



Town of Bowdoinham

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Nicole Briand, Town Manager

April 6, 2023

2024 Municipal Budget Message

Bowdoinham Select Board:

Submitted herewith is the proposed municipal budget for the fiscal year 2024 (July 1, 2023 to June 30, 2024) in accordance with Title 30-A, M.R.S., Section 2636.

Budget Overview

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 Highlights

Wages & Benefits

As we have discussed, it has been difficult to recruit employees with the main reason being 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, and am recommending increasing stipends to ensure hourly rates are adequate.

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)
- increases 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 \$518,842, or 463%, 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. We've also budgeted \$150,000 for the possibility of paramedicine services.
- The budget includes a full-time fire chief. This will allow for the planning for future program changes, as well as provide the Town with one paid personnel for fire and EMS coverage.
- There is a proposed increase in the fire & EMS volunteer line to allow for ambulance driver coverage, should the Town want to increase its first response.
- 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 of 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 making the recommended 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.

If the Town was to take the Post Road contract, we'd gain \$72,000 in revenue and add \$30,000 in winter maintenance expenses.

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,
- updated costs for contract renewal with Casella,
- continued operation at the Public Works.

If the compacting dumpster is approved, the town could save \$10,000 per year.

To operate at the Recycling Barn, an additional \$26,892 would need to be added to the budget:

- Lease - \$19,392
- Building Maintenance - \$2,000 (inspections, misc needs)
- Utilities (heat, electricity) - \$5,500

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.
- The 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 24-29.

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

- 2023 Road Bond (*for May/June paving*) – up to \$1,000,000 to implement the Road Plan
- Purchase of Excavator (estimated at \$250,000) with a municipal lease, the first payment, due at signing, would come from the undesignated fund.
- Purchase of Compacting Dumpster with ARPA funds

LD1

The Town's LD1 Municipal Property Tax Levy limit for FY24 is \$1,026,728. The budget as proposed is \$1,385,732 over this levy limit, therefore the Town would need to approve increasing the Towns' levy limit to \$2,412,460 at Town Meeting.

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

Tax Impact

The budget as proposed would increase the tax rate by 16%; this would be an increase of \$725 for every \$250,000 of assessed value. This includes the thirty million of value that is expected from the planned partial revaluation of 20% increase on land. Based on our communications with Maine Revenue Service, we believe that 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.

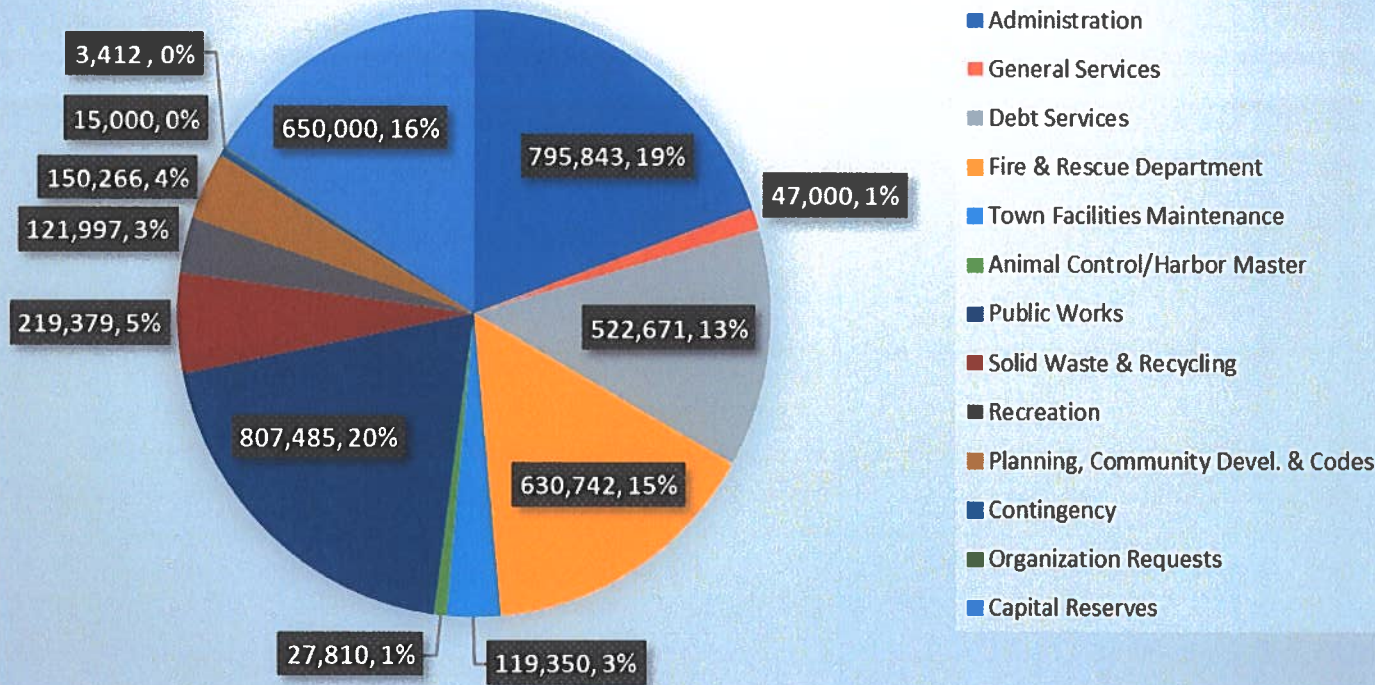
I look forward to working with you as you review the proposed budget. Should you have any questions, please contact me.

Respectfully submitted,

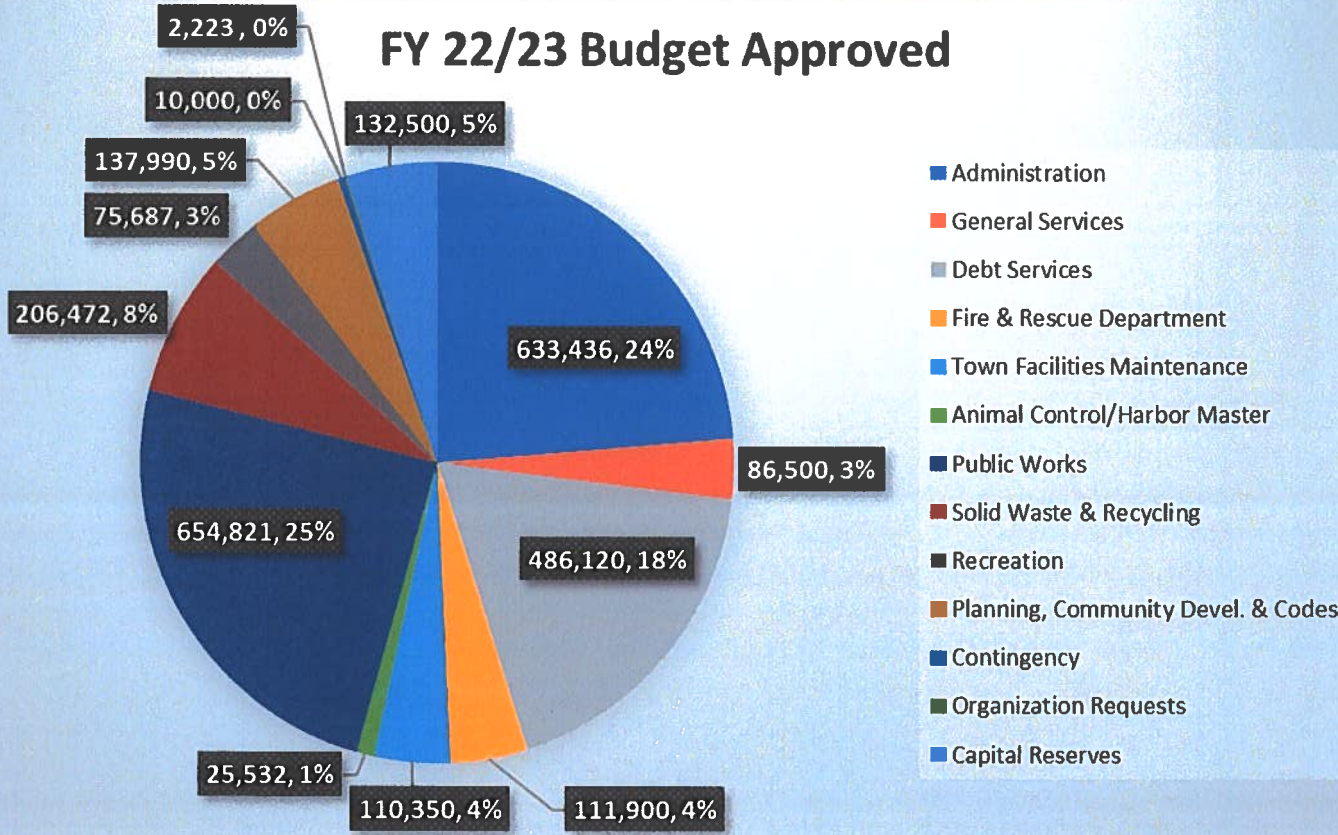


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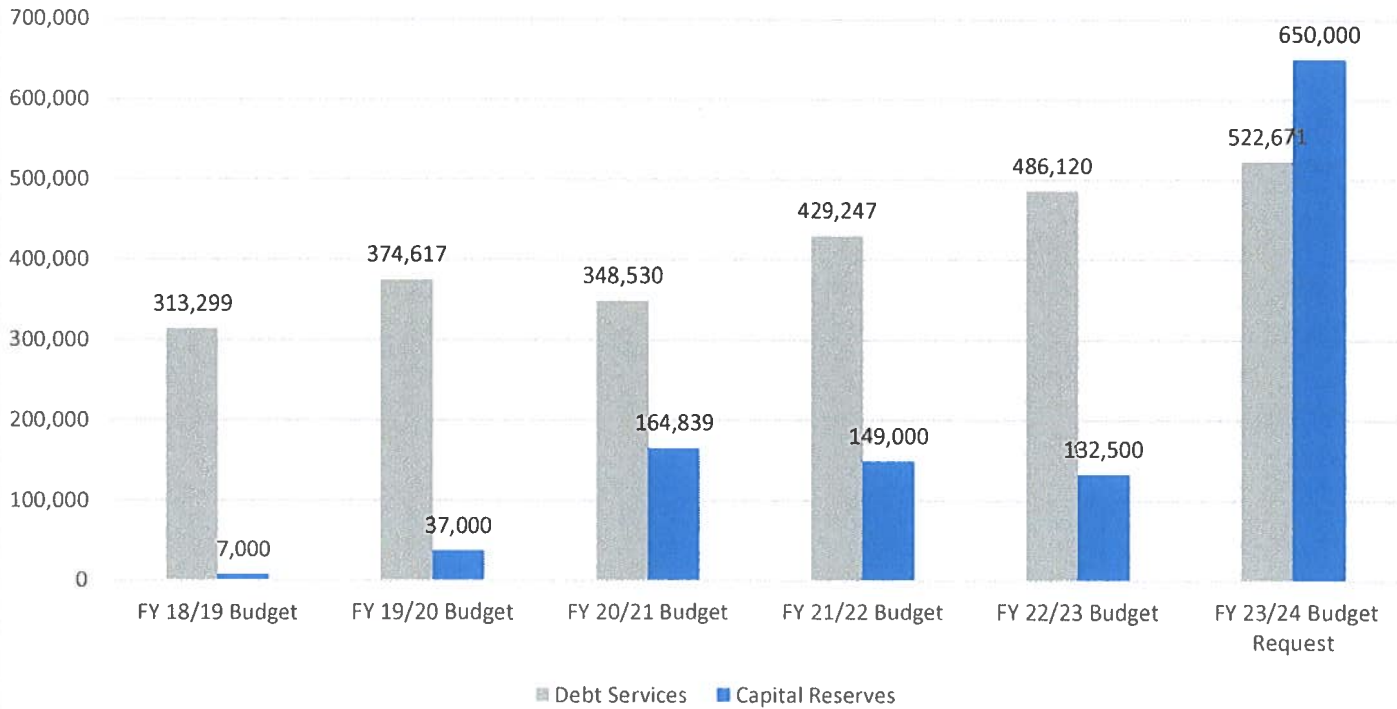
FY 23/24 Budget Request



FY 22/23 Budget Approved



Debt Service vs Capital Reserves



Debt Service vs Capital Reserves

