



HAMPDEN TOWN COUNCIL  
HAMPDEN MUNICIPAL BUILDING  
MINUTES

MONDAY

MAY 19, 2014

7:00 P.M.

**Note: These minutes are action minutes only recording motions and votes. An audio tape of this meeting is available for review at the Town Office.**

**Attending:**

**Mayor Carol Duprey**  
**Councilor David Ryder**  
**Councilor Tom Brann**  
**Councilor Greg Sirois**  
**Town Clerk Denise Hodsdon**  
**Rec. Director Shelley Abbott**  
**Citizens**

**Councilor William Shakespeare**  
**Councilor Ivan McPike**  
**Councilor Jean Lawlis**  
**Town Manager Susan Lessard**  
**Librarian Debbie Lozito**  
**Pool Director Darcey Peakall**

**The meeting was called to order at 7:02 p.m. by Mayor Duprey.**

- A. PLEDGE OF ALLEGIANCE – **Mayor Duprey led the Pledge of Allegiance.**
- B. CONSENT AGENDA – **Councilor Brann asked that Item B-3-a be set aside for discussion. Mayor Duprey asked that item B-4-d be set aside for discussion. With no objections, Mayor Duprey declared the balance of the consent agenda accepted.**
  1. SIGNATURES
  2. SECRETARY'S REPORTS
  3. COMMUNICATIONS
    - a. Maine Municipal Association – Nominations for Legislative Policy Committee – **Councilor Brann asked that this item be put on the Policy agenda for action at the next meeting.**
    - b. Anglers Restaurant – Renewal of Victualers License
  4. REPORTS
    - a. Bangor Humane Society Stray Animal Report – April 2014
    - b. Pool Board of Trustees Minutes – 4/8/2014
    - c. Bangor Area Storm Water Group Streamside Cleanup Report – **Mayor Duprey thanked all the volunteers who came out to help with the Street/Stream cleanup.**
    - d. Department Reports – April 2014

**Without no objections, Mayor Duprey declared items B-3-a and B-4-c accepted.**

C. NEWS, PRESENTATIONS & AWARDS – **Mayor Duprey reported that two trailer loads of trash was picked up as part of the clean-up day. She also reported that there would be a parade on Memorial Day at 9 a.m. and a wreath-laying at 8:30 a.m.**

D. PUBLIC COMMENTS - **None**

E. POLICY AGENDA

1. PUBLIC HEARINGS

- a. Ordinance re Town Charter Amendment – Section 1003 Charter Amendment or Revision – **Mayor Duprey opened the public hearing. There were no comments received. Mayor Duprey closed the public hearing. Motion by Councilor Sirois, seconded by Councilor Lawlis to place the Town Charter Amendment – Section 1003 Charter Amendment or Revision on the November ballot. Unanimous vote in favor.**

2. NOMINATIONS – APPOINTMENTS – ELECTIONS

- a. Warrant for RSU #22 Budget Validation Referendum Election – **Motion by Councilor McPike, seconded by Councilor Lawlis to sign the RSU #22 Budget Validation Referendum Election warrant. Unanimous vote in favor.**

3. UNFINISHED BUSINESS

- a. "News, Presentations & Awards" – Councilor Brann – **Motion by Councilor Brann, seconded by Councilor Shakespeare to move item C to a sub-topic item under the Policy Agenda so the Council can take an action if it wishes. Vote 6-1. (Councilor Sirois opposed). Motion carries.**

4. NEW BUSINESS

- a. Route 1A Sidewalk Bid Results – **The bids that were received by the Town significantly exceed the amount that was budgeted for the project. There is no way to award the bid.**
- b. Sewer Commitment – 1/1/2014 to 3/31/2014 - **Motion by Councilor McPike, seconded by Councilor Sirois to approve the first quarter sewer commitment for collection. Unanimous vote in favor.**

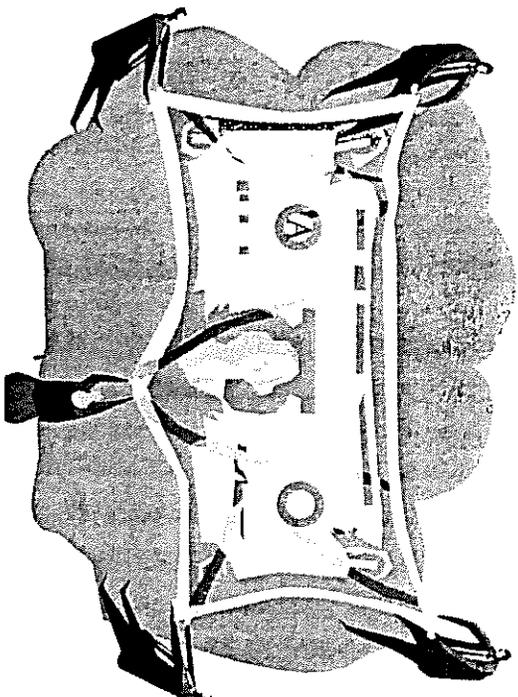
F. COMMITTEE REPORTS – **Services- Councilor Lawlis reported that Kids Korner use by employees was discussed, Papermill Park was discussed and there will be a walk of the LL Bean property on Saturday morning with Peter Thornton to look at possible parking lot sites. Infrastructure Committee meets next Monday. Planning & Development met on May 7<sup>th</sup> and revised language for mineral**

**extraction, discussed development of Ammo Park, industrial building heights, and the Bangor snow dump. Mayor Duprey reported that Finance discussed the antique map, a grant application, Route 1A sidewalk bids, and continued review of the charter.**

- G. **MANAGER'S REPORT - Sewer bills were sent out this week. The Marina parking lot is under construction, the front office has been reorganizing storage space and scanning and digital archiving has allowed filing space in the Planning and Assessing office to be freed up.**
- H. **COUNCILORS' COMMENTS – Councilor Sirois reported that he had attended a community event on Saturday and that many of the business people there had positive things to say about the Town Manager.**
- I. **2014/2015 BUDGET**
1. **Manger's PowerPoint Presentation – Copy attached.**
  2. **Library – No changes proposed.**
  3. **Recreation – Resident Terry McAvoy, Monroe Road had questions related to budgets for Recreation programs and the Skehan Center which are not tax-supported budgets. No changes were proposed.**
  4. **Pool – No changes proposed.**
  5. **Debt Service – No changes proposed.**
  6. **Reserves – Councilor Brann considers that there has been poor budgeting because reserves have been reduced significantly to offset the continuing increases passed on by the County and RSU #22 budgets.**
  7. **TIF Reimbursement – No changes proposed.**
- J. **ADJOURNMENT – The meeting adjourned at 8:38 p.m.**



**Denise Hodsdon  
Town Clerk**



I-1

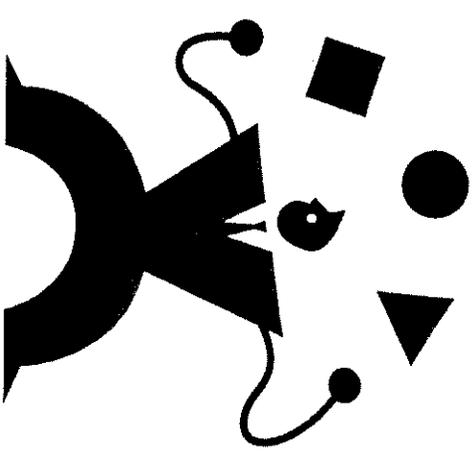
# **TOWN OF HAMPDEN**

**2014-2015**

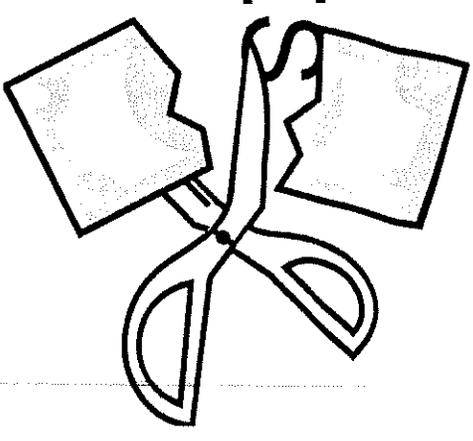
**PROPOSED BUDGET  
INFORMATION &  
EXPLANATION OF TOWN  
FUNDING SOURCES**

# BUDGET PRIORITIES

- RETAIN SERVICES
- MAINTAIN INFRASTRUCTURE
- FIND EFFICIENCIES
- MINIMIZE MIL RATE  
INCREASE

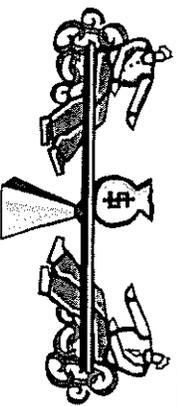


# BUDGET PRESSURE



- **COUNTY TAX INCREASE OF \$20,392**
- **RSU #22 LOCAL TAX INCREASE OF \$278,464 for the 2014/15 budget. Last year's increase was \$350,379. The local share increase over the past five years has totaled over \$813,000**

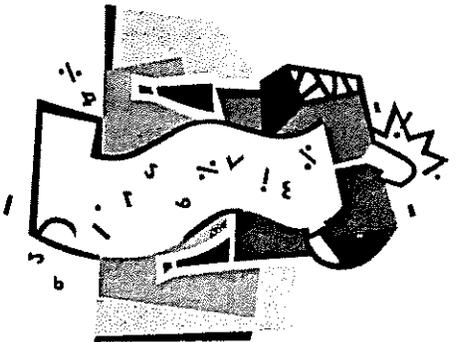
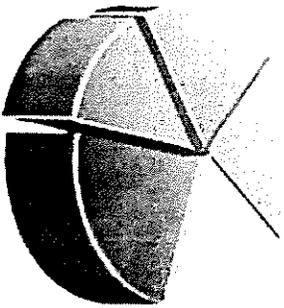
# BUDGET STABILIZERS



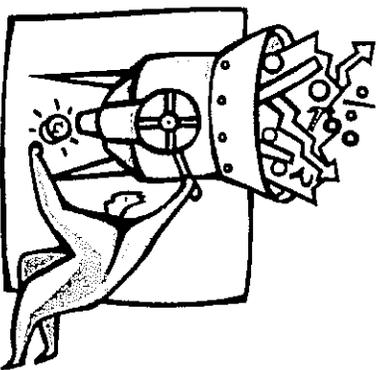
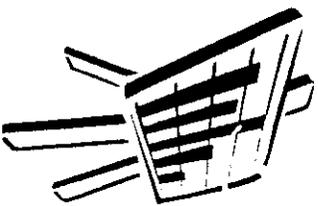
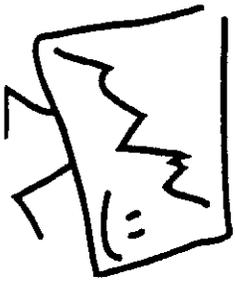
- Potential Personnel Reductions:
  - 1/2 time person at Transfer Station
  - 1 seasonal employee for Building & Grounds
  - 1 Public Works employee
  - Planner position to 28 hours/week in January

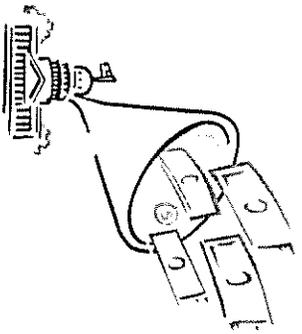
# BUDGET STABILIZERS

- NO RAISES FOR NON-UNION MUNICIPAL EMPLOYEES
- FUNDING OF 72% OF PAVING PROGRAM FOR FY 14/15 (13/14 PROGRAM LIMITED TO SIDEWALK PAVING)
- NO FUNDING OF SKEHAN RECREATION CENTER FROM TAXATION

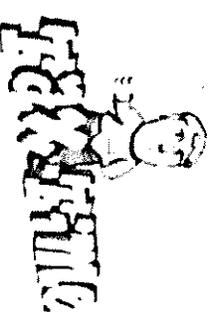


# COMMUNITY STATISTICS





## Mil Rate Information

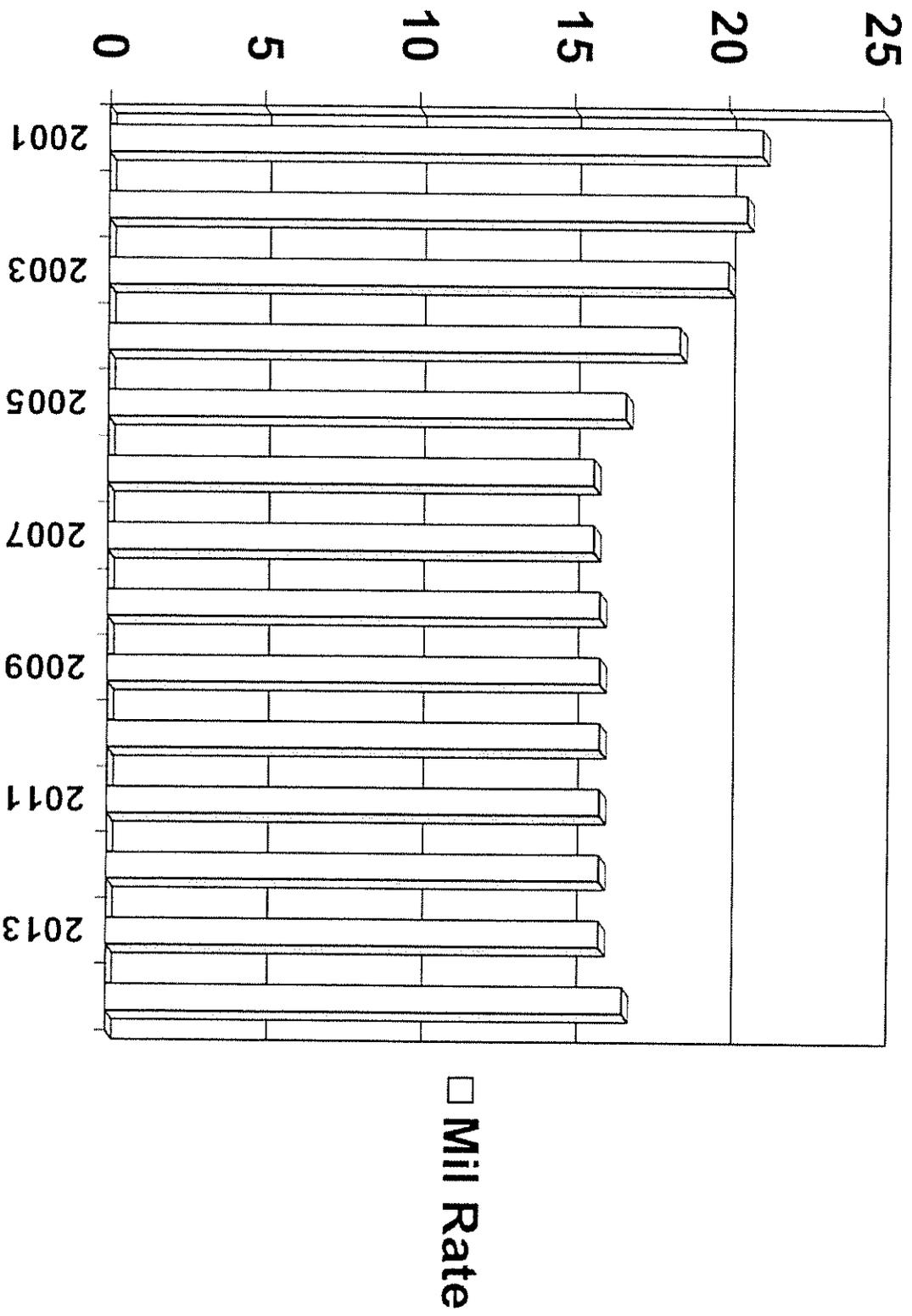


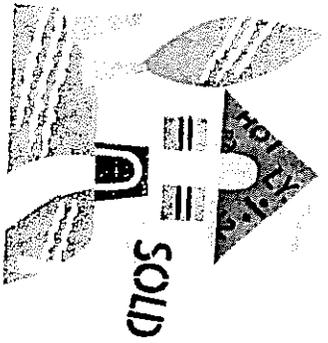
- The following slide shows the mil rate history since 2001/2002. During that time, the mil rate dropped from a high of \$21.20/thousand to a low of \$15.70 in 2006. The mil rate was maintained at \$15.90/thousand from the 2007/2008 budget year through 2012/13. A mil rate increase of .75 occurred last year due to the increase in school & county budgets.

# WHAT ABOUT THIS YEAR?

- The increase in School and County budgets for 2014/15 will require a mil rate increase. The Town has flat-funded its budget for several years in a row in order to absorb as much of these increases as possible. It is not possible to continue that practice.

# Mil Rate History - Hampden





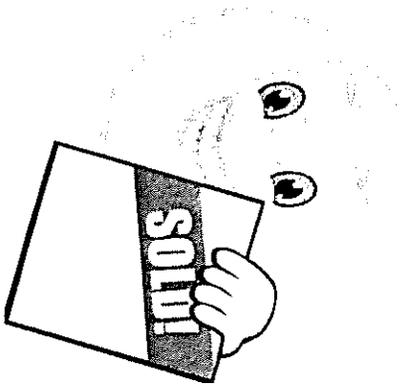
## Valuation Growth

- Despite the economic recession,

Hampden's valuation is stable as indicated by sales data compiled by the Assessor.

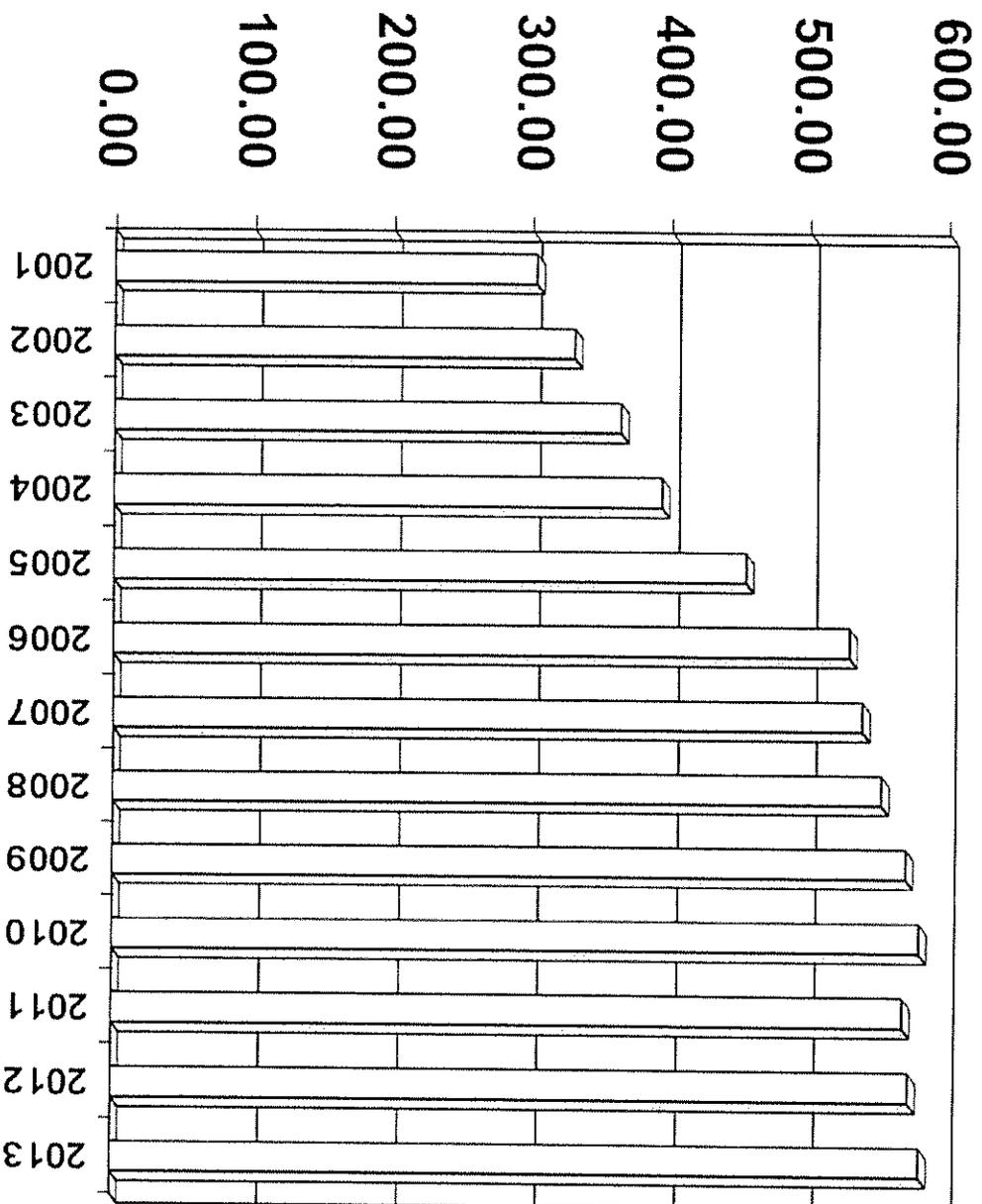
- From 2001 to 2014, local valuation has grown by 89.3%. The valuation mix is 86% residential and 14% business.

- The closure of Bangor Publishing 'cost' the town approximately \$5,000,000 in personal property valuation – or \$83,250 in taxes at the current mil rate.

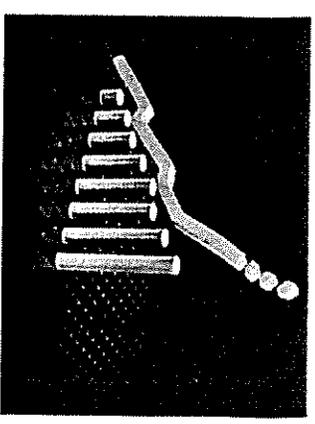


# Hampden Valuation History

□ Valuations in Hundreds of Millions of dollars

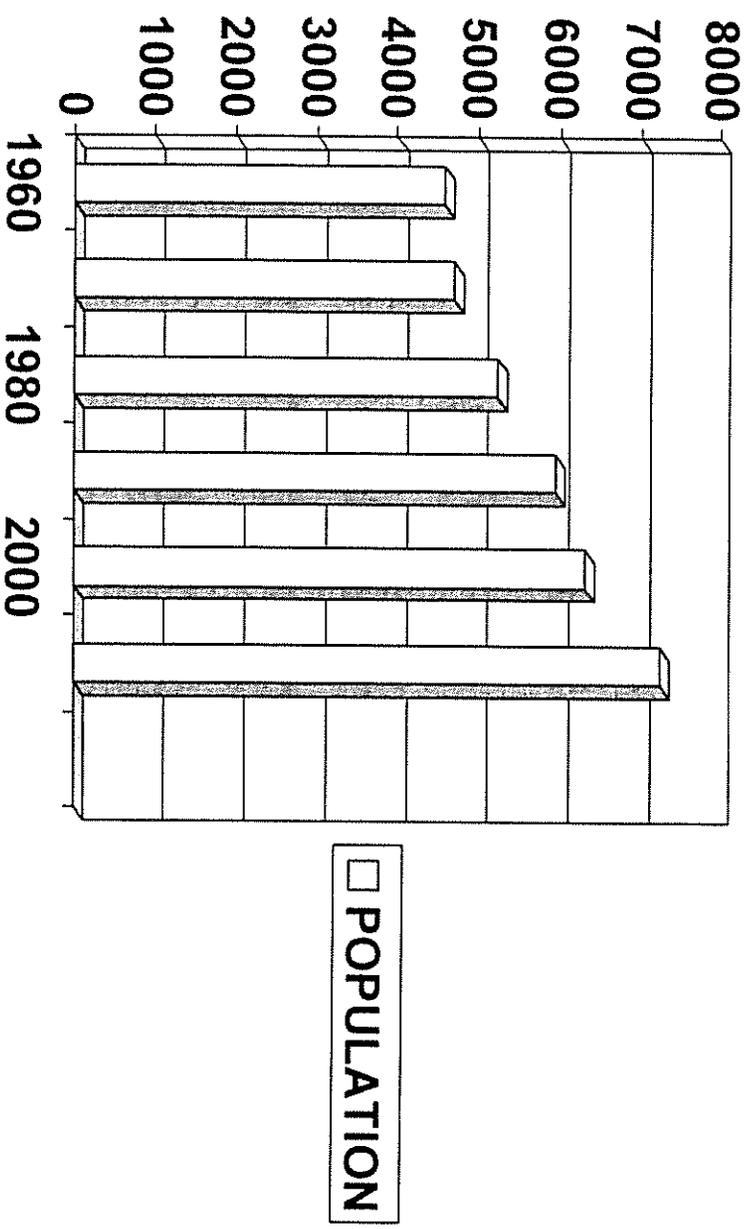


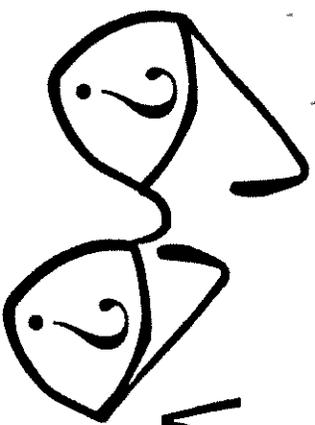
# POPULATION



- THE FOLLOWING CHART SHOWS THE POPULATION GROWTH IN HAMPDEN FROM 1960 TO 2010. IT IS ONE OF THE FASTEST GROWING COMMUNITIES IN CENTRAL MAINE. IT HAS GROWN 58.3% SINCE 1960. THE CURRENT POPULATION OF HAMPDEN ACCORDING TO THE 2010 CENSUS IS 7,257.

# POPULATION 1960-2010



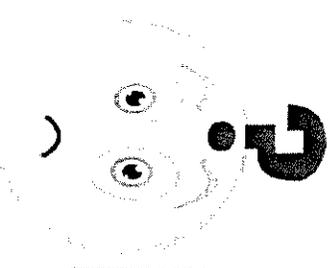


## WHO IS THE POPULATION WE ARE SERVING?

- 1788 PEOPLE ARE UNDER THE AGE OF 18 (25%)
- 943 PEOPLE ARE OVER THE AGE OF 65 (13%)
- THE MEDIAN AGE IN HAMPSDEN IS 40.8 YEARS,
- 42% OF ADULTS HAVE AT LEAST A BACHELORS DEGREE (26.5% STATEWIDE) AND 96.5% HAVE GRADUATED FROM HIGH SCHOOL (89.8% STATEWIDE)
- THERE ARE 3600 MALES AND 3657 FEMALES LIVING IN HAMPSDEN

# WHO IS THE POPULATION WE ARE SERVING?

- THERE ARE 3030 HOUSING UNITS IN HAMPDEN, 2862 WERE OCCUPIED AT THE TIME OF THE 2010 CENSUS. (94%)
- OF THOSE NOT OCCUPIED – 39 WERE FOR RENT, 29 WERE FOR SALE, 11 WERE SOLD BUT NOT OCCUPIED, AND 51 WERE SEASONAL. ONLY 37 WERE VACANT WITHOUT A STATED REASON (1.2%)



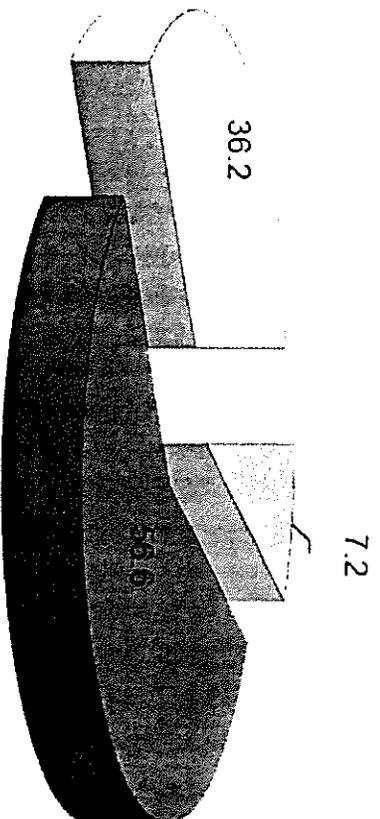
# WHO IS THE POPULATION WE ARE SERVING?

- 3,371 PEOPLE IN HAMPDEN ARE BETWEEN THE AGES OF 20 AND 54 (46%)
- THERE ARE 2,862 HOUSEHOLDS IN HAMPDEN. 955 OF THEM HAVE CHILDREN LIVING IN THE HOME. (33.3%)
- MEDIAN HOUSEHOLD INCOME IN HAMPDEN IS \$84,358, COMPARED TO \$42,658 FOR PENOBSCOT COUNTY, AND \$46,933 FOR MAINE (2010 census)
- 5.5% OF HOUSEHOLDS BELOW POVERTY LEVEL



# WHERE DOES YOUR MONEY GO?

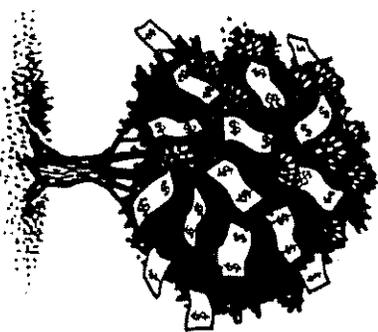
## Town Tax Dollar Breakdown



- County Tax
- School Tax
- Municipal Tax

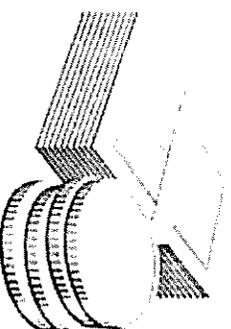
# WHAT PAYS FOR WHAT?

- MUNICIPAL PROGRAMS ARE FUNDED FROM MANY SOURCES:
  - Property Taxes
  - Program Fees
  - Vehicle Excise Tax
  - State Revenue Sharing (Reduced)
  - Charges for services (such as ambulance fees)



# WHAT PAYS FOR WHAT?

- THE FOLLOWING SLIDES USE THE PROPOSED 14/15 BUDGET TO ILLUSTRATE WHAT REVENUE SOURCE PAYS FOR WHAT TOWN SERVICES.



# Budget/Funding

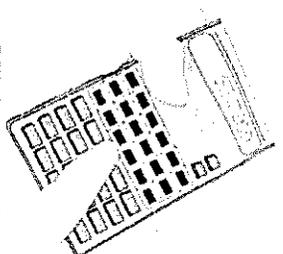


- Total 2014/2015 Budget: \$13,592,582
- - State Revenues (\$ 660,501)
- Fund Balance Use (\$ 200,000)
- Fees/Service Chgs (\$ 738,000)
- Vehicle Excise Tax (\$ 1,500,000)
- Reserve Use (\$ 25,000)

Amount to be Raised from

Property Taxes \$ 10,469,081

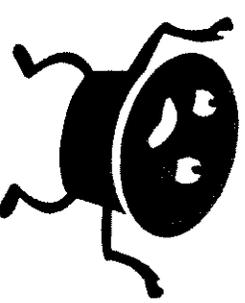
# Property Taxes



- Property taxes are used to fund budget items that have no other funding source, or funding sources that are not sufficient to meet the budget amount.
- General State Revenues (Revenue Sharing, BETE Reimbursement, homestead exemption, veteran's exemption and fund balance use) total \$860,501. which reduces the property tax mill rate burden by \$1.45 per thousand.

# Department Costs from Property Taxes (2014/2015)

- \$5,928,805 will be paid to SAD #22 for the support of local education. that represents 56.6 cents of each property tax dollar raised.
- County Taxes are also paid entirely from Property Tax dollars. County Tax is \$751,929 - that equals 7.2 cents of each property tax dollar raised.

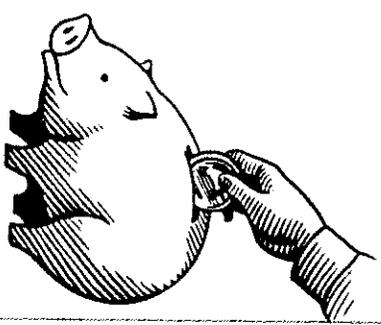


# Department Costs from Property Taxes (2014/2015)

- Public Safety

Budget \$189,726 Revenues \$2,500

Amount from Property tax: \$187,226  
(1.8 cents of each tax dollar)



- Police

Budget \$1,016,330 Revenues \$121,000

Amount from Property tax: \$895,330  
(8.6 cents of each tax dollar)

# Department Costs from Property Taxes (2014/2015)

- Fire Department

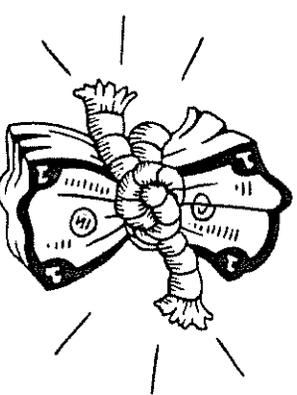
Budget:\$976,614 Revenue \$190,000  
Amount from Property Tax: \$786,614  
(7.5 cents of each Property Tax Dollar)



- Administration (including Elections, Council, Tax Collector, GIS/IT)  
Budget:\$726,173 Revenue \$182,813  
Amount from Property Tax \$543,360  
(5.2 cents on each Property Tax Dollar)

# Department Costs from Property Taxes (2014/2015)

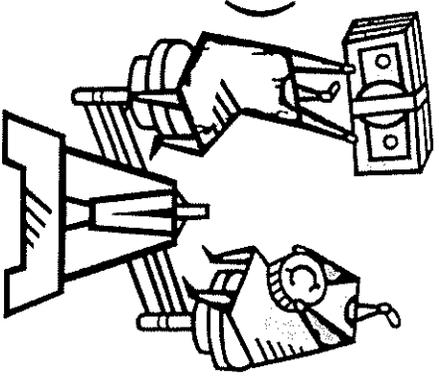
- Municipal Buildings & Non-Dept Utilities (Town Office & hydrants and street lights)  
Budget: \$560,420    Revenue: \$0  
Amount from Property Tax: \$560,420  
(5.4 Cents of each Property Tax Dollar)



# Department Costs from Property Taxes (2014/2015)

- Solid Waste/Transfer Station:  
Budget: \$373,648 Revenue: \$150,000  
Amount from Property Tax: \$223,648  
(2.1 cents of each Property Tax dollar)

- Planning/Assessing/Economic Development  
Budget: \$364,532 Revenue: \$42,000  
Amount from Property Tax: \$322,532  
(3.1 cents of each Property Tax Dollar)



# Department Costs from Property Taxes (2014/2015)

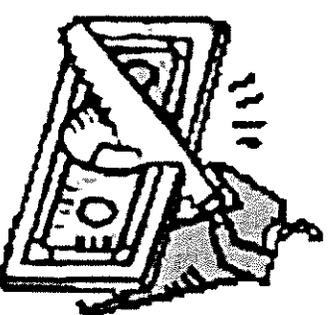
- Public Works/Cemeteries/Grounds

Budget: \$1,477,687

Revenue: \$1,477,687

Amount from Property Tax: \$0

(0 cents of each Property Tax Dollar)



# Department Costs from Property Taxes (2014/2015)

- Recreation (Pool, Library, General)

Budget: \$579,948 Revenue: \$7,000

Amount from Property Tax: \$572,948

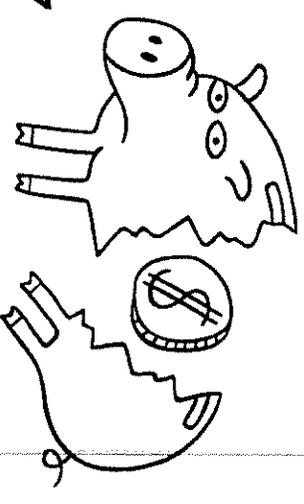
(5.5 cents of each Property Tax Dollar)

- Debt Service

Budget: \$361,397 Revenue: \$0

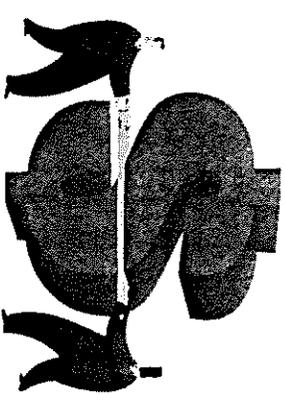
Amount from Property Tax: \$361,397

(3.4 cents of each Property Tax Dollar)

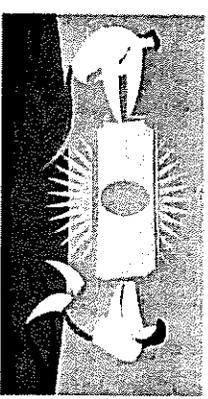


# Department Costs from Property Taxes (2014/2015)

- Outside Agencies
  - Budget: \$0 Revenues: \$0
  - Amount from Property Tax: \$0
- General Assistance
  - Budget: \$10,000 Revenues: \$5,000
  - Amount from Property Tax: \$5,000
  - (.05 cent of each Property Tax Dollar



# Department Costs from Property Taxes (2014/2015)



- The Bus

Budget: \$92,508 Revenue: \$0

Amount from Property Tax: \$92,508  
(.9 cents of each Property Tax dollar)

- Reserve Accounts

Budget: \$139,925 Revenues: \$0

Amount from Property Tax: \$139,925  
(\$100,000 for streets included with Public Works) (1.3 cents of each Property Tax dollar)

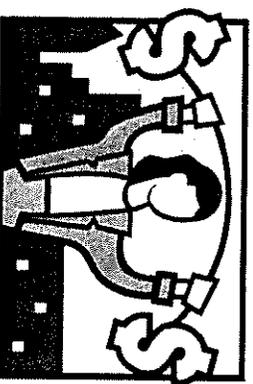
# Department Costs from Property Taxes (2014/2015)

- TIF Payments

Budget: \$17,521 Revenues: \$ 0.

Amount from Property Tax: \$17,521

(.2 cents of each tax dollar



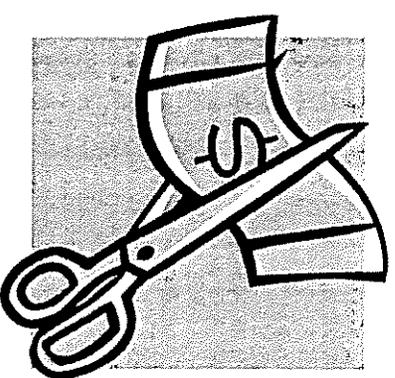
# Department Costs from Property Taxes (2014/2015)

- Communications

Budget: \$25,419 Revenue: \$40,000

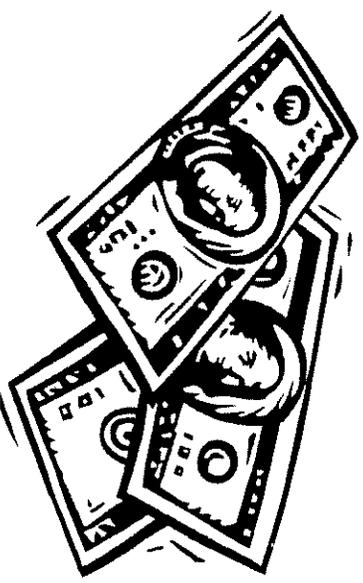
Amount from Property Tax: (\$14,581)

(-.1 cent from the property tax dollar)



# RECAP – PER DOLLAR OF PROPERTY TAX

- Education 56.6 cents
- County 7.2 cents
- Public Safety 1.8 cents
- Police 8.6 cents
- Fire 7.5 cents
- Administration 5.2 cents
- Buildings/Utilities 5.4 cents
- Transfer Station 2.1 cents
- Plan/Assess/Ec Dev 3.1 cents
- Public Works/Cem 0.0 cents



# RECAP – PER DOLLAR OF PROPERTY TAX

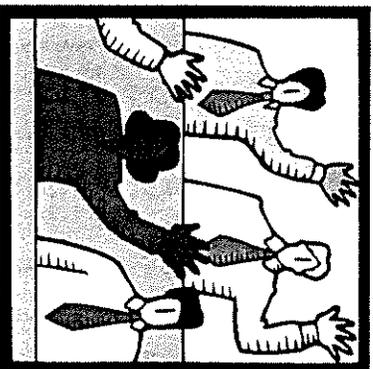
- Recreation 5.5 cents
- Debt Service 3.4 cents
- Outside Agency 0.0 cents
- Gen Assistance .05 cent
- The Bus .9 cents
- Reserves 1.3 cents
- TIF Payments .2 cents
- Communications (.1) cents

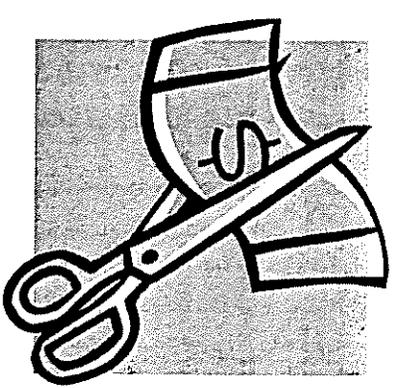
# RECAP – PER DOLLAR OF PROPERTY TAX

- Total – all accounts 108.75 cents
- Credit of State Revenue  
Sharing/BETE/Veteran's  
Exemption/Fund Bal. (8.75 cents)

$$=$$

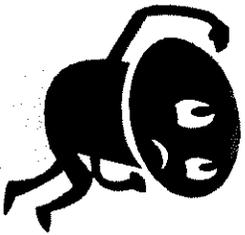
\$1.00 property tax  
dollar





**PROPOSED**

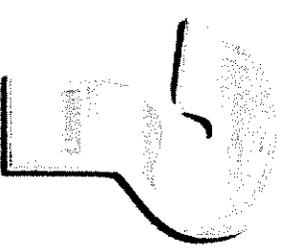
**2014/2015 BUDGET**



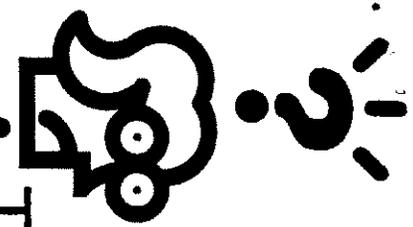
## WHAT'S DIFFERENT?

- IN ORDER TO REDUCE THE BUDGET  
SUFFICIENTLY TO MINIMIZE INCREASES TO  
THE MUNICIPAL BUDGET THE FOLLOWING  
ARE INCLUDED IN THIS BUDGET  
PROPOSAL:
  - PAVING BUDGET AT 72%
  - NO RAISE FOR NON-UNION EMPLOYEES
  - FLAT FUNDED BUDGETS IN MOST  
DEPARTMENTS
  - PERSONNEL REDUCTIONS IN TRANSFER  
STATION, PUBLIC WORKS, AND PLANNING

# WHAT'S DIFFERENT?



- SCHOOL BUDGET INCREASE OF \$278,464
- COUNTY TAX INCREASE OF \$20,392



## WHAT'S MISSING?

THERE IS NO PROPERTY TAX BUDGET FOR THE SKEHAN RECREATION CENTER. THAT BUDGET IS PROPOSED TO CONTINUE TO BE SELF-FUNDED THROUGH THE RECREATION DEPARTMENT.

- A LARGER PORTION OF OPERATIONAL COSTS IS PROPOSED TO BE PAID FROM FEES FOR THE LURA HOIT POOL

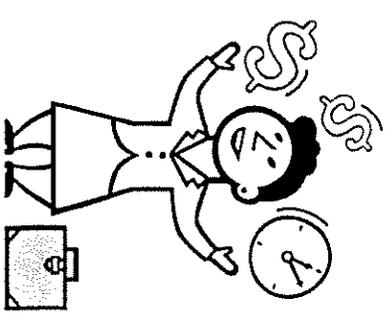
# WHAT'S MISSING

- Council wages not included in budget.  
This initial recommendation of the Finance Committee was not upheld in a vote on the ordinance to change council compensation. If this does not change, an additional \$20,382 will need to be added to the budget.

## WHAT'S MISSING?

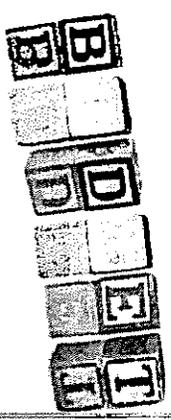
- \$4,200 has been removed from the budget on a recommendation from the Finance Committee that the Town no longer reimburse councilors up to \$50 per month to cover the cost of internet at Councilor homes.

# BUDGET IMPACT - THE BOTTOM LINE



	\$Increase	%Increase
Total <u>Gross</u> Increase		
Municipal Budget	\$ 51,102	.39%
RSU 22 Budget	\$278,464	5.26%
County Budget	\$ 20,392	2.78%
Total Gross Budget	\$349,958	2.64%
Impact		

BUDGET IMPACT -  
NEW VALUATION



NEW VALUATION INCREASES FOR THIS  
YEAR ARE ESTIMATED TO BE  
APPROXIMATELY \$7,000,000. AT THE  
CURRENT MIL RATE THAT WOULD  
GENERATE \$116,550.

THE TOWN COUNCIL HAS INDICATED  
THAT IT WILL NOT ABSORB NEW RSU  
22 OR COUNTY COSTS AT THE  
EXPENSE OF MUNICIPAL SERVICES.

# COST OF RETAINING SERVICES

- Balance of Paving request \$ 95,395.00
    - TOTAL COST \$ 95,395.00
    - Municipal Budget Increase \$ 51,102.00
- TOTAL INCREASE RETAINING SERVICES \$146,497.00
- = 2.14%



# WHAT IS ALLOWED?

ACCORDING TO LD1 LEGISLATION, THE ALLOWABLE GROWTH IN THE MUNICIPAL TAXATION BUDGET INCLUDES THE STATE VALUATION INCREASE of 1.09% FROM 2013 PLUS THE 2013 LOCAL VALUATION INCREASE of 1.25%. THAT PERCENTAGE WOULD BE 2.34%. THE MUNICIPAL BUDGET IS UP .38% IF FLAT-FUNDED, AND 2.14% IF PAVING IS BUDGETED AT 100%.