

AGENDA NOTES

Gorham Town Council Regular Meeting

June 5, 2018 – 6:30pm

Burleigh H. Loveitt Council Chambers

1. Public Hearing # 1 – Order 9339

Public Hearing on the proposed 2018-2019 Fiscal Year Budget for the Gorham School District. (Admin. Spon.)

2. Item # 9339

Action to consider approving the School Budget for the 2018-2019 fiscal year.

Pursuant to Section 405 of the Council-Manager Charter of Town of Gorham, “The Town Council, after reviewing the proposed budget, may change the total appropriation prior to approving the final budget.”

The total school budget the Council is voting on includes \$392,000 in additional state subsidy since your budget workshop with the School department. As currently proposed, the School department budget for FY19 would increase the mil rate approximately \$1.23, or a little more than 11%. A memo from Superintendent Heather Perry is attached to this packet.

The final budget amount approved by the Town Council will go to the voters for a validation vote on June 12th.

3. Public Hearing # 2 – Order 9340

Public Hearing on the proposed 2018-2019 Fiscal Year Budget for the Town of Gorham. (Admin. Spon.)

4. Item # 9340

Action to consider approving the Town of Gorham Budget for the 2018-2019 fiscal year.

Pursuant to the Town Charter, the Gorham Town Council approves the municipal Town budget, which includes the Cumberland County Tax Assessment. As currently proposed, the Town budget for FY19 would increase the mil rate approximately \$0.18 or 3.5%. The Cumberland County Tax Assessment is slated to increase the mil rate by approximately \$0.02, or 2.2%. The Town Council has the authority to revise the Town budget as they determine to be in the best interests of the Town of Gorham. The Cumberland County Tax Assessment is fixed and cannot be altered by the Council.

5. Item # 9341

Action to consider nominating Town Manager Ephrem Paraschak to a two year term on the Maine Municipal Association’s Legislative Policy Committee. (Admin. Spon.)

The Maine Municipal Association’s 70-person Legislative Policy Committee is made up to two municipal officials from each of the state’s 35 Senate Districts. The representatives are elected to the position by the municipal officers within their Senate District and the Committee evaluates legislation that impacts municipalities and provides recommendations to MMA staff to convey to the Maine Legislature.

The Town Manager's current two year term has ended (one year held by the former Town Manager and one year by the current Town Manager) and this order nominates him for an additional two year term representing the Town of Gorham.

6. Item # 9342

Action to consider instructing Town staff to review and bring back to the Town Council an amended personal property tax depreciation table for its consideration. (Councilor Hartwell Spon.)

This item will instruct Town staff to review and bring back to the Town Council at a later date options for amending the personal property tax depreciation table used by the Assessor for business equipment. A copy of the current depreciation table used by Cumberland County is attached.

7. Item # 9343

Action to consider amending the Land Use & Development Code to increase the minimum lot size for new lots in the rural district. (Councilor Stelk Spon.)

This item would ask the Ordinance Committee to review and possibly increase the minimum lot size in the rural zone.

GORHAM SCHOOL DEPARTMENT*Office of the Superintendent*

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June 1, 2018

To: Gorham Town Council
 From: Darryl Wright, Gorham School Committee Chair
 Re: Recent Revisions to Proposed FY 19 Budget and
 Information Regarding Potential Impacts to Further Reductions

Members of the Gorham Town Council,

I am writing this memo on behalf of the Gorham School Committee. The purpose of this memo is two-fold. First, I wanted to let you know that the School Committee voted on May 23 (by a vote of 7-0) to adjust our proposed FY 19 School budget to include an amount of \$392,000.00 in additional subsidy that we were recently notified of. This vote did not change the total expenditures in the proposed budget, however it did reduce the local appropriation need by \$392,000.00. Using this revised figure the increase as currently drafted would be \$1.23 or 11.07%. The School Committee believes the total budget that was approved on April 11 by the School Committee is what is needed to provide the minimum level of services our students currently need.

Before sharing the second reason for this memo, I did want to take a moment to first thank the Town Council for providing the School Committee with some guidance at the conclusion of our joint budget workshop on May 15. This helped us to better understand what impact the Town Council would be comfortable with in terms of the overall impacts of our combined budgets to local taxpayers. During the discussion that occurred that evening, the School Committee heard two clear possible “targets” for reductions to the overall taxpayer expense. The first was an idea shared by Councilor Hager to reduce the combined impact on the mil to under 10%. At the time, that would have meant a reduction of approximately \$738,000.00 either through reduced expenditures or increased revenues, or both. The second idea was an idea shared by Chairman Hartwell to reduce the impact to taxpayers so that the total increase to taxpayers would be equal to the amount lost in state subsidy. At the time, that would have meant a reduction of approximately \$1,600,000.00 either through reduced expenditures or increased revenues, or both. This brings me to the second purpose of this memo. . .

The School Committee has worked to create three different “targets” for possible reductions to taxpayer expense based upon the range listed above. The three targets represent the lower end of the guidance provided on May 15 (\$738,000.00), the higher end of the guidance (\$1,600,000.00) and a “middle ground” target of \$1,175,000.00 in

reductions to taxpayer expense. The School Committee has created a list of what each of these target reductions would mean for our programs and services in an effort to be as transparent as possible with the Town Council. Through this process, the School Committee wanted the Town Councilors to know what the impact to the District would be if a suggestion for a reduction is made.

Please keep in mind that each of the target amounts listed below ASSUMES THE INCREASE IN SUBSIDY ALREADY MADE OF \$392,000.00. Because of this, in the charts below, I have listed the target reduction to taxpayers first, then I have listed the amount that would need to be reduced in expenditures to hit the target amounts, then underneath that information, I have listed the general items that would be cut to reach those targets. If Town Councilors chose any of these targets, it would then be the expenditure reduction row that would form the basis of a motion to reduce the budget. I have highlighted that row in yellow so it sticks out more clearly. Following are the target charts explained above:

Target Reduction To Taxpayers	Target #1: \$738,000.00	Target #2: \$1,175,000.00	Target #3: \$1,600,000.00
Expenditure Reduction Required to hit each target	\$346,000.00	\$783,000.00 <small>(In addition to items listed under Target 1)</small>	\$1,208,000.00 <small>(In addition to items listed under Targets 1 & 2)</small>
Items that would be cut to reach expenditure reduction required	<ul style="list-style-type: none"> • Van for Special Ed • Oil Tank • Gym Curtains • Nar. Bathroom • GMS Walkway • 3 Additional Buses • GMS Math textbooks • Gr. 1-3 Chromebooks • Paper Purchases • Legal Counsel • Staff Tuition Reimbursements • Staff Professional Development • Substitute Teacher Lines • Miscellaneous 	<ul style="list-style-type: none"> • 2.0 Special Ed. Ed. Techs. • Tech equipment • 2.0 Ed. Techs (Elem. Labs) • 1 Ed. Tech (GHS) • .5 Ed. Tech. (GHS Lab) • 7th grade athletics • 4/5 English Teacher (GHS) • Classroom Teacher (GMS) • Lab Teacher (GMS) • Painting of interior spaces 	<ul style="list-style-type: none"> • 3 Elem. Teachers • Gr. 4-8 Substance Abuse Counselor • LED Installation • Track and Tennis Court Project

Please note that these are listed in order based upon the targets and to achieve target #2 or target #3 all cuts under the previous column(s) would be included. Again, in order to hit each target, the motion made to reduce the budget would need to include the amount listed in the highlighted row.

In closing, I would once again like to thank the Town Council for providing feedback and guidance to the School Committee regarding the budget process this year. This was a very welcome change in the way things have been done in the past. Having this guidance earlier in the process has allowed us to be more thoughtful in our decision making processes and more transparent with the Town Council and the public on the possible implications of reductions to the proposed budget. Again, I would like to reiterate that the School Committee believes the budget that was approved is what is necessary to provide the level of services our students need. The list of potential reductions provided are intended to show the impact that any cuts would have to our students. The School Committee fully understands that the role of the Town Council is to balance the ever-growing student population and accompanying expenditures with what the Council feels the taxpayers will be able to support. All that being said, we hope that the issues associated with our increasing student populations have come to the forefront of conversation. We know that based on the Town's current direction, our enrollments will continue to increase along with the associated costs and our revenue streams from the State in the form of State Subsidy will continue to decrease. We expect to see these challenges for the foreseeable future and stand ready to work with the Council to address these concerns for the benefit of the community of Gorham over the long term.

Thank you,

A handwritten signature in black ink, appearing to read "Darryl Wright". The signature is fluid and cursive, with a large initial "D" and "W".

Darryl Wright
Chairman
Gorham School Committee

**PROPERTY SCHEDULE FORM 706
TOWN OF GORHAM, MAINE
DUE DATE APRIL 15, 2018**

IN ACCORDANCE WITH TITLE 36, SECTION 706 M.R.S.A. BELOW, THE TOWN OF GORHAM HEREBY GIVES NOTICE THAT YOU MUST FILE THIS FORM ON OR BEFORE APRIL 15, 2018 WITH THE CUMBERLAND COUNTY REGIONAL ASSESSOR'S OFFICE, 25 PEARL STREET, PORTLAND, ME 04101 OR FILE ELECTRONICALLY VIA EMAIL AT assessor@cumberlandcounty.org.

ACCOUNT #
BUSINESS NAME
BUSINESS OWNER
MAILING ADDRESS

PROPERTY LOCATION _____

THIS SCHEDULE IS REQUIRED UNDER THE STATUTES OF THE STATE OF MAINE. TITLE 36 SECTION 706 M.R.S.A. PROVIDES THAT PROPERTY OWNERS MUST *"FURNISH TO THE ASSESSOR A TRUE AND PERFECT LIST OF ALL THEIR ESTATES NOT BY LAW EXEMPT FROM TAXATION OF WHICH THEY WERE POSSESSED ON THE FIRST DAY OF APRIL. IF NOTICE IS GIVEN BY MAIL AND THE TAXPAYER DOES NOT FURNISH THE LIST, HE IS BARRED OF HIS RIGHT TO MAKE APPLICATION TO THE ASSESSOR OR ASSESSORS, CHIEF ASSESSOR OR STATE TAX ASSESSOR OR ANY APPEAL THERE FROM FOR ANY ABATEMENT OF HIS TAXES, UNLESS HE FURNISHES THE LIST WITH HIS APPLICATION AND SATISFIES THEM THAT HE WAS UNABLE TO FURNISH IT AT THE TIME APPOINTED"*.

AN ITEMIZED ASSET LIST CONSISTING OF M&E, F&F, SIGNS, COMPUTERS AND TRAILERS LOCATED IN THE TOWN OF GORHAM MUST BE FILED IN ORDER TO COMPLY WITH THIS 706 REQUEST. FAILURE TO FILE BY THE DUE DATE WILL RESULT IN AN ESTIMATED ASSESSMENT BY THE ASSESSOR AND YOU FORFEIT YOUR RIGHT TO APPEAL.

2018 DEPRECIATION SCHEDULE

YEAR	M&E	F&F/SIGNS	COMPUTERS	TRAILERS
2018	100%	100%	100%	100%
2017	90%	90%	86%	90%
2016	80%	80%	75%	80%
2015	70%	70%	64%	70%
2014	60%	60%	43%	60%
2013	50%	50%	20%	50%
2012	40%	40%	20%	40%
2011	30%	30%	20%	30%
PRIOR	30%	30%	20%	30%

The Town of GORHAM uses un-trended original basis cost

PLEASE NOTE

Please utilize the 706 form on page 2 to insure easier and quicker processing of your detailed asset filing.

BETE assets can not be filed on the 706 application. BETE assets need to be filed on

BETR PROGRAM

Eligible equipment filed on your Form 706 may qualify for tax reimbursement from the State through the Business Equipment Tax Reimbursement Program (BETR).

Call for more information. Tel. 207-699-2475

Leased equipment will be assessed to the party in possession unless you provide us with the name, address, telephone number, and contact person of the party responsible for the taxes.

PLEASE ITEMIZE A LIST OF LEASED EQUIPMENT OF WHICH YOU ARE IN POSSESSION. ADDITIONAL SHEETS MAY BE ATTACHED.

EQUIPMENT _____
LEASING CO. _____
ADDRESS _____
CONTACT PERSON & TELEPHONE # _____

CHECK PARTY RESPONSIBLE FOR PERSONAL PROPERTY TAXES LESSOR LESSEE