

MINUTES

BUDGET COMMITTEE
3RD FLOOR COUNCIL CHAMBERS
CITY HALL ANNEX
THURSDAY, MARCH 22, 2018
6:00 PM

1. Call to Order by Mayor Cote @ 6:02 PM
2. Pledge of Allegiance
3. Roll-Call
 - a. Budget Committee Members: Bruce Knight, Mayor Tom Cote, Lance Hoenig, Councilor Maura Herlihy, Danielle Moody, Councilor Robert Stackpole. James Drummey is absent with notice
 - b. City Hall Staff: Finance Director Ronni Champlin, City Manager Steve Buck,
 - c. School Staff: Superintendent David Theoharides, Assistant Superintendent Matt Nelson, Business Manager Gwen Bedell
 - d. School Committee Members: Kendra Williams, John Roux, Emily Sheffield
4. Adjustments to the Agenda: None
5. Approval of the March 8, 2018 and March 15th 2018 Meeting Minutes: Tabled
6. Public Participation: None
7. Old Business:
 - a. No Old Business
8. New Business: To take action, if appropriate, on the following:
 - a. General Budget Discussion
 - i. Municipal : Proposal for \$ 456,000 of Municipal Budget Adjustments

FY 18/19 BUDGET
CITY OF SANFORD

MUNICIPAL OPERATIONS
& CIP

By: Steven R. Buck, City Manager

Budget Committee Presentation
March 22, 2018

MUNICIPAL SUMMARY			
Source or Use of Funds	17/18 Budgeted Amount	18/19 Budgeted Amount	Variance (18/19 vs. 17/18)
Operational Expenses	\$22,968,611	\$24,440,991	+\$1,472,380 +6.4%
-Revenues + Use of Fund Bal.	\$10,502,486	\$11,155,258	+\$652,772 +6.2%
=Net Tax from Operations	\$12,466,125	\$13,285,733	+819,608 +6.5%
+ CIP	\$2,125,847	\$2,898,735	+\$772,888 +36.4%
=Total Net Taxation Excl. County Tax	\$14,591,972	\$16,184,468	+\$1,592,496 +10.9%

City of
 Sanford

 FY 18/19

 Budget
 Review

 As of
 3/22/18

\$456,000 OF MUNICIPAL BUDGET ADJUSTMENTS

■ Additional Revenue

- \$399,985
- \$ 3,800
- \$403,785

SRCC - Berwick & South Berwick
Increase Excavation & Traffic Permit Fees

*No increase in Revenue Sharing at this time

■ Expense Reductions

- \$ 15,743
- \$ 25,000
- \$ 48,837
- \$ 24,362
- \$ 8,400
- \$122,342

Human Resources Reduced PT Wages
Additional use of HRA
Public Works Adjustments
Fire Department Delayed Hiring
Code Enforcement/Land Bank/Planning Reorganization

■ Expense Additions

- \$143,985

SRCC - 2 Additional Dispatchers

■ CIP Reductions

- \$15,000
- \$10,358
- \$ 8,500
- \$40,000
- \$73,858

PW Facility Security Improvements Reduced
Information Systems GIS Footprints
GIS Land Stewardship
Brownfields Match

Wages:

General Services – contract expires June 30, 2018 – budget 2%

Sanford Regional Communications – contract expires June 30, 2019 – budget 3% as negotiated

Sanford Police Association – contract expires June 30, 2019 – budget 3% as negotiated

Public Works/Highway Local 481 – contract expires June 30, 2018 – budget 2%

Fire Department Local 1624 – contract expires June 30, 2020 – budget 2% as negotiated

Management/Personnel Policies – budget 2% (this based on the CPIW average for the previous calendar year)

New Positions for 18/19:

Planner	\$ 36,667	8 Months – Start Date of November 1 st
Part Time Custodian	\$ 17,097	Custodial Support for City Hall and Department of Public Works
Working Foreman PW/Traffic Div.	\$ 45,677	Street Signs and Plowing
Dispatcher	\$ 42,998	Talking Point – Berwick and South Berwick
Fire Fighter	\$ 50,955	Negotiated positions based on long term plan
Fire Fighter	\$ 50,955	Negotiated positions based on long term plan
Land Bank Authority housing/vacant buildings	<u>\$ 103,903</u>	Includes \$222,093 of new offsetting revenue – rental
Sub Total of New Positions	\$348,252	Total Wages

Adjustments brought forward:

Payroll Manager	\$17,454	position approved for an additional 10 hours per week – from 30 to 40 hours per week
Airport Manager	\$ 7,500	position approved for wage adjustment (Ranger Solar, Life Flight, Restaurant Renovations)
Parks & Recreation Director	<u>\$ 6,143</u>	position hire in rate based on education and experience/market rate
Sub Total of Previous Year Positions	\$ 31,097	

Other Points of Interest

Minimum Wage Impacts \$ 16,525 Recreation part time salaries \$9.00 to \$10.00/other summer staff up \$.50 per hour

Future minimum wage increases - 1/1/2019 \$11, 1/1/2020 \$12

Call Fire Department \$ 21,000 Wages reduced by \$13,950 based on Call Fire Company members (use to pay Call Co \$54,302 per year)

Sub Total POI \$ 37,525

Total \$416,874

SANFORD REGIONAL COMMUNICATIONS CENTER

ADDITIONAL REVENUE

- \$200,352 Berwick
- \$199,633 South Berwick
- \$399,985

- Start Date 7/1/2018

- \$256,000 Net New Revenue

ADDITIONAL EXPENSES

- \$143,985 2 Dispatchers

DEPARTMENT OF PUBLIC WORKS

ADDITIONAL REVENUE

- \$3,800 Highway Excavation & Traffic Control Permit Fee

REDUCTION IN EXPENSES

- \$48,837
- Eliminates approximately 16 miles of Contracted Plowing Routes
- Reduction of \$13,440 in Part Time Salaries
- Supports New Staff
- Contracted Street Painting to CIP

CODE ENFORCEMENT/LAND BANK/PLANNING REORGANIZATION

CURRENT STAFFING LEVELS

- **CODE ENFORCEMENT**
 - Chief Code Enforcement Officer
 - Code Enforcement Officer
 - ½ Administrative Assistant

- **LAND BANK**
 - Community Development Director
 - ½ Administrative Assistant
 - 2 CEO's

- **PLANNING**
 - Planning Director
 - Administrative Assistant

PROPOSED STAFFING LEVELS

- **CODE ENFORCEMENT/LAND BANK**
 - Community Development Director
 - Lead Code Enforcement Officer
 - *New Code Enforcement Officer
 - Administrative Assistant
 - 2 CEO's - Land Bank

- *New Code Enforcement Officer and Assistant Planner to be hired January 1, 2019.

- **PLANNING**
 - Planning Director
 - *New Assistant Planner
 - Administrative Assistant

REVISED MUNICIPAL SUMMARY

Source or Use of Funds	17/18 Budgeted Amount	18/19 Budgeted Amount	Variance (18/19 vs. 17/18)
Operational Expenses	\$22,968,611	\$24,462,634	+\$1,494,023 +6.5%
-Revenues + Use of Fund Bal.	\$10,502,486	\$11,559,043	+\$1,056,557 +10%
=Net Tax from Operations	\$12,466,125	\$12,903,591	+437,466 +3.5%
+ CIP	\$2,125,847	\$2,824,877	+\$699,030 +32.8%
=Total Net Taxation Excl. County Tax	\$14,591,972	\$15,728,468	+\$1,136,496 +7.7%

City of
Sanford

FY 18/19

Budget
Review

As of
3/22/18

iii. School Department

\$ 160,297	Cut: (6) Ed Techs
\$ 179,271	Cut: (2) Interventionists
\$ 31,060	Cut: Ed Tech HS
\$ 26,876	Cut: CTE Equip
\$ 3,300	Cut: CIP Roofs
\$ 79,280	Cut: Curriculum
\$ 50,472	Delay New sports
\$ 63,000	Reduce: Attend Officer Position
\$ 68,636	Cut: SS Teacher Position
\$ 70,709	Cut: ESL Teacher Position
\$ 52,369	Increase Carryover
\$ 17,627	Reduce: Other Teacher Position
\$ 802,898	Total

**SANFORD SCHOOL
DEPARTMENT**

**FISCAL YEAR
2018-19**

**BUDGET COMMITTEE
PRESENTATION**

March 22,
2018

City Hall
Chambers

Sanford,
Maine

By: Gwen R.
Bedell
Gadbois
CPA, CFE
Business
Administrator

SUMMARY			
Source or Use of Funds	17/18 Voter Approved Budget	18/19 Budget Amount	Variance (18/19 vs. 17/18)
Operations:			
Gen. Ed. + Adult Ed	\$43,017,666	\$49,379,224	+\$6,361,558 (15%)
Revenues:			
Gen. Ed. + FB Adult Ed.	\$28,923,900	\$35,822,981	+\$6,899,081 (24%)
Total Revenue			
= Net Tax from Operations	\$14,093,766	\$13,556,243	-\$537,523 (-4%)

Sanford School Department

FY 18/19

Budget Review

GENERAL EDUCATION NON-LOCAL REVENUES

Source	15/16 Actual	16/17 Budget	17/18 Preliminary	18/19 Preliminary	Variance (18/19 v. 17/18)
State Subsidy [EPS/E279]	\$20,740,060	\$21,898,748	\$26,111,404	\$33,194,493	+ \$3,416,749 Operations + \$3,666,340 Debt + \$7,083,089 (+27%)
Tuition from Other Districts	\$987,280	\$1,035,000	\$995,000	\$1,025,000	+ \$30,000 Acton & Bridge
State Agency Clients	\$218,732	\$200,000	\$200,000	\$200,000	(No Change)
Adult Ed, All Other & Fund Balance	\$434,453	\$568,516	\$1,617,496	\$1,403,488	- \$115,926 Fund Balance & Other - \$98,082 Adult Ed - 214,008
Total Non-Local Revenue	\$22,380,525	\$23,722,264	\$28,923,900	\$35,822,981	+ \$6,899,081 (+24%) All Increase from EPS

SANFORD: STATE SUBSIDY 9-YR HISTORY



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

Expense Classification	2017/2018 Approved Budget	2018/2019 Proposed Budget	Variance (18/19 vs. 17/18)
Salaries, Taxes & Benefits <small>(51-52)</small>	\$31,116,012	\$33,148,644	+ \$1,256,977 Salaries + 775,655 Benefits & Taxes + 2,032,632 (6%)
Purchased Prof. & Tech Services <small>(53)</small>	1,958,610	2,044,335	+ 85,725 (4%) CIP: Roofs, Plowing, Waste Removal
Property & Gen. Ops. <small>(54-55)</small>	3,177,356	3,406,953	+ 229,597 (7%) Transportation & Software Fees
Supplies & Energy <small>(56)</small>	1,518,562	1,592,933	+ 74,371 (5%) Curriculum & Supplies for new CTE Programs
Equipment & Repairs <small>(57)</small>	362,716	365,692	+ 2,976 Maint. Equip.
Dues, Debts & Other <small>(58-59)</small>	4,346,767	8,453,730	+ 4,106,964 (95%) HS/CTE Construction Debt State & Local
Total Expenses	\$42,480,022	\$49,012,288	\$4,100,321 Debt \$ 2,431,945 Operations + \$6,532,266 (18%)

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER [EXC. ADULT ED.]

#	Article Name	2014-15 Actual Expense	2015-16 Actual Expense	2016-17 Actual Expense	2017-18 BVR Budget	Proposed Budget	Variance 18/19 v 17/18	% Change
1	Regular Instruction	\$13,732,407	\$13,796,384	\$14,619,848	\$15,332,700	\$15,797,974	\$465,274	3.0%
2	Special Education	\$6,176,992	\$6,447,591	\$7,374,459	\$7,807,439	\$8,209,026	\$401,587	5.1%
3	Career & Technical Ed	\$1,796,494	\$1,811,010	\$1,947,108	\$2,359,246	\$2,891,674	\$532,428	22.6%
4	Other Instruction	\$780,817	\$881,999	\$871,925	\$1,030,057	\$1,044,182	\$14,125	1.4%
5	Student & Staff Support	\$2,568,075	\$3,063,111	\$3,085,774	\$3,456,000	\$3,862,744	\$406,744	11.8%
6	System Administration	\$796,176	\$794,531	\$802,333	\$865,957	\$976,331	\$110,374	12.7%
7	School Administration	\$1,829,478	\$1,978,603	\$1,978,603	\$2,061,010	\$2,177,124	\$116,114	5.6%
8	Transportation	\$1,799,038	\$1,756,125	\$1,775,061	\$1,750,607	\$1,942,784	\$192,177	11.0%
9	Facilities (inc. CIP)	\$3,931,021	\$3,852,567	\$3,867,876	\$3,797,193	\$3,983,436	\$186,243	4.9%
10	Debt Service	\$0	\$0	\$0	\$3,994,813	\$8,095,134	\$4,100,321	102.6%
11	Other (inc. Rounding)	\$5,378	\$9,405	\$0	\$25,000	\$31,879	\$6,879	27.5%
Total		\$33,415,876	\$34,391,326	\$36,322,987	\$42,480,022	\$49,012,288	\$6,532,266	17.98%

FY	TOTAL DEBT PAYMENT PRINCIPLE & INTEREST	STATE SHARE OF DEBT RECEIVED THRU SUBSIDY	LOCAL SHARE \$10M Bond + Interest
2018	\$3,994,812.54	\$3,571,997.83	\$422,814.71
2019	8,095,133.75	7,238,337.55	856,796.20
2020	8,010,279.63	7,162,464.47	847,815.16
2021	7,912,119.97	7,074,694.12	837,425.85
2022	7,804,169.45	6,978,169.18	826,000.27
2023	7,688,185.41	6,874,461.00	813,724.41
2024	7,565,925.18	6,765,140.91	800,784.27
2025	7,438,141.90	6,650,882.33	787,259.57
2026	7,303,831.38	6,530,787.36	773,044.02
2027	7,163,495.71	6,405,304.95	758,190.76
2028	7,014,147.42	6,271,763.82	742,383.60
2029	6,853,753.04	6,128,345.73	725,407.31
2030	6,684,270.74	5,976,801.60	707,469.14
2031	6,506,980.85	5,818,276.24	688,704.61
2032	6,323,088.40	5,653,846.14	669,242.26
2033	6,133,371.65	5,484,209.19	649,162.46
2034	5,939,311.77	5,310,688.79	628,622.98
2035	5,741,561.49	5,133,868.58	607,692.91
2036	5,539,342.57	4,953,052.70	586,289.87
2037	5,334,035.75	4,769,475.75	564,560.00
2038	5,125,992.51	4,583,452.00	542,540.51
TOTAL	\$140,171,951.11	\$125,336,020.24	\$14,835,930.87

**NEW
HIGH
SCHOOL &
TECHNICAL
CENTER**

**DEBT-
SHARING
BY FY**

**STATE
SUBSIY &
LOCAL
PORTION**

ARTICLE 10

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER [EXC. ADULT ED.]

#	Article Name	2014-15 Actual Expense	2015-16 Actual Expense	2016-17 Actual Expense	2017-18 BVR Budget	Proposed Budget	Variance 18/19 v 17/18	% Change
1	Regular Instruction	\$13,732,407	\$13,796,384	\$14,619,848	\$15,332,700	\$15,797,974	\$465,274	3.0%
2	Special Education	\$6,176,992	\$6,447,591	\$7,374,459	\$7,807,439	\$8,209,026	\$401,587	5.1%
3	Career & Technical Ed	\$1,796,494	\$1,811,010	\$1,947,108	\$2,359,246	\$2,891,674	\$532,428	22.6%
4	Other Instruction	\$780,817	\$881,999	\$871,925	\$1,030,057	\$1,044,182	\$14,125	1.4%
5	Student & Staff Support	\$2,568,075	\$3,063,111	\$3,085,774	\$3,456,000	\$3,862,744	\$406,744	11.8%
6	System Administration	\$796,176	\$794,531	\$802,333	\$865,957	\$976,331	\$110,374	12.7%
7	School Administration	\$1,829,478	\$1,978,603	\$1,978,603	\$2,061,010	\$2,177,124	\$116,114	5.6%
8	Transportation	\$1,799,038	\$1,756,125	\$1,775,061	\$1,750,607	\$1,942,784	\$192,177	11.0%
9	Facilities (inc. CIP)	\$3,931,021	\$3,852,567	\$3,867,876	\$3,797,193	\$3,983,436	\$186,243	4.9%
10	Debt Service	\$0	\$0	\$0	\$3,994,813	\$8,095,134	\$4,100,321	102.6%
11	Other (inc. Rounding)	\$5,378	\$9,405	\$0	\$25,000	\$31,879	\$6,879	27.5%
Total		\$33,415,876	\$34,391,326	\$36,322,987	\$42,480,022	\$49,012,288	\$6,532,266	17.98%

SCHOOL DEBT SERVICE SCHEDULE

AMOUNTS INCLUDE PRINCIPLE + INTEREST

FY 17/18

■ 3 RD PAYMENT ON \$1.5M ENERGY BOND	\$ 172,642.50
■ 1 ST PAYMENT ON \$600K SRRF LOANS JH&HS	\$ 20,751.70
■ 1 ST PAYMENT ON \$10M HS/CTE LOCAL ONLY BOND	<u>\$ 422,814.71</u>
TOTAL FY17/18 DEBT SERVICE:	\$616,208.91

FY 18/19

■ 4 TH PAYMENT ON \$1.5M ENERGY BOND	\$ 170,955.00
■ 2 ND PAYMENT ON \$600K SRRF LOANS JH&HS	\$ 20,751.70
■ 2 ND PAYMENT ON \$10M HS/CTE LOCAL-ONLY BOND	<u>\$ 856,796.20</u>
TOTAL FY18/19 DEBT SERVICE:	\$1,048,502.90

18/19 DEBT SERVICE IN ARTICLE 9: \$191,706.70

18/19 DEBT SERVICE IN ARTICLE 10: \$856,796.20

CAPITAL IMPROVEMENT PLAN SUMMARY 2018/2019

<u>Roofs</u>	\$ 71,700
<u>Exterior Wall Systems</u>	\$ 53,500
Masonry, Windows and Exterior Doors	
<u>HVAC</u>	\$ 60,000
Pneumatic Heating/Cooling Components and Air Leak Remediation	
<u>Electrical</u>	\$ 34,800
Wiring, Panels, Heater Motor Compressor and Service Lighting	
<u>Plumbing</u>	\$ 15,300
Hot Water Heaters, Toilets and Faucets	
<u>Interior Trim</u>	\$ 30,950
Floor Coverings, Stairs, and Interior Doors	
<u>Fire & Safety</u>	\$ 23,400
Suppression Systems, Fire Barrier Walls, Fire Panel and Intrusion Locks	
<u>ADA Compliance</u>	\$ 14,750
Elevators, Ingress/Egress and Restroom Upgrades	
<u>Site Improvements/Landscaping</u>	\$ 13,125
Sealcoating, Crack-filling and Striping	
<u>Maintenance Vehicles</u>	\$ 64,000
TOTAL	\$381,525

CAPITAL IMPROVEMENT PLAN TIMELINE

Area	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Roofs	(Bond Nec.)	\$71,700	\$41,000	\$41,000	\$40,000	\$40,000
Exterior Walls	60,000	53,500	51,300	49,900	50,350	49,300
HVAC	20,000	60,000	40,000	40,000	40,000	40,000
Electrical	29,000	34,800	17,600	18,800	18,800	19,500
Plumbing	15,300	15,300	15,300	15,300	15,300	15,300
Interior Trim	48,950	30,950	41,400	48,900	46,400	44,700
Fire & Safety	21,000	23,400	27,800	20,800	20,800	19,300
ADA Compliance	17,400	14,750	11,600	12,200	11,200	12,000
Site Improvements	49,250	13,125	23,125	23,125	23,125	26,000
Vehicles & Equip	48,000	64,000	84,000	52,000	68,000	72,000
Totals:	\$308,900	\$381,525	\$353,125	\$322,025	\$333,975	\$338,100

ADULT EDUCATION EXPENSES

Expense Classification	2017/2018 Approved Budget	2018/2019 Proposed Budget	Variance (18/19 vs. 17/18)
Salaries, Taxes & Benefits (51-52)	\$686,198	\$632,513	- \$53,685 (-8%) Enrichment & Programs
Purchased Prof & Tech. Serv. (53)	56,400	15,600	- \$40,800 (-72%) Enrichment
Prop. & Gen. Ops. (54-55)	41,675	38,344	- \$3,331 (-8%) Computer Equip M&R
Supplies, Rent & Energy (56)	59,951	59,685	- \$266 (-1%) Rent Increase Offset by Enrichment Decrease
Equip & Tech (57)	0	0	No Change
Dues, Fees, Debts & Other (58-59)	<u>2,320</u>	2,320	No Change
Total Adult Education	<u>\$846,544</u>	<u>\$748,462</u>	- \$70,000 Enrichment - \$28,082 Program Sal. - \$98,082 (12%)

SCHOOL FUND BALANCE HISTORY

SOURCE: AUDITED FINANCIAL STATEMENTS

SUMMARY OF OPERATIONS	FY14	FY15	FY16	FY17
BUDGETED REVENUE	\$35,108,329	\$35,266,468	\$36,337,950	\$38,124,930
ACTUAL REVENUE	<u>33,650,621</u>	<u>34,548,922</u>	<u>36,500,736</u>	<u>37,642,165</u>
REVENUE GAIN (LOSS)	(1,457,708)	(717,546)	162,786	(482,765)
BUDGETED EXPENSE	35,108,329	35,266,468	36,337,950	38,124,930
ACTUAL EXPENSE	<u>34,192,531</u>	<u>34,206,169</u>	<u>35,207,756</u>	<u>37,038,716</u>
EXPENSE SAVED (OVERSPENT)	915,798	1,060,299	1,130,194	1,086,214
CHANGE IN FUND BALANCE	(634,316)	<u>594,432</u>	<u>1,257,336</u>	<u>582,098</u>
FUND BALANCE	(1,501,924)	(881,483)	400,282	986,297



SUMMARY

Source or Use of Funds	17/18 Voter Approved Budget	18/19 Budget Amount	Variance (18/19 vs. 17/18)
Operations: Gen. Ed. + Adult Ed	\$43,017,666	\$49,379,224	+\$6,361,558 (15%)
Revenues: Gen. Ed. + FB Adult Ed. Total Revenue	\$28,923,900	\$35,822,981	+\$6,899,081 (24%)
= Net Tax from Operations	\$14,093,766	\$13,556,243	-\$537,523 (-4%)
+ CIP	\$308,900	\$381,525	+\$72,625 (24%)
= Total Net Taxation	\$14,402,666	\$13,937,768	-\$464,898 (-3.2%)

Sanford
School
Department

FY 18/19

Budget
Review

As of
3/22/18

SANFORD SCHOOL DEPARTMENT
SUMMARY BUDGET INFORMATION
As of 3/22/2018

School's Original Budget: Net Tax \$ 14,740,666

Budget Committee Directive: Cut -\$ 802,898

School's Revised Net Tax: \$ 13,937,768 Achieved

TAX IMPACT AREA	17/18 BVR	17/18 MOD	18/19	Variance \$	Variance %
EXPENSES					
School Operations (w/o CIP)	42,171,122	42,661,670	48,630,762	5,969,092	13.99%
Capital Reserve (CIP)	308,900	308,900	381,525	72,625	23.51%
Adult Education	846,544	846,544	748,462	(98,082)	-11.59%
Total Expenses	43,326,566	43,817,114	49,760,749	5,943,635	13.56%
REVENUES					
School (including Carryover)	28,559,900	29,540,996	35,543,981	6,002,985	20.32%
Adult Ed	364,000	364,000	279,000	(85,000)	-23.35%
Total Revenues	28,923,900	29,904,996	35,822,981	5,917,985	19.79%
TOTAL NET TAXATION	14,402,666	13,912,118	13,937,768	25,650	0.18%
Taxpayer Relief		-3.41%	-3.23%	Increase over \$14,402,666	

FY18/19 REVENUE BREAKDOWN

School - State Subsidy	33,194,493
School - FY18 Carryover	1,054,213
School - Unassigned Fund Balance	[Deficit]
School - Acton Tuition	945,000
School - Other Revenue [MaineCare etc]	350,275
School Revenue	35,543,981
Adult Ed - State Subsidy	180,000
Adult Ed - Other Revenue	99,000
Adult Ed Revenue	279,000
TOTAL REVENUE	35,822,981

FY18/19 EXPENSE BREAKDOWN

School - Operations	40,535,628
School - Debt Service	8,095,134
School - Capital Reserve	381,525
School Expenses	49,012,287
Adult Ed Expenses	748,462
TOTAL EXPENSES	49,760,749

Total Expenses	49,760,749
Total Revenues	35,822,981
Local Tax	13,937,768

\$ 11,556,793	EPS
\$ 856,796	Debt
\$ 381,525	CIP
\$ 469,462	Adult Ed
\$ 673,192	Add Local
\$ 13,937,768	Total

SANFORD SCHOOL DEPARTMENT
HISTORICAL BUDGET SUMMARY
As of 3/22/18

EXPENSES BY FUNCTION								
Acct#	Expense Group (inc. CIP)	2014-15 Actual Expense	2015-16 Actual Expense	2016-17 Actual Expense	2017-18 BVR Budget	2018-19 Proposed Budget	Variance 18/19 v 17/18	% Change
51000	Salaries & Stipends	\$20,198,116	\$20,800,349	\$21,393,236	\$22,447,838	\$23,704,815	\$1,256,977	5.6%
52000	Payroll Tax & Benefits	\$6,663,153	\$6,760,744	\$7,872,707	\$8,668,174	\$9,443,829	\$775,655	8.9%
53000	Purchased Prof & Tech Serv.	\$1,227,869	\$1,487,807	\$1,874,510	\$1,958,610	\$2,044,335	\$85,725	4.4%
54000	Purchased Property Serv.	\$754,859	\$755,092	\$601,844	\$597,846	\$628,231	\$30,385	5.1%
55000	Other Purchased Services	\$2,649,711	\$2,462,097	\$2,578,979	\$2,579,510	\$2,778,722	\$199,212	7.7%
56000	Supplies (inc. Energy)	\$1,428,797	\$1,412,079	\$1,320,939	\$1,518,562	\$1,592,933	\$74,371	4.9%
57000	Property Maint & Repair	\$211,565	\$311,082	\$269,336	\$362,716	\$365,692	\$2,976	0.8%
58000	Debt Service & Misc	\$281,806	\$402,074	\$411,437	\$4,346,767	\$8,453,730	\$4,106,964	94.5%
59000	Other (inc. Rounding & Transfers)	\$0	\$2	\$0	\$0	\$0	\$0	#DIV/0!
Total		\$33,415,876	\$34,391,326	\$36,322,987	\$42,480,022	\$49,012,288	\$6,532,265	17.98%

EXPENSES BY WARRANT ARTICLE								
#	Article Name	2014-15 Actual Expense	2015-16 Actual Expense	2016-17 Actual Expense	2017-18 BVR Budget	2018-19 Proposed Budget	Variance 18/19 v 17/18	% Change
1	Regular Instruction	\$13,732,407	\$13,796,384	\$14,619,848	\$15,332,700	\$15,797,974	\$465,274	3.0%
2	Special Education	\$6,176,992	\$6,447,591	\$7,374,459	\$7,807,439	\$8,209,026	\$401,587	5.1%
3	Career & Technical Ed	\$1,796,494	\$1,811,010	\$1,947,108	\$2,359,246	\$2,891,674	\$532,428	22.6%
4	Other Instruction	\$780,817	\$881,999	\$871,925	\$1,030,057	\$1,044,182	\$14,125	1.4%
5	Student & Staff Support	\$2,568,075	\$3,063,111	\$3,085,774	\$3,456,000	\$3,862,744	\$406,744	11.8%
6	System Administration	\$796,176	\$794,531	\$802,333	\$865,957	\$976,331	\$110,374	12.7%
7	School Administration	\$1,829,478	\$1,978,603	\$1,978,603	\$2,061,010	\$2,177,124	\$116,114	5.6%
8	Transportation	\$1,799,038	\$1,756,125	\$1,775,061	\$1,750,607	\$1,942,784	\$192,177	11.0%
9	Facilities (inc. CIP)	\$3,931,021	\$3,852,567	\$3,867,876	\$3,797,193	\$3,983,436	\$186,243	4.9%
10	Debt Service	\$0	\$0	\$0	\$3,994,813	\$8,095,134	\$4,100,321	102.6%
11	Other (inc. Rounding)	\$5,378	\$9,405	\$0	\$25,000	\$31,879	\$6,879	27.5%
Total		\$33,415,876	\$34,391,326	\$36,322,987	\$42,480,022	\$49,012,288	\$6,532,266	17.98%

Plus: Adult Education	790,293	816,420	715,727	846,544	748,462	(98,082)	-12.01%
Total Expense Budget	\$34,206,169	\$35,207,746	\$37,038,714	\$43,326,566	\$49,760,749	\$6,434,183	17.37%
Less: External Revenues				\$ 28,923,900	\$ 35,822,981	\$ 6,899,081	23.85%
NET TAXATION				\$14,402,666	\$13,937,768	-\$464,898	-3.23%

SANFORD SCHOOL DEPARTMENT
CAPITAL IMPROVEMENT PLAN
As of 3/22/2018

Area	Look-Back	This Year	Look-Forward			
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Roofs	(Bond Nec.)	\$71,700	\$41,000	\$41,000	\$40,000	\$40,000
Exterior Walls	60,000	53,500	51,300	49,900	50,350	49,300
HVAC	20,000	60,000	40,000	40,000	40,000	40,000
Electrical	29,000	34,800	17,600	18,800	18,800	19,500
Plumbing	15,300	15,300	15,300	15,300	15,300	15,300
Interior Trim	48,950	30,950	41,400	48,900	46,400	44,700
Fire & Safety	21,000	23,400	27,800	20,800	20,800	19,300
ADA Compliance	17,400	14,750	11,600	12,200	11,200	12,000
Site Improvements	49,250	13,125	23,125	23,125	23,125	26,000
Vehicles & Equip	48,000	64,000	84,000	52,000	68,000	72,000
Totals:	\$308,900	\$381,525	\$353,125	\$322,025	\$333,975	\$338,100

General Discussion of School Budget and what the recommended cuts would be if Budget Committee reduces their impact to property taxes by \$ 800,000.

Presentation by City Manager Steve Buck on what the proposed School and City adjustments as presented mean to the net appropriation and the next impact to the tax payer.

Appropriation increased by 11.55%

Revenues increased by 18.40%

Next Taxation increases by 3.69%.

Mil Rate when taking 41 million in valuation increase into consideration is \$ 20.75 which is a \$ 0.01 change in the mil rate from 2017/2018.

Overall tax bill to the average tax payer:

Home Valuation x 4.42% valuation increase plus mil rate change

Net change in homestead taxed home over the last 3 years is in the negative. i.e.

Homestead taxed homes are paying less in taxes for 2019 if the budget passes with the proposed \$ 1,256,000 in reductions then they were paying 4 years ago (15/16)

2016 Analysis, Importance of the Solar Array:

Example of how a large commercial project impacts the tax rates and greatly reduces the tax burden on the single family property tax payer.

62.5 Million project. Adds 4.67% to the overall base of the community. Reduces Single family proportionate share by 3.11%. Decreases the mil rate by 4.67%.

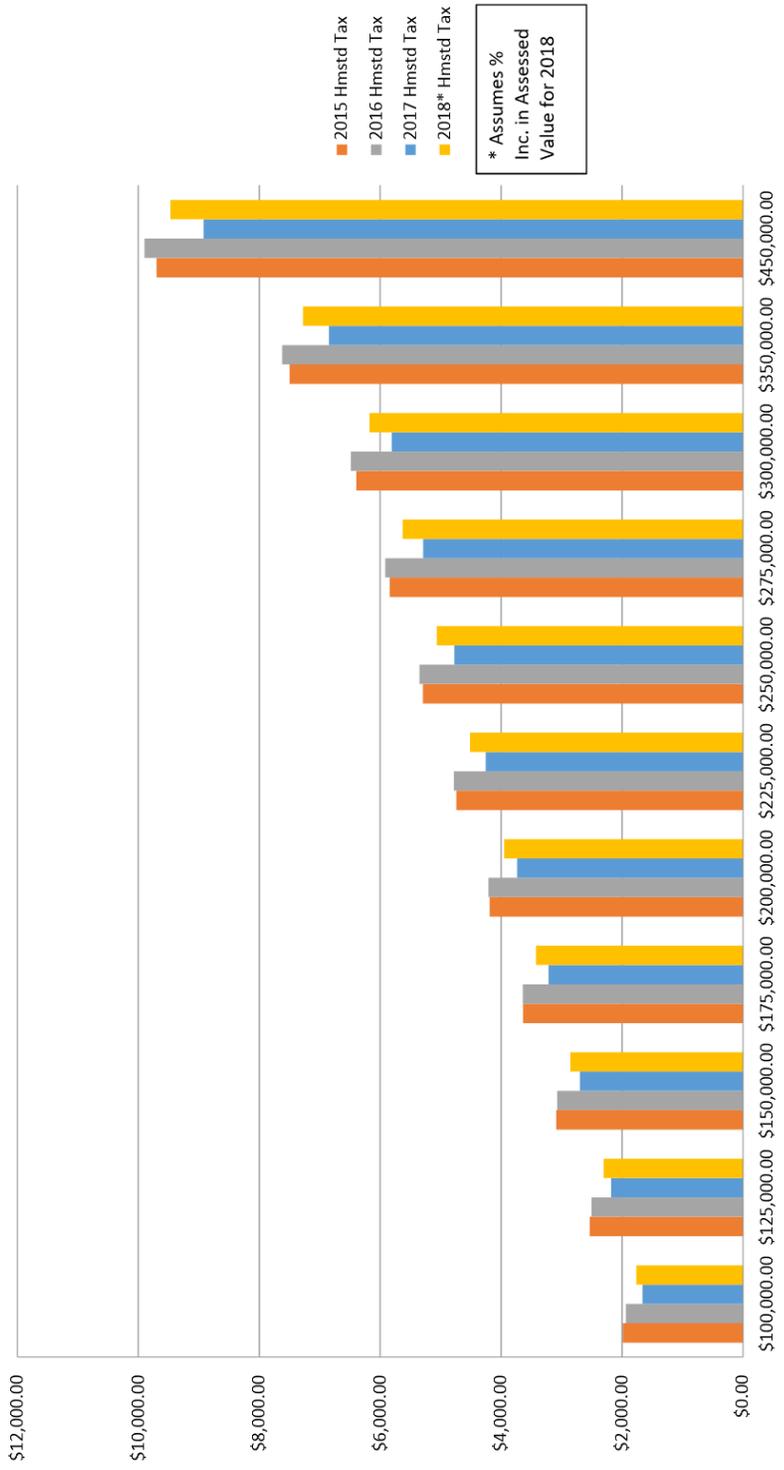
- b. Vote on 2018/2019 Budget Recommendation as it will be presented to the City Council:
 - i. Motion by Councilor Stackpole, seconded by James Drummey to add back in \$ 200,000 to next taxation with the same proportionate split between the School Department and Municipal as was given when cuts were requested. Motion fails 5-2 with James Drummey and Robert Stackpole voting in the minority.
 - ii. Motion by Councilor Herlihy, seconded by Bruce Knight for an amount to be raised by taxation of \$ 31,268,292. Use of undesignated funds in the amount of \$ 850,000. Net amount to be raised by taxation in the amount of \$ 30,418,292.
 - 1. Lance Hoenig makes a motion to amend the motion and increase the net amount to be raised by taxation by \$ 155,000, seconded by Robert Stackpole. 7-0 in favor of the amendment. \$ 25,248 City; \$ 79,280 for classroom libraries plus \$ 50,472 for volleyball and lacrosse. Amendment passes 7-0.
 - 2. Amended motion: Amount to be raised by taxation \$ 31,423,292. Use of undesignated funds in the amount of \$ 850,000. Net amount to be raised by taxation in the amount of \$ 30,573,292. 7-0 to approve the amended motion.

Adjusted slides with tax rate predictions and single family homestead property tax impacts:

CITY OF SANFORD
 FY 2018/2019
 TAX IMPACT PROJECTIONS
 Prepared by Treasurer's Office

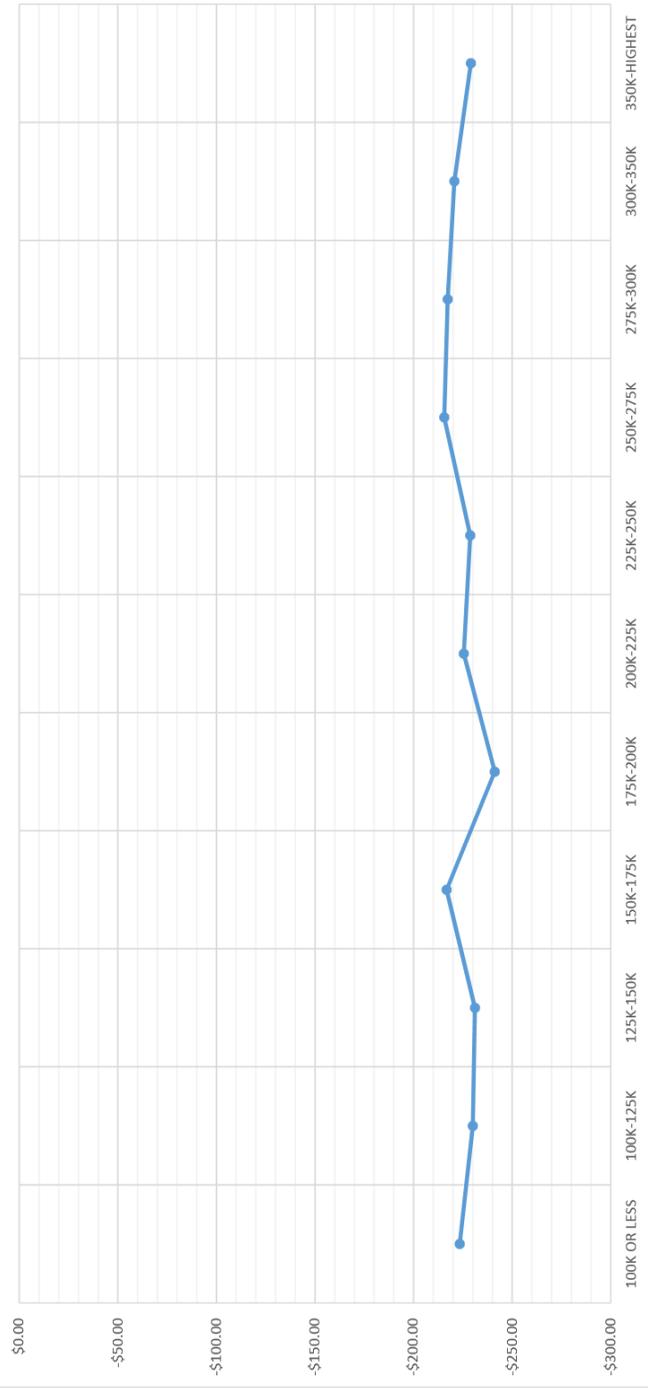
	FY 2017/2018 APPROVED BUDGET	FY 2018/2019 City Manager Recommendation	Dollar Change FY17/18 to FY '18/19	FY 2018/2019 Budget Committee Recommendation	
VALUATION					
Homestead Exemption at \$20,000 but State will only reimburse communities 62.5%					
Less Homestead Value:					
Net Valuation:	1,408,188,280	1,449,427,080	41,238,800	1,408,188,280	
APPROPRIATIONS					
COUNTY					
County Tax (Assessed)	831,519	752,056	-79,463	752,056	
TOTAL COUNTY TAX:	831,519	752,056	-79,463	752,056	-9.56%
MUNICIPAL					
Municipal Services	21,672,182	23,119,803	1,447,621		6.68%
Libraries	561,975	561,975	0		0.00%
Outside Agencies	92,737	123,737	31,000		33.43%
Debt Service	641,717	682,119	40,402		6.30%
Total Municipal Appropriation:	22,968,611	24,487,634	1,519,023	0	6.61%
SCHOOL					
School Committee Recommendation					
Education	38,666,857	40,665,628	1,998,771		5.17%
Debt Service	3,994,813	8,096,134	4,100,321		102.64%
Adult Education	846,544	748,462	-98,082		-11.59%
Total School Appropriation:	43,508,214	49,509,224	6,001,010	0	13.79%
CAPITAL RESERVE					
Municipal	2,125,847	2,824,877	699,030		32.88%
School	308,900	381,525	72,625		23.51%
Total Capital Reserve:	2,434,747	3,206,402	771,655	#VALUE!	#VALUE!
TOTAL APPROPRIATION:	69,743,091	77,955,316	8,212,225	#VALUE!	11.77%

4-Yr Hmstd Tax

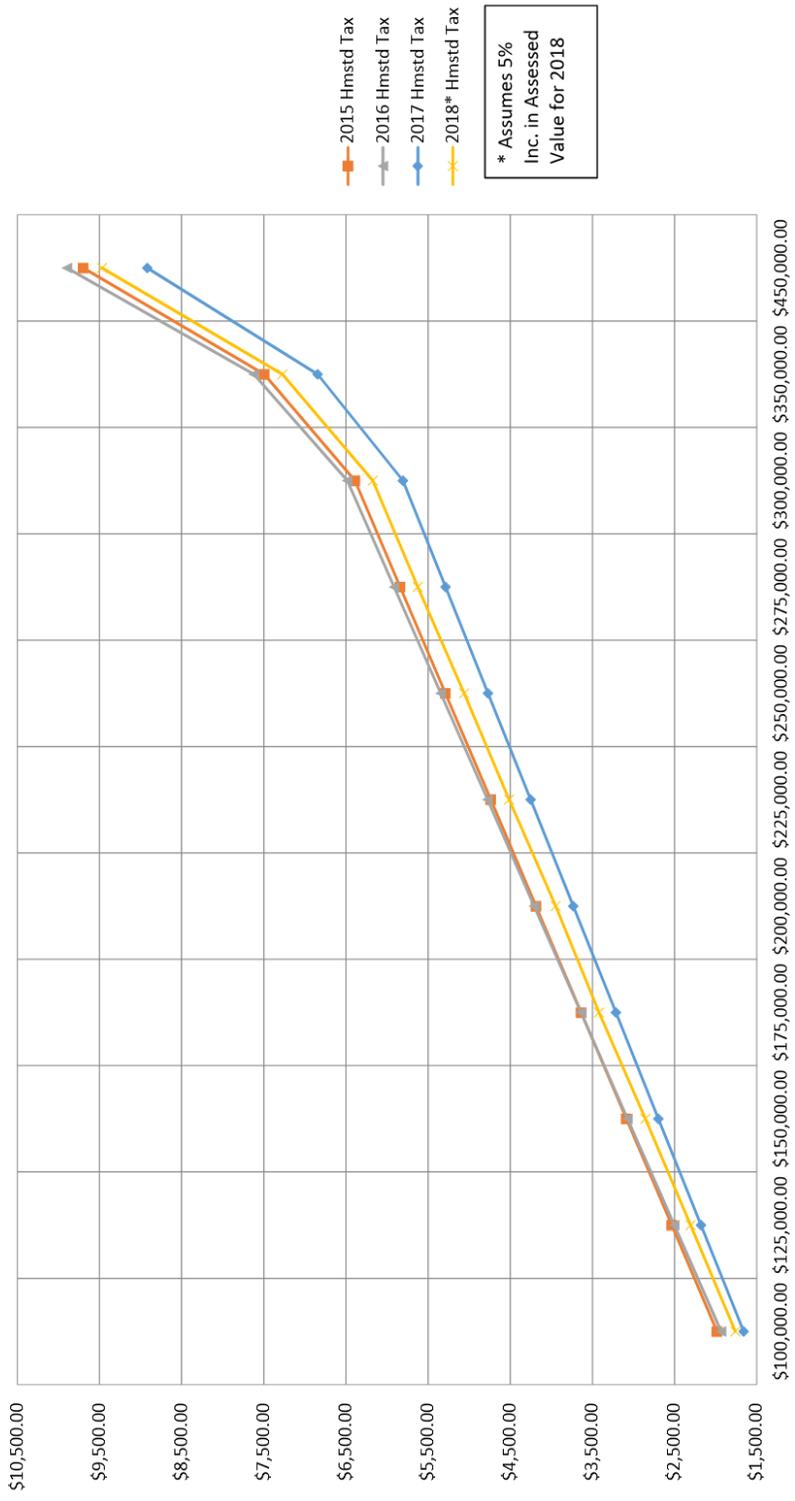


* Assumes % Inc. in Assessed Value for 2018

Net Change in Homestead Taxed Home Over Last Three Years

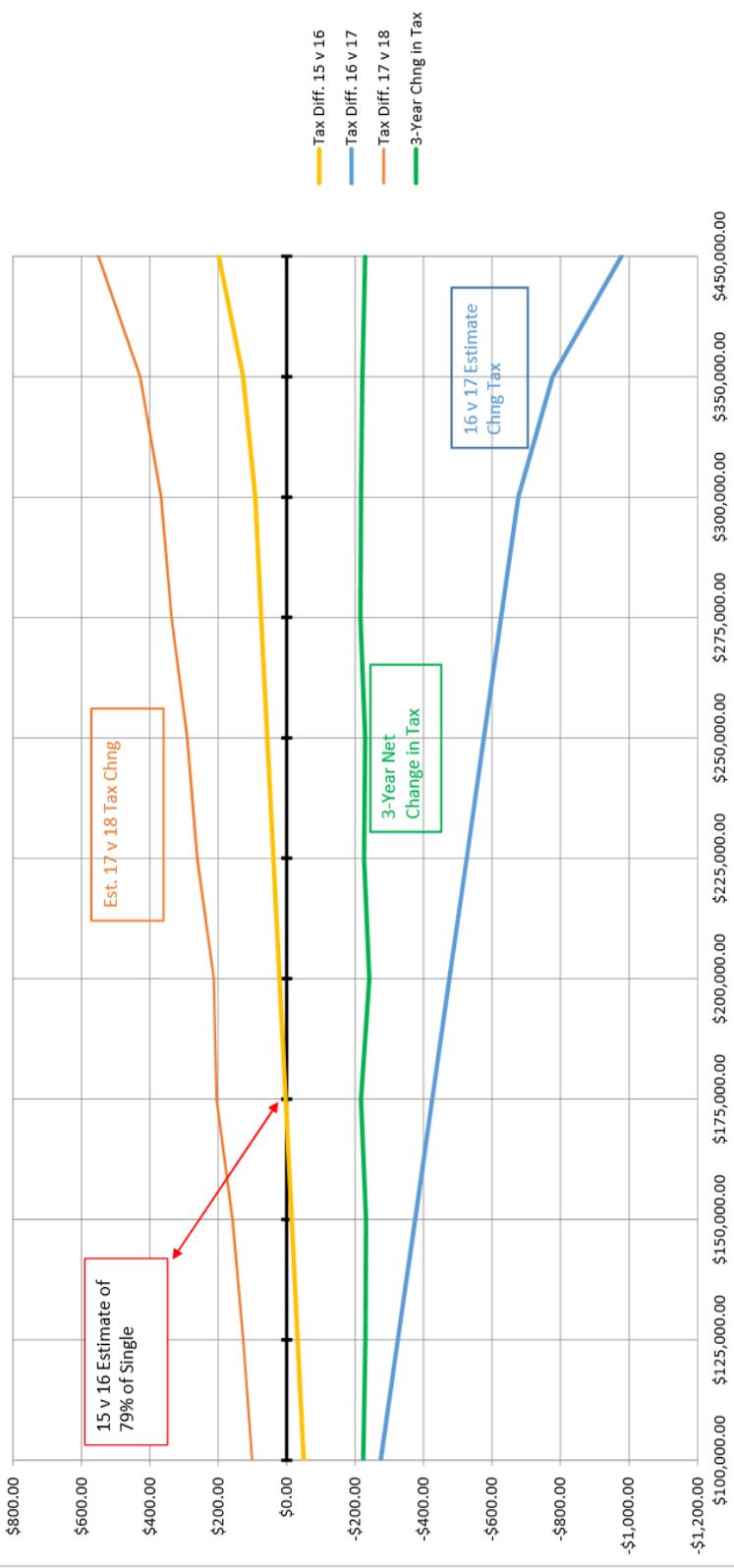


4-Yr Hmstd Tax



* Assumes 5% Inc. in Assessed Value for 2018

Tax Diff. 15 v 16 & 16 v 17



- c. Motion made by Maura Herlihy and seconded by Lance Hoenig to support the :

SOUTHERN MAINE REGIONAL SERVICE CENTER, Interlocal Agreement for Regional Service Center (under the authority of Title 20-A M.R.S. Chapter 123, §§ 3801 *et seq.* and Title 30-A M.R.S. Chapter 115, §§ *et seq.*)

“This Interlocal Agreement is made by and between **Regional School Unit No. 21** (“RSU 21”), **Regional School Unit No. 23**, **Regional School Unit No. 57**, **School Administrative District No. 35**, **School Administrative District No. 55**, **School Administrative District No. 60**, the **Biddeford School Department**, the **Dayton School Department**, the **Saco School Department**, the **Sanford School Department**, and the **Yarmouth School Department**, all Maine school administrative units acting by and through their governing bodies (hereinafter, collectively, the “Parties”)”

Membership in the Regional Service Center will allow for cost savings through joint purchasing and other regionalization efforts. Motion carries 7-0.

9. Future agenda items – Confirm date, time and agenda for next meeting

a. Tuesday, April 3rd

- i. Approve Budget Committee meeting minutes for March 8, 2018, March 15, 2018 and March 22, 2018.
- ii. Review and make a recommendation on the Bond for the Sanford Regional Airport’s Snow Removal Equipment Building
- iii. Budget Committee Presentation to the City Council

10. Budget Committee Member Comments

- a. Bruce Knight: Thanks everyone for coming in with a good budget
- b. James Drummey: Thanks to everyone for coming in with a good budget in an amicable format
- c. Robert Stackpole: Thanks to everyone for coming together to put together a good budget in an amicable format
- d. Danielle Moody: Thanks to everyone for the process. It has been an eye awakening process with great detail on the budget.
- e. Mayor Cote: Thanks to Gwen Bedell and Ronni Sweeney for the breadth of information that can be easily obtained when requested. Asks School Department for a better quantification of the return on investment for various programs. Start having the conversations and gathering the data.

11. Adjourned by Mayor Cote at 8:38 pm

