

Town of Falmouth, Maine Proposed FY2024 – 2025 Budget

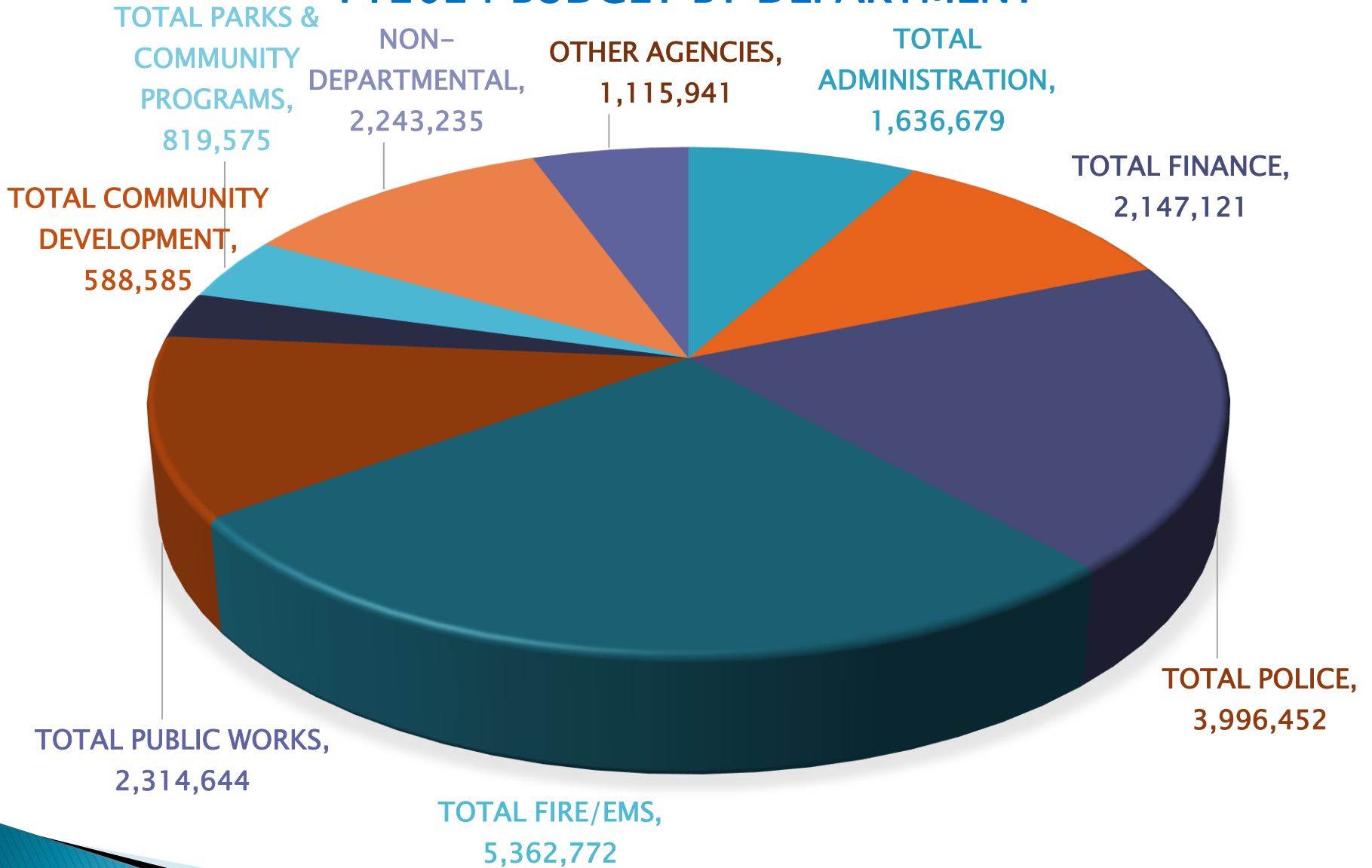
Budget Public Hearing
April 3, 2024



TOWN OF FALMOUTH BUDGET DRIVERS

	2024 BUDGET	2025 BUDGET	VARIANCE
Operating Expense (Town Only)	18,933,379	20,225,004	1,291,625
4.75% COLA			246,624
Fire Department Union contract wage adjustments			127,745
Police - add Assistant Harbor Master and PD Officer to correct FY24 Budget error			150,905
Market Wage adjustments			127,628
Retirement and Worker's Comp			130,935
CIP Appropriation per CIP Budget Plan			193,400
Contractual Services - Custodian duties now contractor, Catch basin cleaning increase			86,710
Contribution to the Library			41,760
All Other			185,919
			1,291,625

FY2024 BUDGET BY DEPARTMENT



NON-TAX REVENUE

	2024	2025	
	BUDGET	BUDGET	VARIANCE
Non-Tax Revenue	8,310,216	9,198,773	888,557
Interest Income			557,740
Auto Excise			136,723
Ambulance Charges			105,000
Mooring fees			80,000
State Revenue Share - 3% increase			58,287
Yarmouth Dispatch Fees			28,438
Building Permits			(70,000)
Other			(7,631)
			<u>888,557</u>

TOWN OF FALMOUTH REMAINING ARPA SPENDING PLAN

Central Fire Office construction	110,000.00
Police Cruisers/Setup	151,562.00
FD Heart Monitors	47,000.00
Underwood Park Improvements	60,000.00
Parks Pick-up Truck	31,000.00
Council Seating	10,199.38
School Nutrition	76,679.61
Total Budget	<hr/> 486,440.99

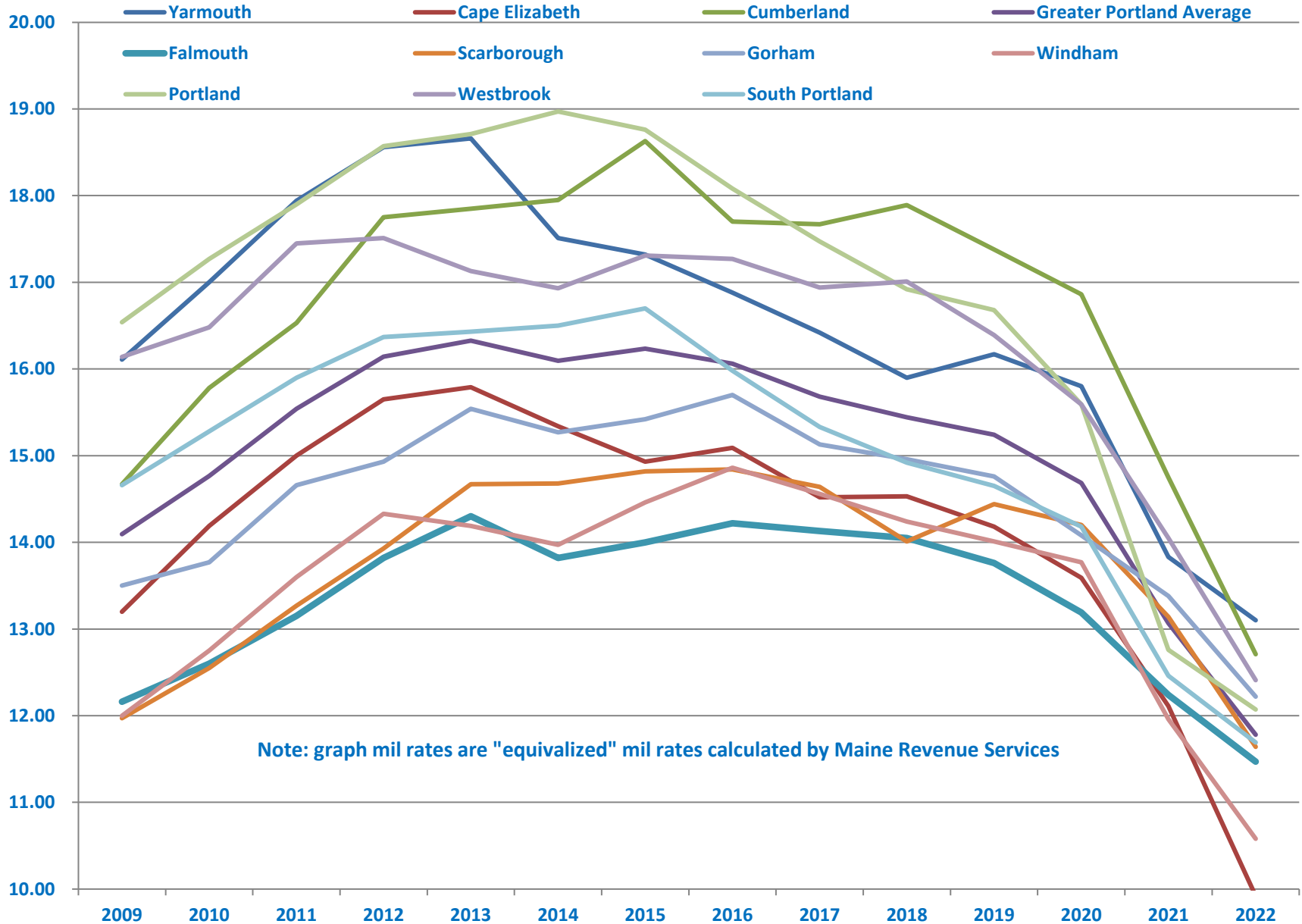
Contingency Projects

Police Body Armor	15,000
PD Fitness Equipment	5,000
Temporary Building at Central	100,000
	<hr/> 120,000

MIL RATE IMPACT

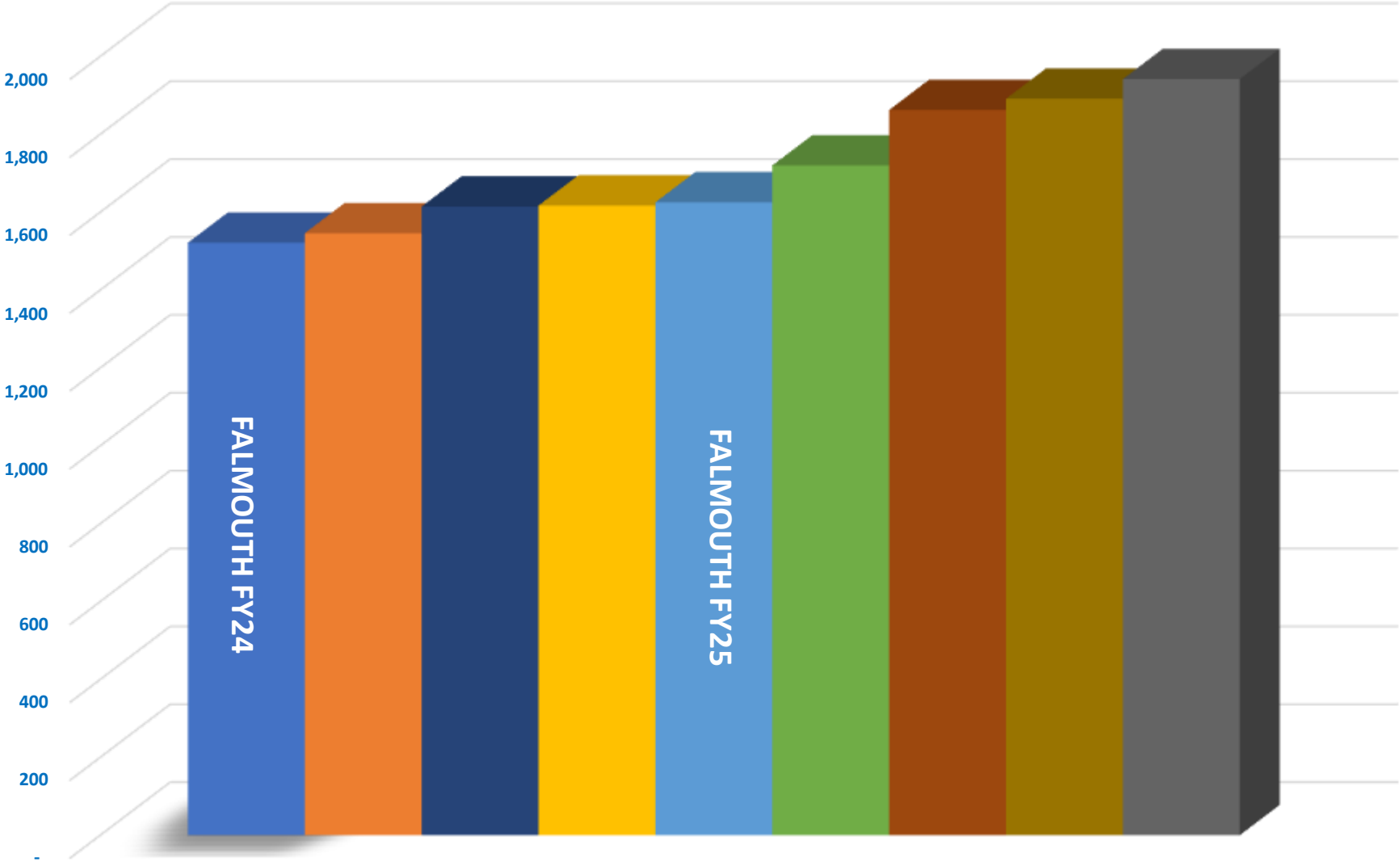
	2024	2025		Mil Rate
<u>Proposed Budget</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>Variance</u>	<u>Impact</u>
Operating Expense (Town Only)	18,933,379	20,225,004	1,291,625	0.33
Overlay	65,412	65,000	(412)	(0.00)
Non-Tax Revenue	(8,310,216)	(9,198,773)	(888,557)	(0.23)
Net From Property Taxes	10,688,575	11,091,231	402,656	0.10
Valuation (\$000)				(0.03)
Estimated Tax Rate				0.07

Greater Portland Mil Rate Comparison



Note: graph mil rates are "equivalized" mil rates calculated by Maine Revenue Services

FY24 BUDGET



Gross Expense per Capita

- Falmouth
- Freeport
- Windham
- Westbrook
- Falmouth FY25
- Saco
- Yarmouth
- South Portland
- Scarborough

Wastewater OPEX Budget

- ▶ Proposed Operating Expense of \$3,511,634 is \$555,121 or 18.8% higher than the FY24 Budget
 - Major increase items are real costs associated with debt, labor and services, including:
 - West Falmouth Debt Service begins in FY25, an increase \$377,604 (68% of the increase)
 - Salaries and benefits – \$69,701 increase (12% of total increase)
 - Electricity – \$61,446 increase (11% of total increase)
 - Machine/Equipment Maintenance – \$16,795 increase (3% of total increase)
- ▶ Budget and projected fund balance requires reconsideration of rate plan
 - Budget includes a 9% user rate increase from \$49.73 to \$54.21 this year
 - Additional increases needed to satisfy fund balance

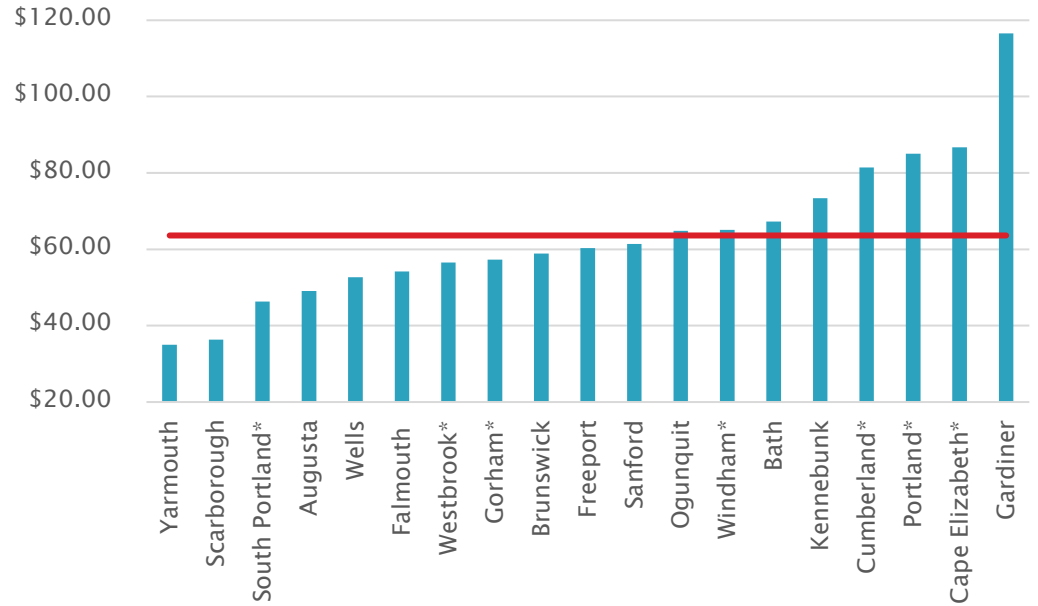
**WasteWater 2025 Budget
Projection for FY24 - FY33**

	Revenue Projection									
	Estimate 2023-24	Budget 2024-25	Estimate 2025-26	Estimate 2026-27	Estimate 2027-28	Estimate 2028-29	Estimate 2029-30	Estimate 2030-31	Estimate 2031-32	Estimate 2032-33
Service Charges	2,419,792	2,677,137	2,798,813	3,323,730	3,474,794	3,632,723	4,387,785	4,587,210	4,795,698	5,013,663
Connection Fees	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Miscellaneous Revenue	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Cumberland O & M	290,250	334,703	344,744	355,086	365,739	376,711	388,012	399,653	411,642	423,992
Cumberland Reimbursement, Capital Spending	148,007	272,890	58,883	49,972	45,000	52,500	52,500	25,500	7,500	7,500
Cumberland Reimbursement, plant upgrade	137,782	135,352	132,922	130,492				180,000	180,000	180,000
Cumberland Reimbursement, Mill Creek	150,783	149,451	148,119	146,786	145,454	144,122	142,790	141,457	140,125	139,085
Cumberland Reimbursement, Upper Mill Creek			84,000	84,000	268,800	266,560	264,320	262,080	259,840	257,600
Cumberland Reimbursement, Johnson Rd. Pump Sta.			-			50,000	88,000	87,200	86,400	85,600
Projected Revenue after rate change	\$3,266,615	\$3,689,533	\$3,687,480	\$4,210,067	\$4,419,787	\$4,642,616	\$5,443,407	\$5,803,100	\$6,001,206	\$6,227,439
	Expense projection									
Expense (excluding Capital Transfer)	2,052,678	2,224,758	2,291,501	2,360,246	2,431,053	2,503,985	2,579,104	2,656,477	2,736,172	2,818,257
Plus: Capital Spending	583,000	1,176,000	721,000	483,000	353,000	433,000	283,000	293,000	233,000	296,103
Plus: Debt										
Plant Upgrade	362,585	356,189	349,794	343,399	-	-	-	600,000	600,000	600,000
Mill Creek Debt Service	289,968	287,406	284,844	282,282	279,720	277,158	274,596	272,034	269,472	267,472
West Falmouth Phase 1 Debt Service	-	409,500	405,275	401,050	396,825	392,600	388,375	384,150	379,925	375,700
West Falmouth - Lunt Road Debt Service		-	-	480,000	476,000	472,000	468,000	464,000	460,000	456,000
Upper Mill Creek Debt Service	-	-	150,000	150,000	480,000	476,000	472,000	468,000	464,000	460,000
Johnson Road Pump Station Upgrade	-	-	-	-	-	125,000	220,000	218,000	216,000	214,000
East Falmouth Phase 1				300,000	300,000	300,000	300,000	300,000	300,000	300,000
East Falmouth Phase 2							300,000	300,000	300,000	300,000
Total Expenses	\$3,288,231	\$4,453,853	\$4,202,414	\$4,799,977	\$4,716,598	\$4,979,743	\$5,285,075	\$5,955,661	\$5,958,569	\$6,087,532
Total Enterprise Fund Change	(21,616)	(764,321)	(514,934)	(589,910)	(296,811)	(337,127)	158,331	(152,562)	42,637	139,908
CIP Find Balance	\$4,005,270	\$3,240,949	\$2,726,016	\$2,136,106	\$1,839,294	\$1,502,168	\$1,660,499	\$1,507,937	\$1,550,574	\$1,690,482
Operating Fund Balance	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000
Total Enterprise Fund Balance	\$4,230,270	\$3,465,949	\$2,951,016	\$2,361,106	\$2,064,294	\$1,727,168	\$1,885,499	\$1,732,937	\$1,775,574	\$1,915,482
Monthly Rate	\$ 49.73	\$ 54.21	\$ 55.83	\$ 65.32	\$ 67.28	\$ 69.30	\$ 82.47	\$ 84.94	\$ 87.49	\$ 90.12
Rate Increase %	3.0%	9.0%	3.0%	17.0%	3.0%	3.0%	19.0%	3.0%	0.0%	3.0%

Municipal Sewer Rate Comparison
Based on 8,000 cf usage
 Updated: February 2024

Municipality	Date Last Increase	% Increase	Annual Rate	Monthly Rate
Yarmouth	2023		\$ 420.00	\$ 35.00
Scarborough	2024		\$ 436.00	\$ 36.33
South Portland*	2023		\$ 556.00	\$ 46.33
Augusta	2023		\$ 589.24	\$ 49.10
Wells	2023		\$ 631.81	\$ 52.65
Falmouth	2024		\$ 650.52	\$ 54.21
Westbrook*	2022		\$ 678.40	\$ 56.53
Gorham*	2023		\$ 687.40	\$ 57.28
Brunswick	2023		\$ 707.16	\$ 58.93
Freeport	2023		\$ 723.36	\$ 60.28
Sanford	2023		\$ 736.80	\$ 61.40
Ogunquit	2023		\$ 777.92	\$ 64.83
Windham*	2023		\$ 781.48	\$ 65.12
Bath	2023		\$ 807.28	\$ 67.27
Kennebunk	2022		\$ 880.98	\$ 73.42
Cumberland*	2023		\$ 977.44	\$ 81.45
Portland*	2023		\$ 1,020.00	\$ 85.00
Cape Elizabeth*	2023		\$ 1,040.16	\$ 86.68
Gardiner	2023		\$ 1,398.64	\$ 116.55
Average			\$ 763.19	\$ 63.60
Median			\$ 723.36	\$ 60.28
* From PWD				

Monthly Rates



2/15/2024

Property Mil Rate Calculation 2024-25

	Town	School	County	Total	TIF	TOTAL
Expenditures	20,225,004	49,424,032	2,224,224	71,873,260	4,088,051	75,961,311
Overlay	65,000	-	-	65,000	-	65,000
Non-tax revenues	(9,198,773)	(10,209,907)	-	(19,408,680)	-	(19,408,680)
Net from property taxes	11,091,231	39,214,125	2,224,224	52,529,580	4,088,051	56,617,631
2023-24 valuation (thousands)*		3,927,399.1			305,639.5	4,233,038.7
2022-23 valuation (thousands)*		3,888,514.0			302,613.4	4,191,127.4
Valuation Growth		1.00%			1.0%	1.0%
2024-25 rate (Proposed)	2.82	9.99	0.57	13.38		13.38
2023-24 rate (Actual)	2.75	9.34	0.55	12.64		
Mil rate increase	0.07	0.65	0.02	0.74		
Pct. increase/decrease	2.5%	7.0%	3.6%	5.8%		

* Adjusted for BETE and Homestead