



Town of Bowdoinham

13 School St • Bowdoinham, ME 04008

Phone 666-5531 • Fax 666-5532

www.bowdoinham.com

Nicole Briand, Town Manager

May 10, 2023

2024 Municipal Budget Message

The spending levels outlined in this budget attempt to provide the programs and services that the residents of Bowdoinham have experienced over the past several years while also ramping up our efforts in the capital improvement area. It is our goal to provide the citizens of this community with the best level of service possible within the financial resources available. The budget development process begins with the receipt of budget requests from Department Heads, followed by the Town Manager’s review. The budget is then submitted to the Finance Advisory Committee, Select Board and then submitted to the voters at the annual town meeting for final adoption.

Budget Overview

Wages & Benefits

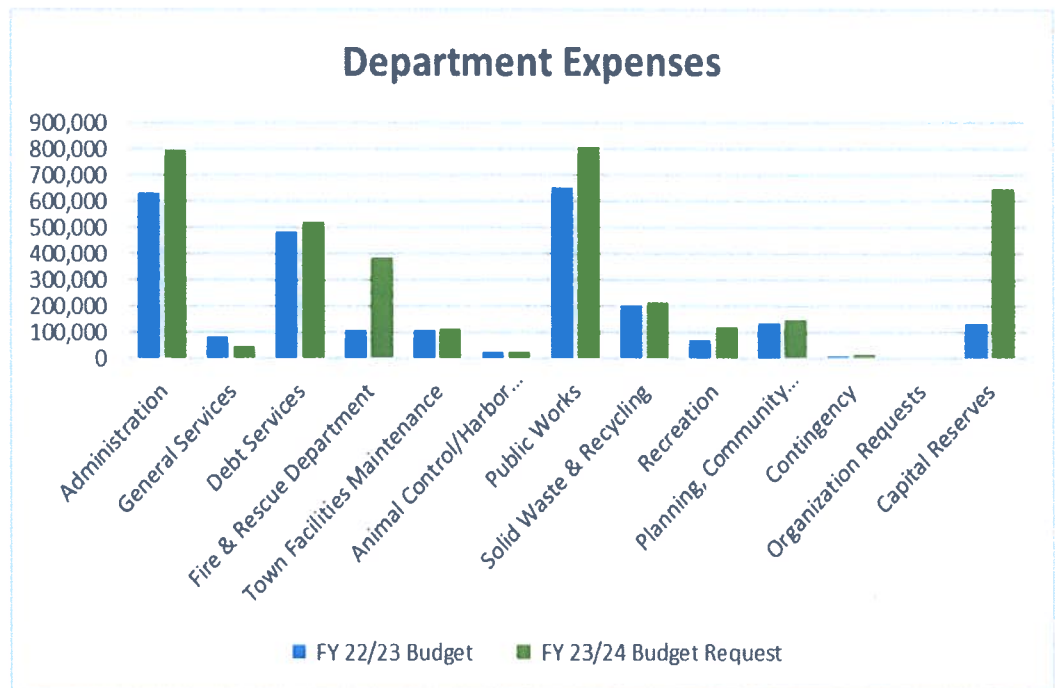
As we have discussed, it has been difficult to recruit employees primarily due to the wages we are offering. This budget reflects wage adjustments as discussed at the Finance Advisory’s Committee’s January and February meetings. This budget also provides a cost-of-living adjustment (COLA) of 6% for employees not receiving a wage adjustment.

Based on current rates of pay and the Consumer

Price Index for Urban Consumers in the Northeast Region which shows a 6% inflationary index over the last 12 months (and 6.3% for the previous year). I have also budgeted a 2.0% allowance for wage increases based on performance evaluations for all employees. Additionally, I’ve reviewed our stipend positions and their hours worked to ensure hourly rates are adequate, and I am recommending increasing stipends. Health insurance costs did not change for this year. I’ve budgeted each eligible employee for a minimum of the employee spouse plan. This is to ensure there are funds budgeted in case of staff changeover.

Utilities & Supplies

I’ve budgeted for an increase for our utilities, especially electricity and heating. We’ve also seen an increase in the cost of supplies, from office supplies to vehicle parts and gas/diesel.



Administration

The Administration budget shows an increase of \$162,407 or 25.6%, which includes:

- funding for wage adjustments for office staff,
- turning one part-time office staff to full-time (*hours & benefits - \$41,857.82*), and
- increased for legal services due to potential court proceedings.

Debt Services

The Debt Services Budget shows an increase of \$36,551, or 7.5%, as our first payment will be due on our new bond that was approved last year. The backhoe's last payment was made this year.

Fire & Rescue Department

The Fire and Rescue Department budget has the largest proposed increase for this year. An overall increase of \$272,000, or 243.1%, due to the following:

- The contract for emergency medical services is included in this budget. The proposed ambulance contract with North East Mobile Services is \$250,000, which was previously \$50,000.
- There's an increase in personal protective clothing for firefighter turn-out gear.
- There's an increase in utilities for the additional use of the Fire Station, fiber internet and voice over internet phone service.

Town Facilities & Maintenance

The Town Facilities & Maintenance budget shows an overall increase of \$9,000, or 8.2%. This includes an increase for maintenance for the John C. Coombs building and waterfront. The estimated costs for pumping the septic tank at the waterfront was moved from waterfront utilities to waterfront maintenance.

Animal Control Officer and Harbor Master Departments

These department budgets show an overall increase of \$2,279, or 8.9%. This includes an increase for personnel and harbormaster training and supplies in case of staff changes.

Recreation

The Recreation budget shows a proposed increase of \$46,310 or 61.2%. Much of this increase is the additional \$42,991 to make this a position full-time with benefits. The department is also proposing additional programming and revenue from that programming. The net cost of the department to taxpayers would be \$100,797.

Planning & Development

The Planning & Development budget shows a proposed increase of \$12,275 or 8.9%, mostly due to wage adjustments.

Public Works

The Public Works budget shows an overall increase of \$152,664 or 23.3%, which includes:

- funding for wage adjustments,
- adding full-time position (*hours & benefits - \$83,497*), which allows us to remove our plow contract line item (estimated savings of \$35,000-\$40,000), and
- increases for supplies (sand/salt, vehicle parts, gas/diesel) and utilities.

Solid Waste and Recycling

The Solid Waste and Recycling budget shows an overall increase of \$12,907 or 6.3%, which includes:

- funding for wage adjustments, and
- updated costs for contract renewal with Casella.

If the use of ARPA funds is approved to purchase a compacting dumpster (Article 7), the town could save \$10,000 per year in transportation fees.

General Services

The General Services budget is estimated with a decrease of \$39,500 or -45.72%, which includes:

- A \$5,500 increase for general assistance for a total budget of \$10,000. The Town can be reimbursed up to 70% of qualified expenses.
- Bowdoinham Public Library requested \$30,000, a \$5,000 increase.
- Ambulance service has been moved to the Fire & Rescue Department budget.

Capital Reserves

The Capital Reserves budget shows a proposed increase of \$517,500 or 390.6% and is based on the Capital Improvement Plan. This plan proposes to raise \$350,000 per year for annual road paving. However, due to our current road conditions, additional money will need to be raised until the Town can catch up on its road maintenance plan.

In addition to the proposed expense budget, the following capital expenditures are proposed:

- Article 4 - 2023 Road Bond (*for May/June paving*) – up to \$1,000,000 to implement the Road Plan,
- Article 5 – Town Hall Bond, and
- Article 6 - Purchase of Excavator (\$250,000) with a municipal lease (loan). The first payment is due at signing and is proposed from the undesignated fund (Article 25).

LD1

The Town's LD1 Municipal Property Tax Levy limit for FY24 is \$1,026,728. The budget as proposed will result in a municipal property tax levy of \$2,165,619 which is \$1,138,891 above the Town's property tax levy limit. Any approved budget that results in a property tax levy greater than \$1,026,728, would require an increase in the Town's limit. If the Town does not approve the increase in the levy limit, then the Town will need to approve a budget that meets the levy limit.

LD1 is a state law that attempts to limit the growth of Town budgets by requiring a vote if the property tax levy limit is exceeded.

Tax Impact

The budget as proposed would increase the tax rate by 11%; this would be an increase of \$500 for every \$250,000 of assessed value. This includes the thirty million in value that is expected from the planned partial revaluation of 20% increase on land. This partial revaluation will allow the Town to declare a Certified Ratio of 100%, allowing those receiving the homestead exemption to get the full \$25,000 exemption.

Should you have any questions, please contact me.

Respectfully submitted,

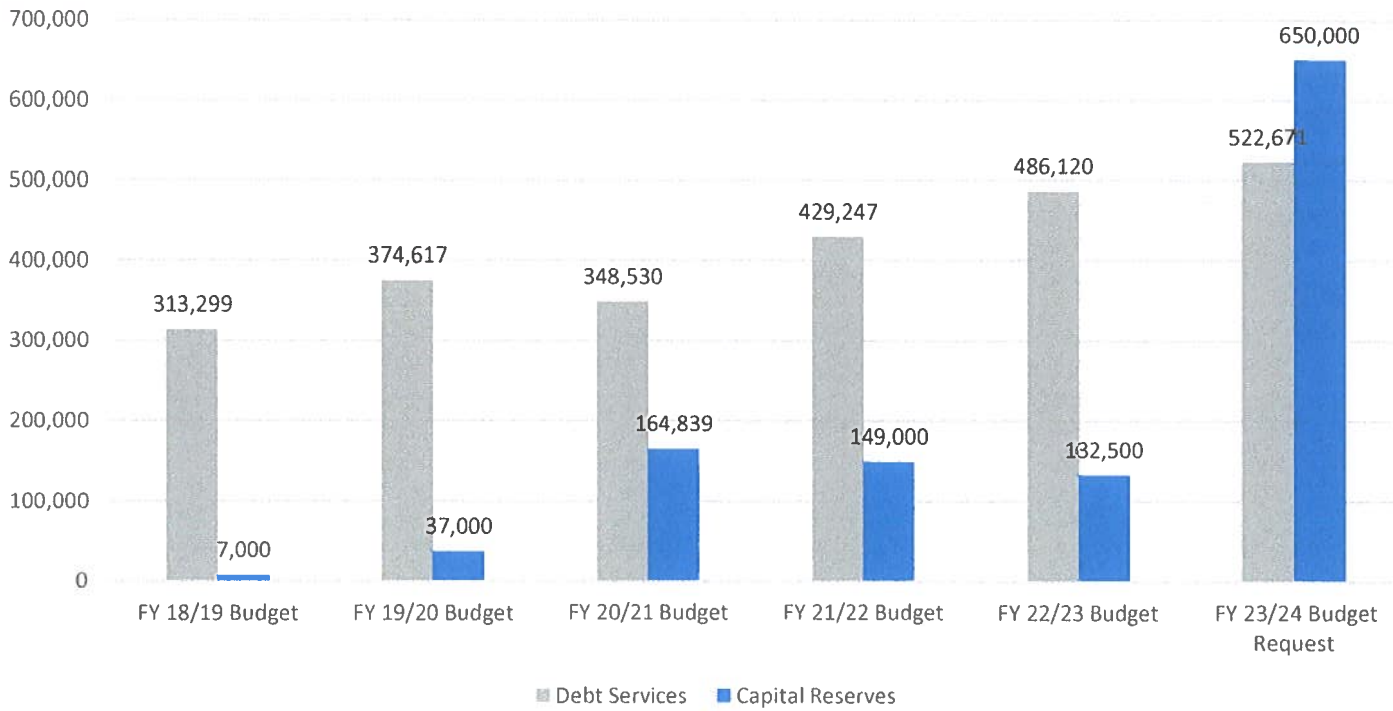


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Town Manager
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Ph: (207) 666-5531

**Town of Bowdoinham
Capital Improvement Program**

CAPITAL PROJECT	Reserve	Proposed 2024 Budget
<u>BUILDING FACILITIES PROGRAM</u>		
<u>Municipal Building</u>		
Chimney Repair	Town Hall/Office Reserve	\$25,000
Heating System	Town Hall/Office Reserve	\$25,000
Future Septic	CI Reserve	\$2,500
Repairs, Upgrades	TH/TO Reserve, Grants	\$15,000
<u>Town Hall Building</u>		
Repairs	Town Office-Hall Reserve	\$25,000
<u>Public Works Facility</u>		
Future Repairs	Public Works Reserve	\$2,000
<u>Fire Station</u>		
Future Repairs	Fire Reserve	\$5,000
<u>Recreation Facility</u>		
	Recreation Reserve	\$10,000
<u>Maily Waterfront Park</u>		
Future Repairs	Waterfront Reserve	\$2,000
<u>Cemeteries</u>		
	Cemetery Reserve	\$15,000
Subtotal		\$126,500
<u>CAPITAL EQUIPMENT PROGRAM</u>		
<u>Admin</u>		
Replace Computer Server & Rack Copier/Scanner	Electronic Equipment Reserve Lease	\$2,000
Computers	Electronic Equipment Reserve	\$1,500
Technology Improvements (<i>Phones, Locks, Cameras</i>)	Capital Improvement	\$5,000
Subtotal		\$8,500
<u>Fire Reserve</u>		
Primary Pumpers		
2011 E-One Class A Pumper (Engine #1)	Fire Reserve & Bond	\$20,000
Equipment		
SCBA Airpacks	Fire Reserve	\$25,000
Extraction Equipment	Fire Reserve	\$15,000
Other	Fire Reserve	\$2,000
Subtotal		\$62,000
<u>Public Works Reserve</u>		
Heavy Duty Trucks		
2018 Ford F-550 Superduty w/ dump (#2)	Public Works Reserve	\$20,000
Light Duty/Utility Trucks		
2014 Dodge RAM 1500 PU 4x4 (#1)	Public Works Reserve	\$5,000
Heavy Equipment		\$15,000
Excavator	Municipal Lease (Loan)	
Other Capital Equipment		\$23,000
New Capital Equipment		
Back-up Plow Truck	Public Works Reserve	\$25,000
Subtotal		\$88,000
<u>Recycling Reserve</u>		
Trucks		
New Van or Box Truck	Recycling Reserve	\$15,000
Subtotal		\$15,000
<u>TRANSPORTATION SYSTEM</u>		
<u>Roads</u>		
	Public Works Reserve	\$350,000
<i>Years FY26-30 are planned at \$500,000-\$700,000</i>		
Subtotal		\$350,000
GRAND TOTAL		\$650,000

Debt Service vs Capital Reserves



Debt Service vs Capital Reserves

