Town of Falmouth, Maine Proposed FY2023 – 2024 Operating Expense Budget

Finance Committee Meeting
March 29, 2023

TOWN OF FALMOUTH
BUDGET DRIVERS

	2023 BUDGET	2024 BUDGET	VARIANCE
Operating Expense (Town Only)	17,670,251	18,931,689	1,261,438
COLA			319,960
Create Future Building Fund in CIP			300,000
Contingency reserves for Union negotiation and wage adjustments			145,000
Trail Maintenance contract with Falmouth Land trust			117,100
Market Wage adjustments			116,595
Health Insurance			70,197
Contribution to the Library			50,561
Motor Fuel			46,311
Workers Comp			36,052
Electricity			31,489
Senior Tax Refund			30,000
All Other			(1,827)
			1,261,438

NON-TAX REVENUE

	2023 BUDGET	2024 BUDGET	VARIANCE
Non-Tax Revenue	7,618,641	8,303,098	684,457
Auto Excise			504,368
Growth-Related Permits and Fees			10,901
State Revenue Share			91,804
Ambulance Charges			40,000
Interest Income			20,000
Resident Stickers			7,495
Other			9,889
			684,457

Note: Resident Stickers assume a rate increase

AMERICAN RESCUE PLAN ACT OF 2021

PROPOSED PROJECT LIST - TIER 1	Revenue Reduction	FY2022 Spending	FY2023 Spending	Total Spending	FY2024 Remaining
POLICE					
Cruiser Cages - plexiglass partitions	$ 18,000.00	1,900	3,943	5,843	12,157
SMART board - virtual trial testimony	$ 8,000.00	7,255	-	7,255	745
IT PROJECTS					
Cable TV equipment for hybrid meetings - Town and School	$ 25,000.00	22,746	2,254	25,000	-
ADMINISTRATION & PUBLIC HEALTH					
COVID New Variants	$ 25,000.00	8,161	-	8,161	16,839
Public Health/Mental Health/Unhoused	$ 20,000.00	-	-	-	20,000
Greeter/Contact Tracer Wages	$ 8,000.00	8,000	-	8,000	-
FIRE-EMS					
Replace Tank 4 with Engine/Tank	$ 325,000.00	-	-	-	325,000
COMMUNITY PROGRAMS					
Park Improvements/Amenities	$ 60,000.00	-	40,000	40,000	20,000
Replace Gym floor at Community Center	$ 80,000.00	-	-	-	80,000
Recreation Program Health & Safety Improvements (placeholder)	$ -	-	-		-
FALMOUTH SCHOOLS					
Allocation to technology infrastructure (FES School/Town live streaming meetings and HS communications upgrade - phone/PA system upgrade which includes improving parent/student/teacher communications via phone/email). Total project estimated cost $120,000.	$ 51,000.00	-	51,000	51,000	-
High School hybrid/virtual setup costs ($146K sound, 24K video, 10K furniture/storage/supplies).	$ 181,000.00		88,000	88,000	93,000
Campus/school safety & security upgrades (door systems/alarms, cameras/network, traffic control/management, signage, replace HS lobby floor tile)	$ 172,000.00		172,000	172,000	-
Child Care Program (District) - Tuition loss (April - June 2020). Program shut down due to COVID.	$ -	-		-	-
Other revenues - athletics participation fees, gate fees, facility rentals, testing fees (reduction due to COVID impact on programs) - uniforms, equipment, field/sport upgrade items	$ 21,000.00	-		-	21,000
School Nutrition Deficit - current year loss approx $300K, future unknown (pending legislation for "free" meals)	$ 225,000.00	-		-	225,000
Totals	$ 1,219,000.00	48,061	357,197	405,259	813,741

PROPOSED PROJECT LIST - TIER 2					
PROPOSED PROJECT LIST	Revenue Reduction				
POLICE					
Washer/Dryer installation	$ -	-	-	-	-
IT PROJECTS					
Enhance Online Services including Permitting Software – this would streamline the permitting process and allow full remote capability for submission, review and download of permits as approved	$ -	-	-	-	
ADMINISTRATION & ECONOMIC AID					
Low Income relief	$ -	-	-	-	-
Food Pantry Grant or low income relief	$ 20,000.00	8,500	10,000	18,500	1,500
FIRE					
Washer/Dryer	$ 20,000.00	-	-	-	20,000
TOWN OFFICE/MEETING ROOMS	$ 42,852.00	-	-	-	42,852
Totals	$ 82,852.00	8,500	10,000	18,500	64,352
Grand Total	$ 1,301,852.00	56,561	367,197	423,759	878,093

BUDGET ADJUSTMENTS

Budget Changes

Net Reduction - Nathan Reviews	**(549,349)**
Future Building Fund	**300,000**
	(249,349)

Movements

CIP Use of Fund Balance	**(234,000)**
Library Development Director Use of Fund Balance	**(90,290)**
Use ARPA money for Community Center Gym Floor	**(80,000)**
Use ARPA money to partially pay for Tank 4	**(325,000)**
	(729,290)

Total improvement	**(978,639)**
Total mil rate improvement	**(0.25)**

MIL RATE IMPACT

Proposed Budget	2023 BUDGET	2024 BUDGET	Variance	Mil Rate Impact
Operating Expense (Town Only)	17,670,251	18,931,689	1,261,438	0.32
Overlay	262,063	100,000	(162,063)	(0.04)
Non-Tax Revenue	(7,618,641)	(8,303,098)	(684,457)	(0.18)
Net From Property Taxes	10,313,673	10,728,591	414,918	0.11
Valuation ($000)				(0.03)
Estimated Tax Rate				0.08

FALMOUTH RESIDENTIAL PROPERTY VALUES

| Property Value (range) With habitable residence	# of Units 2022	% of total units 2022	# of Units 2023	% of total units 2023
0 to 200,000	330	7.0%	18	0.4%
201k to 300k	1090	23.1%	167	3.5%
301k to 400k	1091	23.1%	504	10.5%
401k to 500k	859	18.2%	696	14.5%
501k to 600k	517	11.0%	657	13.7%
601k to 700k	314	3.8%	684	14.2%
701k to 800k	178	3.8%	546	11.4%
801k to 900k	111	2.4%	413	8.6%
901k to 1M	64	1.4%	285	5.9%
1M to 1.499M	98	2.1%	595	12.4%
1.5M to 1.999M	27	0.6%	148	3.1%
Over 2M	35	0.7%	93	1.9%
Total	4714	100.0%	4,806	100.0%
Average assessed value	452,839	63.8%	757,659	63.3%
Median	383,950		652,400	

Greater Portland Mil Rate Comparison
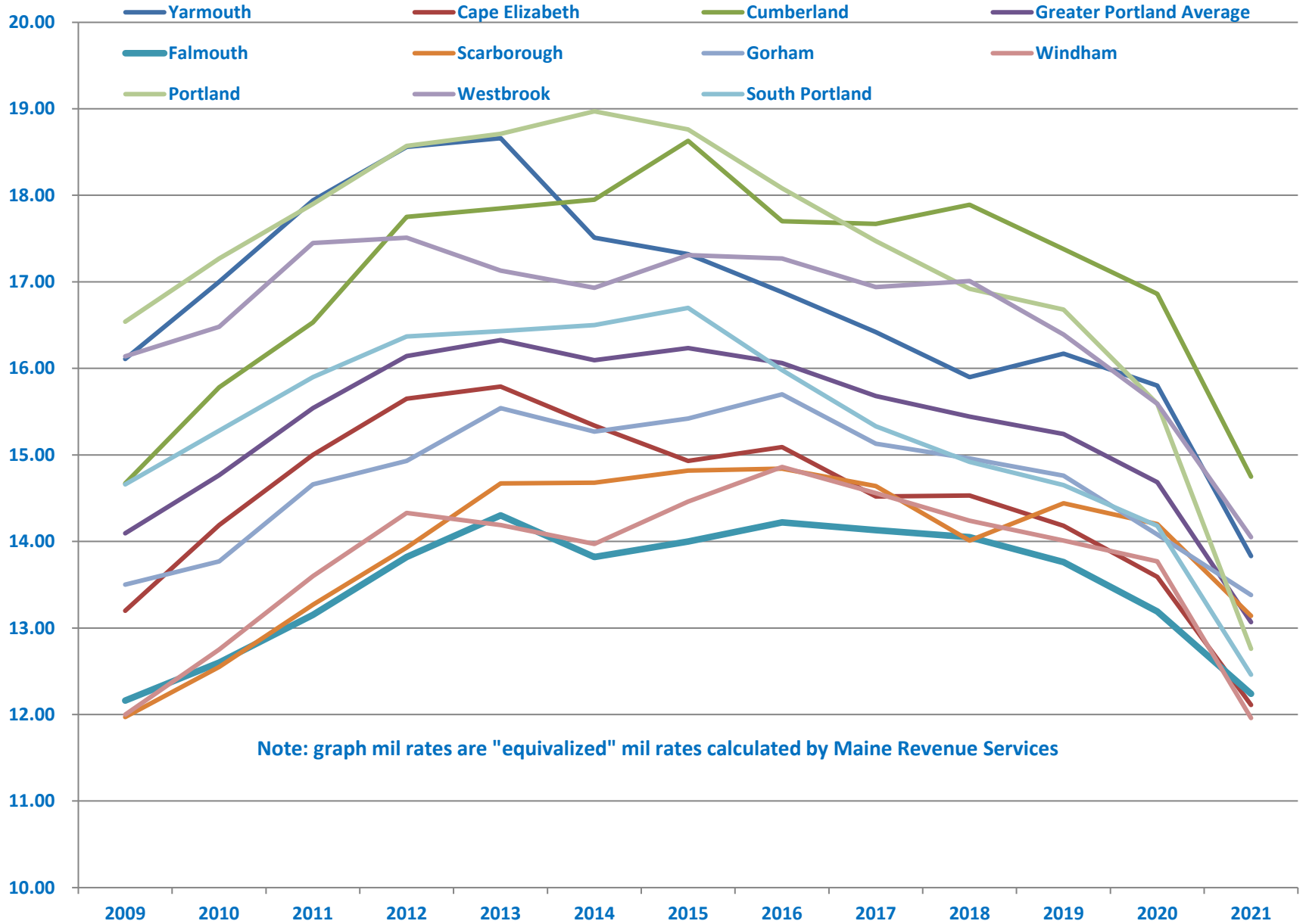
Note: graph mil rates are "equivalized" mil rates calculated by Maine Revenue Services
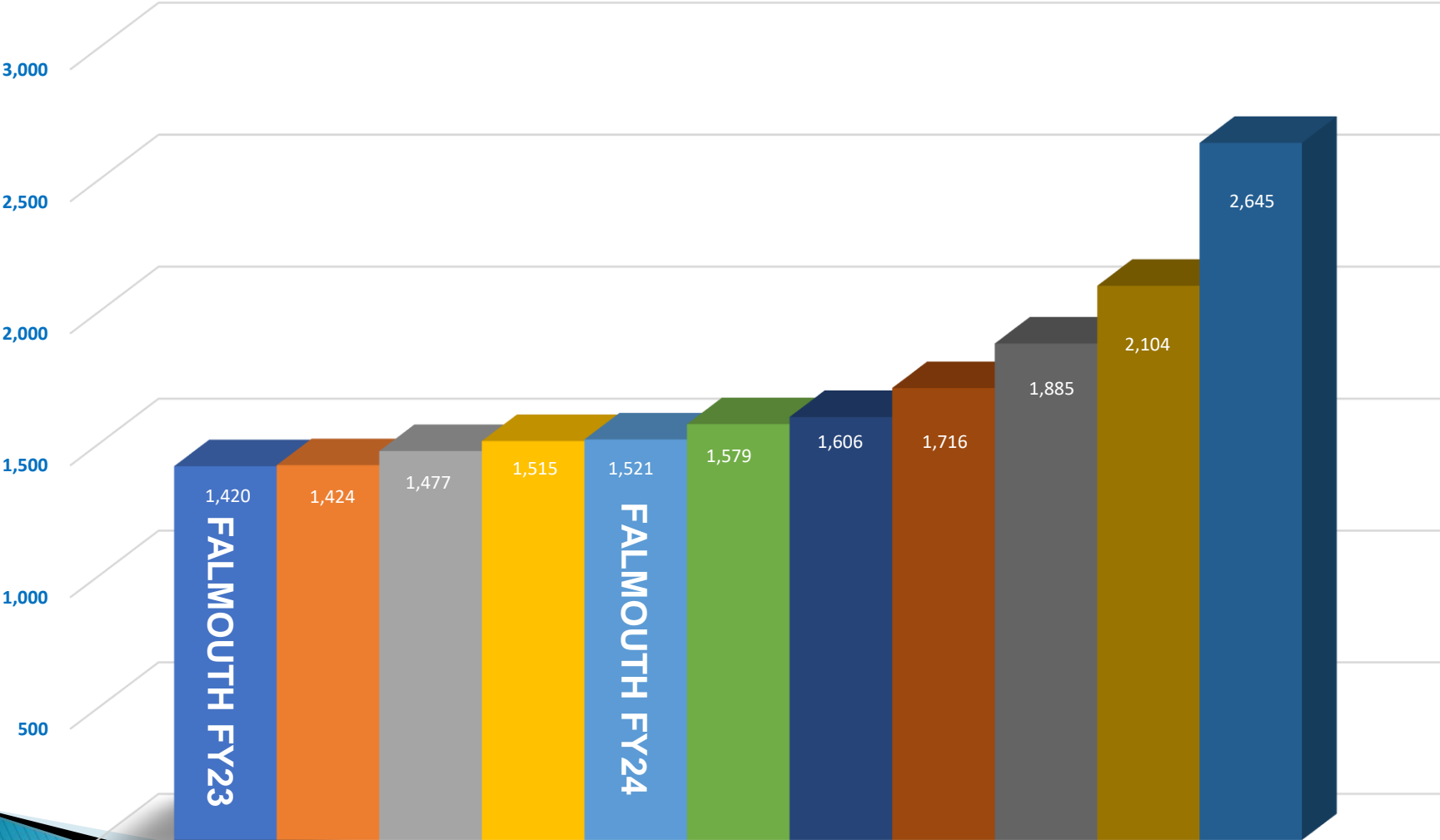
FY22 Gross Expense Per Capita Comparison
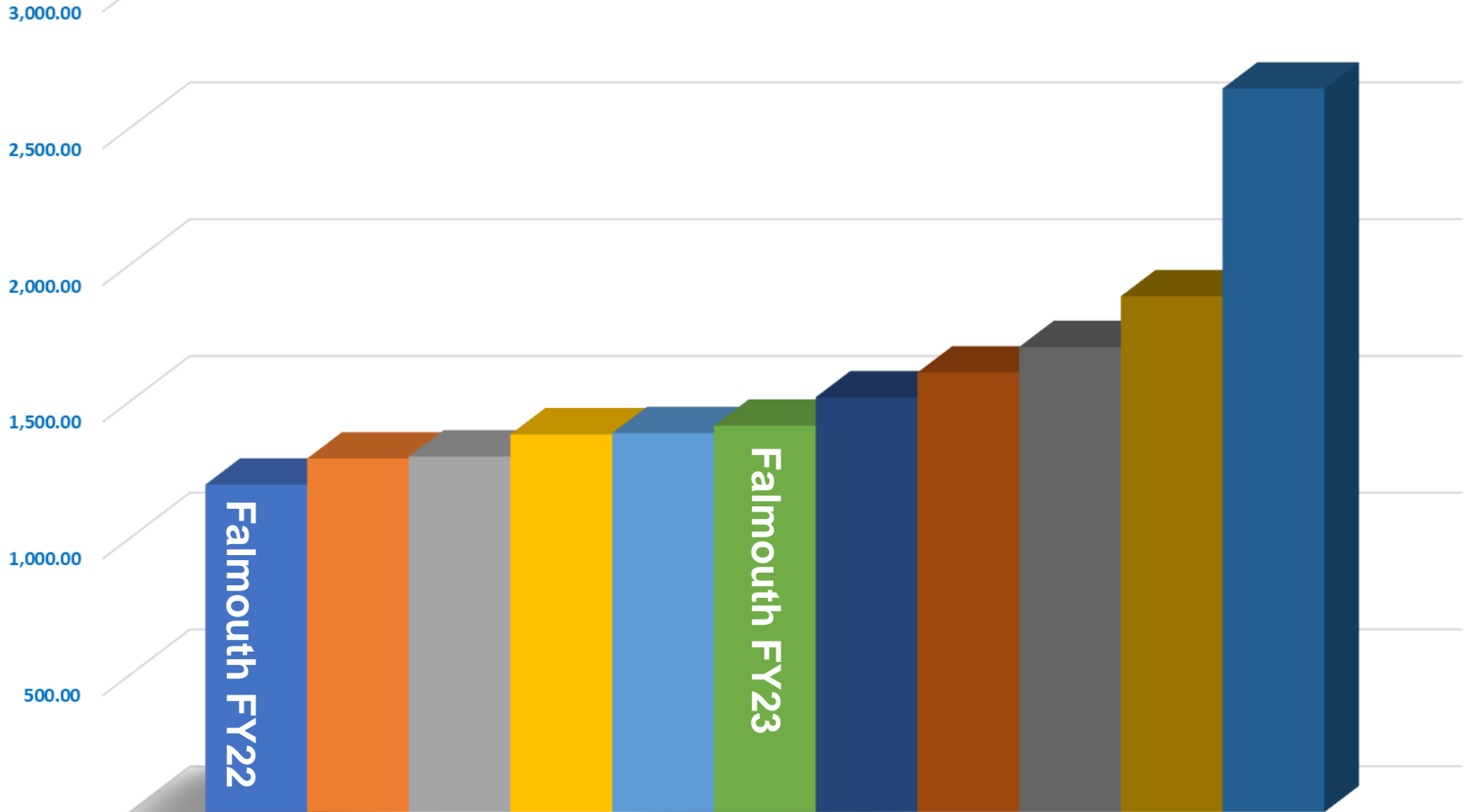
Gross Expense per Capita

■ Falmouth ■ Freeport ■ Cumberland ■ Westbrook ■ Windham ■ Falmouth FY23 ■ South Portland ■ Saco ■ Yarmouth ■ Scarborough ■ Portland (excl HHS)

FY23 Gross Expenditure per Capita

Property Mil Rate Calculation
2023-24

	Town	School	County	Total	TIF	TOTAL
Expenditures	18,933,379	46,434,749	2,139,093	67,507,221	3,809,027	71,316,248
Overlay	100,000	-	-	100,000	-	100,000
Non-tax revenues	(8,310,216)	(10,138,119)	-	(18,448,335)	-	(18,448,335)
Net from property taxes	10,723,163	36,296,630	2,139,093	49,158,886	3,809,027	52,967,913
2023-24 valuation (thousands)*		3,905,495.0			302,613.4	4,208,108.4
2022-23 valuation (thousands)*		3,868,773.4			299,617.2	4,168,390.6
Valuation Growth		0.95%			1.0%	1.0%
2023-24 rate (Proposed)	2.75	9.29	0.55	12.59		12.59
2022-23 rate (Actual)	2.67	8.71	0.55	11.92		
Mil rate increase	0.08	0.59	0.00	0.66		
Pct. increase/decrease	3.0%	6.8%	0.0%	5.6%		

* Adjusted for BETE and Homestead