



Administrative Assistant to the Selectmen

Stu Marckoon
606 Douglas Hwy
Lamoine, ME 04605
(207) 667-2242

town@lamoine-me.gov

Proposed Revenue Budget – FY 2014/15

The various sources of non-property tax revenue are used to lower the tax commitment each year and must be approved by the town meeting. The goal is to accurately estimate what those sources of income might be. An explanation follows for each category.

Interest – Taxes – Those who do not pay their property taxes on time pay 7% interest. In 2012/13 the town collected \$10,313.22 in interest on unpaid property taxes. There were a fair number of tax liens collected in that year, and that likely has to do with the economy. The value of the tax liens lately has started to diminish as the economy improves and people pay their tax bills on time. While the revenue line shows a \$500 increase, the proposed amount is still \$1,100 less than the 5-year average collection in this category.

Auto Excise Taxes – At the town's best economic year, the town collected roughly \$300,000 in excise taxes. Then the economy tanked, new car sales plummeted, and collections fell sharply. The proposed amount of \$280,000 is based on the actual for 2012/13 (\$282,066). Collections for 2013/14 have been pretty strong.

Boat Excise Taxes – The economy also has a direct impact on watercraft excise tax. The town collected \$3,670 in FY 12/13. The proposed \$3,500 is based on that performance. This is a relatively stable area of tax collection, surprisingly.

Administration Fees – With the popularity of the town's website, the number of tax map and ordinance copies we sell here in the office has diminished. The 5-year average for fees is \$942. No change is proposed in this budget at \$750.

Tax Lien Charges – These are paid by the folks who have liens and mirror the budget line in the administration budget.

Agent Fees – this is what we charge to complete vehicle registrations, dog licenses, IF&W transactions etc. While the 5-year average is \$5,800, the estimate is unchanged from the current fiscal year as a conservative number.

Revenue Sharing – If the governor had his way there would be no revenue sharing coming back to the town. This amount is not really known until just before the property tax commitment and is not included in those revenues that offset property taxes, but as a different line. The \$29,500 is based on a 20% cut by the state government from the current fiscal year. This number will likely change.

General Assistance Reimbursement – This number represents 50% of the General Assistance expenditure line in the administration budget. That's what the state sends back to the town.

Investment Interest – The crystal ball on this has not been very good recently. We collected \$7,114 in FY 12/13. The budget for FY 13/14 is \$11,500, which is obviously too high. The FY 14/15 budget will lower this to \$7,000 based on the 13/14 figure.

Cell Tower Rental – While the FY 14/15 year will be the 5th year of renting the town owned land for the cell tower, there is a 3% escalator built into the lease agreement, thus the increase of \$360.

Hodgkins Trust Fund - This fund is designed for use at the parks or for town building projects. The proposal is to use \$4,000 of this fund to place into the fund for the heating system (see capital projects budget).

Surplus – The amount of available fund balance took a hit when the town settled on and returned a sizable amount of two tree growth penalties last year. The overlay for the 13/14 tax commitment was just over \$30,000 which kept the mill rate the same as the previous year. Provided we don't take a hit on that this year, the \$30,000 should be available for use toward property tax relief. The current fiscal year is utilizing \$100,000 in surplus use. The town is not able to sustain that amount and still be solvent at this time.

Code Enforcement Fees - The 5-year average on fees generated from building and other permits is \$7,562. The \$7,500 is based on that average.

Code Enforcement Fund Transfer - The code enforcement fund seems pretty healthy (it ended the year at \$24,000) and the \$3,000 appropriation for the current year will likely see an increase in fees thanks to better than expected permit income. The budget therefore will be unchanged.

Plumbing Fees – no change from the current fiscal year., though the 5-year average is about \$2,600.

Road Assistance – It's difficult to predict what the Legislature will do with the road assistance fund. Based on the actual received in 2012/13, this line is increased by \$500, even though the budget is lower than the actual received in 12/13.

Road Fund Use – At the end of the 12/13 fiscal year we had \$69,000 in the fund. We used \$20,000 for the current year. Half that is proposed for the 14/15 year.

Animal Control Fees – Dog license fees are pretty steady, and used to offset expenses for the Animal Control Officer. The proposed \$1,500 revenue budget is unchanged from the current year.

Capital Projects Fund – No use of this fund is proposed for 14/15.

Overall Impact - The proposed revenues to offset property taxes are down \$81,705.05. Most of this is the decreased use of surplus and the road fund.

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