

City of Portland, Maine

Finance Committee's Recommended Budget



FY19 Budget

July 1, 2018 – June 30, 2019

**FY2019 BUDGET
FINANCE COMMITTEE'S RECOMMENDATION
CITY OF PORTLAND, MAINE**

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City of Portland Finance Committee Minutes - May 9, 2018

Attendees: Chair Nick Mavodones (NM), Committee Members Justin Costa (JC) and Ethan Strimling (ES), City Councilors Duson, Thibodeau, Cook and Ray. School Board Members Trevorrow, Davis, Vendil, Balfantz and Atkinson, Members of City and School Staff, Media and Public

Meeting Called to Order

Brief presentation from Portland Public School (PPS) Staff on Q&A Received at 4-26-18 Meeting including additional Q&A from Councilors
Presentation of follow up Q&A from City Finance Director including additional Q&A from Councilors

Motion to approve PPS budget as presented made by ES, Seconded by JC, discussion begins.

Amendment to PPS budget to reduce overall appropriation to \$110,578,716 from JC, seconded by NM - Passes 2-1 (ES opposed)

Motion to table PPS budget made by ES, seconded by JC, passes 3-0

Motion to take up FY19 City Manager Recommended budget: ES 1st, JC 2nd - discussion

Amendments to the main motion

- That the Building Permit Fee increase to 1.75%, instead of the recommended 1.5% increasing revenues by \$400,000 in the Inspections & Permitting Department, account 100-25- 02; Motion made by ES, seconded by JC - Fails 1-2 (ES in favor)
- That Business Licensing Fees be increased 10%, increasing revenues by \$120,000 in the Permitting and Inspections Department, account 100-25-04; Motion made by ES, seconded by NM - Fails 1-2 (ES in favor)
- That the payment for Supplemental Services from Portland Downtown be increased by \$200,000, increasing revenues in the Public Works Department, account 100-31-16; Motion made by ES, seconded by NM - Fails 1-2 (ES in favor)
- That Youth League fees be eliminated, decreasing revenues by \$47,000 in the Parks while raising expenditures by \$9,000, for a gain of \$56,000 in Recreation and Facilities Department, account 100-33-13; Motion made by ES, seconded by JC Passes 3-0
- That the increase in Before and After School Fees be eliminated, decreasing revenues by 100,000 in the Parks, Recreation and Facilities Department, account 100-33- 14; Fails 1-2 (ES in favor)
- That the increase in summer camp fees be eliminated, decreasing revenues by 12,000 in the Parks, Recreation and Facilities Department, account 100-33- 14; Passes 3-0
- That the fees for registering short term rental units be increase to \$500.00 for the 1st unit, \$1,000 for the 2nd unity; \$2,000 for the 3rd unit, \$3,000 for the 4th unit and \$5,000 for the 5th unit, increasing revenues by \$250,000 in the Permitting and Inspections Department account 100-25-03; Motion made by ES, seconded by JC Fails 1-2 (ES in favor)
- That dues for the Greater Portland Council of Governments be eliminated, reducing expenditure by \$67,850, in Memberships and Contributions, account 100-65-07; Motion made by ES, seconded by JC Fails 1-2 (ES in favor)
- That the expenditure for July 4th fireworks be eliminated, reducing that expenditure by \$35,000, in the Parks, Recreation and Facilities Department, account 100-33-10; Motion made by ES, seconded by JC Fails 1-2 (ES in favor)
- That implementation of wage increases in the wage study be reduced by \$100,000 and be made only to those making less than \$100,000, only in fiscal year 2019, in various departments; Motion made by NM, seconded by ES Fails 1-2 (ES in favor)
- That one new Office of Economic Opportunity Program Coordinator be added, increasing by \$63,686 the budget in the Executive Department, account 100-19- 20; Motion made by ES, seconded by JC Fails 1-2 (ES in favor)

Motion from JC to pass the FY19 City Manager Recommended budget as amended, ES seconds - Passes 3-0

Motion from ES to un-table the PPS budget, JC seconds - Passes 3-0

Motion from JC to pass the FY19 PPS budget as amended, NM seconds - Passes 2-1 (ES opposed)

Move to adjourn JC, seconded by ES. Passes 3-0

CITY OF PORTLAND, MAINE
FY2019 BUDGET SUMMARY--REVENUE
Finance Committee Recommendation

	FY18 Budget	FY19 CM Recomm.	FY19 Fin Comm Recomm.	FC Changes	\$+/-	%+/-
CITY GENERAL FUND REVENUE						
31 Property Taxes	\$ 86,095,197	\$ 89,506,350	\$ 89,574,350	\$ 68,000	\$ 3,479,153	4.0%
31 Other Local Taxes	9,860,925	10,099,009	10,099,009	-	238,084	2.4%
32 Licenses & Permits	5,422,322	5,767,244	5,767,244	-	344,922	6.4%
33 Intergovernmental Revenue	9,860,357	10,464,979	10,464,979	-	604,622	6.1%
34 Charges for Services	36,661,015	35,879,048	35,867,048	(12,000)	(793,967)	-2.2%
35 Fines, Forfeits and Penalties	2,090,250	2,107,635	2,107,635	-	17,385	0.8%
36 Use of Money and Property	10,070,840	11,222,951	11,175,951	(47,000)	1,105,111	11.0%
39 Other Sources	29,245,462	29,306,682	29,306,682	-	61,220	0.2%
Fund Balance Use (Restoration)	-	-	-	-	-	
Total General Fund Revenue	\$ 189,306,368	\$ 194,353,898	\$ 194,362,898	\$ 9,000	\$ 5,056,530	2.7%

ENTERPRISE FUND REVENUE

31 Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
32 Licenses & Permits	28,850	22,850	22,850	-	(6,000)	-20.8%
33 Intergovernmental Revenue	116,800	116,800	116,800	-	-	0.0%
34 Charges for Services	32,252,496	33,567,185	33,567,185	-	1,314,689	4.1%
36 Use of Money and Property	22,461,391	23,747,326	23,747,326	-	1,285,935	5.7%
39 Other Sources	410,809	374,196	374,196	-	(36,613)	-8.9%
Surplus	(4,220,518)	(4,236,256)	(4,236,256)	-	(15,738)	
Total Enterprise Fund Revenue	\$ 51,049,828	\$ 53,592,101	\$ 53,592,101	\$ -	\$ 2,542,273	5.0%

	FY18 School Budget	FY19 Board of Education Recomm.	FY19 Fin Comm Recomm.	FC Changes	\$+/-	%+/-
SCHOOL DEPARTMENT REVENUE						
Property Taxes	\$ 82,787,921	\$ 89,222,327	\$ 88,003,431	\$ (1,218,896)	\$ 5,215,510	6.3%
Local Revenues	7,410,851	5,455,679	5,455,679	-	(1,955,172)	-26.4%
State Subsidy	14,799,817	16,339,336	16,339,336	-	1,539,519	10.4%
Surplus Use	750,000	780,270	780,270	-	30,270	
Total School Department Revenue	\$ 105,748,589	\$ 111,797,612	\$ 110,578,716	\$ (1,218,896)	\$ 4,830,127	4.6%

CITY OF PORTLAND, MAINE
FY2019 BUDGET SUMMARY--EXPENDITURES
Finance Committee Recommendation

		FY18 Budget	FY19 CM Recomm	FY19 Fin Comm Recomm	FC Changes	\$+/-	%+/-
GENERAL FUND EXPENDITURES							
100-1100	City Council	\$ 322,232	\$ 331,904	\$ 331,904	\$ -	\$ 9,672	3.0%
100-1200	City Clerk	555,291	536,522	536,522	-	(18,769)	-3.4%
100-1301	Executive	1,148,722	954,305	954,305	-	(194,417)	-16.9%
100-1400	Assessor	479,633	404,377	404,377	-	(75,256)	-15.7%
100-1500	Finance	1,829,401	1,840,101	1,840,101	-	10,700	0.6%
100-1600	Legal	620,971	709,403	709,403	-	88,432	14.2%
100-1700	Human Resources	1,035,380	1,063,158	1,063,158	-	27,778	2.7%
100-1800	Parking	2,275,644	2,337,364	2,337,364	-	61,720	2.7%
100-1900	Economic Development	491,047	633,989	633,989	-	142,942	29.1%
100-2100	Police	16,488,309	16,860,613	16,860,613	-	372,304	2.3%
100-2200	Fire	17,245,896	17,296,405	17,296,405	-	50,509	0.3%
100-2400	Planning & Development	1,944,324	1,789,472	1,789,472	-	(154,852)	-8.0%
100-2500	Permitting & Inspections	1,644,152	1,759,712	1,759,712	-	115,560	7.0%
100-2900	Information Technology	2,432,904	2,799,922	2,799,922	-	367,018	15.1%
100-3100	Public Works	14,456,976	13,971,411	13,971,411	-	(485,565)	-3.4%
100-3300	Parks, Recreation & Facilities	10,137,503	11,147,132	11,156,132	9,000	1,018,629	10.0%
100-3500	Public Buildings & Waterfront	5,257,863	5,019,804	5,019,804	-	(238,059)	-4.5%
100-4000	HHS Administration	401,930	419,772	419,772	-	17,842	4.4%
100-4100	Public Health	1,732,674	1,035,147	1,035,147	-	(697,527)	-40.3%
100-4200	Social Services	11,204,716	9,913,238	9,913,238	-	(1,291,478)	-11.5%
107-4300	Barron Center	16,977,542	15,630,623	15,630,623	-	(1,346,919)	-7.9%
100-4700	Debt Service	37,522,031	41,818,036	41,818,036	-	4,296,005	11.4%
100-4800	Library	3,936,725	4,062,000	4,062,000	-	125,275	3.2%
100-5100	Pension	7,401,409	8,126,801	8,126,801	-	725,392	9.8%
100-5200	Employee Benefits	21,301,068	23,341,655	23,341,655	-	2,040,587	9.6%
100-6100	Contingent	275,820	275,850	275,850	-	30	0.0%
100-6200	Insurance	782,418	774,458	774,458	-	(7,960)	-1.0%
100-6500	Memberships & Contributions	436,574	438,230	438,230	-	1,656	0.4%
100-6700	Wage Adjustment	419,835	60,000	60,000	-	(359,835)	-85.7%
Total General Fund Expenditures		180,758,990	185,351,404	185,360,404	9,000	4,601,414	2.5%
100-6300	County Tax Assessment	5,907,743	6,288,845	6,288,845	-	381,102	6.5%
100-6502	Metro Assessment	2,639,635	2,713,649	2,713,649	-	74,014	2.8%
Total General Fund and Assessments		\$ 189,306,368	\$ 194,353,898	\$ 194,362,898	\$ 9,000	\$ 5,056,530	2.7%

CITY OF PORTLAND, MAINE
FY2019 BUDGET SUMMARY--EXPENDITURES
Finance Committee Recommendation

		FY18 Budget	FY19 CM Recomm	FY19 Fin Comm Recomm	FC Changes	\$+/-	%+/-
ENTERPRISE FUND EXPENDITURES							
530-2800	Fish Pier	382,210	398,213	398,213	-	16,003	4.2%
570-3100	Sewer	24,759,881	26,321,527	26,321,527	-	1,561,646	6.3%
571-3100	Stormwater	3,040,253	2,759,614	2,759,614	-	(280,639)	-9.2%
583-2800	Jetport	22,867,484	24,112,747	24,112,747	-	1,245,263	5.4%
Total Enterprise Fund Expenditures		\$ 51,049,828	\$ 53,592,101	\$ 53,592,101	\$ -	\$ 2,542,273	5.0%
TOTAL CITY EXPENDITURES		\$ 240,356,196	\$ 247,945,999	\$ 247,954,999	\$ 9,000	\$ 7,598,803	3.2%

		FY18 School Budget	FY19 Board of Education Recomm.	FY19 Fin Comm Recomm	FC Changes	\$+/-	%+/-
SCHOOL DEPARTMENT EXPENDITURES							
	Public Schools	\$ 105,748,589	\$ 111,797,612	\$ 110,578,716	\$ (1,218,896)	\$ 4,830,127	4.6%
TOTAL CITY AND SCHOOL EXPENDITURES		\$ 346,104,785	\$ 359,743,611	\$ 358,533,715	\$ (1,209,896)	\$ 12,428,930	3.6%

TAX RATE COMPUTATION--FY2019
Finance Committee's Recommendation

	General Fund	Enterprise Funds	County Tax	TOTAL CITY	School Dept	GRAND TOTAL
Total Expenditures	\$188,074,053	\$53,592,101	\$6,288,845	\$247,954,999	\$110,578,716	\$358,533,715
Less: Revenues	(104,788,548)	(57,828,357)	0	(162,616,905)	(21,795,015)	(184,411,920)
Surplus	0	4,236,256	0	4,236,256	(780,270)	3,455,986
Tax Levy	\$83,285,505	\$0	\$6,288,845	\$89,574,350	\$88,003,431	\$177,577,781
				50.4%	49.6%	100.0%
Valuation	7,900,000,000					
Tax Rate:						
FY19	\$10.54	\$0.00	\$0.80	\$11.34	\$11.14	\$22.48
FY18	\$10.28	\$0.00	\$0.76	\$11.04	\$10.61	\$21.65
\$ Increase	0.26	0.00	0.04	0.30	0.53	0.83
% of Total Increase	2.4%	0.0%	0.4%	2.7%	5.0%	3.8%

CITY OF PORTLAND, MAINE
FY2019 Non-Tax Revenue
(without surplus or TIF reimb)
Finance Committee's Recommendation

Department	FY17 Collected	FY18 Est (budget)	FY18 Proj	FY19 Est (budget)	FY19 Est vs FY18 Est (budget)	%
General Fund Revenues:						
City Council	\$5,000	\$5,000	\$5,000	\$5,000	\$0	0.0%
City Clerk	235,162	233,234	226,613	227,688	(5,546)	-2.4%
Executive	1,007,564	1,054,701	936,361	1,040,370	(14,331)	-1.4%
Assessor	1,154	500	2,076	2,076	1,576	315.2%
Finance	18,220,471	17,586,273	17,463,969	18,549,047	962,774	5.5%
Legal	105,772	95,857	95,286	136,320	40,463	42.2%
Human Resources	112,775	118,043	118,043	76,056	(41,987)	-35.6%
Parking	8,139,957	8,613,070	8,639,790	9,620,120	1,007,050	11.7%
Econ Dev	190,177	218,601	217,499	567,949	349,348	159.8%
Police	2,747,007	2,806,671	2,968,665	2,947,159	140,488	5.0%
Fire	4,531,349	4,407,633	4,324,618	4,583,430	175,797	4.0%
Planning & Development	972,884	891,285	928,112	746,261	(145,024)	-16.3%
Permitting & Inspections	4,405,424	4,365,465	4,352,372	4,440,366	74,901	1.7%
Information Technology	362,198	376,725	381,829	422,254	45,529	12.1%
Public Works	4,579,328	4,628,980	4,577,148	5,061,526	432,546	9.3%
Parks, Rec & Facilities	10,636,652	9,812,539	10,276,039	7,333,134	(2,479,405)	-25.3%
Public Bldgs & Waterfront	-	-	-	3,459,596	3,459,596	
HHS--Administration	-	10,560	10,560	10,560	-	0.0%
HHS--Public Health	1,731,493	1,004,848	970,466	155,065	(849,783)	-84.6%
HHS--Social Services	9,567,403	6,983,728	7,554,104	5,276,465	(1,707,263)	-24.4%
HHS--Barron Center	18,449,748	20,581,632	17,190,368	18,628,031	(1,953,601)	-9.5%
Employee Benefits	6,627,287	6,519,959	6,462,059	7,293,735	773,776	11.9%
Insurance	152,257	156,578	144,705	154,587	(1,991)	-1.3%
Debt Service Reimb.	15,190,464	15,023,364	15,511,578	16,979,744	1,956,380	13.0%
Total General Fund:	\$107,971,526	\$105,495,246	\$103,357,260	\$107,716,539	\$2,221,293	2.1%
Enterprise Funds Revenue:						
Fish Pier Authority	536,829	527,937	524,572	546,380	18,443	3.5%
Sewer	22,954,678	25,585,001	25,395,767	26,292,128	707,127	2.8%
Stormwater	6,480,759	6,289,924	6,572,469	6,877,102	587,178	9.3%
Jetport	22,210,797	22,867,484	22,286,154	24,112,747	1,245,263	5.4%
Total Enterprise Funds:	52,183,063	55,270,346	54,778,962	57,828,357	2,558,011	4.6%
Total City Revenue	\$160,154,589	\$160,765,592	158,136,222	\$165,544,896	\$4,779,304	3.0%

FY2019 CITY BUDGET SUMMARY

by category

Finance Committee's Recommendation

	FY18 Approp.	FY19 Proposed	\$ +/-	% +/-	% Of Total
01 Personnel--General Fund	\$78,778,907	78,226,975	(\$551,932)	-0.7%	40.2%
--Ent Funds	6,404,427	6,581,376	176,949	2.8%	12.3%
Total	85,183,334	84,808,351	(374,983)	-0.4%	34.2%
02+ Contractual--General Fund	60,661,739	63,680,517	3,018,778	5.0%	32.8%
--Ent Funds	27,362,368	29,151,634	1,789,266	6.5%	54.4%
Total	88,024,107	92,832,151	4,808,044	5.5%	37.4%
55 Supplies--General Fund	7,388,679	6,745,872	(642,807)	-8.7%	3.5%
--Ent Funds	1,261,765	1,306,943	45,178	3.6%	2.4%
Total	8,650,444	8,052,815	(597,629)	-6.9%	3.2%
63 Utilities--General Fund	4,713,116	3,700,433	(1,012,683)	-21.5%	1.9%
--Ent Funds	1,546,712	1,452,022	(94,690)	-6.1%	2.7%
Total	6,259,828	5,152,455	(1,107,373)	-17.7%	2.1%
70 Capital--General Fund	241,896	191,065	(50,831)	-21.0%	0.1%
--Ent Funds	2,035,066	2,202,152	167,086	8.2%	4.1%
Total	2,276,962	2,393,217	116,255	5.1%	1.0%
75 Debt Svc--Total GF	37,522,031	41,818,036	4,296,005	11.4%	21.5%
--Ent Funds	7,452,797	7,976,373	523,576	7.0%	14.9%
Total	44,974,828	49,794,409	4,819,581	10.7%	20.1%
75 Jetport Rev Bond Debt Svc	4,139,288	4,142,963	3,675	0.1%	7.7%
Jetport Surplus	847,405	778,638	(68,767)	-8.1%	1.5%
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Total General Fund	189,306,368	194,362,898	5,056,530	2.7%	100.0%
Total Enterprise Funds	51,049,828	53,592,101	2,542,273	5.0%	100.0%
Total	\$240,356,196	\$247,954,999	\$7,598,803	3.2%	100.0%

City of Portland
Staffing FTE Change
FY2019 Finance Committee's Recommendation

Department	FY14	FY15	FY16	FY17	FY18	FY19	+/- Chg
General Fund:							
City Council	-	-	-	1.0	-	-	-
City Clerk	9.2	9.2	8.9	7.4	7.8	7.9	0.1
Executive	9.0	10.0	14.0	10.0	13.0	10.0	(3.0)
Assessor	4.9	4.9	4.9	5.9	5.9	5.9	-
Finance	25.0	26.0	24.3	24.0	25.0	25.0	-
Legal	5.5	6.0	6.0	6.0	6.0	7.0	1.0
Human Resources	10.0	10.0	10.0	10.5	11.0	11.0	-
Parking	29.6	29.6	29.6	29.6	29.6	29.6	-
Economic Development	3.0	3.0	4.0	5.8	5.8	7.1	1.3
Police	220.5	225.3	223.3	227.3	232.3	226.3	(6.0)
Fire	235.0	235.7	228.1	229.6	229.2	226.0	(3.2)
Planning & Urban Dev.	32.3	35.4	34.7	21.5	24.0	24.0	-
Permitting & Inspections	-	-	-	25.0	28.0	28.0	-
IT	16.8	17.3	17.0	17.0	17.0	17.3	0.3
Public Works	152.0	152.5	132.0	125.0	129.0	131.0	2.0
Parks Rec & Fac	118.1	121.6	136.5	155.2	161.5	142.0	(19.5)
Pubic Bldgs & Waterfront	-	-	-	-	-	24.5	24.5
HHS Administration	-	-	-	5.0	5.0	5.0	-
Public Health	92.4	70.0	62.3	38.2	25.0	27.1	2.1
Social Services	76.1	79.4	90.7	78.3	80.1	87.8	7.7
Barron Center	264.1	266.2	266.7	260.7	263.7	244.0	(19.7)
<i>Total HHS:</i>	<i>432.6</i>	<i>415.6</i>	<i>419.7</i>	<i>382.2</i>	<i>373.8</i>	<i>363.9</i>	<i>(9.9)</i>
General Fund Subtotal:	1,303.5	1,302.1	1,293.0	1,283.0	1,298.9	1,286.5	(12.4)
Enterprise Funds:							
Sewer Fund	38.0	39.0	32.0	31.0	30.0	33.0	3.0
Stormwater Fund	-	-	11.5	11.0	13.0	10.0	(3.0)
Jetport	47.0	49.0	49.5	50.5	52.5	56.0	3.5
Enterprise Subtotal:	85.0	88.0	93.0	92.5	95.5	99.0	3.5
Total City Employees:	1,388.5	1,390.1	1,386.0	1,375.5	1,394.4	1,385.5	(8.9)

City of Portland, Maine
Tax Levy by Budget Category
Finance Committee's Recommendation

Department	FY19 Tax Levy	FY19 Tax Rate	% of Taxes
Education	88,003,431	\$11.14	49.6%
Debt Service	24,838,292	\$3.14	14.0%
Police	16,496,584	\$2.09	9.3%
Fire	15,013,860	\$1.90	8.5%
Public Works	9,578,319	\$1.21	5.4%
Parks, Rec & Facilities	4,878,772	\$0.62	2.7%
Public Buildings & Waterfront	1,382,377	\$0.18	0.8%
County Tax	6,288,845	\$0.80	3.5%
Library	4,062,000	\$0.51	2.3%
Health & Human Services	4,278,971	\$0.54	2.4%
Metro	2,713,649	\$0.34	1.5%
General Government	42,681	\$0.01	0.0%
Total:	\$177,577,781	\$22.48	100.0%