

To the Select Board and Citizens of Bowdoinham:

Introduction

Thank you to the Town of Bowdoinham for welcoming me to the community. Having managed my home town of Boothbay Harbor for 13 years I embrace the challenges of change. The learning curve is steep in a new community. The support of the Board of Selectmen and the staff have helped me greatly with the transition.

The COVID19 health emergency has challenged us in ways we couldn't anticipate and changed the way we do business and live our lives. In spite of these challenges municipal services continue to be provided remotely electronically and through the mail. I thank the staff and Boards and Committees for adapting to these extraordinary changes and for continuing to dedicate their efforts to the community. We could not do this without you.

Here are some of the things addressed this year have been;

- revised the job descriptions and the personnel manual
- restructured the Public Works Department
- hired a Full Time Finance Administrator/Deputy Treasurer
- made significant upgrades in network security, server and computers
- improved maintenance and capital improvements to municipal facilities
- exploring improving efficiency of on line transactions
- streamlined internal accounting processing and banking procedures
- pursuing debt consolidation at lower interest rates
- improved comprehensiveness of future Capital Improvement Project planning
- improved budgeting process and participation
- improved communication and participation with the staff
- renewed focus on training, education and cross-training of the staff

Town Meeting

As of writing this document, the Bowdoinham Town Meeting has been rescheduled to coincide with the State Primary Election that is scheduled for Tuesday July 14, 2020. The Bowdoinham Town Meeting will be conducted through the secret ballot process due to the COVID19 State of Emergency. Absentee ballots will be available upon request for registered voters 30 days prior to the Town Meeting. The secret ballot process is the same format that the town uses for electing municipal officers. With social distancing and shelter in place directives public meetings of groups over 50 are not permitted.

Municipal Budget Highlights

The proposed 2020/2021 municipal budget is up \$205,888 vs last year 2019/2020. The budget for last year 2019/2020 was an increase over the previous year 2018/2019 by \$268,937.

Non-property tax revenues are expected to increase by \$92,614, or 6.7%, Municipal Revenue

Sharing is expected to be significantly impacted by COVID19 lost state revenues and it was therefore budgeted conservatively this year. The Select Board and Finance Advisory Committee are recommending using \$140,000 from the unassigned fund balance which accounts for the majority of the \$92,614 increase.

The proposed budget reflects the hiring of a full-time employee last year and includes adding a part-time employee for the Public Works Department in 2020/2021. The total cost for the Public Works position is \$25,000. Offsetting some of that increase, the Administrative Assistant position has been decreased from 30 hours per week to 20 hours per week.

Wages & Benefits

This budget reflects wage adjustments to be competitive with surrounding communities and similar municipalities. In the tight labor market, it has become difficult to attract and retain employees. The budget provides a cost of living adjustment (COLA) of 2.2% for employees, based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in the Northeast Region which shows a 2.2% inflationary index for 2018. I have also budgeted a 2.0% allowance for wage increases based on performance evaluations for all employees in those departments that do not have wage adjustments. Primarily due to staffing changes, the overall increase in wages has been held to \$30,026 vs. last year.

Health insurance premiums have increased again this year but due to enrollment changes by staff members the overall cost of benefits is down \$5,000 or 2.9% vs. last year.

Undesignated Fund Balance

The Undesignated Fund Balance as of June 30, 2019 is \$1,273,614, an increase from \$1,168,923 in FY18. The Select Board and Finance Advisory Committee are recommending that \$140,000 of undesignated fund balance be used to reduce property tax commitment.

Personnel & Administration

The Personnel & Administration budgets show a combined increase of \$11,465, or 7.0%, which includes the wage adjustments for some office staff, and increasing risk management insurance costs. (liability, workers comp, vehicle and fire department insurance)

Debt Services

The Debt Services Budget has decreased due to refinancing existing debt with lower interest rates.

Fire & Rescue Departments

The Fire and Rescue Department budget shows a decrease of \$902, or .09%.

Public Works

The Public Works budget shows an overall increase of \$31,799 or 6.7%. This includes the additional part-time employee, additional operating expenses for the new facility and wage adjustments.

Solid Waste & Recycling

The Solid Waste and Recycling budget shows a proposed increase of \$44,709, or 23.4% due to large increases of disposal fees.

Non-Municipal Organization Requests

Two budget requests from non-municipal organizations were received and accepted as meeting the Town's "Non-Municipal Organization Funding Request Policy". One request is for \$1,500 from Spectrum Generations and the other is from Waldo Community Action Partners for \$539.

The Select Board recommends \$1,500 for Spectrum generations and \$539 for Waldo Community Action Partners. The Select Board also recommends \$2,182 for the Historical Society.

Capital Reserves

The Capital Reserve budget has increased by \$122,839. This is mainly due to repurposing the cost savings from refinancing debt services of \$111,339. The remaining increase includes heating and electrical upgrades to the Town Hall building. It includes continuing funding for design and renovation work for the Town Office to include fire code upgrades and efficiency and security renovations. These renovations would occur in conjunction with an expansion project by the Bowdoinham Public Library. It also includes continuing to fund the Solid Waste & Recycling capital reserve and the building capital reserve at 8 River Road owned by the Town.

If you have any questions, or ideas that you would like to discuss, please feel free to contact me at the Town Office or by email at twoodin@bowdoinham.com. In closing, I would like to thank the municipal employees who work very hard to satisfy your need for municipal services. I would also like to thank the Select Board and the various other volunteer boards and committees for your unselfish dedication to make your community a better place to live, work and play.

Respectfully submitted,

Thomas K. Woodin
Town Manager