

**AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – JUNE 28, 2017**

**TOWN COUNCIL WORKSHOPS:
REVIEW OF MS4 PERMIT ON STORMWATER – 5:45 P.M.
FY2018 MUNICIPAL/SCHOOL BUDGET – 6:00 P.M.**

SPECIAL TOWN COUNCIL MEETING – 7:00 P.M.

Item 1. Call to Order.

Item 2. Pledge of Allegiance.

Item 3. Roll Call.

Order No. 17-063, 7:00 p.m. Public Hearing on the FY2018 Municipal/School Budget. *[Town Manager]*

Item 4. Adjournment.

**Budget Order for FY2018 Municipal/School Budget -
As amended from the June 21, 2017 Town Council meeting**

WHEREAS, the Scarborough Town Council adopted FY2018 Operational and Capital Budgets for the Town and the School on May 17, 2017, with the passage of Order No. 17-030; and,

WHEREAS, pursuant to State law, the School Budget must be validated by the voters and it failed at a Special School Budget Validation Election held on June 13, 2017; and,

WHEREAS, the Town Council must resubmit an adjusted School Budget to the Voters for validation no less than ten (10) days and no more than forty-five (45) days from June 13, 2017, with the next School Budget Validation Referendum Election date consistent with any approval of Order 17-064; and,

WHEREAS, in an effort to reach a compromise the Town Council appreciates the need to share in the responsibility of minimizing the impact on the property tax rate and therefore agrees to amend the FY2018 Municipal Budget.

NOW THEREFORE, BE IT ORDERED, that the Scarborough Town Council moves approval of the amended Fiscal Year 2018 Town and School Budget in second reading; and,

BE IT FURTHER ORDERED, that School Budget be reduced by a total of **\$236,000** and therefore the Scarborough Town Council hereby appropriates, for school purposes, the Education Operating Budget, the new sum of **\$47,175,168**, resulting in the Town of Scarborough raising the sum of **\$42,254,017**, as the local share for the Education Operating Budget.

BE IT FURTHER ORDERED, that the Town Budget is hereby amended to be reduced by **\$71,000**, details of the specific reduction[s] are to be identified at a special workshop of the Town Council and incorporated by amendment at the final reading, for a new Operating Budget of **\$32,589,519**, resulting in the local share for the municipal budget, the sum of **\$18,167,935**.

BE IT FURTHER ORDERED, that the final result of these changes produces a new Total Net Budget of **\$62,724,112**, resulting in a projected property tax rate increase of **2.99%**.

BE IT FURTHER ORDERED, that in the event that the Scarborough School Department receives more State Education Subsidy than the amount included in its Budget, that the entirety be allocated to the School Department's Fund Balance to offset the property taxes in the future.

TOTAL Tax Rate Computation

Budget Reduction of \$307,000 06-16-2017

06/16/17
2:51 PM

	2017 Budget	2018 Budget				
Municipal Gross	\$ 31,956,559	\$ 32,589,519	1.98%			
Less: Debt Revenues	\$ (873,458)	\$ (784,600)	-10.2%			
Less: Revenues	\$ (12,901,513)	\$ (13,636,984)	5.7%			
Total Municipal - Revenues	<u>\$ (13,774,971)</u>	<u>\$ (14,421,584)</u>	4.69%			
Municipal (Net Appropriation)	\$ 18,181,588	\$ 18,167,935	-0.08%			
Education Gross	\$ 45,855,067	\$ 47,175,168	2.88%			
Less: Revenues	<u>\$ (6,121,057)</u>	<u>\$ (4,921,151)</u>	-19.60%			
Education (Net)	\$ 39,734,010	\$ 42,254,017	6.34%			
Adult Learning	\$ 182,805	\$ 182,701	-0.06%			
Less: Revenues	<u>\$ (83,253)</u>	<u>\$ (84,464)</u>	1.45%			
Adult Learning (Net)	\$ 99,552	\$ 98,237	-1.32%			
Food Services	\$ 1,471,066	\$ 1,521,802	3.45%			
Less: Revenues	<u>\$ (1,471,066)</u>	<u>\$ (1,332,860)</u>	-9.39%			
Food Service (Net)	\$ -	\$ 188,942	100.00%			
Municipal Capital Equipment	\$ 1,148,470	\$ 1,030,617	-10.26%			
Municipal Capital Projects	\$ 2,113,632	\$ 3,868,750	83.04%			
School Capital Equipment	\$ -	\$ 575,000	-			
School Capital Projects	<u>\$ 1,380,830</u>	<u>\$ 821,200</u>	-40.53%			
Total Capital Projects - Gross	<u>\$ 4,642,932</u>	<u>\$ 6,295,567</u>	35.59%			
Less: Revenues	-	-	-			
Municipal Capital Equip. Revenues	\$ (1,104,880)	\$ (953,605)	-13.69%			
Municipal Capital Projects Revenues	\$ (1,949,132)	\$ (3,757,850)	92.80%			
Education Capital Equipment Revenues	\$ -	\$ (557,000)	-			
Education Capital Project Revenues	<u>\$ (1,324,830)</u>	<u>\$ (786,200)</u>	-40.66%			
Total C.I.P. - Revenues	<u>\$ (4,378,842)</u>	<u>\$ (6,054,655)</u>	38.27%			
Capital (Net Appropriation)	\$ 264,090	\$ 240,912	-8.78%			
Total Townwide Operating Budgets	\$ 58,279,240	\$ 60,950,043	4.58%			
County Assessment	\$ 2,568,852	\$ 2,709,666	5.48%			
Overlay	\$ 173,207	\$ 173,207	0.00%			
Tax Increment Financing Districts	\$ 145,692	\$ 145,692	0.00%			
Credit Enhancement Agreements	\$ 762,504	\$ 762,505	0.00%			
Resident Senior Property Tax Relief Fund	\$ 75,000	\$ 120,000	60.00%			
Homestead Exemption Reimbursement (Estimate)	\$ (544,388)	\$ (707,000)	29.87%			
Business Equipment Tax Exemption (BETE)	\$ (553,421)	\$ (592,008)	6.97%			
State Municipal Revenue Sharing (Estimate)	<u>\$ (786,994)</u>	<u>\$ (837,993)</u>	6.48%			
Total Net Budget	\$ 60,119,691	\$ 62,724,112	4.33%			
Optimistic 2018	\$3,850,224,185	\$62,724,112	\$0.01629	\$16.29	\$0.37	2.33%
Mid-range 2018	\$3,825,603,624	\$62,724,112	\$0.01640	\$16.40	\$0.48	2.99%
Cautious 2018	\$3,800,983,062	\$62,724,112	\$0.01650	\$16.50	\$0.58	3.66%
2017	\$3,776,362,500	\$60,119,691	\$0.01592	\$15.92		

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Order No. 17-063. The second reading on the FY2018 Municipal/School Budget will be held on Wednesday, July 5, 2017. *[Town Manager]*