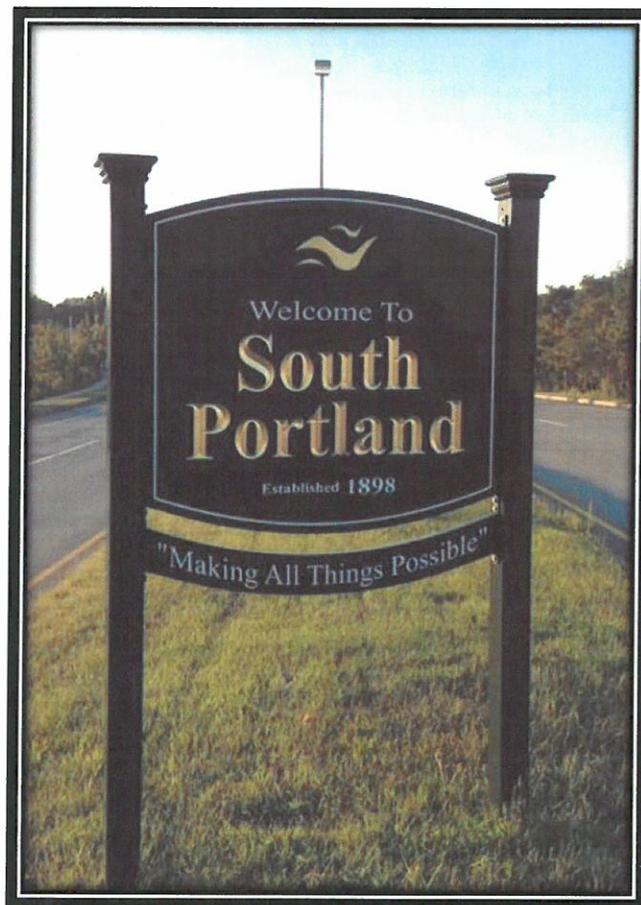




# CITY MANAGER'S ADOPTED FY 2016 BUDGET



Courtesy of Russ Lunt

Presented to:  
Mayor Linda Cohen  
South Portland City Council

Presented by:  
James H. Gailey  
City Manager

July 1, 2015

# **CITY OF SOUTH PORTLAND**

## **Adopted FY 2016 Budget**

### **City Council**

Linda Cohen, Mayor

Thomas Blake  
Melissa Linscott  
Brad Fox  
Maxine Beecher  
Claude Morgan  
Patricia Smith

### **City Manager**

James H. Gailey

**July 1, 2015**



**CITY OF SOUTH PORTLAND  
ADOPTED FY 2016 BUDGET  
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**Executive Department**

**James H. Gailey  
City Manager**

August 16, 2015

Mayor Linda Cohen  
South Portland City Council  
25 Cottage Road  
South Portland, Maine 04106

Subject: Adopted FY 2016 Budget

Dear Mayor Cohen and City Councilors:

In accordance with §502 of the City Charter, I am hereby submitting the City Council the Adopted Fiscal Year 2016 Budget. This budget includes General Fund appropriations for municipal operations, school operations and Cumberland County tax obligation. Additionally, this budget includes the Sewer User Fund, Enterprise Fund and Grant Funds budgets. The total proposed operating budget for the City of South Portland for FY2016 is \$95,586,882 an increase of \$3,446,779 or 3.74% from the FY15 budget.

Table I  
Total Budget Across All Funds  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
General Fund	77,380,358	79,907,849	2,527,491	3.27%
Sewer User Fund	5,512,553	5,691,834	179,281	3.25%
Enterprise Funds	6,847,955	6,799,472	(48,483)	-0.71%
Grant Funds	2,399,237	3,187,727	788,490	32.86%
	92,140,103	95,586,882	3,446,779	3.74%

***External Scanning: The Economy***

An understanding of the city’s financial picture and the regional economy is an important part of the budget process. In order to do financial planning, staff must make certain assumptions about the outlook of the economy. Changes in the very nature of economic activity can affect city resources as we have experienced for the coming fiscal year.

The following are highlights:

- ❑ Non-property tax revenues are staying flat with a few exceptions.
- ❑ Both commercial and residential properties have leveled out market wise, with many indications that both markets are on a positive upswing.
- ❑ External attacks at local and state budget practices seen to have no end in sight.

***City Council Budget Guidance***

On January 14, 2015, the Superintendent and City Manager updated the City Council on the status of the FY16 budget process. From the start, city administration was dealing with a 3.80% expenditure increase (\$683,926) without factoring in revenues, utilities and employee salary/benefits.

The City Council provided both the schools and city an opportunity to grow their respective budgets by 5.0 to 5.5%. The percentage increase was directly in response to the recent news on the impacts to communities as a result of the Governor’s Budget. The City’s FY16 LD #1 number is 2.97% (0.89% Average Personal Income Growth & 2.11% Property Growth Factor).

The City’s budget came in at 1.32% needs from taxes, while the School Department’s budget ended up at 2.25%. The LD #1 growth number for FY16 is 2.97%. The City’s budget meets the City Council’s guidance and the LD #1 growth threshold.

Average Personal Income Growth	0.86%
Property Tax Growth	<u>2.11%</u>
LD #1	2.97%

Annually, the City Council has committed itself to a number of goals while working on the budget:

- Maintain existing public goods and services the public has come to rely on
- Provide high “value” where “value” means high quality at a reasonable price
- Maintain a multi-year sustainable financial strategic plan
- Provide fewer services well, than many services poorly
- Recognize the public does not appreciate paying for poor service

Increases in department’s budgets were largely in building maintenance, vehicle/fleet related, utilities, and personnel. As in past years, the proposed departmental budgets excluded any special projects; however, this year we continued to explore ways of adding capital based projects back into

the General Fund budget. Last year the City Council brought the Fire Truck Reserve into the General Fund Budget at \$50,000. The proposed FY16 budget increases this Reserve to \$75,000. Two and a half positions were added to the General Fund budget.

For the first time in a number of years we will see an increase in investment income as we have experienced slightly better interest rates over the last year. The Finance Director’s processes of laddering the various investments has brought better rates, resulting in a flattening or increasing the revenue from monthly dividends. Some other revenue impacts are:

**Revenue Impacts:**

Tax Stabilization Program	- \$75,000	Building Permits	+ \$20,000
Federal Transit	+ \$55,679	Ambulance Revenue	+ \$20,000
Transit Fare Box	+ \$10,000	Investment Income	+ \$40,000
Cable TV Franchise	- \$35,000	Auto Excise	+ \$300,000
State Revenue Sharing	+ \$ 5,000	BETE Reimbursements	+ \$421,000

**Budget Additions/Deletions - Notable Mentions**

Fire Truck Reserve	+ \$ 25,000	(FY16 \$75,000 towards Reserve)
Cost of Living Adjustment	+ \$358,800	(non-union and union)
Debt Savings	- \$ 14,436	(savings associated with retiring debt)
Creation of Sustainability Division	+ \$ 81,285	
MainePers	+ \$ 97,600	
Health Insurance	+ \$ 95,000	
Workers Comp	+ \$ 27,800	
Streetlights	+ \$ 14,600	

Tax Stabilization Contribution - Use of Fund Balance

In the FY16 budget the use of Fund Balance decreased from \$500,000 to \$425,000.

Electric Vehicle – The Code Enforcement budget has been increased by \$3,990 for the replacement of one of their pool vehicles with a 2016 electric vehicle.

MainePers Increase - An area of significant increase this year is the MainePers program (formerly Maine State Retirement). MainePers has increased the employer and employee contributions rates over the last year in an attempt to strengthen the pension plan. The employer rate will increase from 7.8% to 8.9% in FY16 for the “Regular” Plan, while the employer rate goes from 11% to 11.4% in the “Special” Plan (Police and Fire plan).

	Regular AC Plan		Special 3C (Fire/PD)	
	Employee	Employer	Employee	Employer
FY12	6.5%	4.4%	8.0%	8.3%
FY13	6.5%	5.3%	8.0%	10.0%
FY14	6.5%	6.5%	8.0%	10.5%
FY15	7.0%	7.8%	8.5%	11.0%
FY16	7.5%	8.9%	9.0%	11.4%

## **New Positions to Budget**

Sustainability Coordination – The City Council voted last November to hire a sustainability coordinator six months earlier than anticipated. In March, the position was filled. Within the FY16 budget there is a need to budget a full year's salary and benefits since the initial six months (Jan to June 2015) was to be paid out of ecomaine dividend payment the City received in November of 2014. In addition to the salary and benefits, a small amount of operating costs has been allocated to the new sustainability office (supplies, phone etc).

Engineer Position – The FY15 budget included a new engineer position to be split by Water Resource Protection and Public Works. The FY15 budget includes 6 months of the position cost. There is a need to cover the remaining 6 months of the position through the FY16 budget. The position will be split between the Sewer User Enterprise Fund (sewer rate) and the General Fund (tax rate).

Sewer Maintenance I – Through a reorganization of staff as a result of retirements, a new position is proposed in the sewer maintenance division. With the amount of in-house construction work this division is undertaking, a need for an additional Sewer Maintenance I position (laborer) was needed. The funding for the position will be through a combination of savings from internal reorganization and new funding request through the FY16 Sewer User budget.

## **Governor's Budget Impact**

Staff worked through months of uncertainty as the Governor's Budget submitted in January had a significant impact to local communities in many areas. Homestead (only 65 yrs and older and double exemption to 20K), General Assistance (cut in reimbursement and non-citizen aid), State Revenue Sharing (complete elimination – loss of 1.2 million to SP), Business Equipment Tax Exemption and the Business Equipment Tax Rebate conversion (elimination of BETR), taxing non-profits (slight increase in revenue) and telecommunication taxation (never knew real + impact) are all items that have serious positive and negative consequences to the City's General Fund budget and to the individual property owners tax bill (i.e. Homestead Exemption). If approved, many of the impacts would become effective in the second year of the biennium budget, not impacting the FY16 budget.

In late June, municipalities and school systems throughout the state were presented a clearer picture of the impacts (if any) that may come from the next State biennium budget. Fortunately enough, impacts first proposed were not incorporated into the budget by the State Legislature. The City received some positive news.

General Assistance Reimbursement – From 50% to 70% reimbursement from State.

School General Purpose Aid – Additional \$884,000 received

Due to the delay in the State Budget process, municipalities like South Portland went forward and adopted their budgets prior to the beginning of the new fiscal year starting July 1<sup>st</sup>. The timing of the City adopting its budget and the State adopting their budget resulted in the City needing to amend the City's Appropriation Resolve. The positives significantly outweighed the negatives in having to go through the amending process. Staff was able to bring in new revenues as a result of the State budget

process and also fine tune some other line items within the budget. The following are adjustments that were done through the Amended Appropriation Resolve process in July.

State Education Subsidy Applied to Needs from Taxes	+\$480,000
State BETE Revenue	+\$271,000
State Homestead Revenue	+\$ 8,000
State General Assistance Reimbursement	+\$ 50,000
City General Assistance Expenditures	-\$ 20,000

The charts below show the significant positive impacts that resulted in the tax rate as a result of amending the Appropriation Resolve in mid July.

Needs from Taxes Impact – June 2015 vs. July 2015

	FY15	FY16	Dollar	%		FY16	Dollar	%
	<u>Approved</u>	<u>6/18/2015</u>	<u>Change</u>	<u>Change</u>		<u>7/20/2015</u>	<u>Change</u>	<u>Change</u>
Municipal	18,007,459	18,554,987	547,528	3.04%		18,245,987	238,528	1.32%
School	38,395,017	39,738,191	1,343,174	3.50%		39,258,191	863,174	2.25%
County	2,327,942	2,434,056	106,114	4.56%		2,434,056	106,114	4.56%
Needs from taxes	58,730,418	60,727,234	1,996,816	<b>3.40%</b>		59,938,234	1,207,816	<b>2.06%</b>
					June 2015			July 2015

Tax Rate Impact – Change from June 2015 vs. July 2015

	FY15	FY16	Dollar	%		FY16	Dollar	%
	<u>Committed</u>	<u>6/18/2015</u>	<u>Change</u>	<u>Change</u>		<u>7/20/2015</u>	<u>Change</u>	<u>Change</u>
Municipal	5.24	5.42	0.18	3.39%		5.30	0.06	1.11%
School	11.18	11.60	0.42	3.78%		11.40	0.22	1.96%
County	0.68	0.71	0.03	4.51%		0.71	0.03	3.93%
Total	17.10	17.73	<b>0.63</b>	3.69%		17.40	<b>0.30</b>	1.78%
					June 2015			July 2015

## **FY2016 - COMMITTED BUDGET**

### **General Fund**

The General Fund is the largest portion of the budget with a total appropriation request of \$79,907,849. The General Fund includes the property tax supported services for municipal operations, the School Department, and taxes levied by Cumberland County.

Table II  
Total General Fund  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Municipal	30,247,620	31,359,989	1,112,369	3.68%
School	44,804,796	46,113,804	1,309,008	2.92%
County	2,327,942	2,434,056	106,114	4.56%
	77,380,358	79,907,849	2,527,491	3.27%

### **School Department**

The School Department's expenditures are \$46,113,804. The budget is up \$1,309,008 or 2.92%. On the Revenue side of the School Department budget, non-property tax revenues are \$6,355,613, which is an increase of \$622,951.

The School Department received notice of their FY2016 General Purpose Aid for Education of \$6,066,905, up \$791,320 from FY15. As this number is based on a four-year look-back based on formula, the School Department through their budgeting process had budgeted \$5,662,701. The school validation vote was based on the \$5.6 million and not the additional funds received through the State Budget. The School Board presented a plan to incorporate \$480,000 of the new revenue towards tax rate reduction, while the remaining funds would be allocated to bus, computer and building maintenance reserves.

### **Cumberland County**

Cumberland County's property tax assessment for FY16 is \$2,434,056, an increase of \$106,114 or 4.56%.

### **Municipal Departments**

The second largest component of the General Fund budget is municipal programs and services. In the last community survey, 95.8% of the responders were "very satisfied" or "satisfied" with the quality of life in South Portland. Many quality of life indicators point to service delivery in the community one lives in as playing a role in the quality of life for the individual or family. The City of South Portland provides high quality municipal services for the resources provided, which the most recent survey reinforced.

The City's budget appropriation is divided into the following six major expenditure categories:

*Personnel Services.* The major expenditures of personnel services include salaries, wages, overtime, pension and health benefits, workers' compensation and unemployment insurance, and disability and life insurance. Personnel costs account for 68.39% of the total budget. The budget includes limited wage increases for union and non-union employees. The personnel services budget is \$21,449,289, an increase of \$662,299 or 3.19% over FY2015.

*Contracted Services.* Contracted services include the City's cost of water, sewer, electricity, street and traffic lights, building and equipment maintenance, rent and leases, rubbish disposal costs at ecomaine, curbside solid waste and recycling contract with a private contractor, and the City's Contingency Account. Contracted services are \$4,678,964, an increase of \$334,996 or 7.71%. Contracted services represent 14.92% of the total general fund appropriation.

*Supplies.* Supplies include construction material, equipment and vehicle parts, road sand and salt, gas, oil, heating fuel, library books and periodicals, and office and printing supplies. Supplies are proposed at \$2,038,557, an increase of \$22,835 or 1.13%. Supplies represent 6.50% of the total general fund appropriation.

*Fixed Charges.* Fixed charges include tax abatements, general and commercial liability insurance, automobile and property insurance, and dues and memberships. Fixed charges represent \$672,170 in the budget up \$11,514 or 1.74%. Fixed charges represent 2.14% of the city's general fund budget.

*Debt.* The Debt Service budget includes annual bond principal and interest payments on the City's outstanding debt obligations. It also includes lease payments relating to energy improvements. This year there will be \$14,436 or 1.53% in reductions to bonded debt service payments. Debt Service represents 2.95% of the total general fund appropriation.

*Capital Outlay and Transfers.* The Capital Outlay and Transfers budgets include appropriations for the replacement of vehicles and equipment. The proposed capital outlay budget represents 3.67% of the municipal total General Fund appropriation. Historically, capital outlay requests included funding of capital reserves Police Department motor vehicles, equipment replacement; technology reserve accounts, and the Municipal Building Reserve Account. The adopted capital outlay and transfers budgets for FY2016 are \$1,152,153 up \$32,661 or 2.92%.

Table III  
Municipal General Fund Appropriation  
By Expenditure Category  
Comparison FY 2015 and FY 2016

	FY15	FY16	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Personnel	20,786,990	21,449,289	662,299	3.19%
Contractual Services	4,343,968	4,678,964	334,996	7.71%
Supplies	2,015,722	2,038,557	22,835	1.13%
Fixed Charges	660,656	672,170	11,514	1.74%
Debt	940,792	926,356	(14,436)	-1.53%

Property Tax Reimbursements	45,000	45,000	-	0.00%
Intergovernmental (Joint Dispatch)	335,000	397,500	62,500	18.66%
Transfers Out	223,687	221,623	(2,064)	-0.92%
Capital Outlay	895,805	930,530	34,725	3.88%
Total	30,247,620	31,359,989	1,112,369	3.68%

Another way to look at the overall municipal appropriation request is on a programmatic basis by major functional area. The City's General Fund appropriation is divided into the following major functional areas:

Table IV  
Municipal General Fund Appropriation By Function  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Public Safety	10,312,295	10,578,609	266,314	2.58%
Insurance and Retirement	6,646,700	7,014,990	368,290	5.54%
Public Works	4,529,989	4,577,541	47,552	1.05%
Culture and Recreation	3,244,551	3,256,513	11,962	0.37%
General Government	2,894,368	3,273,434	379,066	13.10%
Debt	940,792	926,356	(14,436)	-1.53%
Transportation and Waterfront	1,128,508	1,144,223	15,715	1.39%
Health and Welfare	353,417	371,323	37,906	10.73%
Contingency and Reserves	197,000	197,000	-	0.00%
Total	30,247,620	31,359,989	1,112,369	3.68%

### Municipal General Fund Revenues

On the revenue side of the Municipal General Fund budget, total non-property tax revenues are estimated at \$10,683,002, an increase of \$520,841 or 5.13%. This increase is largely due to the additional excise revenue being recognized.

Table V  
Distribution of Municipal Non Property Revenues  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Excise Tax	5,125,000	5,425,000	300,000	5.85%
State Revenue Sharing	1,190,000	1,185,000	(5,000)	-0.42%
Fee for Service	1,604,100	1,649,650	45,550	2.84%
Investment Income	350,000	390,000	40,000	11.43%

Licenses, Permits and Fines	812,650	797,650	-15,000	-1.85%
Payments in lieu of taxes	240,250	240,850	600	0.25%
Federal Transit	434,673	490,352	55,679	12.81%
Other	725,161	504,500	99,012	24.42%
Total	10,162,161	10,683,002	520,841	5.13%

**Municipal Needs from Property Taxes**

With expenditures of \$31,359,989 and non-property tax revenues of \$10,683,002 the total need from property taxes for FY16 to support city services is \$18,245,987, an increase of \$238,528 or 1.32%.

Table VI  
Municipal Needs from Taxes  
Total Needs from Taxes  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Municipal Expenditures	30,247,620	31,359,989	1,112,369	3.68%
Use of Fund Balance	500,000	425,000	-75,000	-15.00%
Use of BETE	1,100,000	1,521,000	421,000	38.27%
Homestead	478,000	485,000	7,000	1.46%
Non Property Tax Revenue	10,162,161	10,683,002	520,841	5.13%
Needs from Taxes	18,007,459	18,245,987	238,528	1.32%

**School Needs from Property Taxes**

The total need from property taxes for FY16 to support the School Department is \$39,258,191, an increase of \$863,174 a 2.25% increase over FY16.

Table VII  
School Department Total Needs from Taxes  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
School Expenditures	44,804,796	46,113,804	1,309,008	2.92%
Use of Fund Balance	(677,117)	(500,000)	177,117	-26.16%
Non-property Tax Revenue	(5,732,662)	(6,355,613)	(622,951)	10.87%
Needs from Taxes	38,395,017	39,258,191	863,174	2.25%

**Total Needs from Property Taxes**

The total need from property taxes to support municipal, school and county services is \$59,938,234, an increase of \$1,207,816 or 2.06%.

Table VIII  
General Fund Total Needs from Taxes  
Comparison FY 2015 and FY 2016

	FY2015	FY2016	Dollar	%
	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>	<u>Change</u>
Municipal	18,007,459	18,245,987	238,528	1.32%
School	38,395,017	39,258,191	863,174	2.25%
County	2,327,942	2,434,056	106,114	4.56%
Needs from taxes	58,730,418	59,938,234	1,207,816	2.06%

**Estimated and Final Property Tax Rate**

The valuation as of July 2015 was \$3,444,000,000. The FY16 property tax rate is \$17.40 per thousand.

Table IX  
City Tax Rate Comparison  
Comparison FY 2015 and FY 2016

	FY15	FY16	Dollar	%
	<u>Committed</u>	<u>Committed</u>	<u>Change</u>	<u>Change</u>
Municipal	5.24	5.30	0.06	1.11%
School	11.18	11.40	0.22	1.96%
County	0.68	0.71	0.03	3.93%
Total	17.10	17.40	0.30	1.78%

1. Based on valuation of \$3,444,000,000 April 1, 2015.

Sewer User Fund

The Sewer User Fund Budget Appropriation for FY16 is \$5,691,834 an increase of \$179,281 or 3.25%. As noted above, this budget includes half the cost of the additional six months of a new engineer full-time position as well as costs associated with a new Sewer Maintenance I position.

Table X  
Sewer User Fund Expenditures  
Comparison FY 2015 and FY 2016

	FY2015 <u>Adopted</u>	FY2016 <u>Adopted</u>	<u>Change</u>	% <u>Change</u>
Administration	157,856	160,727	2,871	1.82%
Compliance Admin.	95,724	98,218	2,494	2.61%
Debt	28,458	35,893	7,435	26.13%
Engineering	205,778	226,266	20,488	9.96%
Equipment Reserve	1,512,352	1,512,000	(352)	-0.02%
Pump Stations	530,019	558,056	28,037	5.29%
Retirement & Insur.	757,110	812,638	55,528	7.33%
Sewer Maintenance	753,991	819,880	65,889	8.74%
Sewer Use Billing	194,885	182,384	(12,501)	-6.41%
Sludge Disposal	366,775	364,080	(2,695)	-0.73%
Treatment Plant	<u>909,605</u>	<u>921,692</u>	<u>12,087</u>	<u>1.33%</u>
Total	5,512,553	5,691,834	179,281	3.25%

Table XI  
Sewer User Fund Revenues  
Comparison FY 2015 and FY 2016

	FY2015 <u>Adopted</u>	FY2016 <u>Adopted</u>	<u>Dollar</u> <u>Change</u>	% <u>Change</u>
Interest & Penalties	1,000	1,000	0	0.00%
Industrial Compliance Fees	61,089	62,960	1,871	3.06%
Residential/Commercial User Fees	4,077,266	4,131,493	54,227	1.33%
Industrial User Fees	1,238,198	1,351,381	113,183	9.14%
Cape Elizabeth Contribution	135,000	145,000	10,000	7.41%
Use of Surplus	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0.00%</u>
Total	5,512,553	5,691,834	179,281	3.25%

The residential sewer user rate will increase from \$4.66 to \$4.80 per hundred cubic feet of water (PHCF) a 3% increase over FY15.

Enterprise Fund Budgets

The Enterprise Fund comprises self-funded programs and activities utilizing the revenue generated from program participants. The Enterprise Fund totals \$6,799,472 a decrease of \$48,483 or -0.71%.

Table XII  
Municipal Enterprise Fund Budget  
Comparison FY 2015 and FY 2016

	FY2015 <u>Adopted</u>	FY2016 <u>Adopted</u>	Dollar <u>Change</u>	<u>Change</u>
TIF District	3,549,394	3,681,061	131,667	3.71%
Debt Service Fund	494,428	250,000	(244,428)	-49.44%
Summer Rec. Camp	262,487	257,471	(5,016)	-1.91%
Golf Course	222,630	193,000	(29,630)	-13.31%
Community Television	206,230	217,455	11,225	5.44%
Westbrook Assessing	190,099	195,489	5,390	2.84%
Youth Rec. Programs	167,287	132,896	(34,391)	-20.56%
Street Openings	97,558	100,628	3,070	3.15%
Afterschool Program	85,935	148,199	62,264	72.45%
Sewer Impact Fees	42,204	52,284	10,080	23.88%
Senior Rec. Programs	36,277	36,048	(229)	-0.63%
Adult Rec. Programs	35,538	31,163	(4,375)	-12.31%
Summer Sports Camp	26,683	24,694	(1,989)	-7.45%
Portland St. Pier	21,800	21,970	170	0.78%
Art in the Park	20,650	20,650	0	0.00%
Adult Leagues	14,239	14,239	0	0.00%
Boat Ramp	10,737	13,500	2,763	25.73%
Vacation Camp	7,029	8,390	1,361	19.36%
School Lunch Fund	<u>1,356,750</u>	<u>1,400,335</u>	<u>43,585</u>	<u>3.21%</u>
Total	6,847,955	6,799,472	(48,483)	-0.71%

Grant Fund Budget

The Grant Fund Budget tracks those programs and activities funded directly by grants, state or federal government, or other sources. The total FY2016 Municipal Grant Fund Budget is \$3,187,727, an increase of \$788,490 or 32.86%.

Table XIII  
Grant Fund Budget  
Comparison FY 2015 and FY 2016

	FY2015 Adopted	FY2016 Adopted	Dollar Change	Percent Change
Local Road Assistance- MDOT	\$290,000	\$255,000	(\$35,000)	-12.07%
Community Dev. Block Grant	\$417,583	\$411,945	(\$5,638)	-1.35%
Supplemental Homeland Security	\$164,090	\$177,896	\$ 13,806	8.41%
Transit 5307 Planning	\$39,035	\$39,035	\$ 0.00	0.00%
School Part II Grants Budget	<u>\$1,488,529</u>	<u>\$2,303,851</u>	<u>\$815,322</u>	<u>54.77%</u>
Total	\$2,399,237	\$3,187,727	\$788,490	32.86%

Conclusion

Sincere appreciation is expressed for the collaboration received from the City Council throughout the budget process. The Council's willingness to listen, ask tough questions and the move the community forward is why South Portland is what it is. Thank you to the department heads who have done an outstanding job in presenting a small increase in expenditures, knowing this year and next could result in great changes largely hinging on what happens with the State budget. The budget process brings together a strong team of Councilors and city staff and the results of the work are experienced every day by the residents, business community and our visitors. *Thank you.*

Sincerely,



James H. Gailey  
City Manager  
City of South Portland

cc. South Portland City Council  
South Portland School Board  
Suzanne Godin, Superintendent of Schools  
Department Heads