

FISCAL YEAR 2017 PROPOSED MUNICIPAL BUDGET NOTE:

The current Town Council Proposed Budget net increase is \$65,640.

The estimated impact to the mil rate of a net increase of \$65,640 is 0.00

Given the estimated MSAD#15 Budget decrease impact, it is anticipated that the Town of Gray will see an overall reduction in the mil rate of around 0.25

Article 2. Shall the Town accept \$3,339,681 of revenue, which includes a \$335,000 transfer from the Unassigned Fund Balance, a \$160,000 transfer from the Northbrook TIF and any Federal, State and other sources of revenues and appropriate the same to help fund the total Municipal Budget for FYE 2017, as detailed below, as recommended by the Town Council?

The Town estimates anticipated revenue of \$3,339,681 from various sources for FY 2017. \$335,000 from the Unassigned Fund Balance, \$160,000 from the Northbrook TIF with the remaining funds estimated to come from sources such as Auto and Boat Excise, Town Permits, Rescue and Recycling Fees and Intergovernmental Entities.

This revenue budget proposal includes the following highlighted changes from the previous fiscal year's budget:

- ◆ **Excise Taxes (Auto)**
Increased to reflect the actual revenue over the past fiscal year.
- ◆ **Building Fees, Electric & Plumbing Permits**
Increased to reflect the actual revenue over the past fiscal year.
- ◆ **Payment Rebates**
The Town has partnered with NVoicePay to issue payments to the Town's vendors and the Town earns cash rebates based on a percentage of the payment.
- ◆ **Assessing Contract Services**
The Town Council entered into an agreement for shared Assessing services with Cumberland.
- ◆ **Recycling**
Decreased due to various factors and rates projected to be available for recyclable items. (Recyclable items are purchased from the Town by commercial vendors at various rates throughout the year.)
- ◆ **Planning Board Fees**

Increased to factor in an estimate in consideration of the actual revenue over the past fiscal year.

◆ **State Revenue Sharing**

Increased to reflect the estimated amount for Gray most recently published by the State.

◆ **Transfers**

Increased for additional one-time transfers from other funds and amounts over the Unassigned General Fund Balance limit, into the General Fund, to then be directly transferred to the Capital Reserve Fund for use in the FY 2017 CIP.

Article 3. Shall the Town accept and appropriate for their designated purposes all of the various Town “enterprise account” funds (i.e., designated funds, recreation enterprise, etc.) for the FYE 2017, as recommended by the Town Council?

The Town carries balances in around 30 designated accounts which are funds that have been accepted by the Town Council at various times for particular purposes (some required by Ordinance such as Planning Board Escrow Fees, some for donations such as Parks and Recreation scholarships). The Recreation Enterprise Fund is an example of a designated account which has constant financial activity throughout the year since revenue and expenses for all Town Recreation Programs are recorded through it.

Article 4. Shall the Town approve the monies received from the disposition of town owned personal property with a value of \$50,000 or less, and appropriate the same for the Capital Reserve Fund, as recommended by the Town Council?

During the year, the Town may determine to dispose of both fixed assets and smaller items belonging to the Town for various purposes such as small public safety equipment that has been replaced, but may still be useful to another Town’s Public Safety department or Town Vehicles/Equipment that have been replaced and the old item gets a better price from auction versus trade-in at a dealer. We propose the proceeds from these sales go directly into the Capital Reserve Fund to be used at a later time to purchase other Town Assets.

Article 5. Shall the Town accept any and all gifts raised through various fund raising activities and donations received by the Town’s Recreation Department, Gray Public Library Association and the Gray Fire Rescue Association and appropriate them for their intended purposes, as recommended by the Town Council?

The Town enjoys relationships with separate entities whose sole purpose is to benefit particular Town departments through fundraising efforts and donations done periodically. We propose that the Town have the ability to accept gifts and donations for specific purposes when/if they are offered to the Town.

Article 6. Shall the Town raise and appropriate \$7,088,767 to fund the FYE 2017 municipal budget, as recommended by the Town Council?

Administration	\$1,079,109	
Library and Parks & Recreation	\$339,176	
Public Safety	\$931,864	
Public Works	\$2,078,299	
Council, Boards and Committees	\$28,815	
Community Service Agencies	\$29,718	
Municipal Finances	\$2,486,763	
Law Enforcement	\$115,023	
Total Budget FYE 2017		\$7,088,767

This article is the entire proposed expense budget for the General Fund (with the exception of Article 7), which is offset by the revenue proposed in Article 2 with the remainder being raised through taxes. The expenses are broken down by department and summarized into the groups that you see here.

The Administration Services is a summary for the Administration, Community Development, Assessing, Code Enforcement Offices as well as the General Assistance program required by the State, all necessities for Town Elections and the Communications & Information department.

The Public Safety Services include the Fire and Rescue services as well as Utilities such as traffic lights and fire hydrants.

The Public Works Services include both Winter and Summer Road operations, the contracts for Additional Roadwork for private roads, Garage operations, the Transfer Station/Recycling Center and the Buildings & Grounds department.

The Council, Boards and Committees include Town Council, Zoning Board of Appeals, Planning Board and Economic Development Committee expenses for legal and other professional services as required, transcription services, office supplies and volunteer recognition event.

The Municipal Finances mostly consist of the annual transfer into the Capital Reserve Fund to implement the Capital Improvement Plan (see Article 8). The remaining funds are for Town liability insurance as well as those insurances related to employment, i.e. unemployment, workers compensation and employee health benefits.

This expense budget proposal includes the following highlighted changes from the previous fiscal year's budget:

◆ **Municipal Operations**

The increase in this overall category can be highlighted by the following items:

- Personnel changes and expenses -- The following personnel changes have been proposed:
 1. Changes associated with these Assessing Services Contract with Cumberland;
 2. Additional full-time Firefighter/Rescue position for Public Safety;
 3. Additional Per Call hours required to cover all shifts;
- Heating fuel prices and gallon estimates for all buildings have been adjusted down depending on the fuel being used and to be consistent with fixed prices contracted by the Town;
- Vehicle gas and diesel prices have been adjusted down to be consistent with fixed prices contracted by the Town;

◆ **General Assistance**

General Assistance requirements are projected to be less based on actual expenditures.

◆ **Capital Projects**

Increased for transfer of funds into the Capital Reserve Fund for use in the FY 2017 CIP.

◆ **General Insurance**

Increased overall due to estimated rate adjustments for medical insurance provided to eligible Town employees as well as requirements of the Affordable Care Act.

◆ **Public Works**

Operationally, the multiple departments have the following changes proposed:

- Winter Roads Sand price per cubic yard has increased;
- Summer Roads Tree Work has been reclassified as operational and added to the General Fund from the CIP;
- Summer Roads additional Bridges & Guardrails work needed.

◆ **Recycling**

Increased due to the one-time equipment repair needs

◆ **Law Enforcement**

Decreased due to funds received through a multi-year grant awarded to the Cumberland County Sheriff's Office for a portion of the wages of the School Resource Officer hired for MSAD 15 who the Town also utilizes for up to a proposed 15 weeks of the year.

Article 7. Shall the Town appropriate \$10,000 for Town Council compensation for the FYE 2017, to be raised by assessment, as recommended by the Town Council?

Reference Note: This appropriation must be voted on separately, pursuant to Sec. 6, Art. II of the Town Charter.

This article is to compensate each Councilor \$2,000 annually for their service as elected officials.

Article 8. Shall the Town appropriate \$1,857,058 from the Capital Reserve Fund for FYE 2017 for the following Capital Projects, as recommended by the Town Council?

Road Resurfacing	\$349,810	
Fire & Public Safety	\$35,000	
Public Works, Town Vehicles & Equipment	\$46,000	
Sidewalks	\$241,357	
Technology	\$41,705	
Public Buildings	\$149,700	
Debt Service	\$961,486	
Miscellaneous	\$32,000	
Total Capital Projects FYE 2017		\$1,857,058

This article is the entire proposed expense budget for the Capital Reserve Fund to implement the Capital Improvement Plan. The expenses are summarized by category.

The Road Resurfacing projects proposed are Cambell Shore Road, 2 miles of Center Road and culvert work on Dutton Hill Road.

The Fire & Public Safety project is to install Traffic Interrupters in Gray Village lights (this item is utilizing funds budgeted to be transferred from the Northbrook TIF).

The Public Works, Town Vehicles & Equipment is scheduled to replace the Sheriff's vehicle based on the current contract, while all other vehicles are proposed to be replaced through a Lease Purchase Agreement, as budgeted and detailed in the Debt Service category.

The Sidewalk projects proposed are Yarmouth Road and downtown Shaker Road. (The Shaker Road project is utilizing funds budgeted to be transferred from the Northbrook TIF)

The Technology projects are primarily computer and equipment replacement primarily based on scheduling and security needs.

All Public Building projects are to maintain the current building systems as well as enhancing the energy efficiency or overall safety based on professional recommendations.

Debt Service is primarily broken into two sections, Lease Purchase payments and General Obligation Bond payments. The proposed Lease Purchase payments include the last payment for the current lease entered into for FY 2014 and two proposed new leases as detailed below:

New Lease Purchase #1: Estimated 3-year debt service payment of \$254,000 for the following:

<i>Fire & Public Safety</i>	
Rescue #2	\$240,000.00
Command Vehicle	\$55,000.00
<i>TOTAL Fire & Public Safety</i>	<i>\$295,000.00</i>

Public Works, Town Vehicles & Equipment

Public Works-Truck 4-GMC Dump Truck \$200,000.00

Public Works-Truck 12-GMC 1-Ton Pickup \$52,000.00

Maintenance-Pickup \$34,000.00

MT5 Trackless

\$180,000.00

TOTAL Town Vehicles & Equipment \$466,000.00

New Lease Purchase #2: Estimated 3-year debt service payment of \$70,000 for the following:

Public Works, Town Vehicles & Equipment

Grader (USED)

\$200,000.00

The General Obligation Bond payments for the Bridges/Roads projects, the Library expansion project, the Public Works & Transfer Station improvements and the Pennell building renovation have been decreased (for this fiscal year only) because of the estimated anticipated proceeds from the sale of Shaker Road properties in the amount of \$282,000.

The Miscellaneous projects are the finalization of the Town-wide Revaluation being done by the Assessing Department and a Limited Comprehensive Plan revision.