	<u>\$466,764</u>	<u>\$618,509</u>	<u>\$640,157</u>	\$21,648
EPS @ 97%	\$30,665,611	\$32,495,238	\$33,299,703	\$804,465 + 2.5%

### General Education State Subsidy Revenue:

Much is funded 2 years in arrears, including Special Education and Career & Technical.

## CAPITAL IMPROVEMENT PLAN SUMMARY FOR 2016/2017

• Roof Systems	\$100,324
• Exterior Wall Systems	\$ 40,000
• HVAC	\$ 20,000
• Electrical	\$ 15,300
• Plumbing	\$ 15,309
• Interior Trim	\$ 48,173
• Fire & Safety	\$ 34,000
• ADA Compliance	\$ 18,940
• Site Improv./Landscaping	\$ 49,250
• Maintenance Vehicles	<u>\$ 0</u>
<b>Total CIP</b>	<b><u>\$341,296</u></b>

### Capital Improvement Plan:

Next slideshow in the minutes is the School 5 year CIP plan.

\*More detailed discussion needed in light of the shuffling of schools that will be occurring over the next several years.

## SCHOOL SUMMARY

Source or Use of Funds	15/16 Budgeted Amount	16/17 Budgeted Amount	Variance (16/17 vs. 15/16)
Operations:	\$35,308,668	\$36,948,025	+ \$1,639,357
General Ed + Adult Ed	<u>+ \$787,986</u>	<u>+ \$869,609</u>	<u>+ \$81,623</u>
	\$36,096,654	\$37,817,634	+ \$1,720,980
Revenues:	\$21,821,539	\$23,169,299	+ \$1,347,760
Gen. Ed.	<u>+ \$396,200</u>	<u>+ \$375,950</u>	<u>- \$20,250</u>
Adult Ed.	<u>\$22,217,739</u>	<u>\$23,545,249</u>	<u>+ \$1,327,510</u>
- Total Revenue			
= Net Tax from Operations	\$13,878,915	\$14,272,385	+ \$393,470 + 2.84%
+ CIP	<u>\$241,296</u>	<u>\$341,296</u>	+ \$100,000
= Total Net Taxation	\$14,120,211	\$14,613,681	+ 493,470 + 3.49%

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## MUNICIPAL OPERATIONAL EXPENSES MANDATED AND PUBLIC SAFETY

Expense Classification	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
General Government	\$1,925,352	\$1,950,712	\$2,138,171	\$187,459
General Assistance & Health Officer	\$249,484	\$276,809	\$260,701	-\$16,108
Fire Department	\$3,746,519	\$3,870,420	\$3,264,073	-\$606,347
Police Department & Crossing Guards	\$3,034,766	\$3,187,384	\$3,277,700	\$90,316
Sanford Regional Communications	\$1,440,646	\$1,300,833	\$1,354,700	\$53,867
Public Works Department	\$2,278,101	\$2,261,720	\$2,234,044	-\$27,676
Environmental Services	\$1,254,223	\$1,320,629	\$1,322,666	\$2,037
Public Protection	\$0	\$0	\$849,493	\$849,493
Mandated Properties	\$673,003	\$644,136	\$653,539	\$9,403
<b>Total Expenses</b>	<b>\$14,602,094</b>	<b>\$14,812,643</b>	<b>\$15,355,087</b>	<b>\$542,444</b>

## MUNICIPAL OPERATIONAL EXPENSES BY CLASSIFICATION

Expense Classification	2014/2015 Actual	2015/2016 Revised Budget	2016/2017 Proposed Budget	Variance (16/17 vs. 15/16)
Salaries	\$10,036,075	\$10,078,834	\$10,645,317	\$566,483
EE Benefits & Insurance	\$4,241,762	\$4,348,000	\$4,552,858	\$204,858
Petroleum Fuels	\$341,013	\$385,215	\$315,677	-\$69,538
Electricity, Water & Sewer	\$335,967	\$355,816	\$360,445	\$4,629
Hydrants	\$616,000	\$671,440	\$690,656	\$19,216
Debt Service	\$945,346	\$789,505	\$827,604	\$38,099
<b>Total Expenses</b>	<b>\$16,516,163</b>	<b>\$16,628,810</b>	<b>\$17,392,557</b>	<b>\$763,747</b>

## SUMMARY OF IMPACTS TO EXPENSES MAJOR EMPLOYMENT COSTS

- Employment costs increased by \$771,341
  - Wages increased by \$566,483
  - Social Security increased by \$15,402
  - Health Insurance increased by \$158,743
  - Retirement Programs decreased by \$2,825
  - Group Life increased by \$144
  - Unemployment increased by \$4,729
  - Income Protection increased by \$2,460
  - Workers Compensation decreased by \$50,856
  - MEPEERS increased by \$77,061

Total Employment costs represent 62% of the total City Expense Budget

**General Government:** Assistant City Manager with a speciality in Housing & Urban Infill Redevelopment. HR, converting FT assistant to 2 PT assistants. Assistant in the Codes Office that was removed 2 years ago would be replaced. (\$ 35k) 3% in Property & Casualty. **General Assistance & Health Officer:** Positive increase in funding. **Fire Department:** Hydrant rental & snow removal moved out and into Public Protection. \$ 30k Engineering to address changes within the FD. **Sanford Regional Communications:** 18 is minimal staffing. Increase is for OT. OT does not yet meet fully burdened cost of an additional person. **Public Works Department:** Moved Street Lights to Public Protection. 2 new EO1 positions. **Environmental Services:** Budgeting lower trash tonnage. **Public Protection:** Snow Removal from Hydrants, hydrant rentals and street light costs. **Mandated Properties:** Cemeteries, etc. **Salaries:** Looked at OT and whether it could be reduced by an increase in FT position, currently the answer is no. Have budgeted a net impact of 2% in the budget for negotiations that will occur in 2016/17. **Benefits & Insurance:** See slide for summary of major changes to insurance. Worker's Comp is down considerably. \$ 100k of health insurance increase is due to potential new employees. MEPEERS Increase due to percentage contribution changes. **Debt Service** reduction is a result of refinancing thru Fame.

NEW POSITIONS: (2) EO1's. Assistant City Manager, Codes Assistant. Change of 1 FT to 2 PT in HR.

## MUNICIPAL REVENUES

Source	14/15 Actual	15/16 Budget	16/17 Budget	Variance
Auto Excise Tax	\$3,098,906	\$2,800,000	\$3,200,000	\$400,000
Revenue Sharing	\$1,349,108	\$1,164,223	\$1,400,000	\$235,777
Waste Transfer Rev	\$560,734	\$570,000	\$570,000	\$0
Local Road Assistance	\$221,808	\$221,808	\$221,808	\$0
Cable Franchise Fee	\$233,526	\$237,502	\$235,000	-\$2,502
Building Permits	\$85,736	\$69,750	\$120,750	\$51,000
Sanford Regional Communications	\$1,194,597	\$1,048,185	\$1,056,508	\$8,323
All Other Revenues	<u>\$3,870,019</u>	<u>\$2,103,394</u>	<u>\$1,984,783</u>	<u>-\$118,611</u>
Total Revenues	\$10,614,434	\$8,214,862	\$8,788,849	\$573,987

## CAPITAL IMPROVEMENT PLAN SUMMARY FOR 2016/2017

• Assessing	\$ 65,000
• Planning	\$ 13,650
• Police Department	\$ 113,359
• Fire Department	\$ 204,023
• Airport	\$ 11,000
• Parks, Recreation & Facilities	\$ 126,100
• Public Works Department	\$1,467,027
• Information Systems	\$ 92,598
• 50% Charter mandate for non-rolling stock infrastructure	\$1,167,027
<b>Total CIP</b>	<b><u>\$2,092,757</u></b>

Positive increase of 6.3%

**Auto:** Projecting up 3.3%

Revenue Sharing: **Based on 2.5% of broad** based taxation coming into State.

Underbooked by \$ 35k what the State is projecting.

**PAYT:** No increase projecting. Do not anticipate an increase, very stable.

Local Road assistance: Flat.

**Cable Franchise Fee:** Been going down. Based on 5% of cable in the City.

**Building Permits:** Budgeted based on anticipated level of activity.

**Sanford Regional Communications:** No change in our contracts. Relatively small increase linked to cost of living.

CIP Discussion tabled to the week of 3/17/2016

## MUNICIPAL SUMMARY

Source or Use of Funds	15/16 Budgeted Amount	16/17 Budgeted Amount	Variance (16/17 vs. 15/16)
Operational Expenses	\$21,435,815	\$22,292,703	+\$856,888 +3.9%
-Revenues + Use of Fund Bal.	<u>\$9,064,862</u>	<u>\$9,638,849</u>	<u>+\$573,987</u> +6.3%
=Net Tax from Operations	\$12,370,953	\$12,653,854	+282,901 +2.3%
+ CIP	<u>\$1,774,083</u>	<u>\$2,092,757</u>	<u>+318,674</u> +17.9%
=Total Net Taxation Excl. County Tax	\$14,145,036	\$14,746,611	+\$601,575 +4.3%

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## CONSOLIDATED EXPENSES

Use of Funds	15/16 Budgeted Expense	16/17 Budgeted Expense	Variance (16/17 vs. 15/16)
Municipal:			
Operations	\$21,435,815	\$22,292,703	+ \$856,888
CIP	<u>\$1,774,083</u>	<u>\$2,092,757</u>	<u>+ \$318,674</u>
Total	\$23,209,898	\$24,385,460	+\$1,175,562
School:			
Operations	\$36,096,654	\$37,817,634	+ \$1,720,980
CIP	<u>\$241,296</u>	<u>\$341,296</u>	<u>+ \$100,000</u>
Total	\$36,337,950	\$38,158,930	+ \$1,820,980
Consolidated:			
Operations	\$57,532,469	\$60,110,337	+ \$2,577,868
CIP	<u>\$2,015,379</u>	<u>\$2,434,053</u>	<u>+ 418,674</u>
Total	\$59,547,848	\$ 62,544,390	+ \$2,996,542
<i>Excl. County Tax</i>			+ 5%

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## CONSOLIDATED REVENUES

Source Of Funds	15/16 Budgeted Revenue	16/17 Budgeted Revenue	Variance (16/17 vs. 15/16)
Municipal w/ use of Fund Balance	\$9,064,862	\$9,638,849	+ \$573,987 +6.3%
School w/use of Fund Balance	<u>\$22,217,739</u>	<u>\$23,545,249</u>	<u>+ \$1,327,510</u> +5.98%
Total	\$31,282,601	\$33,184,098	+ \$1,901,497 +6.0%

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## CONSOLIDATED SUMMARY

Source or Use of Funds	15/16 Budgeted Amount	16/17 Budgeted Amount	Variance (16/17 vs. 15/16)
Operational & County Exp	\$57,532,469 \$818,859	\$60,110,337 \$818,859	+ \$2,577,868 + \$0
- Revenues & Fund Bal.	\$30,432,601 <u>\$850,000</u>	\$32,334,098 <u>\$850,000</u>	+ \$1,901,497 <u>\$0</u>
= Net Tax from Operations	\$27,068,727	\$27,745,098	+ \$676,371 + 2.5%
+ CIP	<u>\$2,015,379</u>	<u>\$2,434,053</u>	<u>+ \$418,674</u> + 20.8%
= Total Net Taxation	\$29,084,106	\$30,179,151	+ \$1,095,045 + 3.8%

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# 2016-2021 CAPITAL IMPROVEMENT BUDGET

## SANFORD SCHOOL DEPARTMENT

Budget Committee

March 10, 2016

### Capital Improvements 2016-2021

Area	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Roof Systems	\$100,324	\$750,000	\$75,000	\$21,000	\$21,000
Ext. Walls	40,000	59,000	53,500	51,300	41,900
HVAC	20,000	20,000	20,000	20,000	20,000
Electrical	15,300	39,700	34,800	17,600	18,800
Plumbing	15,309	15,309	15,309	15,309	15,309
Interior Trim	48,173	63,950	79,500	79,550	76,900
Fire & Safety	34,000	21,100	23,400	27,800	10,800
ADA Comp.	18,940	17,340	14,750	11,600	11,200
Site Improv.	49,250	43,875	13,125	13,125	13,125
Vehicles	<u>0</u>	<u>96,482</u>	<u>68,000</u>	<u>0</u>	<u>0</u>
Totals:	\$341,296	\$1,126,756	\$397,384	\$257,284	\$229,034

## Roof Systems

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	\$3,200	x	x	PM	PM
Lafayette	\$1,400	\$40,000	\$24,000	PM	PM
MCS	\$3,200	\$35,000	\$18,000	PM	PM
HS/SRTC	\$2,300	x	x	PM	PM
JHS	\$27,000	\$270,000	x	PM	PM
Willard/ M.Gym	\$62,024	\$405,000	\$33,000	PM	PM
Maintenance	\$1,200	x	x	PM	PM
ALC/Childcare	x	x	x	X	X
<b>Totals:</b>	<b>\$100,324</b>	<b>\$750,000</b>	<b>\$75,000</b>	<b>\$21,000</b>	<b>\$21,000</b>

## Exterior Wall Systems & Foundations

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	X	D\$15,000	D\$6,200	M/D \$11,300	M\$8,400
Lafayette	M\$3,000	X	X	X	X
MCS	M\$7,000	M/D \$15,000	M/D \$11,900	X	M\$7,300
HS/SRTC	M\$15,000	M\$6,000	M\$6,000	M\$8,700	M\$9,000
JHS	M\$10,000	M\$5,000	M\$14,400	M/D\$6,800	M\$5,200
Willard/ M.Gym	X	M\$13,000 D\$5,000	M\$5,000 D\$5,000	R M\$9,200	R M\$12,000
Maintenance	M\$5,000	X	M\$5,000	M/C \$15,300	X
ALC	X	X	X	X	X
<b>Totals:</b>	<b>\$40,000</b>	<b>\$59,000</b>	<b>\$53,500</b>	<b>\$51,300</b>	<b>\$41,900</b>

M=Masonry C=Caulking W=Windows F= Foundation systems D=Doors

## HVAC Upgrades

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
Lafayette	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
MCS	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
HS/SRTC	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
JHS	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
Willard/ M.Gym	\$2,857	\$2,857	\$2,857	\$2,857	\$2,857
Maintenance	\$2,858	\$2,858	\$2,858	\$2,858	\$2,858
ACL	x	x	x	x	x
<b>Totals:</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$20,000</b>

## Electrical Upgrades

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	CL\$4,000	LU\$5,200	LU\$2,300	LU\$5,300	EU\$5,300
Lafayette	PU\$3,000	PU\$2,500	PU\$3,500	EU\$2,500	EU\$4,500
MCS	LU\$2,800	LU\$3,500	LU\$3,000	LU\$3,800	EU\$3,000
HS/SRTC	X	PU\$10,000 PU\$8,000 (SRTC)	PU\$9,000 PU\$6,000 (SRTC)	R	R
JHS	x	PU\$5,000	PU\$5,000	R	R
Willard/ M.Gym	LU\$5,500	PU\$5,500	PU\$6,000	EU\$6,000	EU\$6,000
Maintenance	X	X	X	X	X
ALC	X	X	X	X	X
<b>Totals:</b>	<b>\$15,300</b>	<b>\$39,700</b>	<b>\$34,800</b>	<b>\$17,600</b>	<b>\$18,800</b>

CL= Computer lab upgrades

LP= Label panels (trace circuits)

PU=Panel upgrades

WC= Wire compressor

EU= Electrical upgrades

LU=Lighting upgrades

\*\*We should carry \$6000 for annual ballast change outs

## Plumbing Upgrades

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
Lafayette	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
MCS	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
HS/SRTC	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
JHS	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
Willard/ M.Gym	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
Maintenance	\$2,187	\$2,187	\$2,187	\$2,187	\$2,187
ALC	x	x	x	x	x
<b>Totals:</b>	<b>\$15,309</b>	<b>\$15,309</b>	<b>\$15,309</b>	<b>\$15,309</b>	<b>\$15,309</b>

## Interior Trim

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	D \$1,600 FC \$4,250	D \$1,600 FC \$5,850	FC \$5,850 D \$1,600	FC \$5,850 D \$4,800	FC \$15,850
Lafayette	X	FC \$7,500	FC \$10,000	X	X
MCS	D \$1,600 FC \$5,373	FC \$8,500	FC \$4,200 CT \$38,000	D \$4,200 FC \$7,500	D \$5,600 FC \$4,200
HS/SRTC.	FC\$ 13,500 FC\$11,600	ST\$3,500 FC\$11,000	D\$5,600 FC\$6,000	R	R
JHS	FC\$6,000	ST\$3,500 FC\$2,500	ST\$3,500 FC\$2,500	FC\$6,000 CT\$48,950	R
Willard/ M.Gym	FC\$4,250	FC\$20,000	FC\$2,250	FC\$2,250	FC\$12,250 CT\$39,000
ALC	x	x	x	x	x
<b>Totals:</b>	<b>\$48,173</b>	<b>\$63,950</b>	<b>\$79,500</b>	<b>\$79,550</b>	<b>\$76,900</b>

D= Doors    FC= Floor coverings    ST= Stair treads    BE=Back entrance    CT=Café Tables

## Fire & Safety

School	2016-2017	2017-2018	2017-2019	2019-2020	2020-2021
CJL	SS \$1,000	SS \$3,800	SS \$3,800	SS \$3,800	SS \$3,800
Lafayette	SS \$1,000	SS \$2,600	SS \$3,000	SS \$3,200	X
MCS	SS \$1,400 \$9,800	SS \$3,200	SS \$3,200	SS \$3,200	FP \$4,800
HS/SRTC	SS \$2,700	FBW \$3,700	SS \$1,200	R	R
JHS	SS \$3,000 FBW \$10,000	SS \$3,000	FBW \$10,000	R	R
Willard/ M.Gym	FE \$5,100 (cafeteria)	FP \$4,800	SS \$2,200	X	SS \$2,200
ALC/Childcare	X	X	X	SS \$17,600	X
<b>Totals:</b>	<b>\$34,000</b>	<b>\$21,100</b>	<b>\$23,400</b>	<b>\$27,800</b>	<b>\$10,800</b>

SS=Suppression systems  
FBW=Fire barrier wall

SSU= Guardian suppression unit  
FP= Fire panel

M=Magnets  
FE= Front Entrance

R=Renovations

## A.D.A.

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	\$2,800	\$1,300	\$1,000	\$2,400	\$2,000
Lafayette	\$2,000	\$850	\$1,200	X	X
MCS	\$3,200	\$2,200	\$1,300	\$6,000	\$6,000
HS/SRTC	\$4,600	\$5,600	\$5,600	R	R
JHS	ILL \$5,000	\$4,800	\$3,200	R	R
Willard/ M.Gym	\$670	\$1,250	\$1,250	\$2,000	\$2,000
ALC/Childcare	\$670	\$1,340	\$1,200	\$1,200	\$1,200
<b>Totals:</b>	<b>\$18,940</b>	<b>\$17,340</b>	<b>\$14,750</b>	<b>\$11,600</b>	<b>\$11,200</b>

ILL=Intruder Lever Locks

R=Renovations

## Site Improvements/Landscaping

School	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
CJL	\$1,875	\$15,000	\$1,875	\$1,875	\$1,875
Lafayette	\$1,875	\$7,875	\$1,875	\$1,875	\$1,875
MCS	\$1,875	\$13,500	\$1,875	\$1,875	\$1,875
HS/SRTC	\$41,750 (sealcoat)	\$1,875	\$1,875	\$1,875	\$1,875
JHS	Included in HS/SRTC	\$1,875	\$1,875	\$1,875	\$1,875
Willard/ M.Gym	Included in HS/SRTC	\$1,875	\$1,875	\$1,875	\$1,875
ALC/Childcare	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875
<b>Totals:</b>	<b>\$49,250</b>	<b>\$43,875</b>	<b>\$13,125</b>	<b>\$13,125</b>	<b>\$13,125</b>

## Maintenance Vehicles

Vehicle	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
2007 GMC savanna Service Van	x	x	x	x	x
2003 Ford E150 Van Service Van	x	\$36,482	x	x	x
2004 Ford F350 Plow\ Sander Trk	X	x	x	x	x
2004 Ford F550 Dump/Sander/Plow Trk	x	x	x	x	x
1981 GMC 3500 Plow Trk Sold	x	x	x	x	x
1986 Chevy C30 Bucket Trk	x	x	\$68,000	x	x
2004 Thomas T25B MiniExcavator	x	\$48,000	x	x	x
1997 Nissan Fork Lift	x	\$12,000	x	x	x
<b>Totals:</b>	<b>\$0</b>	<b>\$96,482</b>	<b>\$68,000</b>	<b>\$0</b>	<b>\$0</b>

## Capital Improvements 2016-2021

Area	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Roof Systems	\$100,324	\$750,000	\$75,000	\$21,000	\$21,000
Ext. Walls	40,000	59,000	53,500	51,300	41,900
HVAC	20,000	20,000	20,000	20,000	20,000
Electrical	15,300	39,700	34,800	17,600	18,800
Plumbing	15,309	15,309	15,309	15,309	15,309
Interior Trim	48,173	63,950	79,500	79,550	76,900
Fire & Safety	34,000	21,100	23,400	27,800	10,800
ADA Comp.	18,940	17,340	14,750	11,600	11,200
Site Improv.	49,250	43,875	13,125	13,125	13,125
Vehicles	0	96,482	68,000	0	0
Totals:	\$341,296	1,126,756	397,384	257,284	229,034

### 8. Future agenda items – Confirm date, time and agenda for next meeting:

- a. Outside Agencies
- b. Capital Improvement
- c. Homestead Exemption Changes

- Thursday, March 17, 2016                      Joint Public Hearing
- Thursday, March 24, 2016
- Thursday, March 31, 2016
- Tuesday, April 5, 2016                      Budget Committee Presentation to the City Council

### 9. Budget Committee Member Comments

NONE

### 10. Adjourn: Declared adjourned by Chairperson Lance Hoenig at 8:50 pm