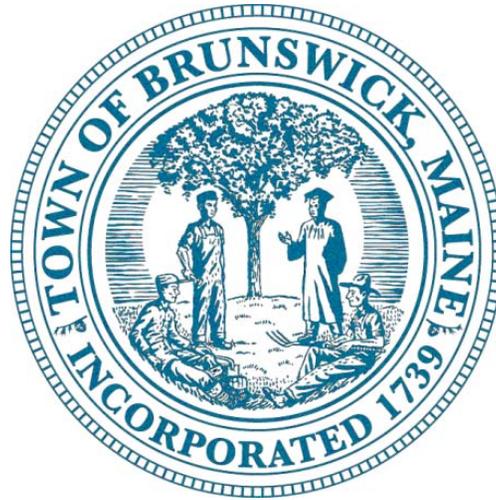


# Town of Brunswick, Maine



Manager's Proposed 2019–20 Budget

April 4, 2019

# Municipal Budget Development

- Department budgets
  - Needs based
  
- Manager's Funding Priorities
  - Mandatory items
  - Maintain service levels
  - Increase public safety staffing
  - Increase infrastructure repair and maintenance
  - Continued commitment to reserve funding
  - Add property tax assistance program funding
  - Target tax rate
  
- Manager's Adjustments to Dept Requests
  - Reductions to expenditure requests totaling \$1,066,967
  - 2.16% tax rate increase



# Municipal Budget Initiatives

## ▶ Personnel

- Fire Dept – 4 firefighters, 1 inspector
- Police Dept – 1 traffic safety officer
- Communications – 1 dispatcher
- Parks & Recreation – 2 rangers (seasonal)
- Town Clerk – part-time position to full-time

## ▶ Infrastructure Maintenance

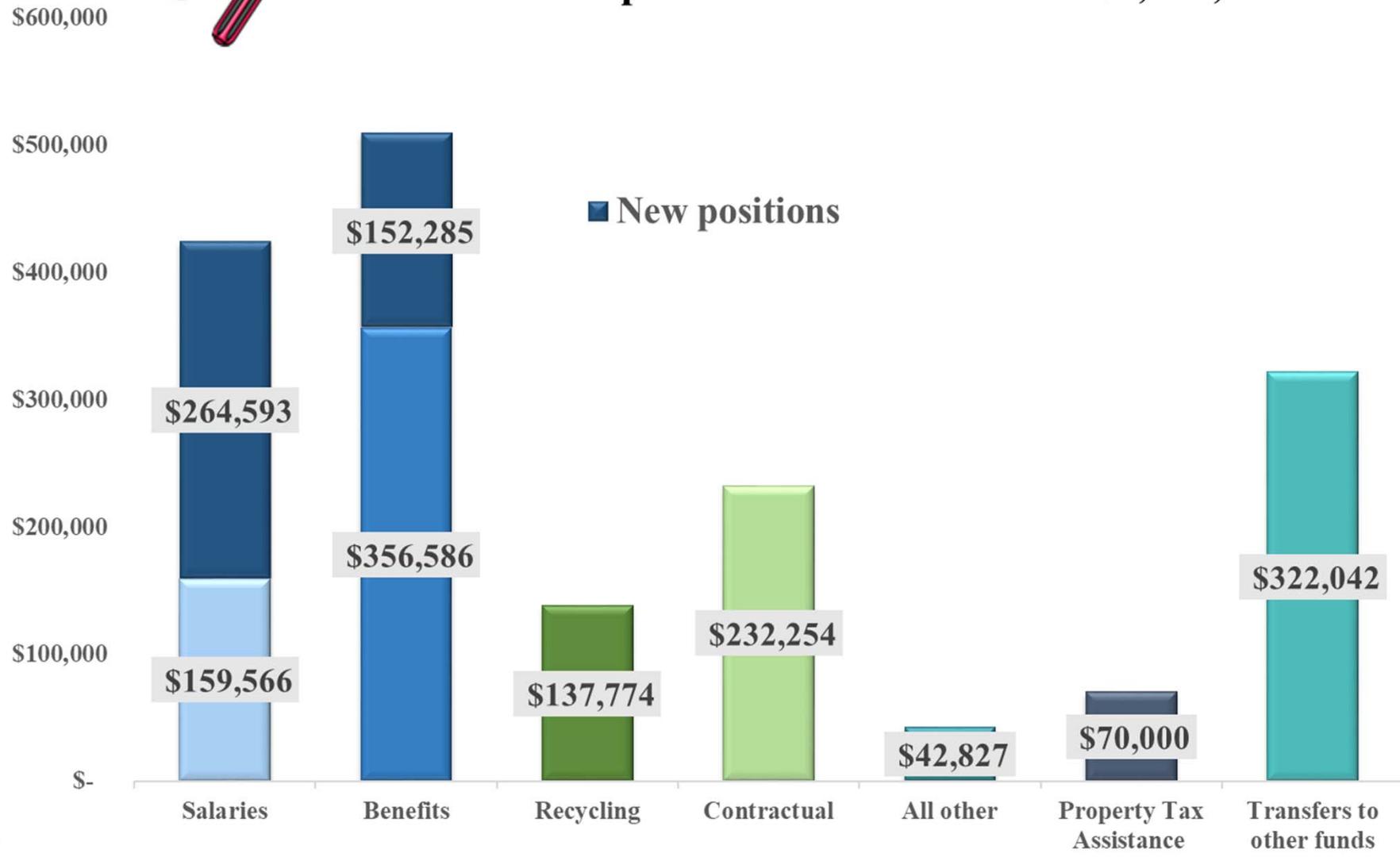
- Increase Paving/Road Rehab Budget
- Steady funding of Fleet & Facilities Reserves

## ▶ Property Tax Assistance Program

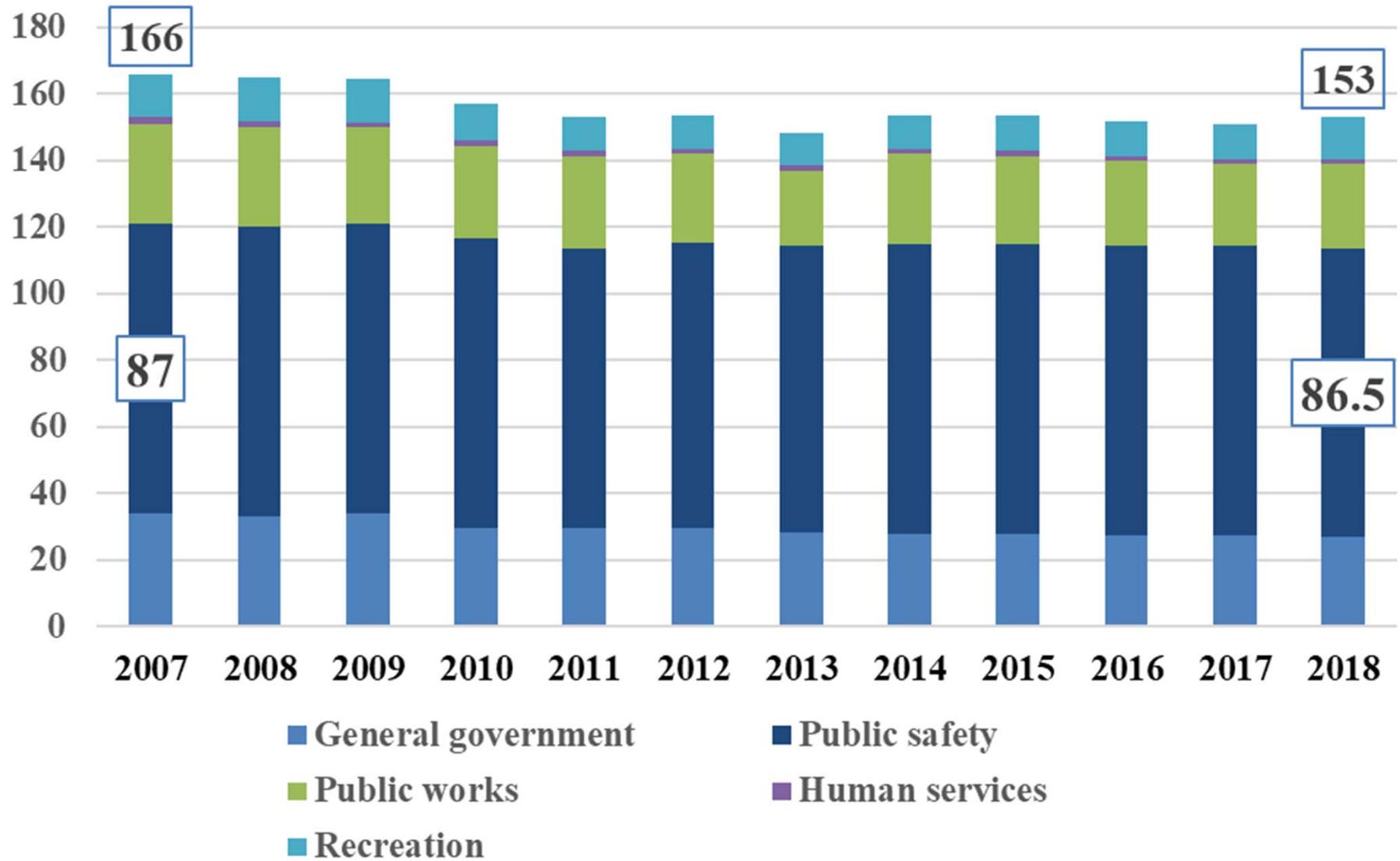




# Manager's 2019-20 Proposed Budget Municipal Departments only Drivers of Expenditure Increase - Total \$1,737,927

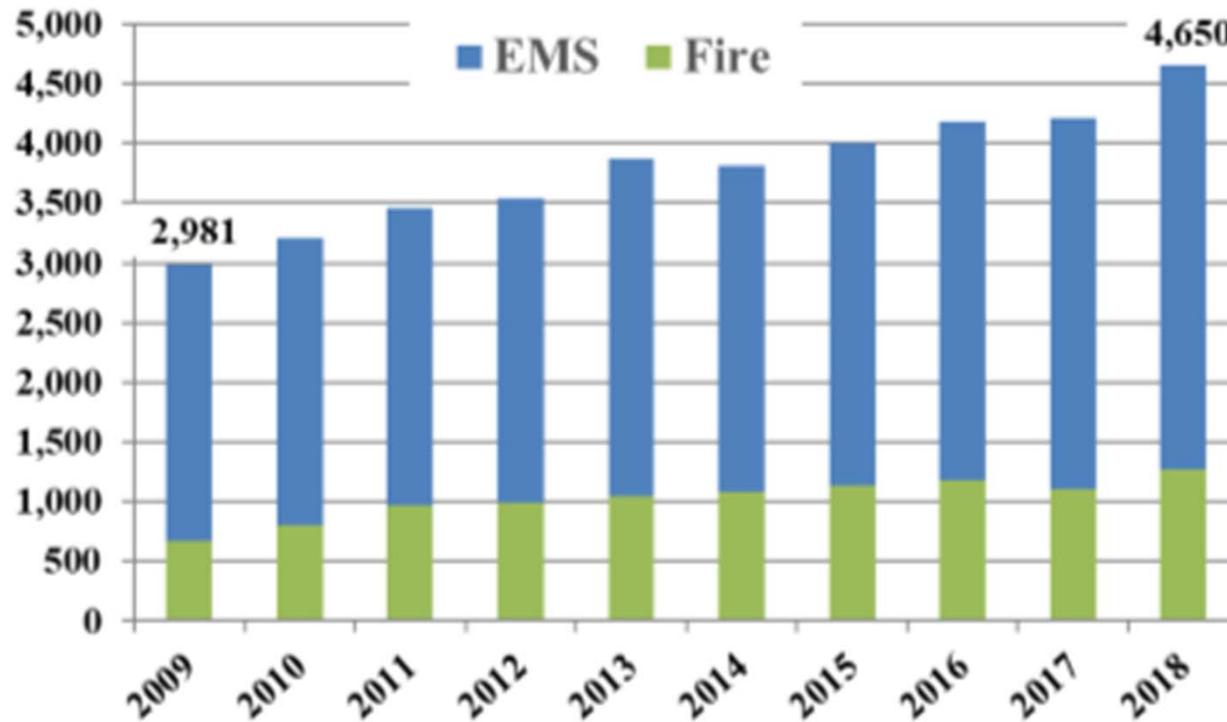


## Town of Brunswick Permanent Municipal Employees by Function



# Fire Department

## Fire Department Calls



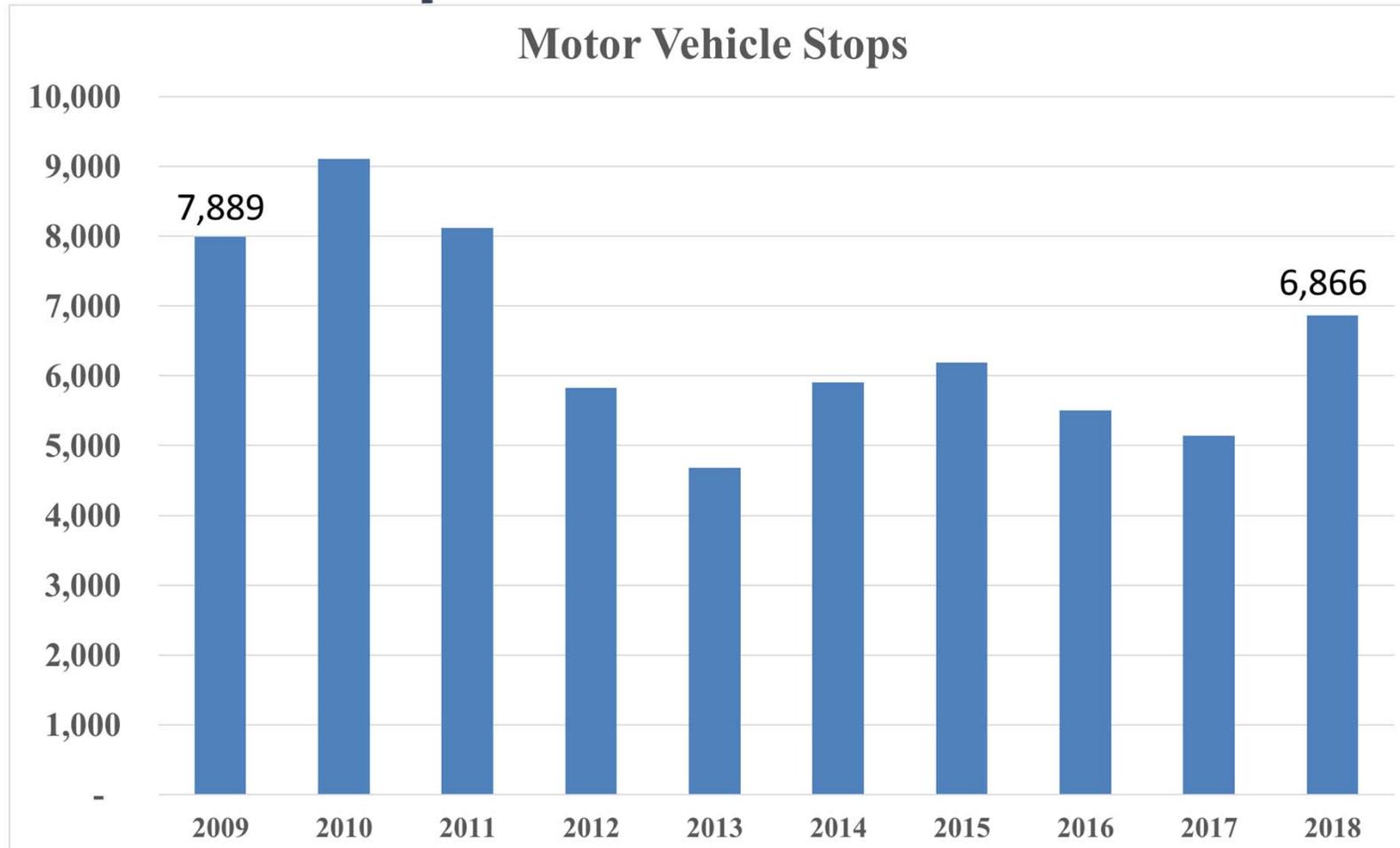
66%



- Add four firefighters – one per shift
- Add one inspections officer

No staffing changes since 2006

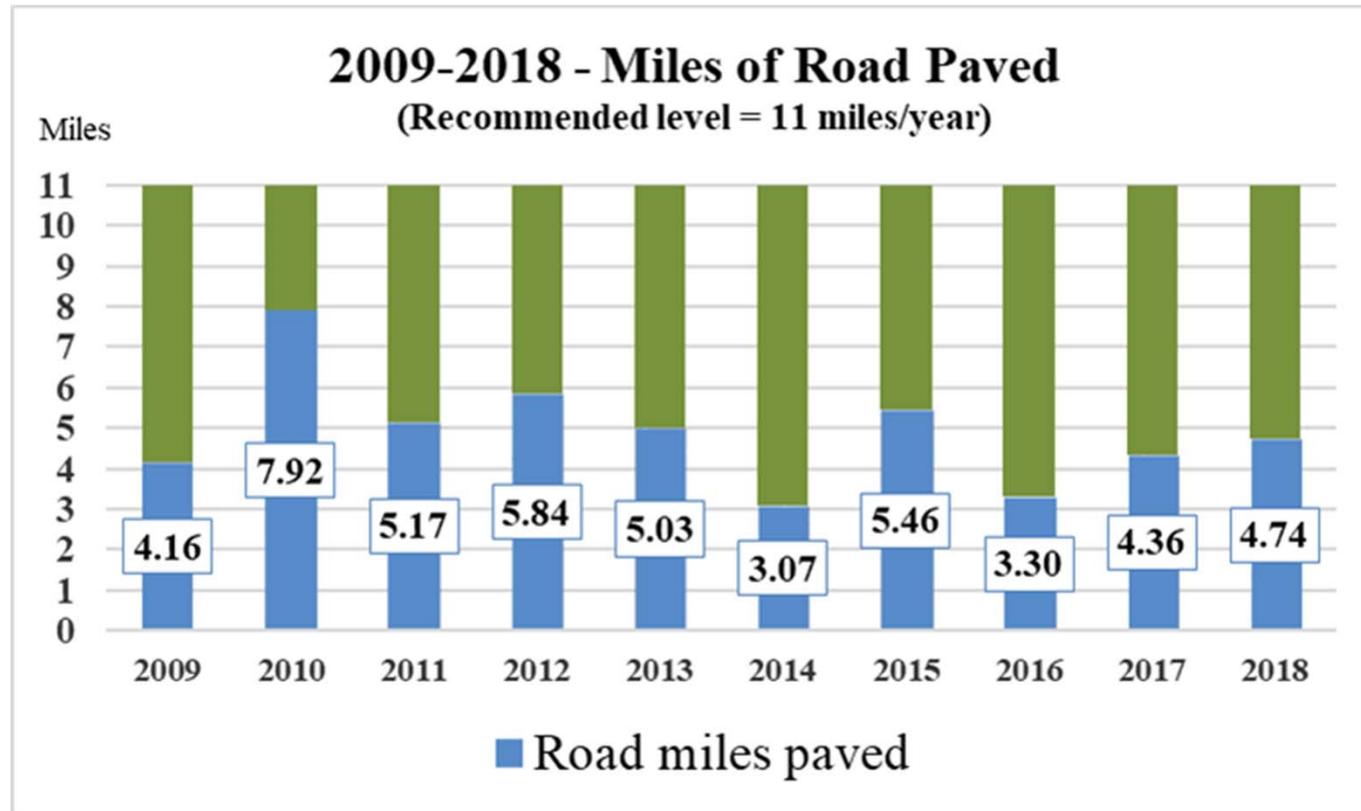
# Police Department



**Add one traffic safety officer**



# Road Paving and Rehabilitation



## Budget Increases:

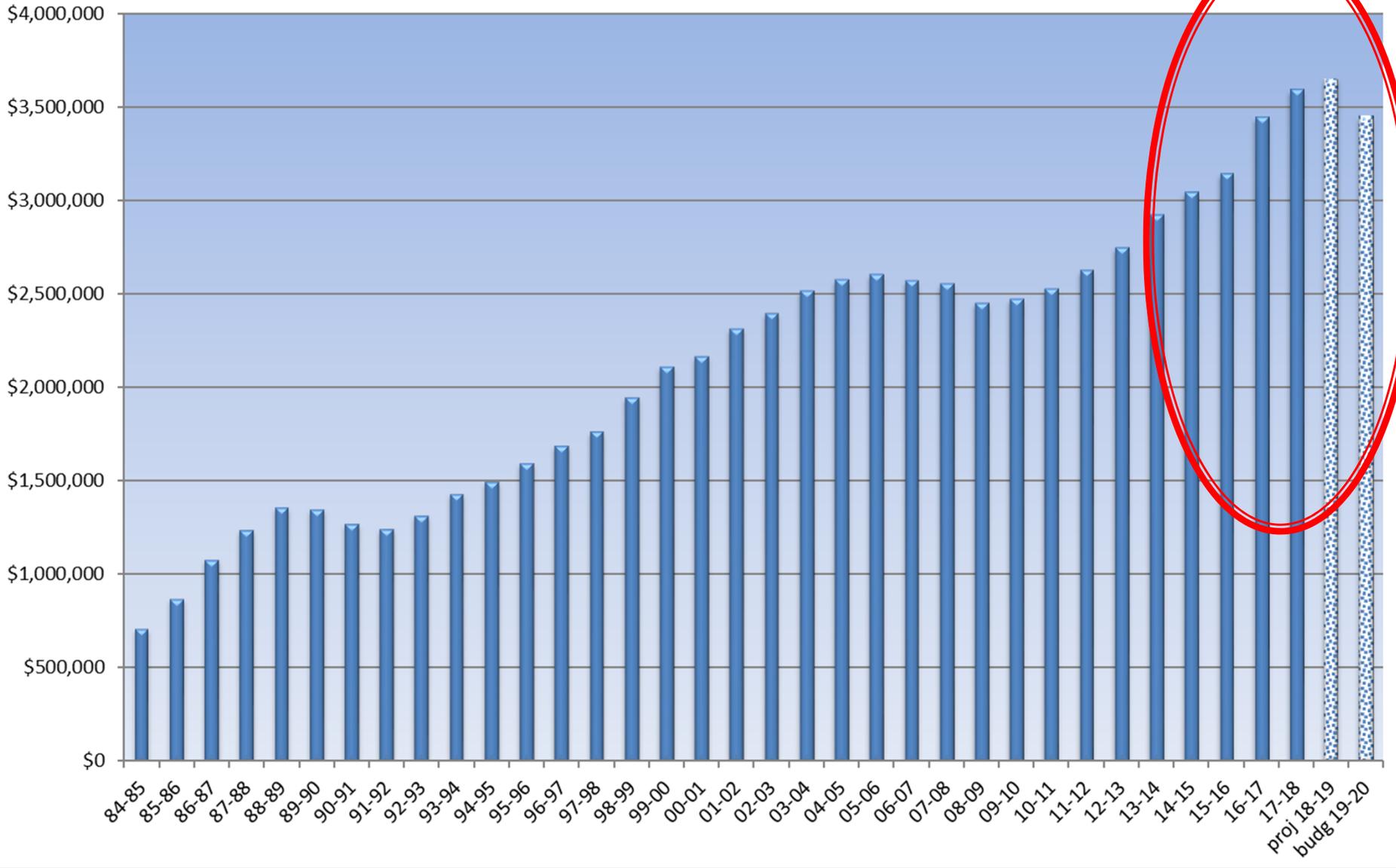
- Operating Budget – \$250,000 from General Revenues
- Capital Budget – \$200,000 from Fund Balance

# Non-Property Tax Revenues

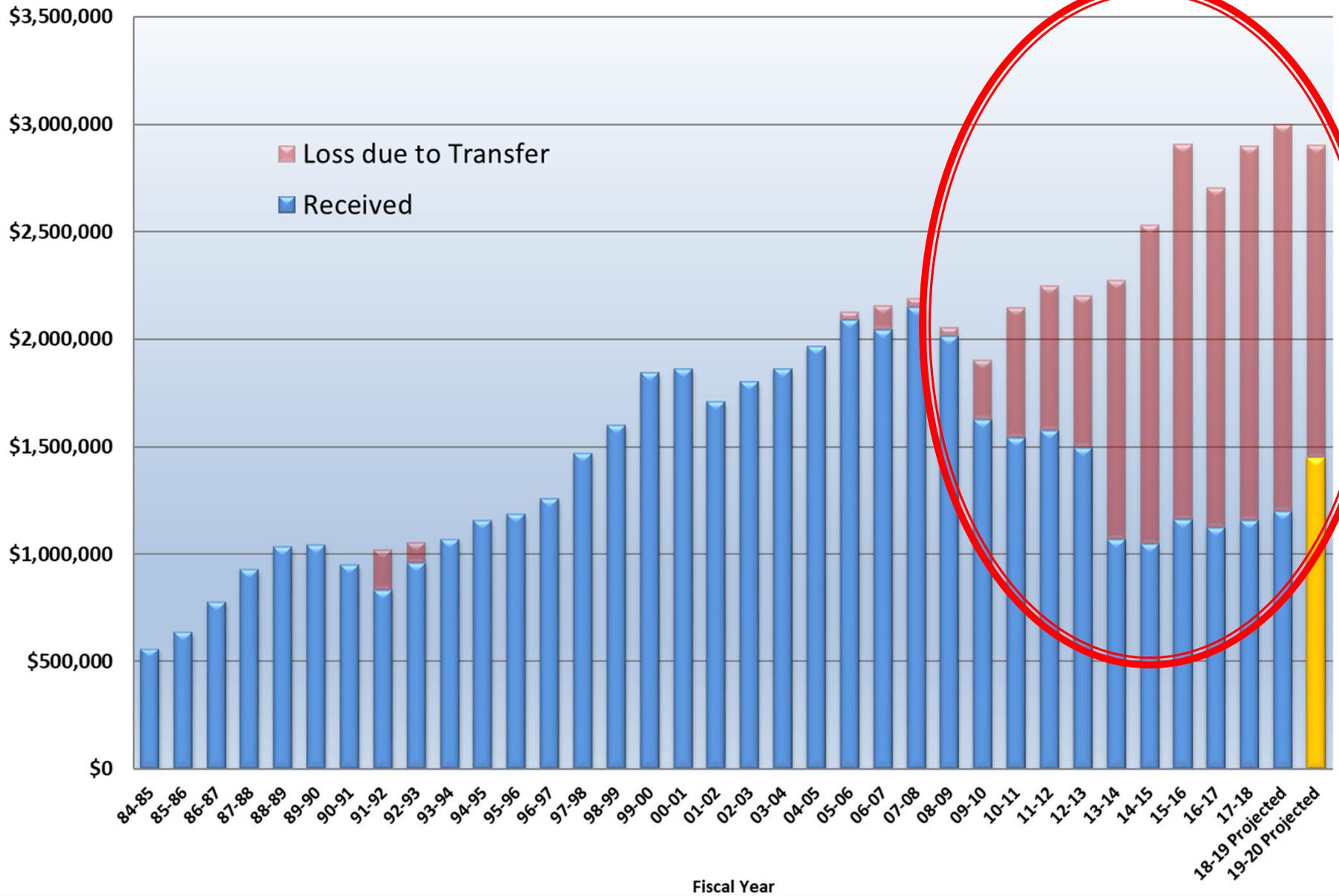
- ▶ Excise Tax
  - Continued growth
  - New car sales trending slower (nationally)
  
- ▶ State Revenue Sharing
  - Current Law
  - Governor's Budget
  
- ▶ Fund Balance
  - Town Policy
    - Importance as a bond rating factor
      - Moody's Investors Service
      - Standard & Poors
    - Capital and one-time expenditures
  
- ▶ Inverted Yield Curve
  - Implications???



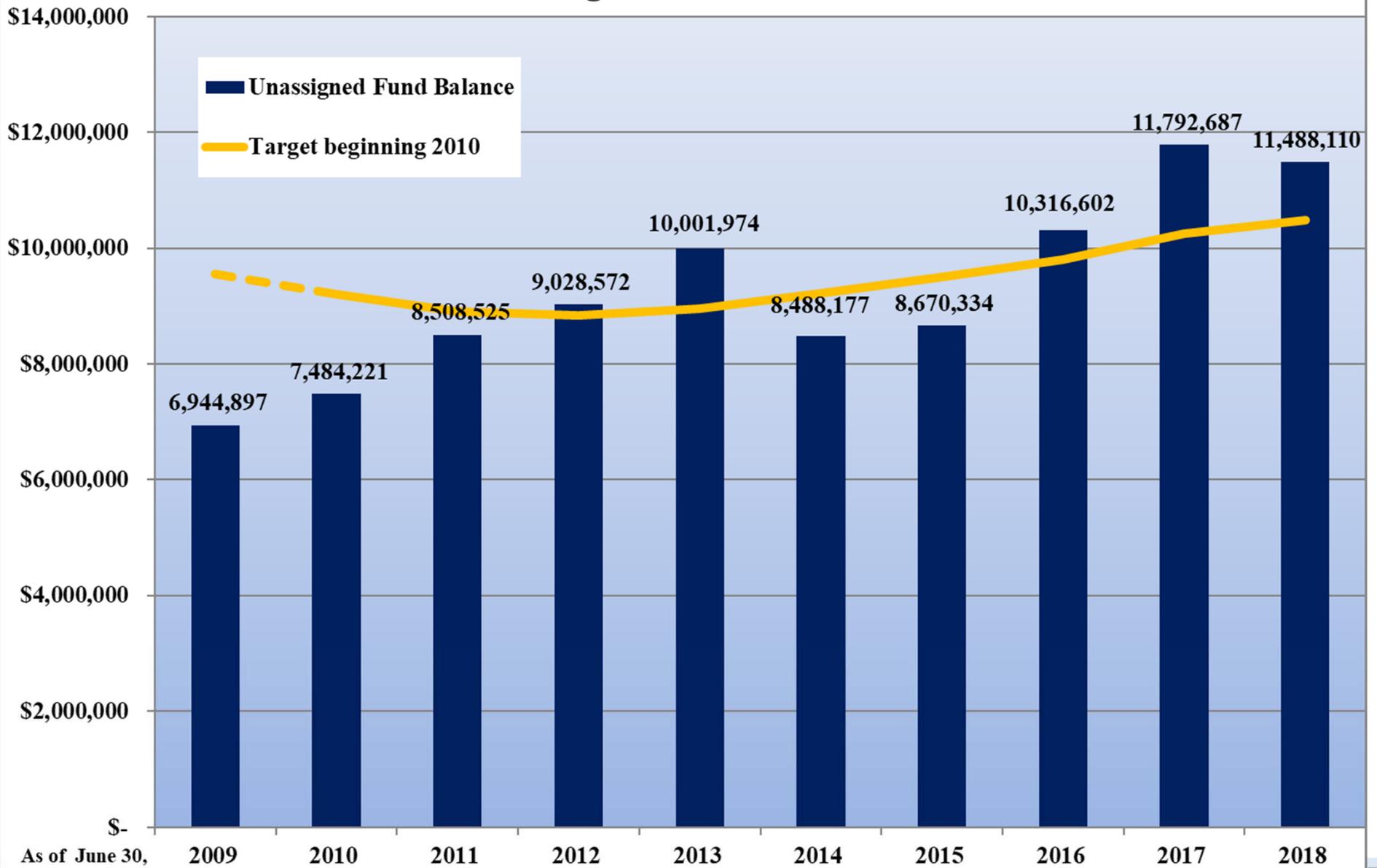
# Town of Brunswick Excise Taxes



## Town of Brunswick State Revenue Sharing & State Transfers



# Town of Brunswick Unassigned Fund Balance

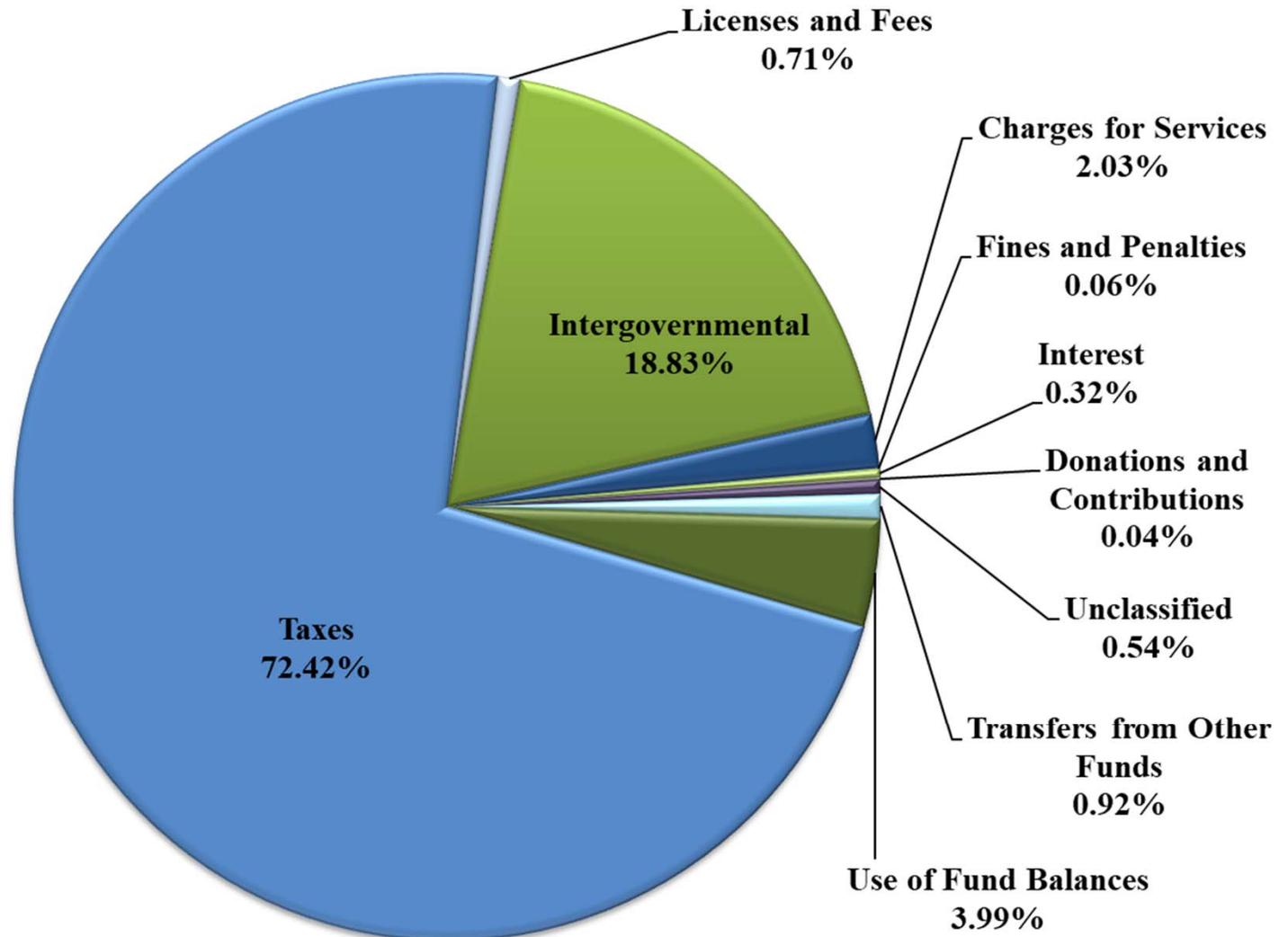


# Fund Balance could be used for: (examples)

- ▶ Capital Budget and one-time items:
  - Design/engineering for capital projects
  - Capital projects and acquisitions (small)
- ▶ Emergency appropriations:
  - Weather related events (e.g. road washouts, wind storms, equipment failures)
- ▶ Budget amendments or challenges:
  - Unanticipated budget overruns (e.g. winter)
  - Unanticipated revenue shortfalls



**Town of Brunswick  
2019-20 Manager's Proposed General Fund Budget  
Revenues by Source**



# Tax Rate Impact

	Last Year	Proposed	Increase %	Rate Effect
Municipal	\$ 7.04	\$ 7.45	5.82%	2.16%
School	11.19	11.88	6.17%	3.60%
County	<u>0.69</u>	<u>0.70</u>	<u>1.45%</u>	<u>0.05%</u>
Total	\$18.92	\$20.02	5.81%	5.81%

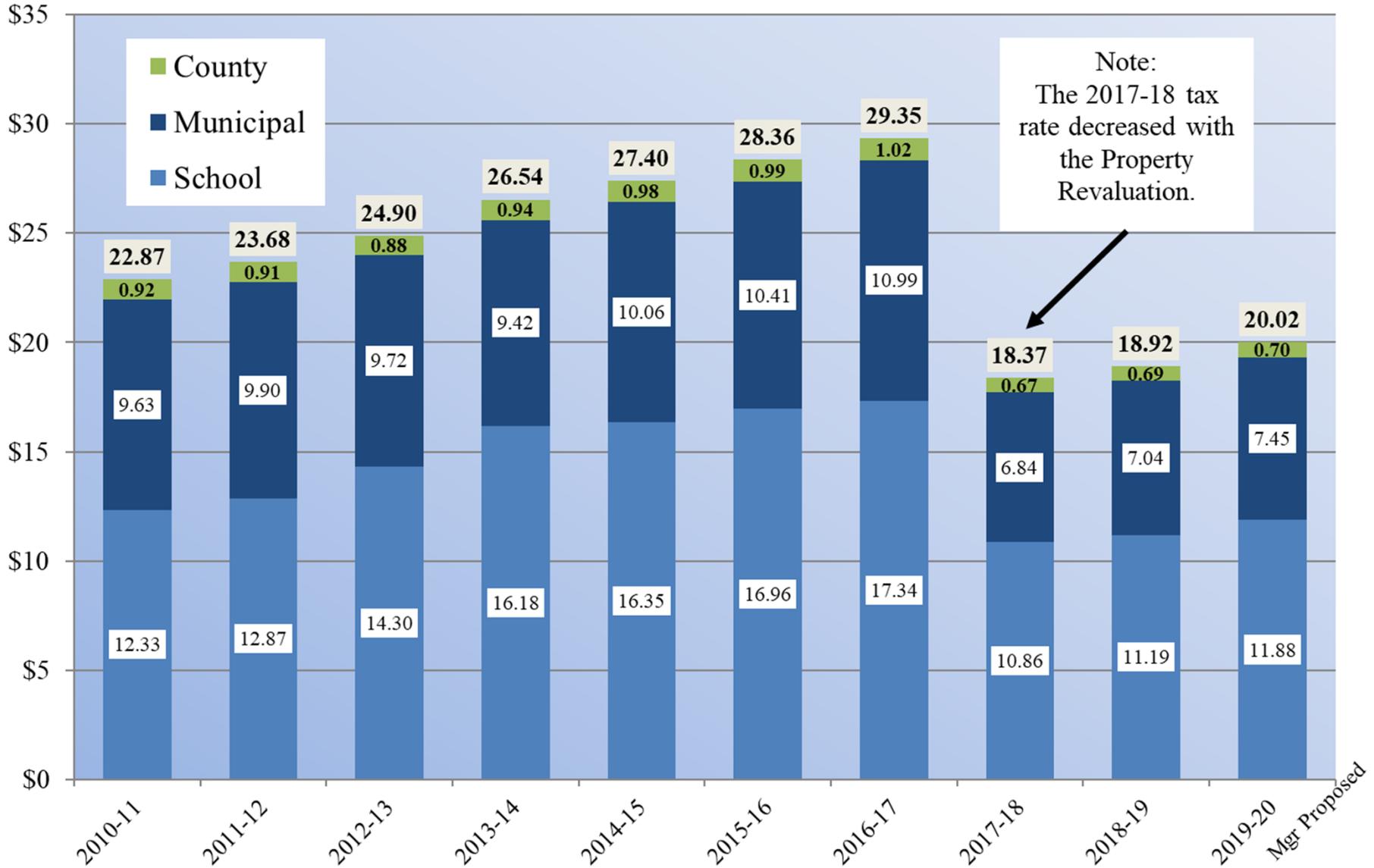
**\$430,000**

1% Change in Tax Rate



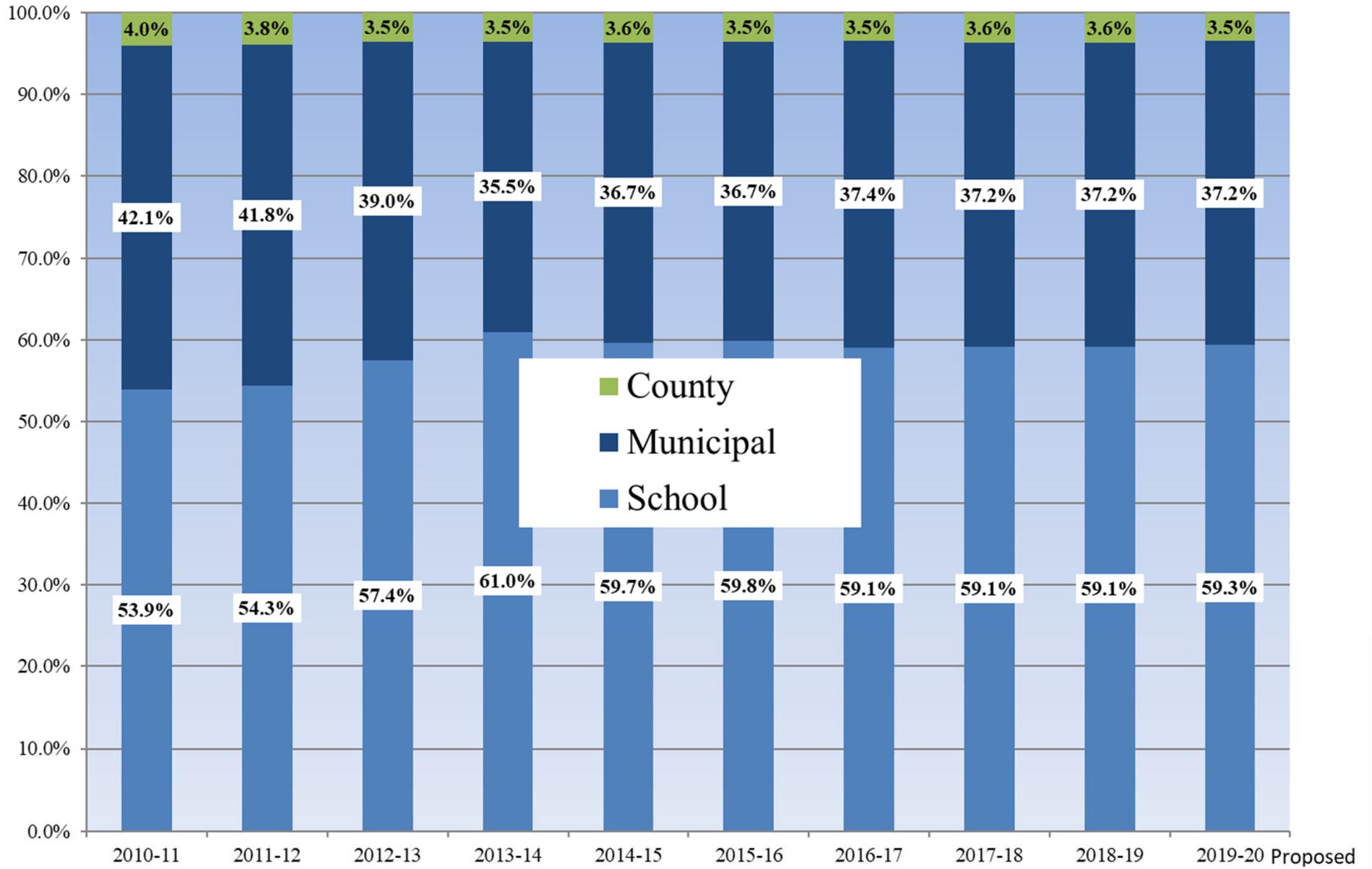
## Town of Brunswick Comparative Tax Rates - Ten Years

Mil rate



Note:  
The 2017-18 tax rate decreased with the Property Revaluation.

## Town of Brunswick Tax Rates - Percentage by category

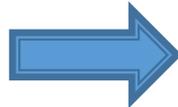


2018-19 tax rate



Calculation of tax rate increases and associated required adjustment amount

Tax rate in proposed budget



Tax Rate Change Percentage					
Tax Rate	Tax Rate Increase	Property Tax Raised	Reduction Required	Property Tax Assessed Val. \$200,900	Tax Increase (Decrease)
\$ 18.92	0.00%	\$ 43,066,339	\$ 2,503,857	\$ 3,801.03	\$ -
18.97	0.25%	43,174,005	2,396,191	3,810.53	9.50
19.01	0.50%	43,281,671	2,288,525	3,820.03	19.01
19.06	0.75%	43,389,336	2,180,860	3,829.54	28.51
19.11	1.00%	43,497,002	2,073,194	3,839.04	38.01
19.16	1.25%	43,604,668	1,965,528	3,848.54	47.51
19.20	1.50%	43,712,334	1,857,862	3,858.04	57.02
19.25	1.75%	43,820,000	1,750,196	3,867.55	66.52
19.30	2.00%	43,927,666	1,642,530	3,877.05	76.02
19.35	2.25%	44,035,332	1,534,864	3,886.55	85.52
19.39	2.50%	44,142,997	1,427,199	3,896.05	95.03
19.44	2.75%	44,250,663	1,319,533	3,905.56	104.53
19.49	3.00%	44,358,329	1,211,867	3,915.06	114.03
19.53	3.25%	44,465,995	1,104,201	3,924.56	123.53
19.58	3.50%	44,573,661	996,535	3,934.06	133.04
19.63	3.75%	44,681,327	888,869	3,943.57	142.54
19.68	4.00%	44,788,992	781,204	3,953.07	152.04
19.72	4.25%	44,896,658	673,538	3,962.57	161.54
19.77	4.50%	45,004,324	565,872	3,972.07	171.05
19.82	4.75%	45,111,990	458,206	3,981.58	180.55
19.86	4.97%	45,208,652	361,544	3,990.11	189.08
19.87	5.00%	45,219,656	350,540	3,991.08	190.05
19.90	5.17%	45,292,869	277,327	3,997.54	196.51
19.91	5.25%	45,327,322	242,874	4,000.58	199.55
19.96	5.50%	45,434,988	135,208	4,010.08	209.06
20.01	5.75%	45,542,653	27,543	4,019.59	218.56
20.02	5.81%	45,570,196	-	4,021.87	220.84
20.06	6.00%	45,650,319	(80,123)	4,029.09	228.06
20.10	6.25%	45,757,985	(187,789)	4,038.59	237.56
20.15	6.50%	45,865,651	(295,455)	4,048.09	247.07

<b>Capital Budget</b>	<b>Amount</b>
Unassigned Fund Balance:	
Facilities Reserve	\$300,000
IT Server System Upgrade	252,500
Road Resurfacing/Rehabilitation	200,000
People Plus Parking Lot	100,000
Bath Road Signal Upgrades	<u>50,000</u>
	\$902,500
Tax Increment Financing Revenues:	
Downtown Improvements	\$200,000
Cooks Corner Connector Road	<u>400,000</u>
	\$600,000

# Budget Takeaways

- ▶ Increase Public Safety Staffing Levels
- ▶ Increase Infrastructure Maintenance
- ▶ Fund Property Tax Assistance Program
- ▶ Maintain Current Services
  - Non-Discretionary Items
  - Salaries and Benefits
- ▶ Use Fund Balance Appropriately
- ▶ Target Tax Rate Impact



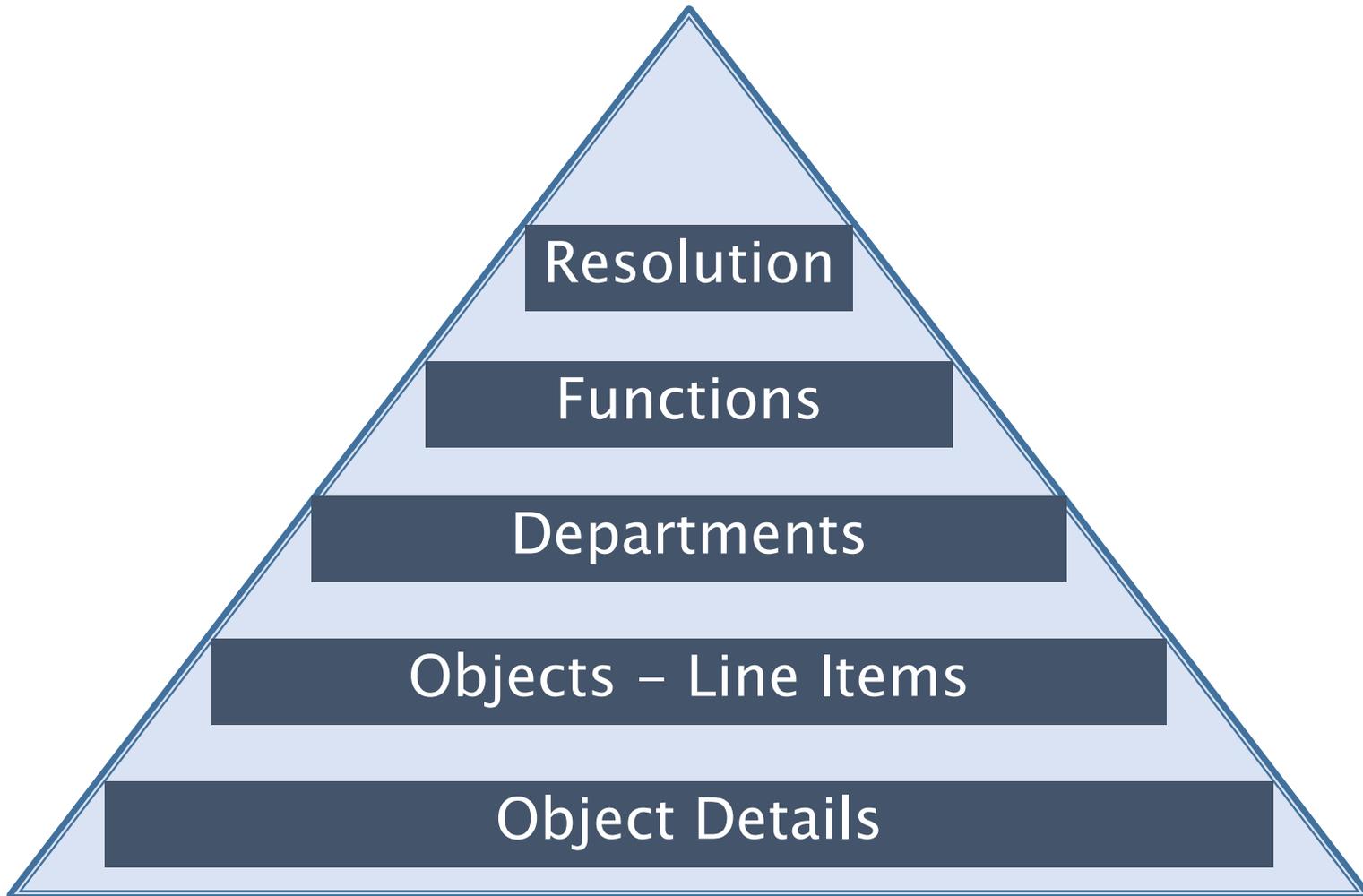
# Important Dates

Date	Meeting	Item
Thursday, 4/11/19	Town Council Workshop	School Presentation
Thursday, 5/2/19	Public Hearing	
Monday, 5/6/19	Town Council Meeting	Give Direction
Wednesday, 5/8/19	School Board Meeting	
Thursday, 5/9/19	Town Council Special Meeting	Review Tentative
Monday, 5/13/19	Town Council	Adopt Budget
Tuesday, 6/11/19	Budget Referendum	

END



# Document Hierarchy



# Municipal Functions

	<b>2019-20</b>	
	<b><u>Change</u></b>	<b><u>Explanation</u></b>
General Government	\$449,237	Salaries & Benefits, shift of Engineering Dept
Public Safety		
Fire	387,217	Additional positions, Capital Equipment
Police	401,275	Additional positions, shift from Marine Resources
Other	(48,357)	Marine Resources personnel shift, Hydrants
Public Works	(44,346)	Engineering Dept shift to Gen Govt, Recycling
Human Services	14,422	Salaries & Benefits, General Assistance
Recreation & Culture	190,814	Salaries & Benefits, R&M Facilities, Library & PP
Unclassified	17,538	BDA, Contingency
Debt Service	(21,915)	Declining payments on existing debt
Other Uses of Funds	<u>392,042</u>	Prop Tax Assistance, Paving, Vehicle Reserves
	<b>\$1,737,927</b>	



# Municipal Budget Priorities

- ▶ Legally Required
- ▶ Subsidies to Enterprises
- ▶ Public Safety
- ▶ Public Works
- ▶ Infrastructure
- ▶ Vehicle/Facility Reserves
- ▶ General Government
- ▶ Parks & Recreation
- ▶ Support to Organizations
- ▶ All Other



# Municipal Budget Development

- ▶ Department Requests
  - Identified needs
- ▶ Manager's Adjustments to Dept Requests
  - Reductions to Expenditures totalling \$1,066,967
  - 2.17% tax rate increase
- ▶ Fund Balance
  - Target – 16.67 % of Revenues
  - Sustainable amount to offset taxes – \$500,000
  - One-time uses (Capital Budget)

## Contractual Services

- Waste Disposal
- Contracted plowing & road construction
- Repair & Maintenance
  - Vehicles & Equipment
  - Buildings & Facilities
- Electricity/Water/Sewer
- Legal & Professional
- Insurance
- Telephone & Internet
- Postage, Printing
- Training

## Materials & Supplies

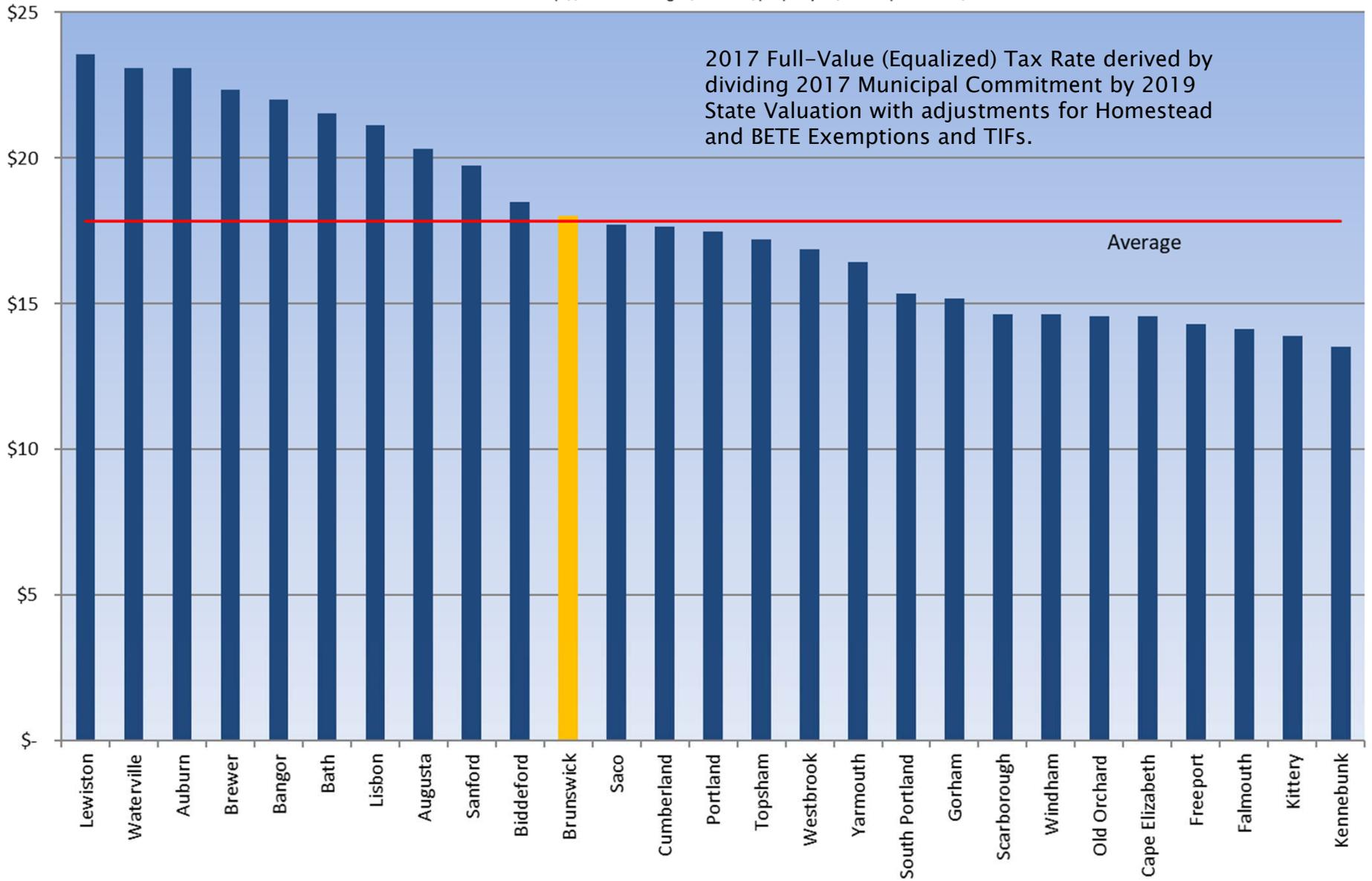
- Fuel
  - Gasoline & Diesel
  - Natural Gas & Heating Oil
- Salt & Sand
- Road & storm sewer construction materials
- Office/computer supplies
- General supplies
- Minor equipment and hand tools

# Maine Revenue Services

## Estimated 2017 Full-Value Tax Rates

Source: Maine Revenue Services <http://www.maine.gov/revenue/propertytax/municipalservices/fullvalue.htm>

2017 Full-Value (Equalized) Tax Rate derived by dividing 2017 Municipal Commitment by 2019 State Valuation with adjustments for Homestead and BETE Exemptions and TIFs.



# Municipal Functions

		<b>2018-19</b>	<b>2019-20</b>	
		<b><u>Budget</u></b>	<b><u>Manager</u></b>	<b><u>Change</u></b>
General Government		\$4,004,947	\$4,454,184	\$449,237
Public Safety				
	Fire	3,558,336	3,945,553	387,217
	Police	5,038,319	5,439,594	401,275
	Other	968,939	920,582	(48,357)
Public Works		4,165,022	4,120,676	(44,346)
Human Services		183,825	198,247	14,422
Recreation & Culture		3,197,541	3,388,355	190,814
Unclassified		478,502	496,040	17,538
Debt Service		992,458	970,543	(21,915)
Other Uses of Funds		<u>1,700,958</u>	<u>2,093,000</u>	<u>392,042</u>
		<b>\$24,288,847</b>	<b>\$26,026,774</b>	<b>\$1,737,927</b>

## 2019–20 Budget and 2020–2024 CIP Upcoming meeting schedule:

- Thursday, 4/11/19, 6:30 pm – School Dept presents
  - Thursday, 4/18/19, 6:30 pm – TC Budget Workshop
  - Tuesday, 4/16/19, 6:30 pm – TC Meeting to set PH
  - Thursday, 4/25/19, 6:30 pm – TC Budget Workshop
  - Thursday, 5/2/19 – Public Hearing
  - Monday, 5/6/19, 6:30 pm – Town Council Meeting
  - Wednesday, 5/8/19, 6:30 pm – School Board Meeting
  - Thursday, 5/9/19, 6:30 pm – TC Budget Workshop
  - Monday, 5/13/19, 6:30 pm – TC Special Meeting  
Budget & CIP Adoption
  - Tuesday, 6/11/19 – School budget referendum
- 

**Town of Brunswick  
2019-20 Manager's Proposed General Fund Budget  
Expenditures by Function**

