



## Administrative Assistant to the Selectmen

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### Proposed Revenues Budget FY 2021-22

The non-property tax revenue portion of the budget is a key component of the town's taxation and spending plan. Every dollar from an alternate source of revenue means less reliance on the property tax. I'll explain each proposed change.

**Tax Lien Charges** – We filed fewer liens, therefore, fewer fees are needed to file and discharge the liens at the registry of deeds. This line offsets the lien expense line in the administration budget. The proposed drop is \$500.

**Agent Fees** – It is just plain busier at the town office. The proposed increase in fees from fees charged to process state transactions (vehicle registrations, dog licenses, hunting and fishing licenses) is based on the actual 19/20 collections. We increased (due to a state law change) the vehicle registration agent fee by \$1.00 last fiscal year. The proposed increase is \$300.00.

**Revenue Sharing** – This is always a guess, and nothing that the town has any control over other than figuring the final tax rate. Each year the Treasurer's office in Maine calculates the expected revenue sharing. We got the figure before the pandemic hit, and it had not changed by the time we did the tax commitment, so the commitment was based on a much higher figure than we'll likely collect. The decrease of \$42,316.20 is a pure guess. We had been slated to collect over \$94,700 for the current fiscal year. The current projection is \$83,485 or so, which isn't as bad as expected. However, given the length of the state of emergency, I have forecast a significant drop for FY 22. We built in a significant overlay into the tax commitment this summer in anticipation that the revenue sharing projection was wrong.

**Investment Interest** – While the projection is up \$4,000 this is a very conservative estimate. FY 19/20 saw \$32,980 in investment interest. The FY 21/22 budget is for \$20,000 in anticipation of an economic slowdown.

**Hodgkins Trust Fund** – If the community center line is eliminated this revenue will also be set back to zero as the \$10,000 was slated for community center planning if needed.

**Surplus Use** – Despite an error in the tax rate calculation in FY 20, we had a very good revenue collection year, collecting \$85,000 in general funds more than anticipated. Additionally, tax foreclosure sales in the current fiscal year have generated more than \$99,000 more than budgeted. The proposed \$150,000 in surplus funds to offset taxes is a \$30,000 increase over the previous fiscal year.

**Road Assistance** – We anticipate a drop of about \$2,000 in road assistance funding due to lower gas tax collections. It might fall even further. This is a 'best' guess at this point.

**Road Fund Use** – At this point, no use of the road fund to lower property taxes is proposed. The road fund has \$46,000 and change in it. We can discuss that.

**Transfer Station Capital** – If there is a project at the transfer station, I would anticipate borrowing money to do it. That would be paid back through taxation.

**Recreation Fund** – If there is going to be a local recreation offering in 21/22, we can fund it from the funds raised for 20/21 which have not been spent. We have not budgeted for any program income for 21/22 at this point.

**Revaluation Reserve** – As mentioned in the capital projects budget, the town has set aside more than \$110,000 in a reserve for a revaluation. This would offset the expense line.

***The Bottom Line....*** The spreadsheet shows total proposed revenues down by \$358,000, but no education funding is included in this bottom line. The actual proposed use of non-property tax revenues for the municipal side of the budget is up by \$42,683, or 5.6%.