

Rec'd 3/10/15
Louis Steel

Continue the Furlough

This concerns the proposed increases for the supervisors and the manager.

The furlough of employees was put in place in Fy-10 because we knew our Non-tax revenue was going to decline significantly over the next few years. And it did. Using the total of the major sources of Non-tax revenue as a basis, it bottomed out in Fy-13, some \$366,172 less than the Fy-09 audited amount of \$3,497,606. We agreed, as stated in the budgets since then, that the furlough would be kept in place until Non-tax revenue exceeds projections as determined by the council. While some of the actuals for individual accounts may have exceeded budget projections over the years, when you compare the total of these major revenue sources using the actuals from the Fy-14 audited amount of \$3,186,712 and Fy-09 audited amount of \$3,497,606, you will see that we were at a minus \$310,894, or approximately the same as compared to the Fy-10 audited amount of \$3,191,536.

And further the projected total amount for Fy-16 of these major sources of revenue is \$3,221,964, which is still \$275,632 below the Fy-09 audited amount of \$3,497,606. The Fy-16 total would actually see a reduction in the Homestead Reimbursement of approximately \$113,000. And on top of that, we are scheduled to lose another \$295,000 in Fy-17 due to elimination of the State Revenue Sharing Program.

And, if our tax base increases significantly for Fy-16, which this budget is based on, we will be hit hard in Fy-18 by MSAD 6 because our percent of local share of the school budget will increase.

So where you folks obviously see roses regarding future revenue, I'm seeing a lot of red ink because of what the state has and will be doing to the town's Non-tax revenue.

As of this year, Fy-15, each of the supervisors and manager (now working 38 hours per week under the furlough) are making at least 8% more than they were before the furlough when they were working 40 hours per week. And during his testimony regarding the manager's contract last month, the Town Assessor drove home the point that the morale of the town employees couldn't be higher.

So I would strongly recommend that the furlough be continued for the supervisors and the manager and they be provided with the same 1.7% COLA as is being proposed for the hourly wage earners. And that the furlough should be continued until we at least get back to the Fy-09 level of income from these major revenue sources.

Reed 3/10/15
Louis Stuck

Standish Non-Tax Major Revenue Source Analysis

Year	Intergov	Lic & Per	Excise	Service Charge	Pen & Int	Total
Fy-09	1,061,182	232,923	1,394,695	745,592	66,214	3,497,606
Fy-10	865,632	236,742	1,423,472	595,750	69,940	3,191,536
Fy-11	837,430	220,566	1,381,105	706,938	81,425	3,227,464
Fy-12	803,292	251,603	1,377,222	694,387	68,978	3,195,482
Fy-13	798,951	247,908	1,453,822	772,950	57,793	3,131,424
Fy-14	669,020	302,585	1,543,905	610,499	60,704	3,186,712
Fy-15*	676,548	303,208	1,460,000	621,496	60,000	3,121,252
Fy-16**	693,653	294,686	1,544,365	659,160	50,100	3,221,964

(*) Fy-15 Budget

(**) Fy-16 Proposed Budget

All other amounts from yearly audits

Gordon Billington
3/10/15

Town of Standish

FINANCIAL REPORT and PROPOSED
MUNICIPAL BUDGET for FY2016

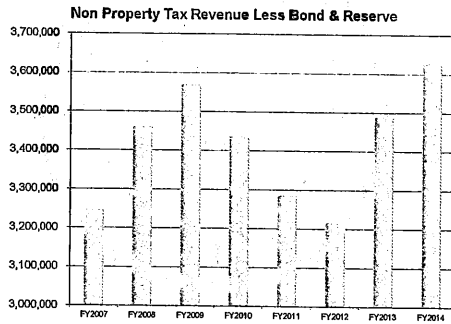
Financial Report (FY2014 Audit)

- Property values decreased .3% from \$992,030,710 to \$989,448,228.
- Total Assets exceeded Liabilities by \$32,834,118.
- The General Fund reported a year end increase of \$289,825 to the "Unassigned Fund Balance" of \$2,884,884 compared to \$2,595,059 for the prior year.

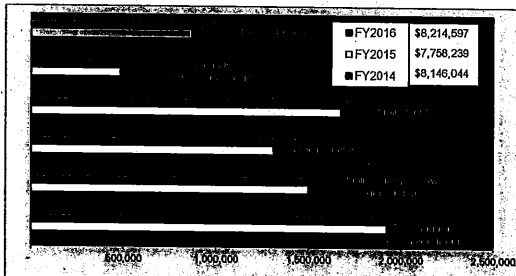
FY2016 Budget

- Expect non-tax revenue to be slightly higher than last year
- Continue four-day work week
- 1.7% COLA for hourly wage earners
- Restore 5% recession cut to salaried employees
- Capital spending to replace aging equipment, to repair and improve our roads and to construct a beach and ice fishing facility

Non Bond Revenue Trends



FY2016 Budget – Expenditure Comparison



FY2016 Budget – Three Year Comparison

(In thousands)	FY 2014	FY 2015	FY 2016	Change 2015-16
Gross Municipal Expenditures with Overlay	\$8,146	\$7,756	\$8,215	\$459
Non-property Tax Revenue	\$4,416	\$5,130	\$5,375	\$245
Net Municipal*	\$2,655	\$2,626	\$2,840	\$214
Town Valuation (local tax base)	\$989,448	\$991,046	\$1,034,889	\$43,843
Municipal Mill Rate*	2.68	2.65	2.74	.09
*(tax levy per \$1,000 of assessed value)				

*LD1 Limit for FY2016: \$2,820,718
Projected Total Mill Rate: 11.86

Council Finance Committee Budget Review Meetings -- March 2015

9	10 7:00 PM Public Hearing	11	12	13
16 7:00 PM Council Review Donations	17	18 7:00 PM Council Review	19	20
23	24	25	26	27
