

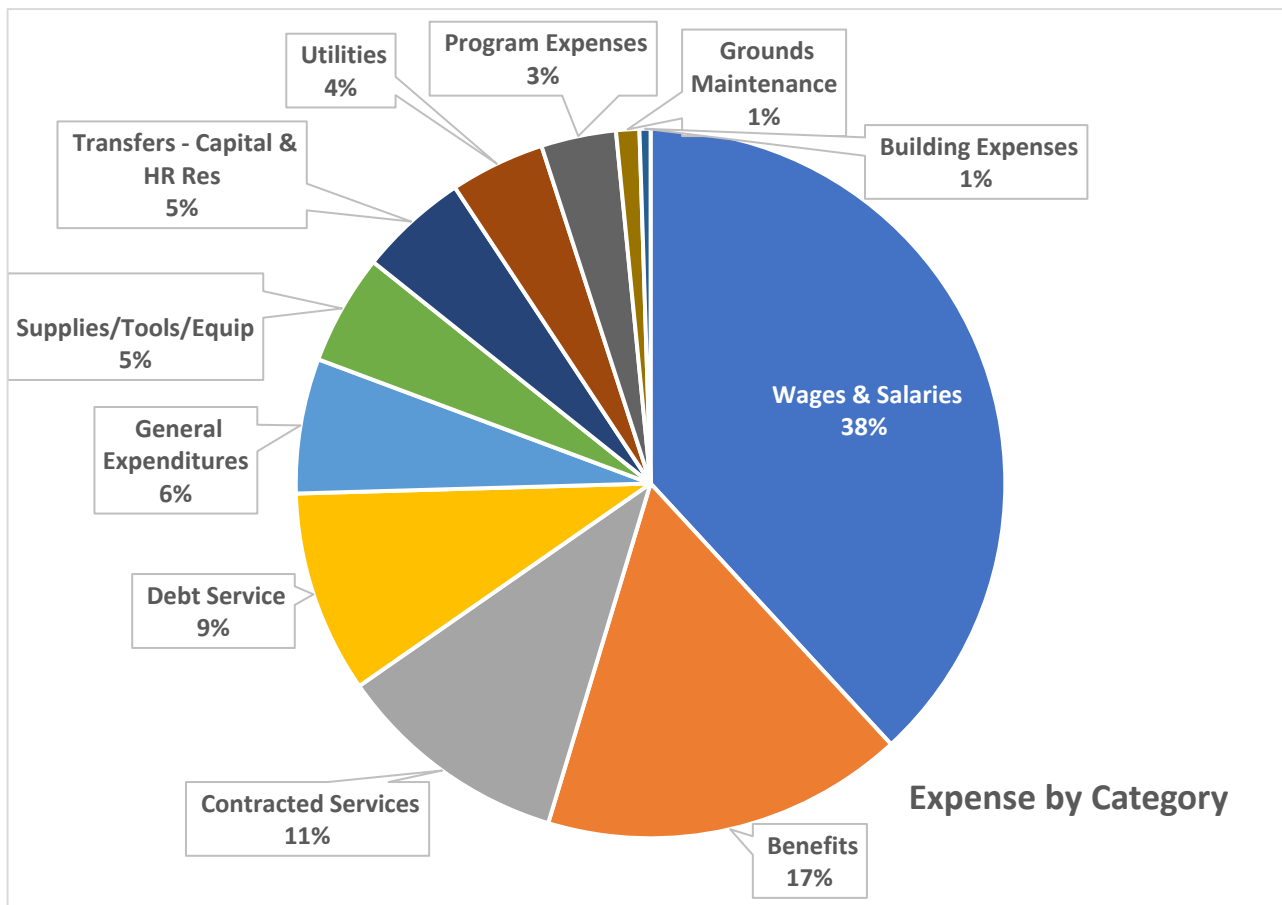
Budget Fiscal Year 2024

Budget FY 2024 will be perhaps the most challenging budget the Town Council has faced since the secession of Chebeague Island in July of 2007. The potential projected mil rate increase dollar wise, may be the highest in decades. The truth and reality however is the Town Charter gives us no control over the County's budget (\$00.12 increase) or the School's budget (\$00.97) which was decided by voters over 50 years ago.

Our work tonight begins with a review of 37 Departmental budgets. Those budgets can further be broken down into eleven categories. As you can see, the highest cost category is payroll (38%) and benefits (17%) once we exclude the School and County from your review.

With the rate of inflation still hovering over 6% and last year's over 8%, I am proposing a 6% wage adjustment for all employees. I have met with all three unions (Police, Fire- EMS, and Public Works) and informed them I would be bringing this forward in hopes of stabilizing our employment base and keeping hard working, dedicated employees here in Cumberland. We have a workforce second to none. I have a wage comparison study included in your budget books that shows we have been keeping up with the majority of the communities who compete for the same employee skill set. The increase in wages also includes some adjustments to meet comparative salaries and additional hours for some personnel.

I have included staffing for a Deputy Fire Chief (paramedic level) who will be our back-up paramedic for the 2nd ambulance; additional part time library staffing to help with our younger patrons and the implementation of Minerva a book loan program that will align us with other area libraries; and a additional person to oversee the grounds, maintenance and repairs to the new Recreation Center at Val Halla , as well as serve as the Assistant Pro and eliminate the need to hire an additional PGA staff person for the junior programs.



As we are starting the budget process for this year, the Finance Committee asked that I review each department and offer comments related to any changes. The Munis sheets (Town accounting software) you will be provided with have notes at the bottom of each page and will be the materials my staff will use in review of the budget. It will be the same materials given to the public who attend the budget meetings. The budget books are not necessary to bring to each meeting. The books are intended for your at home review and perhaps can better explain the individual line item changes.

The denominator this year for any dollar \$\$ increase in any line item is \$1.5 M. For example, a \$500,000 increase in any budget divided by \$1.5 M would result in a \$00.30 increase in the mil rate.

$$\frac{\$500,000}{\$1,500,000} = \$00.30$$

I believe it is a useful tool to remember when going through the budget as everything we do does have an impact.

Here is the very early projection of where I see the tax rate landing for this year:

Current	\$21.20			
Projected	\$22.65			
	\$1.45			
\$1,493,936,740		\$23,586,492	Schools	69.70%
		\$1,189,811	County	3.52%
		\$9,061,364	Town	26.78%
				100.00%
	FY 23	FY 24	Increase	% on Mil Rate
School ***	\$14.82	\$15.79	\$0.97	4.57%
County	\$0.68	\$0.80	\$0.12	0.55%
Town	\$5.70	\$6.07	\$0.37	1.72%
	\$21.20	\$22.65	\$1.45	6.84%

As you can see the increases are substantial this year. But again, we only have control of the Town line in this budget and that I believe at less than 2% impact on the mil rate is responsible considering the increasing demands on services and quality of life our community has come to expect.

The table below shows increases in Mil Rate year over year. **Numbers in ()** indicate a reduction over the previous year. The Town has averaged a \$00.14 avg impact on the mil rate over 15 years which included 3 years with a reduction in mil rate impact over the previous year.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
School	\$9.98	\$10.72	\$11.18	\$11.59	\$11.83	\$11.70	\$12.13	\$12.34	\$12.93	\$13.77	\$13.46	\$14.27	\$14.43	\$14.82	\$15.79	
County	\$0.56	\$0.54	\$0.54	\$0.55	\$0.58	\$0.57	\$0.58	\$0.60	\$0.61	\$0.65	\$0.65	\$0.67	\$0.67	\$0.68	\$0.80	
Town	\$4.01	\$4.04	\$4.08	\$4.41	\$4.59	\$5.13	\$5.39	\$5.31	\$5.26	\$5.28	\$5.74	\$5.41	\$5.45	\$5.70	\$6.07	
	\$14.55	\$15.30	\$15.80	\$16.55	\$17.00	\$17.40	\$18.10	\$18.25	\$18.80	\$19.70	\$19.85	\$20.35	\$20.55	\$21.20	\$22.65	3.70%
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	AVG
Town	\$0.05	\$0.03	\$0.04	\$0.33	\$0.18	\$0.54	\$0.26	(\$0.08)	(\$0.05)	\$0.02	\$0.46	(\$0.33)	\$0.04	\$0.25	\$0.37	0.14
School	\$0.48	\$0.74	\$0.46	\$0.41	\$0.24	-\$0.13	\$0.43	\$0.21	\$0.59	\$0.84	-\$0.31	\$0.81	\$0.16	\$0.39	\$0.97	\$0.42
County	\$0.02	-\$0.02	\$0.00	\$0.01	\$0.03	-\$0.01	\$0.01	\$0.02	\$0.01	\$0.04	\$0.00	\$0.02	\$0.00	\$0.01	\$0.12	\$0.02

I expect as we go through the budget there will be many questions. All questions will be recorded and responded to in writing and posted with the meeting notes prior to the next budget meeting. All Agendas, meeting notes and support materials will be posted on the Town website under our **Finance Department on the Budgets and Tax Rate** tab, located on the left-hand side of the page.

Our meetings will be scheduled 2 hours prior to the start of each of the following Council Meeting on these dates:

March 27th – 5 PM

April 10th – 5 PM

April 24th- 5 PM

April 29th- 8 AM

The Saturday, April 29th meeting will begin at **8 AM** and will end once our review is completed.

We will begin our review with the Administration budget and conclude with the Capital Budget. Unfortunately, there were items in the capital budget proposals that were not brought forward for funding in this budget. Playgrounds, temporary space at the library and additional building improvements at the fire and police stations will need to wait a bit longer to be funded.

In closing, I'd like to thank all our Department Heads and support staff for their hard work in putting this budget together. A big "thank you" to Chris Bolduc, our Assistant Town Manager, for his help and finally, a very special "thank you" to our Finance Director, Helene DiBartolomeo, for her countless hours of work in putting this year's budget proposal together. We are all truly blessed to have such an amazing Team.