

Town of Falmouth, Maine Proposed FY2020 – 2021 Budget



Town Budget Challenges

- ▶ Fire Department – staff increases to maintain service levels
 - Budget adds 12–14 full time Fire Fighter/EMS positions
- ▶ Staff Wage increases
 - 2.5% COLA
 - Added Administrative Analyst and Parks Maintenance position
- ▶ Communication Costs
 - Per the Communications Plan
- ▶ Benefit Cost Increases
 - Workers Comp and Health Insurance
- ▶ Building Security Enhancements
- ▶ Library Budget Request



FY '21 BUDGET Challenges

▶ HIGHLIGHTS

- FY '21 first full year in library since FY '18.
- Fully staffed without **ANY** additions to head count over FY '18.
 - 8 employees with an average length of service of 8+ years to FML
 - 6 PT employees

▶ BUDGET DRIVERS

- Average cost of living increase per year since 2018 is 2.2%
- Increased hours of tenured staff.
- Increased contribution to MEPERS. (MEPERS 10.1% vs. SSA 6.2%)
- Increase of P&C insurance coverage
 - Larger building footprint (10,700 sq ft → 17,892 sq ft)
 - New equipment and furniture → more expensive to insure.
- Bringing back 4 PT staff positions that were released during construction.
- Hiring of new Director.

School Budget Challenges

- ▶ State Funding – Drop in enrollment will reduce per-pupil education allocation.
- ▶ Teacher contract (ongoing negotiations) – impacts 210+ professionals (compensation/benefits)
- ▶ Health premiums – projecting 9% budget increase (higher medical loss ratios)
- ▶ Social, emotional and behavior needs of students – program implementations, services, staff training, staff needs.
- ▶ Identified needs of incoming students (Child Development Services_ – 25+ students.
- ▶ Special Education – space needs/modifications to address student populations moving to new grades/schools within district.
- ▶ Increasing and more intensive English Language Learner (ELL) needs for new students.
- ▶ Capital planning (meeting needs of 21st century educational program, student growth, early learning, CDS students, safety/security).

Factors Impacting Changes in State Education Revenue:

- ▶ Change in local property tax valuation vs. State average. State averages the most recent 2 years.
- ▶ Local student enrollment change vs. State average.
- ▶ Student composition: Special Education, ELL students, socioeconomic status.
- ▶ Changes to staff/student ratios impact funding.
- ▶ Changes in Debt service payments (per amortization schedules)
- ▶ Funding level for system administration

State Education Revenue (Preliminary Estimates)

- ▶ Preliminary State calculations for education funding released.
- ▶ State adding \$63M in additional funding to EPS formula for FY21.
- ▶ State increasing overall share of education funding from 50.78% to 51.78% (legally should be at 55%).
- ▶ Increase to Falmouth funding of \$497,048 over prior year. State share of EPS formula from 30.02% to 30.68% for Falmouth.
- ▶ Local community mil rate for education drops from 8.28 to 8.18 mill (benefit for Falmouth, high property value base).
- ▶ Additional funds reduce local tax expectation by 21 cents (mill).

Budget Meetings & Workshops

The Town of Falmouth will hold the following meetings at Town Hall regarding the Fiscal Year 2020-2021 budget:

- February 26, 5:30pm, Budget Update & Library Budget
- March 4, 5:30pm, Budget Book Presentation
- March 13, Noon, School Budget Workshop
- March 16, 5:30pm, School Budget (to be held at Falmouth Elementary School)
- March 25, 5:30pm, Town & School Budget Presentations
- April 1, 7:00pm, Public Hearing
- April 13, 7:00pm, Council Vote to Approve