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**COUNCIL ACTION**

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**Item No. 15-206, As Amended**

**Date:** June 8, 2015

**Item/Subject:** RESOLVE, Appropriation for Municipal Year 2016

**Responsible Department:** City Manager

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**Commentary:** Following months of discussion and deliberations, the Bangor City Council has tentatively approved a budget for 2016. The highlights of the budget are as follows:

**Assessment:** Construction through 2015 was at its highest level in several years and assessments in the City grew by approximately \$31 million. If approved, the proposed combined Municipal/School budget will increase the mil rate by 15 cents from \$21.80 to \$21.95. For a house valued at \$150,000 that increase will be approximately \$23 over the previous year. This rate represents is a decrease of 35 cents from the manager submitted budget in April.

**School Budget:** The proposed budget includes a decrease of 12 cents increase on the mil rate for school operations due to the anticipated additional state revenues that will eliminate the need to levy additional taxes. As a result of further reductions and increased valuations, this budget was further reduced from the manager submitted budget and was approved by the voters on June 9, 2015.

**Municipal Budget:** The proposed budget includes an increase of \$.27 cents on the mil rate for municipal operations. Increases in the municipal budget are the result of reductions in State Revenues combined with increases in expenditures. Increases in expenditures were primarily driven by the increase in health insurance and minor wage adjustments.

**Reduction of Force:** The current budget does not include any reductions in force or reductions of programs.

**Conclusion:** This Resolve represents all of the changes approved by the Council since the submission of the City Manager's recommended budget as well as the changes as a result of the Legislative approved State budget. If additional changes are enacting by the Legislature that impact the attached, these items will be addressed in early July prior to the tax commitment process.

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**Manager's Comments:** This item will need to be amended by substitution on June 29<sup>th</sup> to reflect the changes adopted by the Council since the initial budget submission.

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City Manager

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**Associated Information:** Resolve

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**Budget Approval:**

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Finance Director

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**Legal Approval:**

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City Solicitor

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**Introduced for**

Passage  
 First Reading  
 Referral

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Assigned to Councilor Sprague

## CITY OF BANGOR

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(TITLE.) Resolve, Appropriation for Municipal Year 2016

*By the City Council of the City of Bangor:*

*Resolved*

THAT the sum of Ninety-four million, ninety-nine thousand, seven hundred and twenty-seven dollars (\$94,099,727) is hereby appropriated in the General Fund for the Municipal Year 2016 in accordance with the schedule of appropriations attached hereto; and

BE IT FURTHER RESOLVED THAT in addition to such other revenues as are estimated to be available to meet the above appropriations including the Homestead and Business Equipment Tax Exemption reimbursement, the sum of Fifty-seven million, ninety-three thousand, four hundred and twenty-four dollars (\$57,093,424) be raised by assessment upon the estates of the inhabitants of the City of Bangor and upon the estates of non-resident proprietors within said City for the present Municipal Year; and

BE IT FURTHER RESOLVED THAT the list of tax assessment upon the estates in Bangor for all City taxes, together with all assessments and charges made under the provisions of the Maine Revised Statutes annotated, Title 30A, Section 3406 and 3442 to 3445 inclusive, and the City's due proportion of the County Tax, in the amount of Three million, one hundred thirty-two thousand, eight hundred and fifty-six dollars (\$3,132,856) for the period of July 1, 2015 through June 30, 2016, shall be committed by the Assessor to the Finance Director and one-half of said taxes shall be due and payable on the 15th day of September, 2015 with the remaining one-half of said taxes due and payable on the 15th day of March, 2016; and

BE IT FURTHER RESOLVED THAT interest at the maximum State approved rate of 7% per annum for 2015 shall be collected on the first half of said taxes from September 16, 2015, if not voluntarily paid to the Finance Director on or before September 15, 2015; and

BE IT FURTHER RESOLVED THAT interest at the maximum State approved rate of 7% per annum for 2015 shall be collected on the second half of said taxes from March 16, 2016, if not voluntarily paid to the Finance Director on or before March 15, 2016; and

BE IT FURTHER RESOLVED THAT in each case, said interest shall be added to and become a part of said taxes; and

BE IT FURTHER RESOLVED THAT in the event a taxpayer pays an amount in excess of that finally assessed the overpayment shall be repaid to the taxpayer with interest from the date of the payment to the date of the refund at an interest rate of 3.00%; provided that, however, the Tax Collector is authorized to apply any overpayment as prepayment of taxes not yet committed with an interest rate of 0.00% on the prepayment; and

BE IT FURTHER RESOLVED THAT the Tax Collector shall apply all tax payments to the oldest balance due on that account regardless of any instructions the taxpayer may give. If, however, a tax lien has matured, the Tax Collector may not accept payment on that account unless a workout agreement is in place or approval has been granted by the Finance Committee of the Council to accept payment or the taxpayer signs a partial payment waiver form. If a taxpayer has more than one tax account, any payment shall be applied to the oldest balance due unless the taxpayer specifies the account against which the payment is to be applied; and

BE IT FURTHER RESOLVED THAT the Tax Collector shall apply all sewer/stormwater payments to the oldest stormwater balance due on that account first and then to the oldest sewer balance due on that account regardless of any instructions the owner may give. If, however, a sewer lien has matured, the Tax Collector may not accept payment on that account unless a workout agreement is in place or approval has been granted by the Finance Committee of the Council to accept payment or the owner signs a partial payment waiver form. If an owner has more than one sewer/stormwater account, any payment shall be applied to the oldest balance due unless the owner specifies the account against which the payment is to be applied; and

BE IT FURTHER RESOLVED THAT the Appropriation for Municipal Year 2016 for the following Enterprise Funds is hereby authorized and approved by the Bangor City Council in accordance with the schedule of appropriations and revenues attached hereto: the Airport Fund, the Sewer Fund, the Storm Water Utility Fund, the Bass Park Fund, the Parking Fund, the Golf Course, and the Economic Development Fund; and

BE IT FURTHER RESOLVED THAT the Council hereby formally appropriates any cash contributions received during this budget year to the appropriate Department and purpose for which such contribution has been made and, where such contribution is equal to or less than \$10,000, such appropriation will become effective upon formal Council action to accept such contribution; and

BE IT FURTHER RESOLVED THAT the Council hereby authorizes the City Manager to implement a one percent (1%) general pay adjustment to the City Pay Plan for non-unionized employees effective for the first full pay period ending July, 4, 2015; and

BE IT FURTHER RESOLVED THAT the Council hereby formally appropriates any grants from the State of Maine or the Government of the United States of America received during this budget year where such grant is equal to or less than \$25,000, such appropriation to become effective upon formal Council action to accept such grant; and

BE IT FURTHER RESOLVED THAT the Council hereby formally appropriates any insurance proceeds received during this budget year to the appropriate Department for the purpose of repairing or replacing the damaged property where such amount is equal to or less than \$25,000, such appropriation to become effective upon receipt of funds; and

BE IT FURTHER RESOLVED THAT the Council hereby carries forward unexpended FY 15 marketing funds within the Economic Development division for the purpose of funding business park sign replacement; and

BE IT FURTHER RESOLVED THAT the Council hereby formally appropriates any PERC Performance Credits in excess of the amount included in the General Fund budget to the General Fund Improvement Reserve Account.



**15-206, as Amended**  
**JUNE 8, 2015**

ORDER

Title,

Assigned to

Councilor