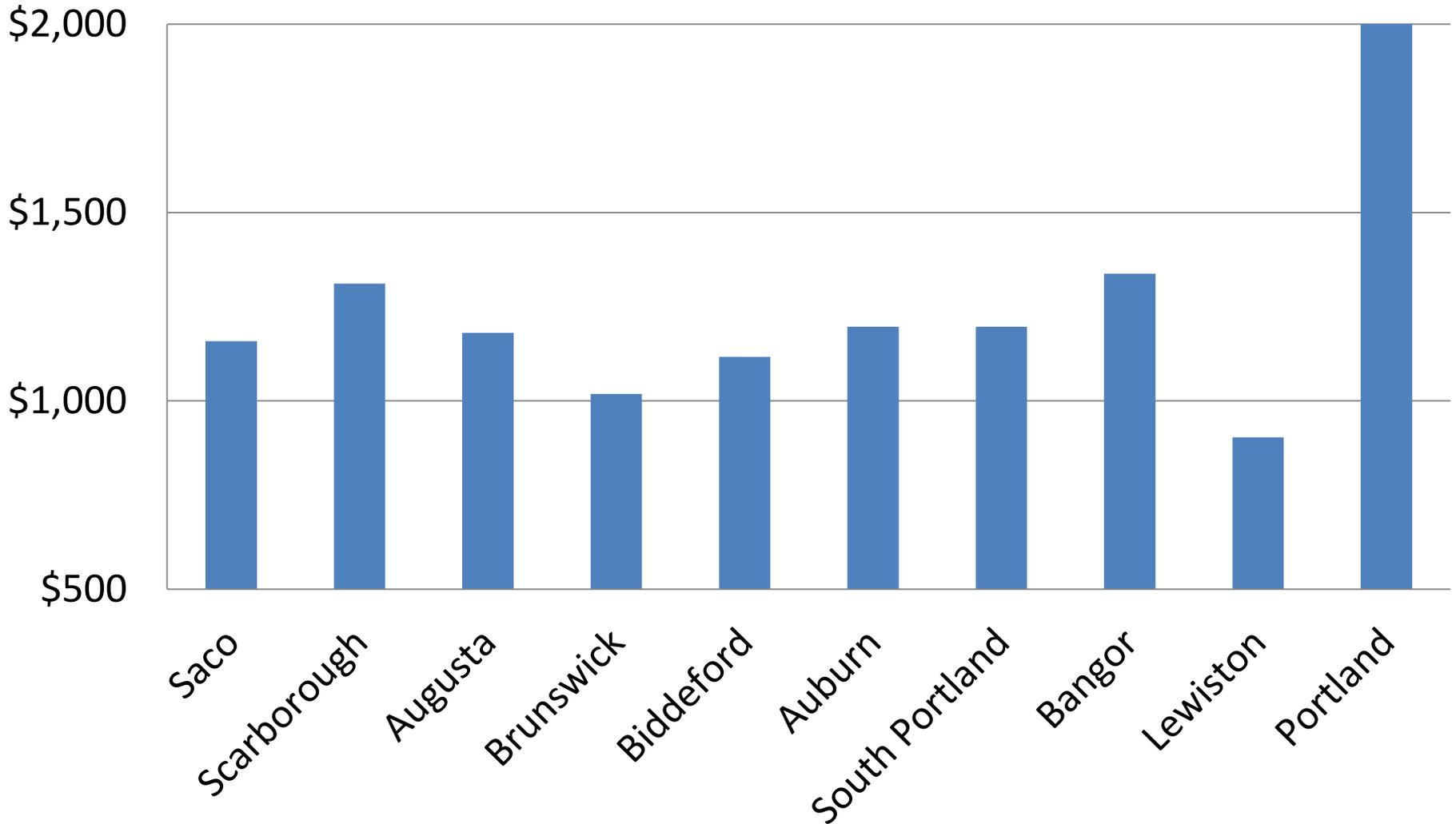


**PROPOSED
FISCAL YEAR 2017
BUDGET**

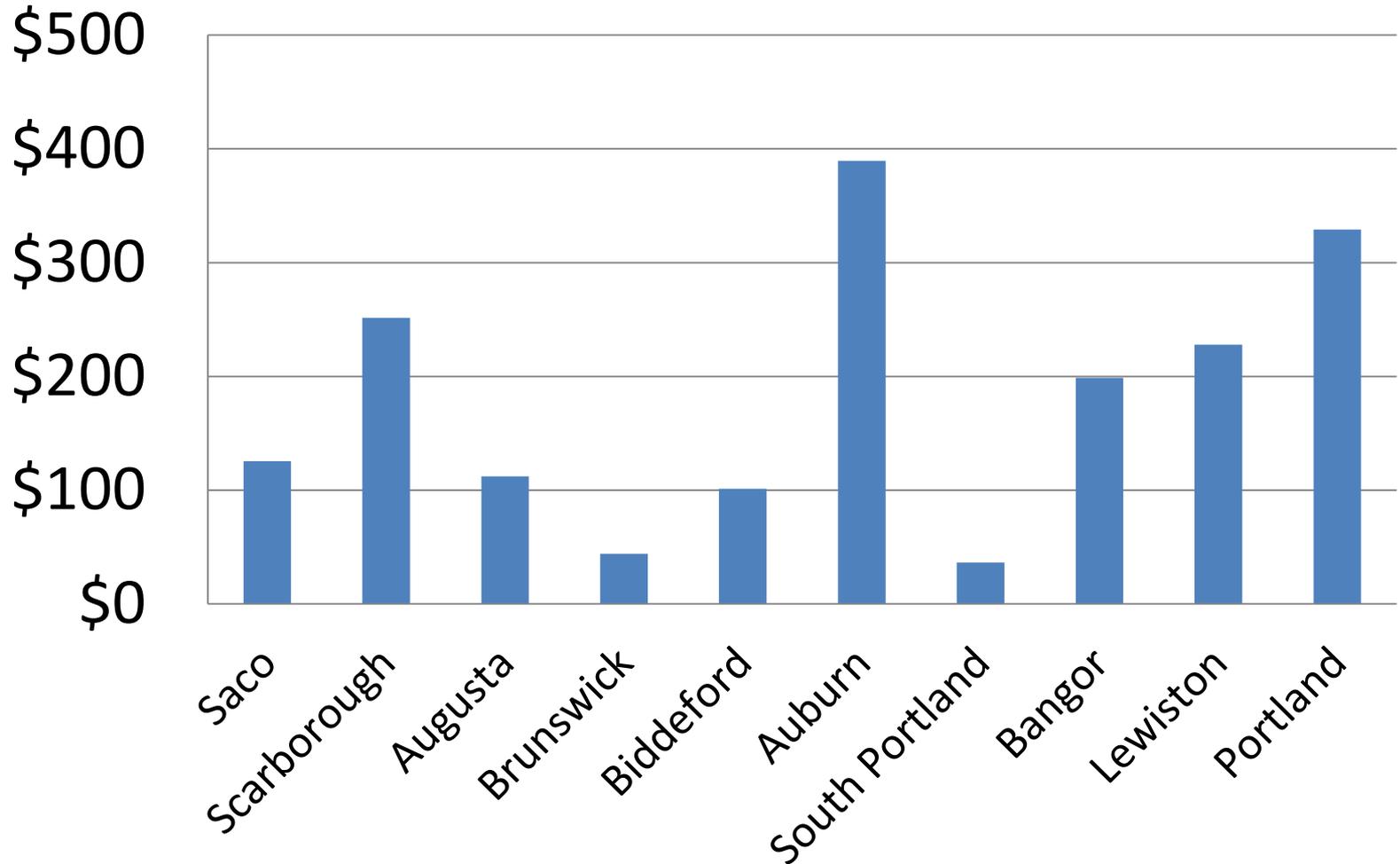
FY 2016 BUDGETED EXPENDITURES

10 LARGEST MAINE MUNICIPALITIES

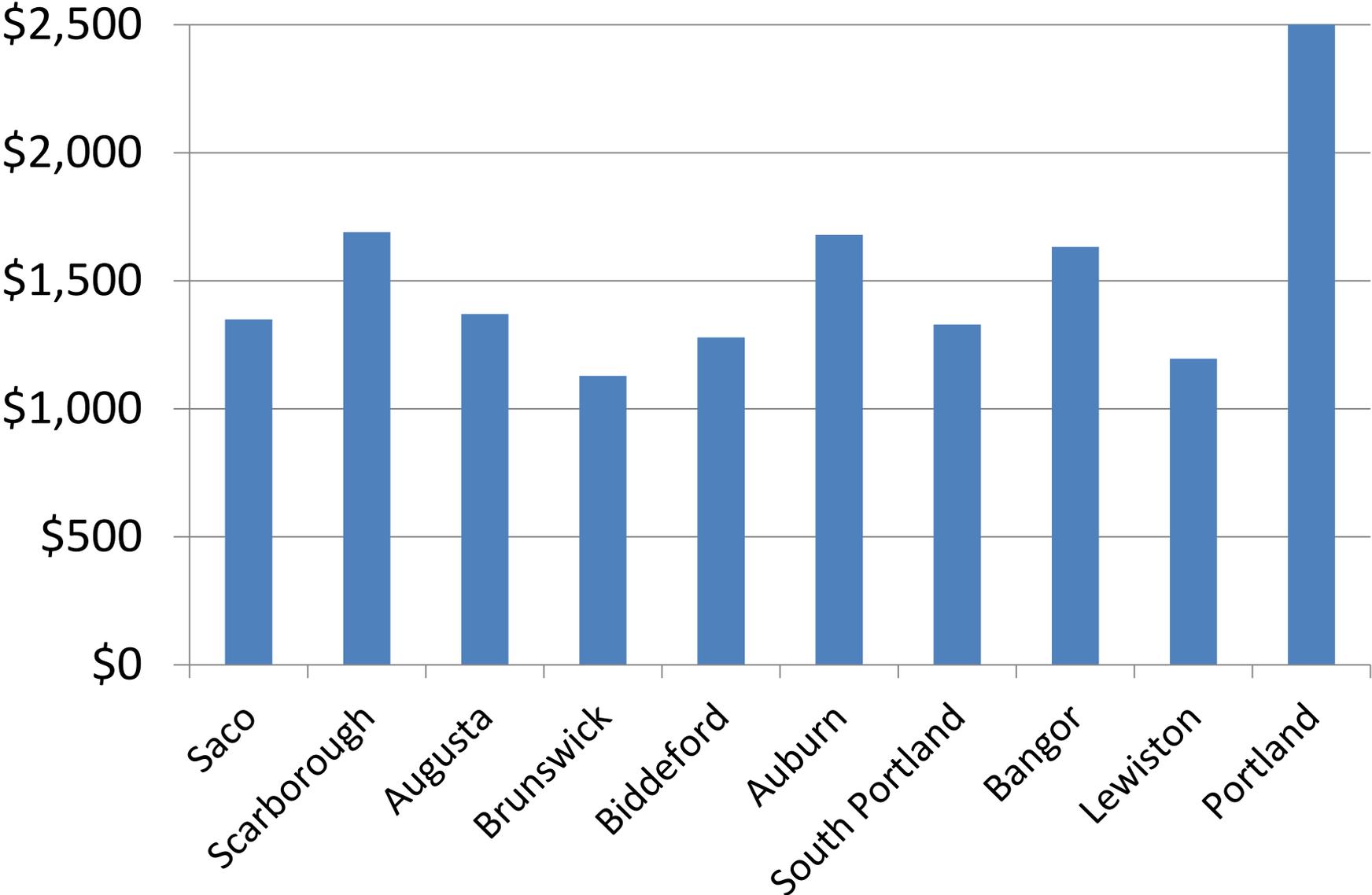
PER CAPITA OPERATING BUDGET



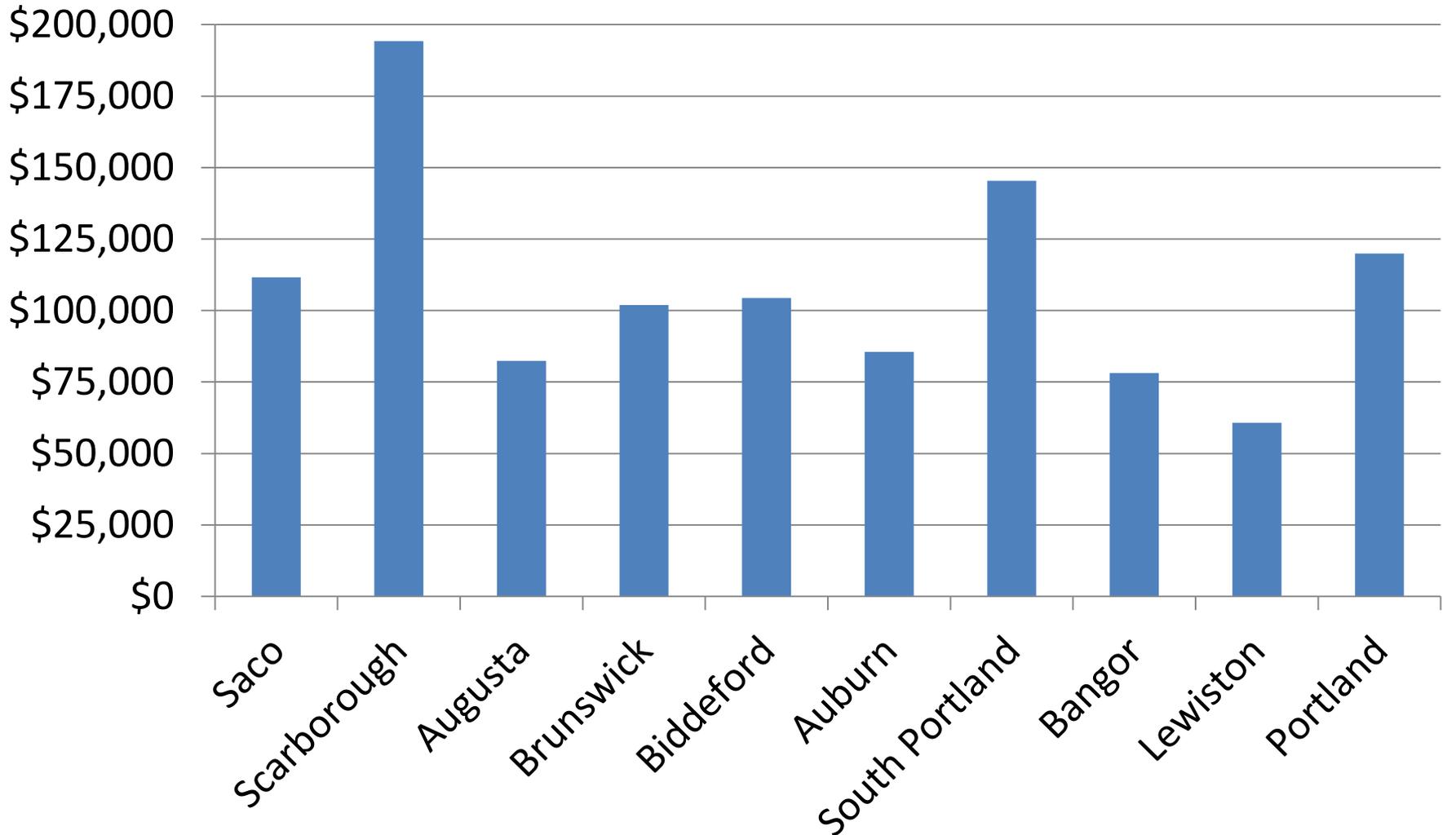
PER CAPITA DEBT



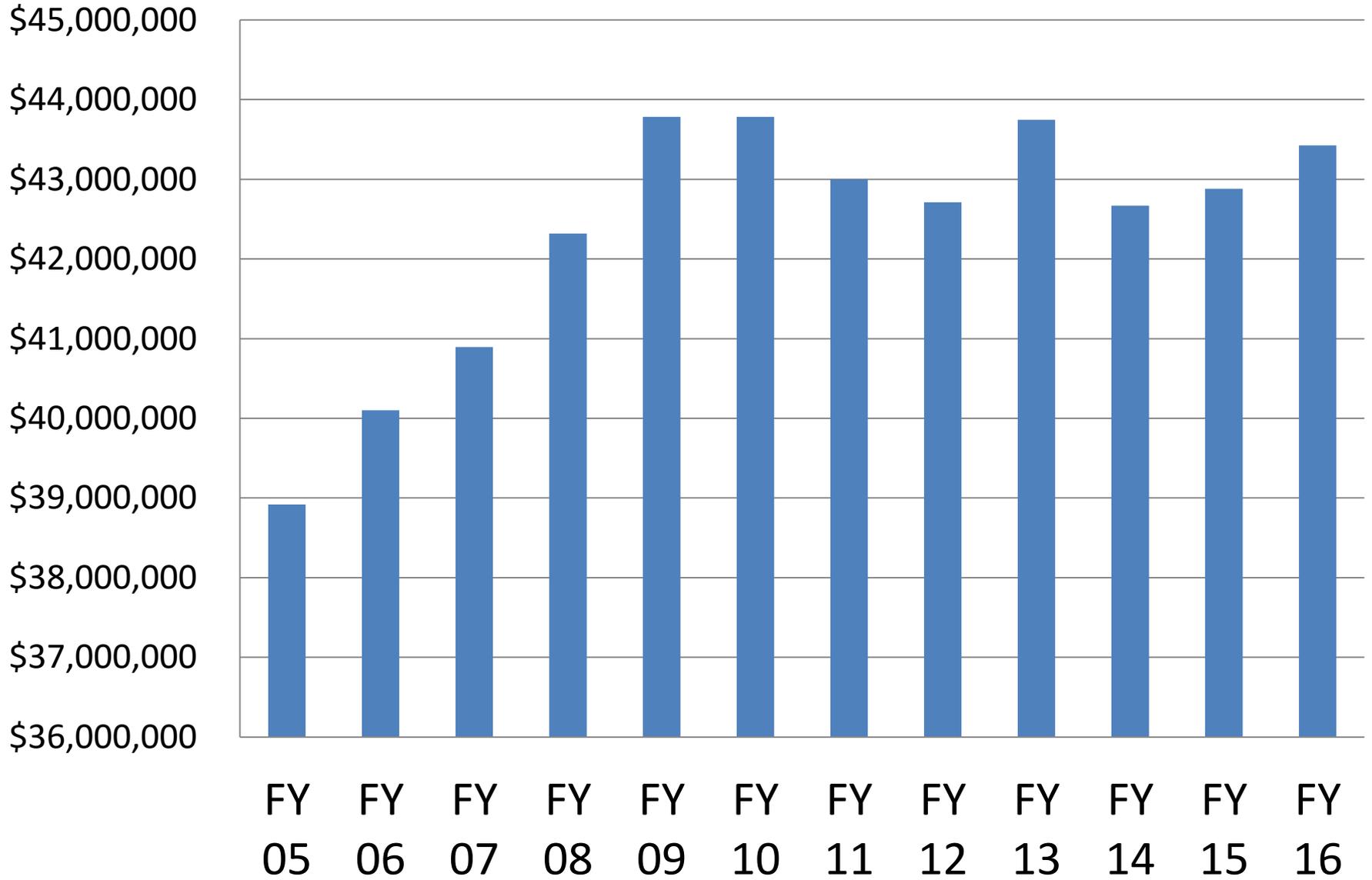
PER CAPITAL TOTAL BUDGET



PER CAPITA ASSESSED VALUE



TOTAL MUNICIPAL EXPENDITURE BUDGET



BUDGET CONTROL MEASURES

Personnel Reduction

- 36 Positions Eliminated Since FY 09

Debt Service Management

- Refinancing
- 80% Debt Authorization Limit
- Colisee Debt Payoff
- Shortened Term

Departmental Reorganizations/Service Reductions

FY 17 HIGHLIGHTS

EXPENSES

Moderate City Expense Increase of 1.9%

Up 1.1 % from FY 09 – 8 years ago

Larger School Increase – 6.6%

Local Share Required Increase -- \$431,034

REVENUES

City-side Increase – 4.2%

Still down about 25% from FY10

School Increase – 2.6%

Enrollment Increases – State Aid

CITY DEBT SERVICE

Down \$413,979 or 5%

Current projects amortized at a 7.5 year rate vs. 15 – paying it off twice as fast

Paid off \$3.5M of Colisee Debt in FY2015 saving \$1.05M

Outstanding General Fund Debt

120,000,000

100,000,000

80,000,000

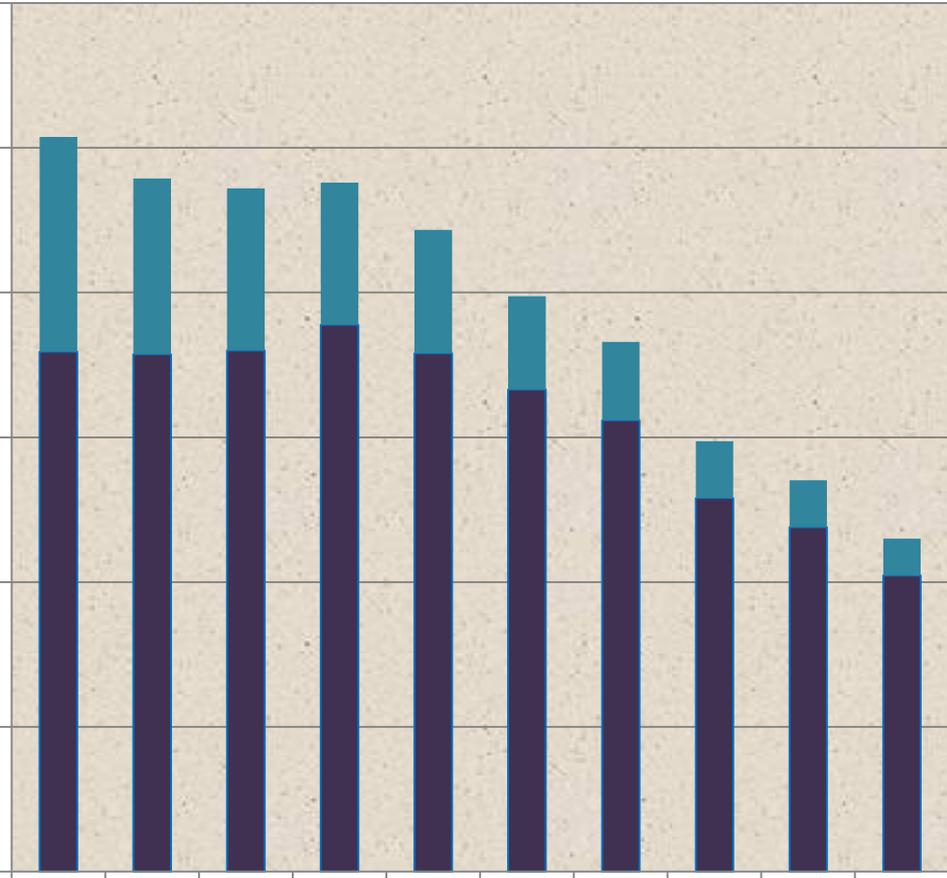
60,000,000

40,000,000

20,000,000

FY2005*
FY2009
FY2010
FY2011
FY2012
FY2013
FY2014
FY2015*
FY2016
FY2017**

■ Outstanding Interest
■ Outstanding Principal



FUND BALANCE ANALYSIS

As of 6/30/15:

Unassigned – City \$12,972,357

Revenues & Transfers \$110,548,161

Current Unassigned Rate 11.73%

FUND BALANCE POLICY

Ceiling – 12%	\$13,265,779
Current Balance – 11.73%	\$12,972,357
Floor – 8%	\$8,843,853
Proposed use	\$1,286,288
Adjusted Fund Balance Rate	10.57%

FUND BALANCE POLICY -- USE

Fund Balance may be used for:

- Capital Improvements
- One Time Expenditures

NEW PROGRAM REQUESTS

NOT RECOMMENDED

Total - \$581,375

- 4 New Positions \$210,381
- PW Contractual Services \$246,000
- Software Related \$103,573
- Library Security \$12,451
- Employee Development \$2,250
- Other \$6,720

COUNTY TAX

\$2,436,466

2.7% Increase

4 Cents on the Tax Rate

PROJECTED TAX RATE

CURRENT PROJECTED CHANGE %

CITY	\$16.04	\$16.20	\$0.16	1.0%
SCHOOL	10.08	10.40	0.32	3.2%
COUNTY	<u>1.25</u>	<u>1.29</u>	<u>0.04</u>	<u>3.5%</u>
TOTAL	\$27.37	\$27.89	\$0.52	1.9%

EFFECT OF HOMESTEAD INCREASE

Value	<u>2016</u>	2017	\$	%
	27.37	27.89	0.52	1.9%
75000	1803.68	1711.05	-92.63	-5.1%
100000	2487.93	2408.30	-79.63	-3.2%
125000	3172.18	3105.55	-66.63	-2.1%
150000	3856.43	3802.80	-53.63	-1.4%
175000	4540.68	4500.05	-40.63	-0.9%
200000	5224.93	5197.30	-27.63	-0.5%
225000	5909.18	5894.55	-14.63	-0.2%
250000	6593.43	6591.80	-1.63	0.0%
275000	7277.68	7289.05	11.37	0.2%