

**TOWN OF KITTERY, MAINE**



**TOWN BUDGET  
FISCAL YEAR 2021**

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**GENERAL AND ENTERPRISE FUNDS**

**JULY 1, 2020 TO JUNE 30, 2021**

**TOWN COUNCIL**

Judith Spiller, Chair  
Matt Brock, Vice-Chair  
Cyrus Clark  
Charles Denault  
Kenneth Lemont  
Jeffrey Pelletier  
Jeffrey Thomson

**Town Manager**

Kendra Amaral

**Finance Director**

Patricia Moore

**SUBMITTED JUNE 8, 2020**

200 Rogers Road  
Kittery, ME 03094

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# TABLE OF CONTENTS

<b>TOWN MANAGER'S BUDGET MESSAGE .....</b>	<b>1</b>
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## **SECTION I - OVERVIEW**

TOWN ORGANIZATION CHART .....	7
BUDGET CALENDAR .....	8
COMMUNITY PROFILE.....	9
BUDGET OVERVIEW .....	11
MIL RATE PROJECTION .....	12
UNDESIGNATED FUND BALANCE.....	12
REVENUE SUMMARY.....	13
EXPENSE SUMMARY .....	20
CAPITAL INVESTMENT PLAN.....	24

## **SECTION II - DEPARTMENT BUDGETS**

ADMINISTRATION.....	29
TOWN COUNCIL.....	32
ELECTIONS .....	34
SHARED EXPENSES.....	36
MISCELLANEOUS.....	39
PLANNING & DEVELOPMENT .....	41
FIRE DEPARTMENT .....	44
POLICE DEPARTMENT.....	48
PUBLIC WORKS.....	51
KITTERY COMMUNITY CENTER.....	59
HARBORMASTER.....	63
RICE PUBLIC LIBRARY.....	66
COMMUNITY AGENCIES.....	69
SCHOOL DEPARTMENT.....	70
ADULT EDUCATION.....	72

## **SECTION III - SEWER ENTERPRISE**

SEWER ENTERPRISE.....	77
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## TOWN MANAGER'S BUDGET MESSAGE

Despite the COVID-19 crisis enveloping the community, state, nation and world, the Town of Kittery is prepared to enter the new fiscal year with a balanced budget. The enclosed Fiscal Year 2021 (FY21) operating and enterprise fund budgets represent the culmination of the Town of Kittery's conservative approach to financial management and the implementation of our contingency plans during a public health crisis and through economic uncertainty.

This budget, though divided by department and function, represents the collective spending plan for the delivery of core municipal services. The budget was initially developed prior to the outbreak of COVID-19 in our state, when the local economy was booming and the demand for services was growing. It was reworked with the assistance and input of our talented team of department heads. The spending plan relies on their expertise and creativity to deliver local services in an emergency of unknown duration.

The prior year's spending plan focused on stabilizing the operational budgets and advancing operations to meet the taxpayers' expectations for additional or enhanced services expressed by the Council and residents.

The FY21 budget is focused on managing the impact on taxpayers in an economic downturn of undetermined length. It utilizes the capital reserves and other financial tools we have been developing each year to sustain the operations through a financial emergency. The undesignated reserve is not being relied upon to balance the operating budget.

The FY21 budget focuses on continuing core municipal functions in uncertain times. It responds to the anticipated reduction in operational revenue and state revenues typically used to offset the property tax levy. Plans to enhance and grow services in response to resident and business demand prior to the outbreak of COVID-19 have been placed on hold as much as feasible.

Kittery's financial position was strong going into the public health crisis. That is the result of years of careful planning, budgeting, and conservative financial management. The unassigned fund balance for the municipal operations is \$6.3M or approximately 2.3 months of school and town operations. This is down from the prior year because the school department spent down their undesignated fund balance over the last few years to offset annual increases in operating costs. The school department retains other reserve funds to buffer against emergencies and unanticipated expenses.

Kittery continues to prioritize being an affordable place where families can live, work, and enjoy the bounty of experiences in southern York County from birth through retirement. That goal is made more challenging this year, as offsetting revenues are dropping due to social-distancing put in place in March of 2020 and the anticipated slow transition back to "normal".

The challenges of remaining affordable are felt from multiple angles. Sale and rental prices for Kittery housing continue their steady climb, pricing out existing residents looking to upsize or downsize their home, and newcomers looking to move to Kittery. It is unclear whether the housing market will change as a result of the public health crisis, though it is unlikely as northeast, coastal communities with a diverse economic base tend to be more stable in a recession.

The tax rate had been experiencing significant pressure, in part due to assessed values being well below market values. In 2019, the Town launched a property revaluation effort to bring values closer to 99% of market. The Town's valuation was certified at approximately 79% of market value with the prior year's budget. The revaluation effort has resulted in a valuation growth of approximately \$563M. Typically, annual value growth has averaged \$15M. The mil rate for FY21 is projected to decrease \$4 per thousand of value as a result of the revaluation.

The Council identified revised budget goals in April to ensure the municipal costs coincided with its response to the COVID-19 crisis. The revised budget goal was a 0% increase for municipal operations and capital combined. The FY21 budget reflects the municipal leadership's best efforts to achieve this goal.

The Town Council adopted its FY21 budget goals on January 13, 2020 and revised them on April 27, 2020 to reflect the uncertainty of COVID-19. The goals are:

*The Town Manager, School Committee, and various Departments should develop their budgets such that the funding requests adequately provide for the delivery of the core functions of the town and school; is responsive to community expectations and needs; and that initiatives are considered and proposed that advance the effectiveness of town and school operations, improve service delivery, support implementation of the Town's Comprehensive Plan, and/or improve operational efficiency.*

*The Town Manager and School Committee should produce a structurally balanced budget that funds necessary expenditures with recurring revenues; maintains adequate unassigned fund balances; uses non-recurring revenue judiciously and for non-recurring expenditures; and incorporates a sensible investment in the town's assets, all with the intent of promoting long-term financial sustainability.*

*The Town Manager and School Committee should produce a budget that seeks to maintain a stable tax rate, and that is adequately justifiable in comparison to appropriate economic indicators and comparable communities.*

*To propose a budget with 0% increase in expenses over the prior fiscal year for operating and capital combined.*

Typically, the Town Manager has annual goals that are factored into the development of the budget and considered in the review of requests and needs articulated by each department. The 2020 annual goals include:

- Propose and implement zoning amendments that support desired growth in targeted growth areas including Route 1, and the Route 1 Bypass and incorporate affordable housing incentives
- Plan for addressing increasing demands for police, fire, and public works services
- Maintain or improve bond rating
- Support the Climate Adaptation Committee's efforts
- Complete the Joint Land Use Study and identify funding for implementation of the action plan
- Finish the Library design process and commence construction
- Develop a sidewalk master plan for replacement, enhancement and addition of town sidewalks
- Complete the seven collective bargaining unit contract negotiations in a timely fashion

The FY21 budget does not support all of these goals, but works to avoid losing ground on the town's priorities. Specifically, the FY21 budget includes:

- 0% increase in combined municipal operating and capital costs
- Provides staff resources for supporting zoning amendments that support desired growth, affordable housing, and the Climate Adaptation Committee's efforts
- Finishes the Library design process and supports a spring 2021 ground breaking
- Complete the seven collective bargaining unit contract negotiations in a timely fashion

### **BUDGET SUMMARY**

The proposed FY21 budget, inclusive of municipal operations and capital spending is decreasing \$202,266 or approximately 1.34% reduction from the prior fiscal year. For comparison, the FY20 budget for municipal operations and capital spending increased \$1,371,555, or approximately 4.33%.

The majority of the savings was achieved by reducing capital to only critical FY21 projects. Additional savings were realized by the reduction in KCC costs to reflect the cancellation of summer camps and other programs for the summer and early fall. The dissolution of the two TIF districts also generated savings.

There are a number of contributing factors impacting the budget including:

- Salary Adjustment line item increase driven by anticipated cost of living adjustments resulting from contract negotiations with seven collective bargaining units
- \$14,530 increase to address the salary disparity for the Town Clerk role
- \$10,950 increase in elections costs to support the rescheduled primary election and the November Presidential election
- \$154,397 increase in employee taxes and benefits including health and dental, retirement contributions, and retiree post-employment benefits (OPEB)
- \$100,000 in new debt for the first interest payment on the voter approved \$5M library bond
- \$42,000 increase in county taxes

- \$209,000 reduction in TIF District allocations, due to dissolution of TIF Districts 1 and 2

I can only address the municipal operations budget (exclusive of County Tax) and the capital budget. This budget does not reflect the plans and expectations of pre-COVID-19 Kittery. It does not include funding to advance a number of the town's stated initiatives and priorities identified before the pandemic gripped our country. The FY21 budget focuses on avoidance of service reductions and layoffs. This budget recognizes the financial uncertainty of our taxpayers and prioritizes restraint over the demands for added services.

I wish to thank our Department Heads, and our Administrative Assistant Suzanne Esposito for their invaluable assistance in developing this budget proposal. Their collective strength is awe inspiring as they face each day in a positive manner despite the challenges and uncertainty.

Sincerely,



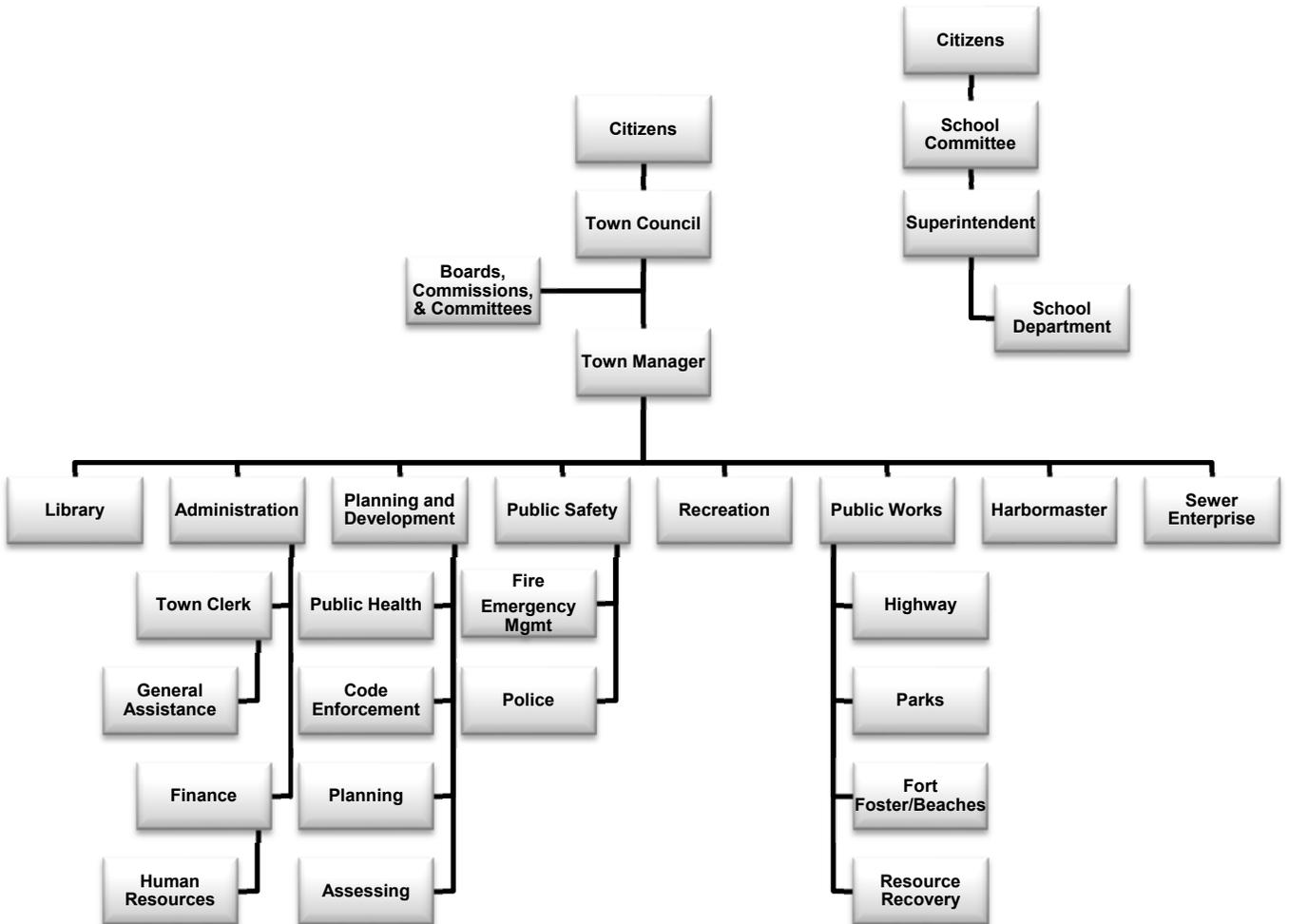
Kendra Amaral  
Town Manager

# Section I Overview



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# TOWN ORGANIZATION CHART



## **BUDGET CALENDAR**

The annual budget document is a numerical reflection of the Town of Kittery's values, priorities and goals. It serves as a policy document and is used throughout the year as a guide to decision-making and implementation of these priorities and goals. The budget preparation and approval represents a critical process that involves many months of coordination, consideration and compromise as all involved work together to best allocate financial resources, while being mindful and respectful of the tax burden on Kittery Citizens.

### **BUDGET CALENDAR**

#### **NOVEMBER**

Capital Investment requests due to Town Manager

#### **DECEMBER**

Capital Investment requests reviewed by the Capital Investment Committee

#### **JANUARY**

Operating Budget forms provided to Department Heads  
Town Manager and Superintendent meet to discuss overall financial picture

#### **FEBRUARY**

Municipal revenue estimates, salary projections and budget requests due to the Town Manager  
Capital Improvement Plan updated and presented to Town Council

#### **MARCH**

Town Manager and Department Heads meet to discuss budget requests  
School Committee Votes on School Budget and provides to Town Manager

#### **APRIL**

Town Manager finalizes proposed budget  
School Committee votes on School Budget Ordinances and provides to Town Clerk

#### **MAY**

Public Hearing and Town Council vote on School Budget Articles  
Town Manager presents Municipal Budget to Town Council and Council schedules  
Municipal Budget Hearing

#### **JUNE (POSTPONED TO JULY DUE TO COVID-19)**

Town Council holds Public Hearing and votes on Municipal Budget  
Public Hearing – Town Meeting Articles  
Town Election

## COMMUNITY PROFILE

Founded in 1647, Kittery is Maine's oldest incorporated town. Located at the mouth of the Piscataqua River, Kittery's land area is approximately 23.2 square miles, with over 19 miles of waterfront, and 80.4 road miles.

According to the 2019 U.S. Census projection, Kittery has a population of 9,819, and continues to be the 22nd most populated municipality in Maine<sup>4</sup>. Kittery is located within York County, which is the second most populated county in Maine. Kittery's daytime population nearly doubles due to local employers and seasonal tourism.

Kittery residents live in 5,059 housing units, which are approximately 65% owner occupied. The median household income is estimated at \$74,871. Approximately 4.9% of Kittery's residents have incomes below the poverty level.<sup>1</sup> While the median household income has increased approximately \$2,000 over the past year, the percentage of residents with incomes below the poverty level has increased 2%.

Kittery is directly adjacent to Portsmouth, New Hampshire, which has a population of over 21,500 people and a median income estimated at \$78,027<sup>1</sup>. The city is accessible from Kittery by three bridges over the Piscataqua River.

Kittery's full-time residential population level is most similar to Wells, Kennebunk, and Old Orchard Beach in York County. Kittery's municipal budget, exclusive of school spending and capital, is consistent with these comparably sized communities.

### Comparisons of Population, State Valuation<sup>2</sup>, Municipal Budget<sup>3</sup> and 2020 Tax Rate<sup>4</sup>

	2019 Population	2020 State Valuation	2020 Municipal Budget	2020 Tax Rate
Wells	10,675	\$ 3,533,050,000	\$15,036,707	\$ 10.42
Kennebunk	11,625	\$ 2,694,150,000	\$14,449,454	\$ 13.75
Old Orchard Beach	9,051	\$ 1,856,850,000	\$31,009,609	\$ 15.50
Kittery	9,819	\$ 1,866,050,000	\$13,130,598	\$ 17.40

The town has a working waterfront, significant open space and parkland, and multiple vibrant commercial hubs including its Foreside district and the outlet malls which attract tourists from across the country and around the world each year.

Within the boundaries of the town exists the only land-based access to the Portsmouth Naval Shipyard. The Shipyard is federal land and is used in the maintenance and support of the

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<sup>1</sup>Population and demographic information from U.S. Census Bureau, ACS Five-Year Population Estimate

<sup>2</sup>Source: Maine.gov Revenue Services

<sup>3</sup>Source: Town Budget Documents

<sup>4</sup>Source: Town websites

Navy's fleet of nuclear-powered submarines. The Shipyard employs over 8,000 civilian and non-civilian personnel and has for its planned growth of approximately \$109M in infrastructure investments underway.

Other large employers in the area include the Kittery Trading Post, and the York Hospital Walk-In Care Center. The town's wharves support commercial fishing and lobstering, along with recreational water uses.

Kittery has been experiencing a surge in economic and residential interest. Its amenities and features, its proximity to Portsmouth, and it being home to one of the largest employers in the region create higher demand for access to Kittery. Development has continued at a responsible and manageable rate in the commercial and manufacturing sectors.

The available residential housing stock remains limited, sustaining a competitive housing market. Median list price as of April 2020, two months into the COVID-19 pandemic response, was \$499,999, an increase of 33% over the prior year<sup>5</sup>. Trends show a sales-to-price ratio of 102%, meaning homes are selling slightly over asking price.

The Maine Housing Authority indicated that in 2019 the median home price was \$404,450 and the income needed to afford a median home was \$116,924. The affordability index went from 0.66 in 2018 to 0.65 in 2019.

This period of economic interest and growth, pre-COVID-19, was being harnessed to support the town's long-term goals and comprehensive plan. The comprehensive plan provides a vision for the town's growth; identifying areas for appropriate investment in economic and community development, and public infrastructure to ensure the surge in growth is responsible and beneficial for Kittery.

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<sup>5</sup> Source: Realtor.com

# BUDGET OVERVIEW

## BALANCED BUDGET SUMMARY

Revenue	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Budget	FY21 Proposed	Difference
<b>Taxes</b>						
Property Tax Revenue (Net Abatements)	22,948,977	23,726,909	24,541,734	25,679,811	26,528,538	848,727
PILOTs	-	1,817	3,286	5,000	3,200	(1,800)
	<b>22,948,977</b>	<b>23,728,726</b>	<b>24,545,020</b>	<b>25,684,811</b>	<b>26,531,738</b>	<b>846,927</b>
<b>Revenue Generating Operations</b>						
Recreation Fees	932,263	1,023,622	1,068,298	1,010,000	850,000	(160,000)
Solid Waste Fees & Fines	177,189	169,866	157,602	170,000	115,000	(55,000)
Fort Foster	198,952	219,168	237,967	255,000	175,000	(80,000)
Harbormaster Fees & Fines	133,351	129,135	169,694	148,600	108,600	(40,000)
Dispatch	90,000	91,350	93,360	108,000	123,360	15,360
Library Fees & Fines	0	0	0	13,800	10,000	(3,800)
	<b>1,531,754</b>	<b>1,633,140</b>	<b>1,726,922</b>	<b>1,705,400</b>	<b>1,381,960</b>	<b>(323,440)</b>
<b>Local Receipts</b>						
Excise (Auto/Boat)	1,862,676	1,985,317	2,036,372	1,827,500	1,620,000	(207,500)
Code Enforcement Fees	280,816	401,461	297,272	280,000	225,000	(55,000)
Lien Fees & Penalty Interest	46,265	52,549	57,162	53,000	45,000	(8,000)
Town Clerk & Registration Fees	51,513	55,257	55,617	54,150	52,000	(2,150)
Police Department Fees, Fines & Permits	38,259	39,376	45,832	41,530	52,530	11,000
Police Department Reimbursements	40,606	27,145	0	0	0	0
Planning and Land Use Fees	21,284	18,053	29,218	20,400	13,000	(7,400)
Animal Control	6,733	5,875	4,721	6,500	4,000	(2,500)
Other Local Receipts	11,548	12,649	10,001	7,208	4,750	(2,458)
	<b>2,359,700</b>	<b>2,597,682</b>	<b>2,536,195</b>	<b>2,290,288</b>	<b>2,016,280</b>	<b>(274,008)</b>
<b>State Provided</b>						
State Revenue Sharing	403,294	405,567	446,120	460,000	450,000	(10,000)
Homestead Reimbursement	170,311	206,517	267,578	275,000	300,000	25,000
General Assistance	30,705	35,504	34,348	45,000	45,000	0
MDOT Highway	11,500	11,500	0	11,500	11,500	0
Other State Provided	3,169	3,791	2,476	3,275	2,275	(1,000)
School Revenue	1,854,341	1,927,605	2,002,713	1,967,336	2,366,873	399,537
	<b>2,473,319</b>	<b>2,590,484</b>	<b>2,753,235</b>	<b>2,762,111</b>	<b>3,175,648</b>	<b>413,537</b>
<b>Other Revenue</b>						
GMH Housing	266,849	266,849	291,699	286,000	286,000	0
Investment Income	39,455	40,128	140,768	40,000	45,000	5,000
School Resource Officer	40,000	45,000	45,000	47,741	47,741	0
Trust Revenue	22,500	37,500	15,000	25,000	25,000	0
Sewer Department Rental	22,900	22,900	22,900	22,900	22,900	0
Miscellaneous/other	35,786	23,927	43,790	79,655	60,655	(19,000)
Carry forwards & Supplemental Appr	0	14,000	253,978	2,100	0	(2,100)
	<b>427,490</b>	<b>450,304</b>	<b>813,135</b>	<b>503,396</b>	<b>487,296</b>	<b>(16,100)</b>
<b>TOTAL REVENUE</b>	<b>29,741,240</b>	<b>31,000,337</b>	<b>32,374,508</b>	<b>32,946,006</b>	<b>33,592,921</b>	<b>646,916</b>
<b>Expenses</b>						
General Government	928,245	907,810	943,723	1,020,571	1,167,733	147,162
Shared Expenses	3,082,961	3,200,164	3,308,048	3,558,958	3,800,157	241,199
Planning & Code Enforcement	438,558	458,599	493,561	534,032	551,448	17,416
Public Safety	2,344,180	2,406,905	2,557,598	2,679,363	2,715,118	35,756
Public Works	1,609,442	1,758,354	1,829,662	1,983,259	2,020,492	37,233
Community and Human Services	1,673,817	1,736,499	1,778,273	1,772,195	1,771,615	(580)
County Tax	909,420	930,931	863,018	893,000	935,000	42,000
Streetlights	149,868	127,180	131,070	55,000	55,000	0
Hydrant Rental	246,775	254,179	254,179	261,804	262,000	196
Other	223,823	315,792	273,205	376,110	186,480	(189,630)
Education	15,722,827	16,675,009	17,229,230	17,695,885	18,672,378	976,492
Capital Investment	1,208,975	1,509,303	1,703,281	1,988,517	1,455,500	(533,017)
Overlay	-	-	-	-	-	0
Transfers to Other Funds	324,805	74,557	-	-	-	0
<b>TOTAL EXPENSES</b>	<b>28,863,697</b>	<b>30,355,284</b>	<b>31,364,849</b>	<b>32,818,695</b>	<b>33,592,921</b>	<b>774,227</b>
<b>NET</b>	<b>877,544</b>	<b>645,053</b>	<b>1,009,658</b>	<b>127,311</b>	<b>-</b>	

# MIL RATE PROJECTION AND ALLOCATION FY2021

## Mil Rate Projection

	FY17	FY18	FY19	FY20	FY21	\$ Change	% Change
Valuation Actual/Projected	1,428,715,466	1,437,006,766	1,458,091,186	1,478,141,893	2,040,852,455	562,710,562	38.07%
Taxes Committed/Projected	22,932,668	23,728,726	24,541,734	25,679,811	26,528,538	848,727	3.31%
Mil Rate	16.05	16.51	16.80	17.40	13.10	(4.30)	-24.71%
OVERLAY	92,479	64,990	113,564	135,000	175,000	40,000	29.63%
School Portion of Commitment	14,463,038	14,747,404	15,226,517	15,728,549	16,305,504	576,955	3.67%
Town Portion of Commitment	8,469,630	8,981,322	9,315,217	9,951,262	10,223,033	271,771	2.73%

## Mil Rate Projection Allocation

	ACTUAL FY17	ACTUAL FY18	ACTUAL FY19	COMMITTED FY20	PROPOSED FY21	\$ Change	% Change
<b>Mil Rate</b>	<b>16.05</b>	<b>16.51</b>	<b>16.80</b>	<b>17.40</b>	<b>13.10</b>	\$ (4.30)	<b>-24.71%</b>
Municipal	4.38	4.51	4.54	4.70	3.78	\$ (0.92)	<b>-19.53%</b>
Capital	0.85	1.05	1.17	1.35	0.72	\$ (0.63)	<b>-46.66%</b>
School	10.12	10.26	10.42	10.66	8.05	\$ (2.61)	<b>-24.45%</b>
County	0.64	0.65	0.59	0.61	0.46	\$ (0.15)	<b>-24.79%</b>
Overlay	0.06	0.05	0.08	0.09	0.09	\$ -	<b>0.00%</b>

## Undesignated Fund Balance History

	FY15	FY16	FY17	FY18	FY19
Municipal	4,226,375	5,088,925	5,217,892	5,988,495	6,313,900
School Department	315,748	444,846	613,679	751,469	0
<b>Total</b>	<b>\$4,542,123</b>	<b>\$5,533,771</b>	<b>\$5,831,571</b>	<b>\$6,739,964</b>	<b>\$6,313,900</b>
Budgeted Expenditures	26,994,287	27,342,151	28,863,697	30,355,284	33,592,921
Budgeted Monthly	2,249,524	2,278,513	2,405,308	2,529,607	2,799,410
2.5 Months Budgeted	5,623,810	5,696,281	6,013,270	6,324,017	6,998,525
Actual Months Town & School	2.02	2.43	2.42	<b>2.66</b>	<b>2.26</b>
Town and School Fund Balance as % of Total Budget	16.8%	20.2%	20.2%	22.2%	18.8%

# REVENUE SUMMARY

## REVENUE SOURCES

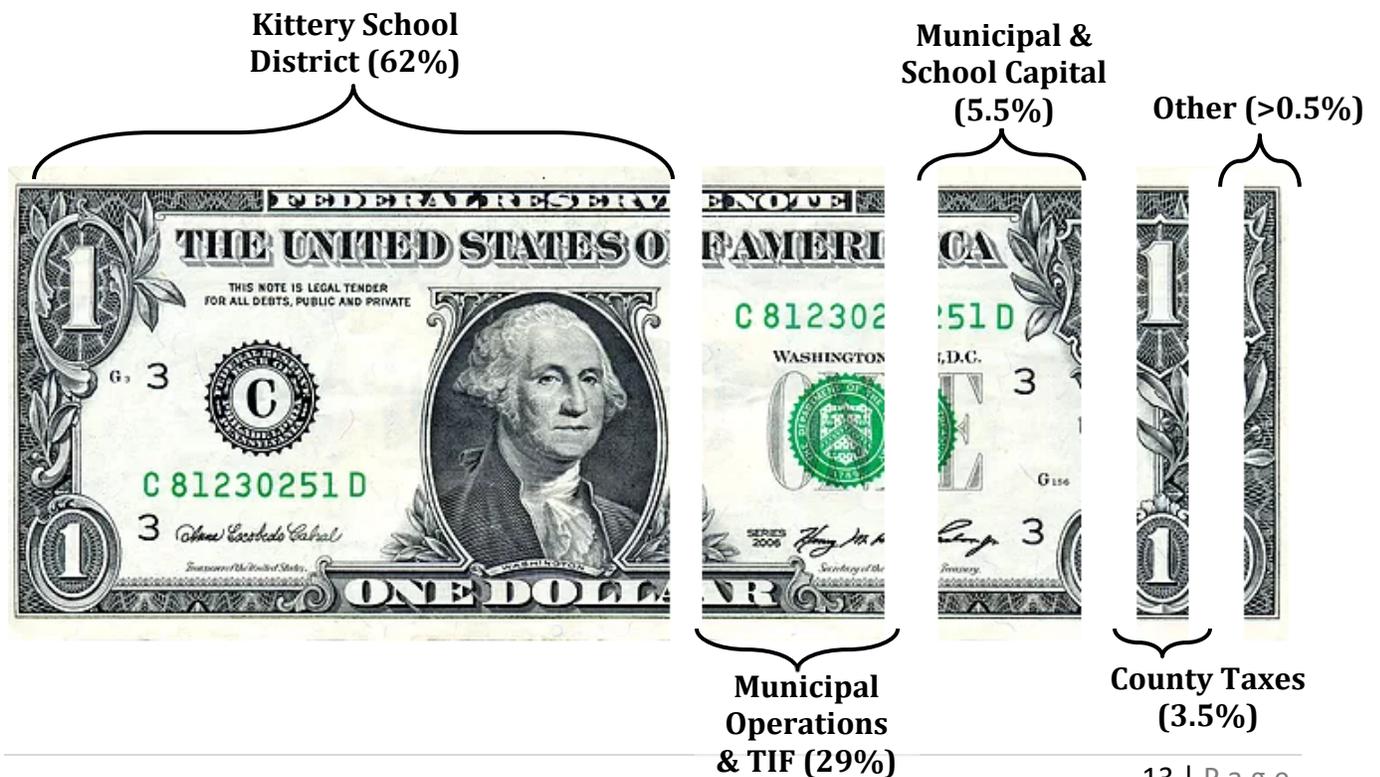
The Town of Kittery's primary revenue source is the local property tax. The property tax supports the municipal, school, capital, and the town's-share of the county operations. COVID-19 is expected to significantly reduce non-property tax revenue including state revenue sharing, Kittery Community Center revenue, permitting, and excise taxes. Approximately 79% of the annual town and school appropriation is expected to be funded through local property taxes, a 2% increase from the prior year.

Approximately 31% of municipal operations are funded through non-property tax revenue. Approximately 13% of school operations are funded through non-property tax revenue. The town is a minimum receiver for education funding, meaning the state only provides financial support for mandated special education programs.

Each tax dollar paid supports a variety of local and county government functions. \$0.62 of every dollar paid in property tax supports Kittery's educational programs. Due to the projected reduction in operating revenue resulting from COVID-19, municipal operations are expected to require \$0.29 of each property tax dollar. This is an increase, despite the 1.33% decrease in the municipal/capital budget over the prior year. Municipal operations include: public works, police, administration, planning and code enforcement, fire service, recreation, and other functions.

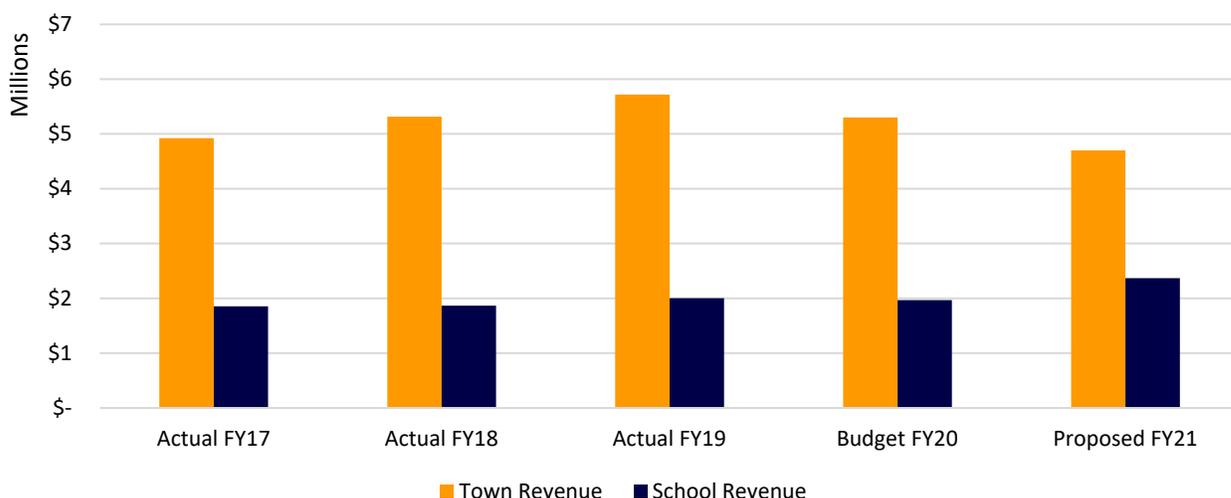
Capital is funded with \$0.055 from every property tax dollar raised, and the county receives \$0.035 of every dollar. The remaining is for ancillary charges such as the overlay.

### Tax Dollar Breakdown



Due to COVID-19, the municipal operation is projecting an 11.35% decrease in recurring non-property-tax revenue, or approximately \$601,348 over the prior year. Reductions are projected in most line items, with the most significant being excise tax, recreation, Fort Foster, and boating related revenues. Maine revenue sharing projections have not be updated to reflect the current COVID-19 impact on tourism and sales. The duration of social distancing, a possible second wave of COVID-19 transmission, and uncertainty about long term economic impacts of the pandemic are unknown factors on the town’s non-property tax revenues.

### Non-Property Tax Revenue Sources



The recreation, arts and cultural programming being offered by the KCC has continued to grow, generating significant recreation revenue. The impacts of social distancing are impacting the KCC hardest, including the preschool program, summer camps, rentals, and instructional programming.

The majority of revenue raised from Fort Foster is in the summer months. The state guidelines for social distancing at the beaches, and general concern about the spread of COVID-19 is expected to impact seasonal and day pass sales this summer. Service limitations will also likely have an impact on pass sales and visitation.

Pepperrell Cove generates transient mooring, slip rentals, and hourly dockage fees from boaters visiting Kittery and the area restaurants. State guidelines for social distancing currently limit marina use for out-of-state boaters. The restaurants will have limited seating capacity under the current state guidelines, further reducing draw for boaters. The longer-term economic impacts of COVID-19 could impact recreational boating and mooring renewals in the 2021 season as well, as boat owners make decisions about next season’s boating activity.

## Revenue Generating Operations

Revenue Projections	Actual FY17	Actual FY18	Actual FY19	Budget FY20	Projected FY21	Variance
Recreation	\$932,263	\$1,023,622	\$1,068,298	\$1,010,00	\$850,000	(\$160,000)
SW Fees & Fines	\$177,189	\$169,866	\$157,602	\$170,000	\$115,000	(\$55,000)
Fort Foster Fees	\$198,952	\$219,168	\$237,967	\$255,000	\$175,000	(\$80,000)
Harbormaster Fees	\$133,351	\$129,135	\$169,694	\$148,600	\$108,600	(\$40,000)
Dispatch Income	\$80,000	\$90,000	\$93,360	\$108,000	\$123,360	\$15,360
<b>Total</b>	<b>\$1,422,765</b>	<b>\$1,531,754</b>	<b>\$1,726,921</b>	<b>\$1,691,600</b>	<b>\$1,371,960</b>	<b>(\$319,640)</b>

The town is in year-two of its dispatch services contract with the Town of Eliot. The agreement has Eliot's fees for service increasing approximately \$15,000 per year. The goal of the agreement is to get Eliot to a rate that is more consistent with the per-person rate Kittery tax-payers pay for dispatch services.

The Resource Recovery Center's Solid Waste (SW Fees & Fines) revenue is derived primarily from the sale of materials to recycling companies. Household mixed paper, glass, and certain plastics are seeing some stabilization of the resale markets. However, the town has still not seen collected revenue match projections. The town continues to adjust its sorting processes at the Resource Recovery Center to capture as much valuable material as possible from the waste-stream. Other materials are either no longer sorted, or have only enough value to cover the cost of transport and disposal.

### REVENUE SHARING AND FEDERAL SUPPORT

Approximately 23% of non-property tax revenue comes from state Revenue Sharing, property tax relief reimbursement programs, and payment-in-lieu-of-taxes from the Portsmouth Naval Shipyard (PNSY).

State revenue sharing projections have not been updated to reflect COVID-19 impacts. Statewide, communities are projecting between 8% to 10% decrease in state revenue sharing. The town has historically projected revenue sharing conservatively, in part to guard against state sales tax reductions, which are not in Kittery's control. The FY21 state revenue sharing projection reflects a 2% decrease on the FY20 budget, but an 11% decrease over actual collections for FY20.

Renegotiation and renewal of the PILOT program for federal military housing in Kittery was stalled due to the pandemic outbreak. Negotiations are expected to be concluded in the summer of 2020.

### TAXABLE VALUATION

Maine law requires municipalities to revalue real estate every 10 years or when assessed values go below 60% of market, whichever is sooner. Kittery had gone seven years without a

revaluation and assessed values were certified at approximately 79% of value for the prior fiscal year.

The revaluation will produce approximately \$563M in net additional value, inclusive of new growth (new construction) and annual sales, and exclusive of exemptions, for the year. By comparison, the town typically gains \$15M on average in new value per year. The resulting increase in value is expected to reduce the mil rate approximately \$4 per thousand. It is important to note that the revaluation does not lower tax bills; it simply redistributes the tax levy allocation to reflect current market values.

Not surprisingly, the largest growth in value from the revaluation is in single family homes. This is consistent with the growing median single-family home sale price. Single family home values are growing in value approximately 42%, adding \$400M in total value. Single family homes represent the town’s predominate value category, making up 62% of the total property valuation in Kittery. Other residential categories including multi-family homes, condos, mobile homes added an additional \$120M.

Commercial is adding \$68M in value, a 30% increase over the prior year. COVID-19 may have a significant impact on commercial operations as businesses sort through how to operate with social distancing rules and a potential economic downturn. It is unclear what the vacancy and/or redevelopment rate of commercial property will be during the upcoming fiscal year.

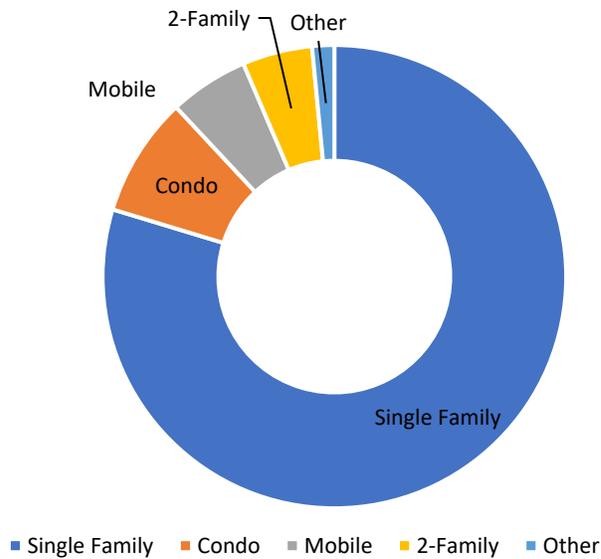
The Homestead exemption will increase slightly as a result of the revaluation of property in 2019. Homestead reimbursements are reduced by the percentage of market value the municipality is assessed at. The recent revaluation will take the town from approximately 79% of market value to approximately 99%, increasing the homestead reimbursement accordingly.

Referring back to the Comparable Communities chart, it is clear that valuation, not spending, is the driving factor for the tax rate.

### Comparable Communities

	State Valuation	Municipal Budget	Tax Rate
Wells FY20	\$ 3,533,050,000	\$15,036,707	\$ 10.42
Kennebunk FY20	\$ 2,694,150,000	\$14,449,454	\$ 13.75
Old Orchard Beach FY20	\$ 1,856,050,000	\$31,009,609	\$ 15.50
Kittery FY21 Proposed	\$ 2,040,852,455	\$13,465,787	\$ 13.10

## Residential Property Values as % by Category



Kittery launched a land use ordinance recodification effort in 2018 to simplify the complex and reactionary zoning code and incorporate development standards that responds to the town's growth goals in a proactive manner. The effort has included reorganizing the code, eliminating inconsistencies and conflicts, and simplifying review and approval processes. The recodification is being proposed for adoption in the summer of 2020.

The town is reevaluating its position on retail marijuana. A working group was formed early in 2020 to review the state law revisions and begin developing land use and licensing ordinances for retail marijuana. Draft ordinances are expected to be presented to the Planning Board and Town Council in the fall of 2020.

## FY2021 REVENUE DETAIL

	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUAL	FY20 BUDGET	FY21 PROPOSED	VARIANCE	%
43001 PROPERTY TAX REVENUE	8,502,482	9,143,032	9,294,991	9,951,262	10,223,033	271,771	
43003 PROPERTY TAX ABATEMENTS	(16,544)	(17,998)	(101,731)	-	-	-	
43004 PAYMENT IN LIEU OF TAXES-PILOT		1,817	3,286	5,000	3,200	(1,800)	
43006 HOMESTEAD EXEMPT STATE REIMB	170,311	206,517	267,578	275,000	300,000	25,000	
43007 TREE GROWTH REVENUE	2,758	2,968	2,772	2,758	2,750	(8)	
43031 EXCISE TAX AUTOMOBILE	1,836,540	1,958,762	2,006,973	1,800,000	1,600,000	(200,000)	
43032 EXCISE TAX BOAT	26,136	26,555	29,399	27,500	20,000	(7,500)	
43109 SIGN PERMITS	3,250	3,250	2,925	3,000	2,000	(1,000)	
43110 CODE ENFORCEMENT FEES	280,816	401,461	297,272	280,000	225,000	(55,000)	
43113 BOARD OF ASSESSMENT REVIEW	100	100	-	200	-	(200)	
43114 ADDITIONAL LAND USE FEES	5,010	4,868	5,010	4,400	3,000	(1,400)	
43115 PLANNING FEES (SUBDIVISIONS)	16,274	13,185	24,208	16,000	10,000	(6,000)	
43120 TOWN CLERK FEES	22,915	26,889	26,701	24,000	24,000	-	
43121 WILDLIFE AGENT FEE	1,164	1,202	1,218	1,200	1,200	-	
43122 ANIMAL WELFARE AGENT FEE	1,720	1,697	1,570	1,600	1,600	-	
43130 TOWN REGISTRATION FEES	28,598	28,368	28,916	27,000	25,000	(2,000)	
43135 HWY PERMITS & FEES	1,787	2,194	530	1,000	-	(1,000)	
43140 SOLID WASTE PERMITS & FEES	82,161	90,776	104,108	50,000	70,000	20,000	
43145 SOLID WASTE RECYCLING	95,028	79,090	53,494	120,000	45,000	(75,000)	
43147 DINGHY FEES	11,355	11,735	10,600	13,000	10,000	(3,000)	
43148 TRANSIENT SLIP RENTAL	3,165	770	4,900	5,000	1,500	(3,500)	
43149 KPA APPLICATION FEES	990	700	400	1,000	500	(500)	
43150 MOORING FEES	82,479	81,042	116,002	97,500	80,000	(17,500)	
43151 LAUNCH FEE	15,558	14,026	16,306	15,500	12,000	(3,500)	
43152 TRANSIENT MOORING	5,955	4,570	6,830	8,500	2,500	(6,000)	
43153 WAIT LIST FEE	1,455	1,566	1,128	1,600	1,100	(500)	
43154 HARBOR & WATER USAGE FEE	11,714	10,812	9,929	5,000	-	(5,000)	
43156 PIER USAGE FEES	680	2,440	3,000	1,000	1,000	-	
43157 MOORING LATE FEES		1,475	600	500	-	(500)	
43160 FORT FOSTER FEES	198,952	219,168	237,967	255,000	175,000	(80,000)	
43165 SPRINKLER PERMITS	100	1,000	800	250	-	(250)	
43210 LIEN FEES	8,761	7,353	5,533	15,000	7,000	(8,000)	
43220 PENALTY INTEREST	37,504	45,196	51,629	38,000	38,000	-	
43320 RECREATION FEES	932,263	1,023,622	1,068,298	1,010,000	850,000	(160,000)	
43330 ANIMAL CONTROL	6,733	5,875	4,721	6,500	4,000	(2,500)	
43335 POSTAGE	146	36	-	-	-	-	
43336 PHOTO COPIES	523	203	187	350	200	(150)	
43349 DEA OVERTIME REIMBURSEMENT	18,474	18,042	-	-	-	-	
43350 OUTSIDE DETAIL REIMBURSEMENT	22,132	9,103	-	-	-	-	
43351 ACCIDENT REPORTS	2,502	2,427	3,405	3,000	3,000	-	
43352 PARKING TICKETS	17,205	18,250	26,672	19,000	30,000	11,000	
43353 GUN PERMITS	1,252	1,085	1,000	2,000	2,000	-	
43354 ELIOT DISPATCHING SERVICES	90,000	91,350	93,360	108,000	123,360	15,360	
43355 ORDINANCE FINES	50	350	1,600	350	350	-	
43356 WITNESS FEES	310	374	55	300	300	-	
43358 FALSE ALARMS	940	890	1,100	880	880	-	
43359 AMBULANCE DISPTACH FEES	16,000	16,000	12,000	16,000	16,000	-	

Continued on the next page

## FY2021 Revenue Detail (cont'd)

	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUAL	FY20 PROPOSED	FY21 PROPOSED	VARIANCE	%
43410 MDOT HWY MAINTENANCE REVENUE	11,500	11,500	-	11,500	11,500	-	
43420 STATE REVENUE SHARING	403,294	405,567	446,120	460,000	450,000	(10,000)	
43421 STATE PARK FEE REV SHARING	505	903	-	275	275	-	
43443 RESTITUTION INCOME/UNAPPROP	2,664	2,888	2,476	3,000	2,000	(1,000)	
43470 STATE OF MAINE GENERAL ASSISTA	30,705	35,504	34,348	45,000	45,000	-	
43480 MARY SAFFORD WILDES TRUST/WELF	22,500	37,500	15,000	25,000	25,000	-	
43510 INTEREST ON INVESTMENTS	39,171	40,128	140,768	40,000	45,000	5,000	
43530 MISCELLANEOUS REVENUE/UNAPPO	35,254	14,729	18,424	20,000	15,000	(5,000)	
43540 SEWER DEPT RENT	22,900	22,900	22,900	22,900	22,900	-	
43555 SNOWMOBILE/HANDICAP/ELDER	450	642	616	655	655	-	
43560 GMH HOUSING	266,849	266,849	291,699	286,000	286,000	-	
43575 SUP APPRO FROM UNDESIGNATED	-	-	-	-	-	-	
43576 TRANSFER IN FROM OTHER FUNDS	-	-	243,978	50,000	35,000	(15,000)	
43580 USE OF CARRY FORWARDS	-	-	-	2,100	-	(2,100)	
45007 INTEREST REVENUE	284	-	-	-	-	-	
45020 MMA WKRS COMP DIVIDEND	82	8,556	24,750	9,000	10,000	1,000	
45025 SCHOOL RESOURCE OFFICER COMP	40,000	45,000	45,000	47,741	47,741	-	
43221 LIBRARY FINES AND FEES	-	-	-	10,200	10,000	(200)	
43222 RENTAL INCOME	-	-	-	3,600	-	(3,600)	
<b>TOTAL REVENUE</b>	<b>13,423,860</b>	<b>14,456,856</b>	<b>15,013,321</b>	<b>15,250,121</b>	<b>14,920,544</b>	<b>(329,577)</b>	<b>-2.2%</b>

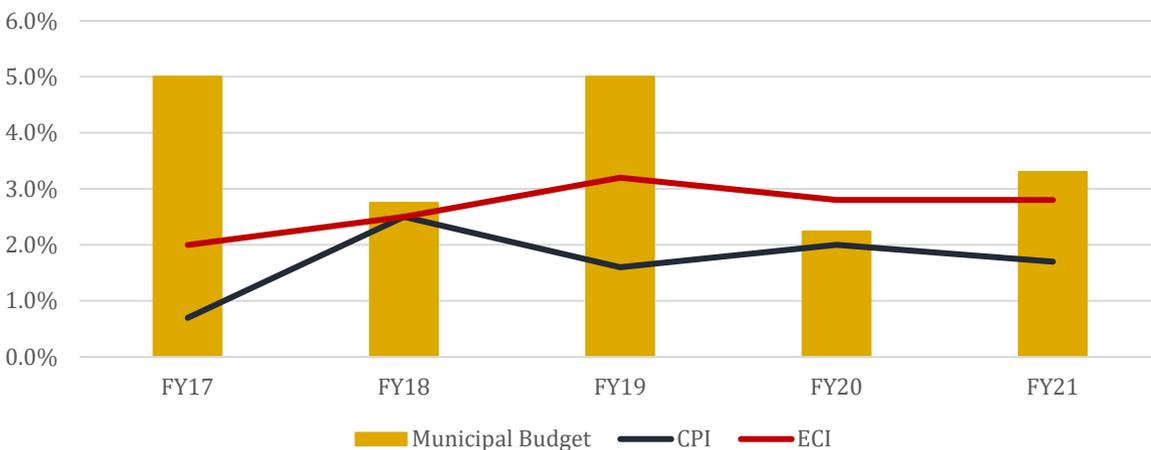
## EXPENSE SUMMARY

The FY21 annual tax commitment for municipal and school operations is projected to increase from \$25,697,811 to \$26,528,538 or approximately \$848,757 (3.31%). Total spending for municipal operations and capital is decreasing \$202,266 (-1.34%). The proposed property tax levy is \$2.4M less than the LD-1 limit for municipal appropriations.

Municipal operations, exclusive of capital, county taxes, and TIF revenue offsets, are projected to increase 4% in the coming year. The increase reflects the impact of the state's minimum wage increase on various wage rates, anticipated collective bargaining negotiations, and increased health and benefit costs. Comparatively, the Employer Cost Index is 2.8% for a second year in a row. The Employment Cost Index is a better measure of inflationary pressure on the municipal budget, as the town is primarily a service provider, with costs for wages and benefits exceeding 60% of the annual budget.

Kittery remains in line with its comparable communities, relative to the cost of providing major municipal services. Logically, the scale of spending for police, fire, highway, parks, solid waste, and other municipal services for this area of Southern Maine should be generally consistent.

### % Increase Consumer Price Index, Employment Cost Index, and Municipal Operations<sup>6</sup>



### MUNICIPAL COST DRIVERS

The spending plan for the municipal and capital operations has been developed to support the priorities of the town in the coming fiscal year.

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<sup>6</sup> Source: Bureau of Labor Standards, Consumer Price Index Northeast Region New England Division, Employment Cost Index, Civilian, 12 months ended Mar 2020. Municipal operations exclude capital, county taxes and TIF revenue offset.

Approximately \$7.9M in the \$13.4M operating budget is associated with wages and benefits for active and retired employees. That represents 61.5% of the operating budget. Of that, approximately \$2.13M is dedicated to employer costs such as health and retirement benefits.

The Administration Budget Salary Adjustment line item contains anticipated costs for wage increases associated with the negotiation of the seven collective bargaining agreements that expire June 30, 2020. The CBAs cover all full-time staff excepting department heads. Contract negotiations have been delayed due to the focus on COVID-19.

Elections are increasing to reflect the postponement of the June 2020 election to July due to COVID-19. The town is also preparing for the November Presidential election. Additional ballot machines will be needed to manage the anticipated high turnout rate.

The budget includes a part-time project planner. This position was added in the prior fiscal year to assist the Planning Department with a number of the town's goals on major land use initiatives including the recodification, affordable housing, short term rentals, and retail marijuana, among others.

County taxes are going up 4.7%, approximately \$42,000. County taxes are 6.9% of the municipal operating budget. This expenditure effectively serves as the town's fifth largest department budget.

The TIF district allocation is decreasing sharply as a result of the dissolution of TIF Districts 1 and 2. Total TIF allocation is \$27,000 down from \$236,000.

The various technology/computer lines in Police, Administration, Planning, Recreation, and Miscellaneous have been adjusted to reflect the focus on preventative management of the environment through regular monitoring, project planning, and proactive maintenance of the hardware and virtual environment. Network architecture improvements are underway and should result in long-term savings and cost avoidance. COVID-19 is also adding software and hardware costs needed to expand contact-free services and work flow.

Janitorial supplies have been increased across most departments to reflect the increase in cleaning and disinfecting needed to maintain safe operations during COVID-19.

## SUMMARY OF FY2021 DEPARTMENT EXPENDITURES

Expense Projections	ACTUAL FY17	ACTUAL FY18	ACTUAL FY19	BUDGET FY20	SUBMITTED FY21	\$ Change	% Change
<b>GENERAL GOVERNMENT</b>							
Admin	913,698	888,228	928,647	1,001,421	1,137,633	136,212	13.60%
Council	4,936	4,093	5,345	7,350	7,350	-	0.00%
Elections	9,611	15,490	9,730	11,800	22,750	10,950	92.80%
<b>Total General Government</b>	<b>928,245</b>	<b>907,810</b>	<b>943,723</b>	<b>1,020,571</b>	<b>1,167,733</b>	<b>147,162</b>	<b>14.42%</b>
<b>SHARED EXPENSES</b>							
Retirement	393,540	445,145	488,893	561,287	603,611	42,323	7.54%
FICA	344,953	353,549	377,475	427,088	441,891	14,803	3.47%
Workers Compensation	165,773	149,608	186,587	150,000	143,972	(6,028)	-4.02%
Medical - Active Employees	938,887	1,018,100	1,009,078	1,160,623	1,233,556	72,933	6.28%
Dental - Active Employees	8,289	10,882	10,520	13,763	13,204	(559)	-4.06%
Property and Casualty Insurance	138,212	156,767	166,526	176,077	183,124	7,046	4.00%
Self Insurance Claims	18,520	9,049	2,250	-	-	-	--
Retired Medical & Dental	152,230	159,736	186,408	202,988	226,535	23,546	11.60%
Misc Employee-related costs	31,431	33,323	39,500	39,400	39,733	333	0.84%
Employee Benefits & Insurance	2,191,835	2,336,159	2,467,238	2,731,228	2,885,625	154,397	5.65%
Debt Service	891,126	864,005	840,811	827,730	914,532	86,802	10.49%
<b>Total Shared Expenses</b>	<b>3,082,961</b>	<b>3,200,164</b>	<b>3,308,048</b>	<b>3,558,958</b>	<b>3,800,157</b>	<b>241,199</b>	<b>6.78%</b>
<b>PLANNING &amp; CODE ENFORCEMENT</b>							
Planning Board & BOA	9,765	8,234	7,612	12,050	10,335	(1,715)	-14.23%
Planning & Code Enforcement	428,272	449,845	485,458	521,462	540,593	19,131	3.67%
Misc Exp - Public Health	520	520	491	520	520	-	0.00%
<b>Total Planning &amp; Code Enforcement</b>	<b>438,558</b>	<b>458,599</b>	<b>493,561</b>	<b>534,032</b>	<b>551,448</b>	<b>17,416</b>	<b>3.26%</b>
<b>PUBLIC SAFETY</b>							
Fire	306,883	298,052	309,921	351,083	373,312	22,229	6.33%
Police	2,037,297	2,108,854	2,247,677	2,328,280	2,341,806	13,526	0.58%
Misc Exp - Civil Preparedness	-	-	-	-	-	-	--
<b>Public Safety</b>	<b>2,344,180</b>	<b>2,406,905</b>	<b>2,557,598</b>	<b>2,679,363</b>	<b>2,715,118</b>	<b>35,756</b>	<b>1.33%</b>
<b>PUBLIC WORKS</b>							
Highway	878,528	1,073,135	1,069,346	1,096,698	1,114,500	17,803	1.62%
Resource Recovery	482,091	447,847	501,275	569,322	571,906	2,584	0.45%
In Town Parks	122,488	114,957	110,167	155,597	164,062	8,465	5.44%
Fort Foster/Beaches	126,335	122,415	148,875	161,642	170,024	8,382	5.19%
<b>Public Works</b>	<b>1,609,442</b>	<b>1,758,354</b>	<b>1,829,662</b>	<b>1,983,259</b>	<b>2,020,492</b>	<b>37,233</b>	<b>1.88%</b>
<b>COMMUNITY &amp; HUMAN SERVICES</b>							
Library	448,412	467,380	478,901	422,813	438,623	15,810	3.74%
Harbormaster	94,045	87,371	100,903	106,574	107,577	1,004	0.94%
Recreation	987,087	1,042,317	1,054,269	1,084,674	1,053,545	(31,129)	-2.87%
General Assistance	59,440	47,976	49,070	50,000	65,000	15,000	30.00%
Community Agencies	11,730	10,865	8,365	9,165	7,900	(1,265)	-13.80%
Adult Education	73,103	80,590	86,765	98,970	98,970	-	0.00%
<b>Community and Human Services</b>	<b>1,673,817</b>	<b>1,736,499</b>	<b>1,778,273</b>	<b>1,772,195</b>	<b>1,771,615</b>	<b>(580)</b>	<b>-0.03%</b>
<b>MISC EXPENSES - OTHER</b>							
County Tax	909,420	930,931	863,018	893,000	935,000	42,000	4.70%
Streetlights	149,868	127,180	131,070	55,000	55,000	-	0.00%
Hydrant Rental	246,775	254,179	254,179	261,804	262,000	196	0.07%
TIF	60,901	167,985	139,334	236,000	27,000	(209,000)	-88.56%
Other Miscellaneous	141,428	147,807	133,871	140,110	159,480	19,370	13.82%
Miscellaneous Expenses	1,508,392	1,628,083	1,521,473	1,585,914	1,438,480	(147,434)	-9.30%
<b>Total Operating Expenses</b>	<b>11,585,596</b>	<b>12,096,415</b>	<b>12,432,338</b>	<b>13,134,292</b>	<b>13,465,044</b>	<b>330,751</b>	<b>2.52%</b>
	11.9%	4.4%	2.8%				
<b>CAPITAL IMPROVEMENT PLAN</b>	<b>1,208,975</b>	<b>1,509,303</b>	<b>1,703,281</b>	<b>1,988,517</b>	<b>1,455,500</b>	<b>(533,017)</b>	<b>-26.80%</b>
<b>TOTAL MUNICIPAL EXPENSES</b>	<b>12,794,571</b>	<b>13,605,718</b>	<b>14,135,619</b>	<b>15,122,809</b>	<b>14,920,544</b>	<b>(202,266)</b>	<b>-1.34%</b>

## FY21 COSTS BY CATEGORY

	Personnel	Utilities	Building/ Equip	Other	Total	% of Total
Administration	675,083	19,925	54,000	223,625	<b>972,633</b>	7.2%
Council	4,000			3,350	<b>7,350</b>	0.1%
Elections	3,000		3,750	16,000	<b>22,750</b>	0.2%
Planning	346,208	1,400	4,500	198,820	<b>550,928</b>	4.1%
Fire	242,442	34,118	45,819	50,933	<b>373,312</b>	2.8%
Police	2,056,531	45,645	153,600	86,030	<b>2,341,806</b>	17.4%
Harbormaster	72,027	4,400	12,500	18,650	<b>107,577</b>	0.8%
Public Works	1,144,736	37,456	246,850	591,450	<b>2,020,492</b>	15.0%
Recreation	786,203	78,622	34,055	154,665	<b>1,053,545</b>	7.8%
Miscellaneous	170,520	317,000	65,000	94,480	<b>647,000</b>	4.8%
Health and Retirement	2,111,639				<b>2,111,639</b>	15.7%
FICA	441,891				<b>441,891</b>	3.3%
Workers' Compensation	143,972				<b>143,972</b>	1.1%
Library	285,499	18,275	21,000	113,849	<b>438,623</b>	3.3%
<b>Subtotal</b>	<b>8,483,751</b>	<b>556,841</b>	<b>641,074</b>	<b>1,551,852</b>	<b>11,233,518</b>	
<b>% of Total</b>	<b>63.0%</b>	<b>4.1%</b>	<b>4.8%</b>	<b>11.5%</b>	<b>83.4%</b>	

### OTHER

Property and Casualty	183,124					
General Assistance	65,000					
Community Support	7,900					
County Tax	935,000				6.9%	
TIF	27,000				0.2%	
Adult Education	98,970					
Debt	914,532					
<b>Subtotal</b>	<b>2,231,526</b>				<b>16.6%</b>	

<b>GRAND TOTAL</b>	<b>\$ 13,465,044</b>
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## CAPITAL INVESTMENT PLAN

The Fiscal Year 2021 to Fiscal Year 2025 Capital Improvement Plan (FY21-FY25 CIP) reflects a continuing effort to refine the data and analysis used to develop the CIP. The amount of detail and forethought being applied to the replacement schedules affords the CIP Committee and the Town an enhanced ability to manage annual capital funding needs and plan for future projects.

Since 2012, the Capital Improvement Program has supported the completion of \$20.9M of projects through capital appropriation and bonding. The Town currently holds \$2M for planned and unplanned future needs associated with roadways, equipment, buildings, technology, and land improvements. This “reserve” approach to funding capital has allowed the Town to make large purchases like a pumper truck in FY19 for \$550,000, and make approximately \$500,000 in annual investments in the roads without requiring debt, or deferring other equally important capital projects each year.

The originally proposed funding for capital and reserves in FY21 is \$1,986,517, representing a decrease of \$2,000 over the previous year. However, to support the revised budget goals, the capital funding has been reduced to \$1,455,550. Funding is focused primarily on FY21 needs such as pavement management, technology and municipal buildings. The funding also includes the town’s match for the \$300,000 Land and Water Conservation Fund grant for Emery Field Phase 2.

The prior year’s published plan was developed with a direct focus on stabilizing the capital plan and projecting future needs with better certainty.

The annual funding requirements for the CIP attained a stabilization status, due in large part to the incorporation of detailed, long-range asset management plans established for each category of asset. The stabilization of the capital budget is benefiting the town by allowing for a reduction in FY21 funding without jeopardizing the long-term management of town assets.

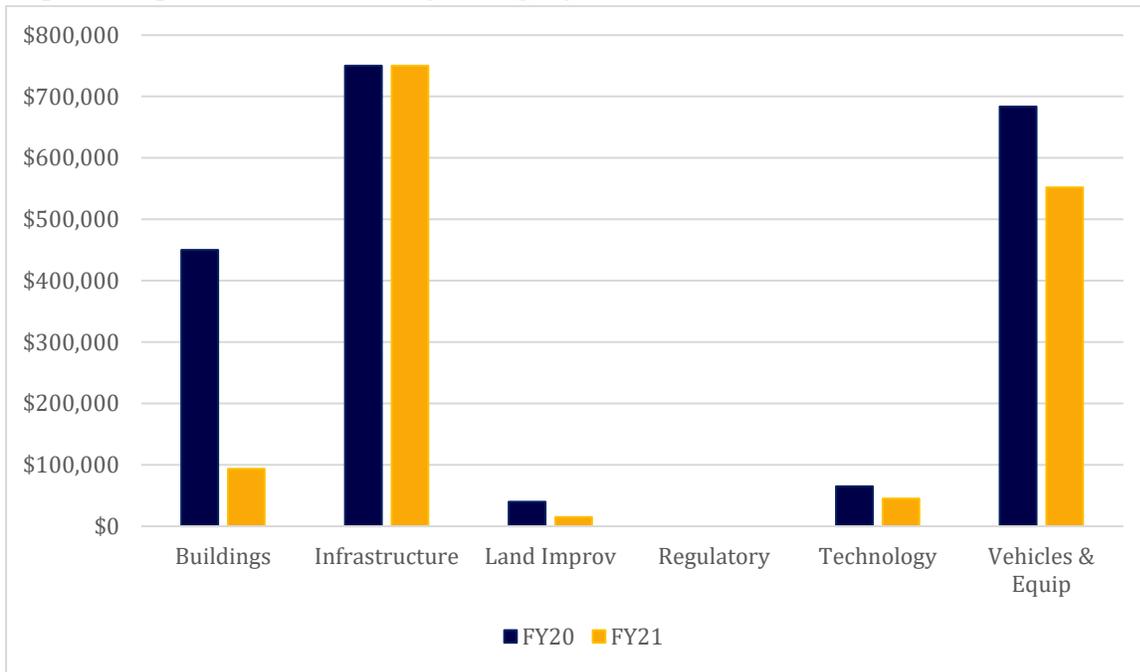
Funding for Holding Accounts is proposed to decrease \$135,859 from the prior fiscal year. Funding is being retained for the pavement management program/road repaving at \$450,000. This is the second year the CIP has a detailed Facility Management plan incorporated into it; and serves as the basis for the Municipal Facility Reserve account requests. The plan includes replacement schedules for heating and cooling, building envelope (windows and roofs), interior finishes, electrical systems, life safety systems, and parking lots.

The Capital Reserve Accounts are projected to decrease \$57,167 in FY21. The DPW Vehicle reserve was retained to address failing equipment at the KRRF. A number of reserve accounts are not funded in FY21 to accommodate the budget goal.

Capital Projects are decreasing by \$340,000. The Emery Field Phase 2 project will expand the existing parking lot, finish the walking path, add a new playground, resurfaced basketball court, and new pickleball courts. Total project cost is \$706,872 exclusive of design costs. The Town was awarded a grant to fund \$300,000 of the project cost. The CIP request will cover the majority of the remaining costs, with additional funds being accessible through the Warrant Article approval to make undersigned reserve funds available for grant match purposes.

Reserve funds needed to maintain the long-term capital plans will be adjusted in the following years to address the cuts made this fiscal year. The town is also starting to track potential projects and expenditures “on the horizon” that could impact the unassigned reserve fund, the capital plan, or debt. These projects reflect ideas identified by the Town Council and CIP Committee, but not yet vetted, prioritized, or approved.

### Capital Improvement Costs by Category



## REVISED FY21 Capital Improvement Plan

CAP TYPE	FUND TYPE	FUND CODE	FUND DEPT	Project Name	TYPE	FY20 Approved	REVISED FY21 Plan
<b>HOLDING ACCOUNTS</b>							
HLDG	CP	4002	DPW	Right of Way Reserve	Infrastructure	\$ 500,000	\$ 450,000
HLDG	CP	4013	FD	Fire Apparatus & Vehicle Reserve	Vehicles & Equip	165,850	-
HLDG	CP	2057	GG	Open Space Reserve	Land Improv	-	-
HLDG	CP	4027	GG	Municipal Facility Reserve	Buildings	-	80,000
HLDG	CP	2078	GG	Athletic Field Master Plan	Land Improv	-	-
<b>HOLDING ACCOUNTS TOTAL</b>						<b>\$ 665,850</b>	<b>\$ 530,000</b>
<b>RESERVE ACCOUNTS</b>							
RES	CP	4012	DPW	DPW Vehicles & Equipment Reserve	Vehicles & Equip	\$ 300,000	\$ 361,000
RES	CP	4017	DPW	MS4 Compliance Reserve	Infrastructure	10,000	-
RES	CP	4043	DPW	Parks Reserve	Land Improv	40,000	15,000
RES	CP	SCH	ED	School Facility Reserve	Buildings	50,000	-
RES	CP	SCH	ED	School Vehicle Reserve	Vehicles & Equip	10,000	-
RES	CP	SCH	ED	School Equipment Reserve	Vehicles & Equip	40,000	-
RES	CP	SCH	ED	School Technology Reserve	Technology	40,000	-
RES	CP	4056	FD	Fire Equipment Reserve	Vehicles & Equip	57,667	44,000
RES	CP	4020	TM	Municipal Technology Reserve	Technology	25,000	45,000
RES	CP	4011	KCC	KCC Vehicle Reserve	Vehicles & Equip	-	-
RES	CP	4019	KCC	KCC Equipment Reserve	Vehicles & Equip	-	-
RES	CP	4051	KCC	KCC Facility Reserve	Buildings	-	-
RES	CP	4018	KPA	KPA Boat Reserve	Vehicles & Equip	-	-
RES	CP	4055	KPA	KPA Equipment Reserve	Vehicles & Equip	15,000	-
RES	CP	4116	KPA	KPA Facility Reserve	Infrastructure	-	-
RES	CP	4022	PD	Police Vehicle Reserve	Vehicles & Equip	95,000	147,000
RES	CP	NEW	PD	Police Equipment Reserve	Vehicles & Equip	-	-
RES	CP	4100	FD	Fire Facility Reserve	Buildings	-	13,500
RES	CP	4026	GG	Town Hall Records Preservation	Regulatory	-	-
<b>RESERVE ACCOUNTS TOTAL</b>						<b>\$ 682,667</b>	<b>\$ 625,500</b>
<b>PROJECTS</b>							
PRJ	CP	4122	GG	Zoning Recodification and GIS Upgrade	Regulatory	\$ -	\$ -
PRJ	CP	4053	KPA	Paving and Pump Out Station - Pepperrell Cove	Infrastructure	-	-
PRJ	CP	4060	GG	Rice Rehab and Expansion Design	Buildings	400,000	-
PRJ	CP	NEW	GG	LED Lighting Conversion	Infrastructure	240,000	-
PRJ	CP	NEW	DPW	Stevenson Sidewalk to Rte 236	Infrastructure	-	-
PRJ	CP	2094	DPW	Emery Field Phase 2	Infrastructure	-	300,000
<b>CAPITAL PROJECTS TOTAL</b>						<b>\$ 640,000</b>	<b>\$ 300,000</b>
<b>LL CAPITAL</b>						<b>\$ 1,988,517</b>	<b>\$ 1,455,500</b>

# Section II Department Budgets



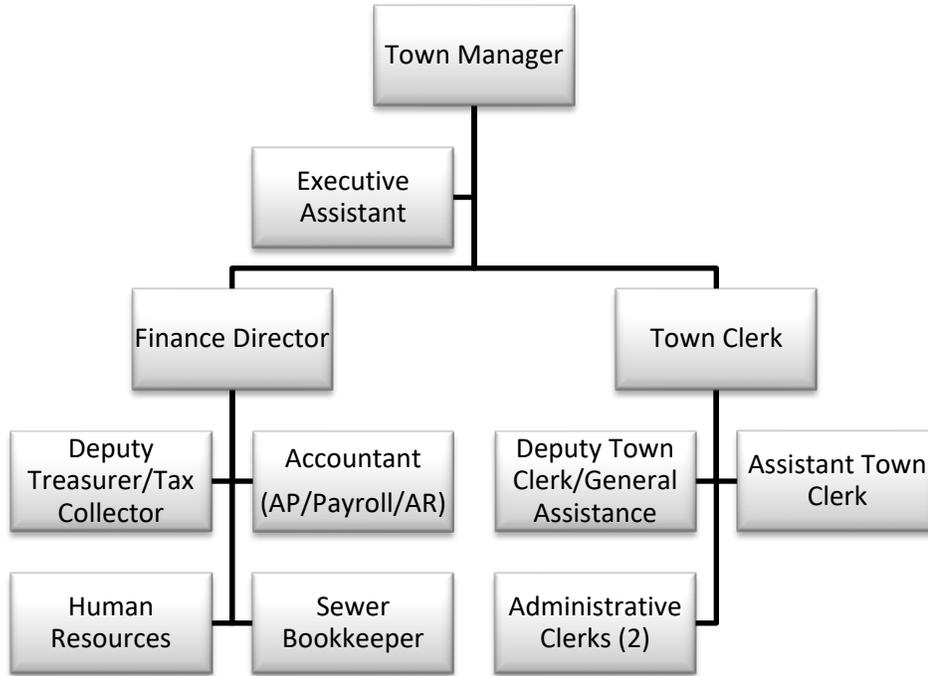
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**ADMINISTRATION**

**MISSION STATEMENT**

The mission of the Administration is to deliver municipal services in an efficient and cost-effective manner while meeting or exceeding the expectations of Kittery residents. The Administration budget includes the Town Clerk’s department, the Finance Department and Human Resources.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

<b>POSITION</b>	<b>FY20 Budget</b>	<b>FY21 Proposed</b>
Town Manager (shared with Sewer Fund)	0.75	0.75
Executive Assistant	1	1
Finance Director/Assistant Town Manager	1	1
Deputy Treasurer/Tax Collector (reclassified FY19)	1	1
Accountant	1	1
Sewer Bookkeeper (paid for by Sewer Fund)	1	1
Human Resources Generalist	1	1
Town Clerk	1	1
Deputy Town Clerk/General Assistance	1	1
Assistant Town Clerk	1	1
Administrative Clerk	1.5	1.5
<b>Total FTE</b>	<b>11.25</b>	<b>11.25</b>

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**BUDGET OVERVIEW**

The Administration budget is proposed to increase 13.6%, approximately \$136,212. Of this, \$115,000 is for Salary Adjustments, and will be transferred to each department at the end of FY21 to offset increased personnel costs resulting from negotiations.

All seven union contracts expire June 30, 2020. As in prior years, the Salary Adjustment line item has been increased to anticipate the resulting costs of contract negotiations.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service.

The Town Clerk salary was adjusted in FY20 to achieve parity with similar department head positions and address income inequality between department head positions typically held by male and female employees. Additional salary adjustments were made in the assistant and HR Manager position to achieve market and internal parity.

The vendor used to print and transmit tax and sewer bills is being replaced due to repetitive errors and issues identified in the past few years. The new vendor provides a more service-based model and has improved reporting and bill reconciliation features. Additionally, the new service allows residents to set up an account with the service which allows them to receive notification of a new bill and view/print the bill online. Residents can opt out of receiving paper bills, which will decrease printing and mailing costs in the future as residents adopt the electronic notification. The increased cost in printing is \$2,000, but it is anticipated as residents adopt online notification this will decrease over time.

Machine and equipment maintenance include annual HVAC maintenance and service agreements, maintenance of the postage machine and the annual copier lease. These costs continue to increase as the equipment ages. The postage machine is past its end of useful life and should be replaced as funds are available.

Janitorial supplies have been increased \$1,500 to reflect the expected cost of increased sanitization and cleaning needed to maintain staff and customer safety. It is expected the enhanced cleaning services will continue through the calendar year.

<b>ADMINISTRATION</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101110</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>%</b>
64011 MANAGER SALARY (75%)	57,283	88,973	96,001	99,996	99,996	-	
64014 TOWN CLERK SALARY	70,283	70,887	67,179	65,000	79,530	14,530	
64017 CLERKS SALARIES	195,299	236,949	301,218	322,314	305,575	(16,739)	
64018 HR MANAGER	43,593	53,020	55,651	55,860	61,482	5,622	
64020 PART TIME SALARIES	39,190	30,540	-	-	-	-	
64026 FINANCE DIRECTOR SALARY	70,421	96,873	77,528	98,386	110,381	11,995	
64027 CUSTODIAN WAGES	7,907	4,980	9,171	13,775	14,119	344	
64030 OVERTIME	6,609	3,170	9,820	2,000	4,000	2,000	
64033 SICK TIME BUY BACK	2,027	1,807	-	-	-	-	
64031 SALARY ADJUSTMENT	-	-	32,000	50,000	165,000	115,000	
<b>Total Personal Services</b>	<b>492,612</b>	<b>587,198</b>	<b>648,569</b>	<b>707,331</b>	<b>840,083</b>	<b>132,752</b>	<b>18.8%</b>
65010 POSTAGE	11,277	10,641	18,745	13,000	13,000	-	
65020 TELEPHONE & INTERNET	9,082	7,347	7,927	9,000	9,000	-	
65030 TRANSPORTATION	-	-	400	1,500	1,500	-	
65040 EDUCATIONAL/MEETING EXPENSES	1,560	2,496	2,351	5,000	1,000	(4,000)	
65060 PRINTING	5,431	4,566	6,979	5,000	7,000	2,000	
65080 LEGAL NOTICES/OTHER ADV	6,228	1,214	2,521	3,000	3,000	-	
65200 ELECTRICITY	15,646	12,175	10,068	15,000	15,000	-	
65220 WATER	313	317	238	350	400	50	
65230 FUEL OIL	4,330	4,514	4,507	4,200	4,200	-	
65240 DUMPSTERS	562	587	588	600	625	25	
65250 SEWER	210	240	314	240	325	85	
65300 MACHINE & EQUIPMENT MAINT	62,602	44,477	23,780	32,000	35,000	3,000	
65400 LEGAL SERVICES	70,876	60,872	56,919	60,000	60,000	-	
65410 COMPUTER SERVICES	38,931	40,691	59,514	45,000	45,000	-	
65415 WEB PAGE	3,530	7,475	3,275	3,500	3,500	-	
65420 TECHNICAL SUPPORT	2,049	-	-	-	-	-	
65430 AUDIT SERVICES	15,500	15,500	16,500	16,500	17,500	1,000	
65480 OTHER PROFESSIONAL SERVICES	128,816	34,759	23,188	30,000	31,500	1,500	
65500 MAINTENANCE OF BLDG/GROUNDS	12,020	10,191	13,321	16,500	16,500	-	
65980 PROFESSIONAL SERVICES FINANCE	2,570	3,219	-	-	-	-	
66010 OFFICE SUPPLIES	7,083	14,061	7,062	8,000	7,000	(1,000)	
66020 BOOKS/SUBSCRIPTIONS	711	1,001	337	1,000	1,000	-	
66025 MAINE MUNICIPAL ASSOC. DUES	12,090	12,157	12,451	12,700	13,500	800	
66030 OTHER SUPPLIES	206	861	284	-	-	-	
66035 ABSTRACTS & LIENS	8,377	7,502	6,162	9,500	9,500	-	
66040 JANITORIAL SUPPLIES & SERVICES	1,084	2,486	1,383	1,000	2,500	1,500	
67510 OFFICE FURNITURE & EQUIPMENT	-	1,680	1,265	1,500	-	(1,500)	
<b>Total Expenses</b>	<b>421,086</b>	<b>301,030</b>	<b>280,078</b>	<b>294,090</b>	<b>297,550</b>	<b>3,460</b>	<b>1.2%</b>
<b>TOTAL ADMINISTRATION</b>	<b>913,698</b>	<b>888,228</b>	<b>928,647</b>	<b>1,001,421</b>	<b>1,137,633</b>	<b>136,212</b>	<b>13.6%</b>

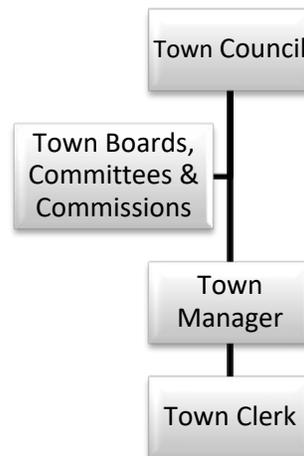
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## TOWN COUNCIL

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**MISSION STATEMENT**

The members of the Town Council are the municipal officers of the Town of Kittery and have all powers and authority and perform all duties required of municipal officers under the laws of the State of Maine.

**DEPARTMENT ORGANIZATION****PERSONNEL SUMMARY**

POSITION	FY20 Budget	FY21 Proposed
Town Council (Stipend)	7	7
Town Manager (in Administration and Sewer Budgets)	N/A	N/A
Town Clerk (in Administration Budget)	N/A	N/A
<b>Total FTE</b>	N/A	N/A

**BUDGET OVERVIEW**

Members of the Town Council receive a stipend of \$20.00 for each meeting they attend. The Council is also eligible for expense reimbursement for travel to professional development programs, and for materials and supplies. Members of the Town Council historically have not sought reimbursement.

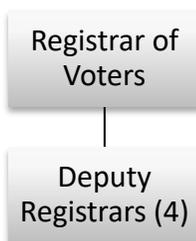
<b>TOWN COUNCIL</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101115</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64001 COUNCIL STIPEND	3,040	2,780	4,120	4,000	4,000	-	
65480 OTHER PROF SERVICES	1,896	244	1,225	3,000	3,000	-	
66037 COUNCIL EXPENSES		1,069	-	350	350	-	
<b>TOTAL TOWN COUNCIL</b>	<b>4,936</b>	<b>4,093</b>	<b>5,345</b>	<b>7,350</b>	<b>7,350</b>	<b>-</b>	<b>0%</b>

## ELECTIONS

### MISSION STATEMENT

The Town Clerk serves as the Registrar of Voters and is responsible for conducting fair elections and coordinating all elections activity in Kittery. This includes the administration of local, state and national elections along with the monitoring of candidate certifications and initiative petitions.

### DEPARTMENT ORGANIZATION



### PERSONNEL SUMMARY

POSITION	FY20 Budget	FY21 Proposed
Registrar (Town Clerk in Administration Budget)	1	1
Deputy Registrars (PT as needed)	4	4
<b>Total FTE</b>	N/A	N/A

### BUDGET OVERVIEW AND RECOMMENDATION

The FY21 budget is increased to reflect the rescheduling of the state primary and local Town Meeting secret ballot warrant. The polling date was moved from June 9 to July 14. Some costs, such as printing and programming of the ballot machines, will be incurred in FY20.

Turnout for the federal and statewide election in November is expected to be high. Additional voting machines will be leased to accommodate the higher turnout. The Clerk will also be hiring more election workers to assist voters and reduce lines and wait times.

The Secretary of State's office is expected to issue guidance in the coming months regarding voter and election worker safety as social-distancing restrictions are eased into the fall.

<b>ELECTIONS</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101130</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64020 PART TIME SALARIES/VOTER REG/ELECTIONS	1,928	2,569	3,081	2,500	4,500	2,000	
65000 ELECTION EXPENSES	-	708		-	800	800	
65010 POSTAGE	557	322	24	600	2,000	1,400	
65060 PRINTING	4,068	10,458	3,801	4,500	6,500	2,000	
65480 OTHER PROFESSIONAL SERVICES	2,872	1,378	2,645	4,050	5,000	950	
66010 OFFICE SUPPLIES	187	55	179	150	200	50	
67500 CAPITAL OUTLAY ELECTIONS	-	-				-	
67510 OFFICE FURNITURE & EQUIPMENT	-	-			3,750	3,750	
<b>TOTAL ELECTIONS</b>	<b>9,611</b>	<b>15,490</b>	<b>9,730</b>	<b>11,800</b>	<b>22,750</b>	<b>10,950</b>	<b>92.8%</b>

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**SHARED EXPENSES**

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**DESCRIPTION**

Shared expenses represent employee and insurance costs that are shared by all departments. These items are generally non-discretionary; meaning they are part of the mandatory costs associated with an operation that employs people and owns property. A combined Shared Expenses budget allows for a better understanding of the impact of cost increases in health plans or retirement assessments on the overall operational costs of the town. This approach also directly recognizes that items such as FICA, Workers Compensation Insurance, health benefits for full-time employees, and retirement benefits are either federally mandated or negotiated through collective bargaining agreements, and therefore no one department has control over these costs, nor can any department head choose to forgo spending on these mandated items.

**EMPLOYEE BENEFITS & INSURANCE**

The total increase for Employee Benefits and Insurance is \$154,397, approximately 5.7%.

Retirement contributions are increasing a total of \$42,323 or approximately 7%. Of that, \$39,683 is related to the Maine Public Employees Retirement System (MPERS). Contribution rates for AC plans increased 0.1%, to 10.1% of wages; employer contributions for 1C (law enforcement) decreased from 16.3% to 16.0% of wages.

Health insurance is increasing \$72,933 or approximately 6.3%. The primary health insurance is projected to increase 6% over the current year. There have also been qualifying events and turnover that has changed the quantities of individual, two-person, and family plans being covered by the town.

Retiree medical and dental increased to reflect both plan cost increases and recent retirements. Total increases in this line equal \$23,546 or 11.6%.

Unlike in prior years, unemployment compensation is being budgeted for FY21. The town is a direct pay employer for unemployment, meaning the town does not utilize unemployment insurance. Though the town did not engage in layoffs or furloughs as a result of the COVID-19 pandemic; the town is still responsible for unemployment costs for former employees who may have been recently laid off by another employer. The look back period for unemployment is 5 quarters. We have budgeted \$5,000 for unemployment benefits for FY21.

<b>EMPLOYEE BENEFITS &amp; INSURANCE</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>103000 - 103003</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64050 MAINE STATE RETIREMENT	370,402	419,019	466,248	534,577	574,260	39,683	
64051 ICMA EMPLOYER SHARE	23,138	26,126	22,646	26,710	29,351	2,640	
64060 FICA EMPLOYER SHARE	344,953	353,549	377,475	427,088	441,891	14,803	
64070 WORKERS COMPENSATION	165,773	149,608	186,587	150,000	143,972	(6,028)	
64090 MAJOR MEDICAL INSURANCE	938,887	1,018,100	1,009,078	1,160,623	1,233,556	72,933	
64091 DENTAL INSURANCE	8,289	10,882	10,520	13,763	13,204	(559)	
64092 DISABILITY INSURANCE	23,704	26,011	29,514	32,000	26,419	(5,581)	
64090 RETIRED EMPLOYEE MEDICAL/DENTAL	152,230	159,736	186,408	202,988	226,535	23,546	
65101 MMA RISK POOL (PROP & CASUALTY)	138,212	156,767	166,526	176,077	183,124	7,046	
65497 SELF INSURANCE CLAIMS	18,520	9,049	2,250	-	-	-	
65115 UNEMPLOYMENT COMPENSATION	1,151	78	2,683	-	5,000	5,000	
65150 MISCELLANEOUS INSURANCE LIFE E	4,194	4,572	4,898	4,600	4,994	394	
65210 UNION CENTRAL LIFE INS	2,381	2,662	2,405	2,800	3,320	520	
<b>BENEFITS AND INSURANCE</b>	<b>2,191,835</b>	<b>2,336,159</b>	<b>2,467,238</b>	<b>2,731,228</b>	<b>2,885,625</b>	<b>154,397</b>	<b>5.7%</b>

## DEBT SERVICE

### BUDGET OVERVIEW

The municipal debt service is projected to increase \$86,802 in FY21.

The Rice Library Expansion and Renovation project was approved by the voters for a \$5M bond in November of 2019. The project schedule had originally called for an August 2020 ground-breaking. However, the COVID-19 pandemic set that back to spring 2021 to allow time for the market to settle down. The projection is based on a bond issuance in February with the first interest payment due before the end of June 2021.

DEBT SERVICE	FY17	FY18	FY19	FY20	FY21	
101230	ACTUALS	ACTUALS	ACTUAL	BUDGET	PROPOSED	VARIANCE
68057 RUSTLEWOOD FARM - PRINC	6,076	6,127	6,199	6,292	6,407	115
68065 2006 FIRE STATION BOND	125,000	125,000	115,000	115,000	115,000	-
68066 2010 PW SALT SHED GO BOND PRIN	35,000	35,000	35,000	35,000	35,000	-
68067 2012 KCC BOND PRINC	275,000	275,000	275,000	275,000	275,000	-
68068 2015 CIP BOND PRINCIPAL	233,000	225,000	225,000	225,000	225,000	-
68069 KLT BRAVE BOAT HEADWATERS PRINC	-	11,352	11,463	11,592	11,741	149
68257 RUSTLEWOOD FARM INTEREST	4,239	4,188	4,116	4,023	3,907	(116)
68265 2006 FIRE STATION BOND INT	42,213	22,100	19,700	17,400	15,100	(2,300)
68268 2015 CIP BONDS INTEREST	42,830	38,250	33,700	29,250	24,750	(4,500)
68269 KLT BRAVE BOAT HEADWATERS INT	6,318	6,738	6,627	6,498	6,349	(149)
68295 PWD BLDG/SALT SHED BOND INT	16,675	15,975	15,231	14,400	13,503	(897)
68297 2012 KCC BOND INT	104,775	99,275	93,775	88,275	82,775	(5,500)
NEW LIBRARY PRINCIPAL/INTEREST					100,000	100,000
<b>DEBT &amp; INTEREST</b>	<b>891,126</b>	<b>864,005</b>	<b>840,811</b>	<b>827,730</b>	<b>914,532</b>	<b>86,802 10.5%</b>

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## MISCELLANEOUS EXPENSES

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**DESCRIPTION**

The Miscellaneous Expenses budget contains line items that do not fit neatly into other departmental categories or run across all departments. Miscellaneous also includes the revenue offset for the three TIF Districts, and funding for state mandated General Assistance.

**BUDGET OVERVIEW**

This budget is projected to have an overall decrease of \$132,434, approximately -8.1%

General Assistance is expected to increase as a result of the economic downturn resulting from the COVID-19 pandemic impacts. This line item has been increased by \$15,000.

The annual County Tax assessment is increasing from \$893,000 to \$935,000, approximately 4.7%. The County is not expecting to do any budget cutting as a result of the COVID-19 financial impacts. The County cites issues with understaffing in the corrections/sheriff's operations. Additionally, the County has been managing its own substance abuse treatment/prison diversion program that represents a growing annual cost.

Electricity for streetlights was reduced in the prior fiscal year from \$110,000 to \$45,000 as a result of the town's transition to energy efficient LED lighting.

The Town Council dissolved two of its three TIFs in February of 2020. The two dissolved TIFs included various parcels on Route 1, and Pepperrell Cove. Development in these districts has been steadily advancing without the need to receive tax incentive financing deals. The result is a \$209,000 savings.

Computer repair and replacement cost is increasing \$20,000 to include IT management services, which are billed on a monthly flat rate basis for all technology monitoring and support. Previously, the town utilized a pay-as-you-go approach. Though that approach was less costly on a monthly basis, the lack of proactive monitoring and unpredictability of support costs made the overall IT infrastructure unstable and more challenging to manage. With COVID-19, more services including remote work access and increased online services are needed.

Other increases are based on anticipated service and supply cost increases.

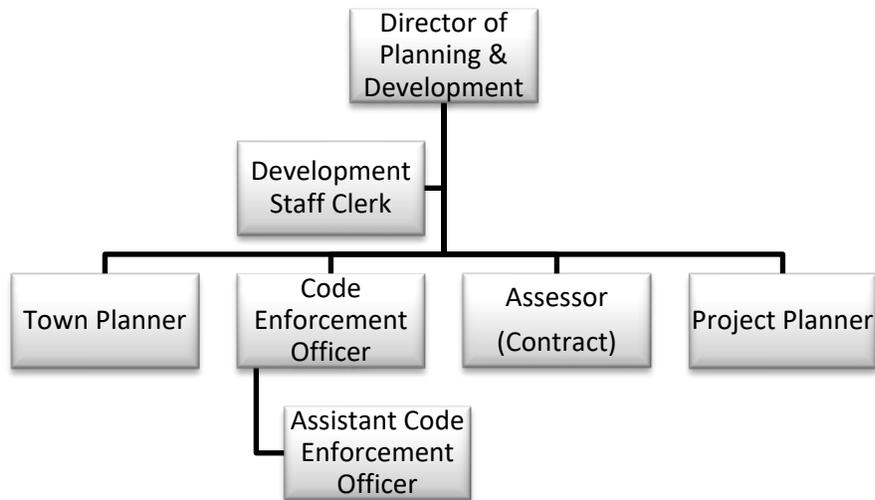
MISCELLANEOUS	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUAL	FY20 BUDGET	FY21 PROPOSED	VARIANCE	%
<b>101330 STREETLIGHTS</b>							
65200 ELECTRICITY - STREELIGHTS	115,805	112,011	105,931	45,000	45,000	-	
65300 MACHINE & EQUIPMENT MAINT	12,380	14,033	25,139	10,000	10,000	-	
67500 STREET LIGHT EQUIPMENT	21,683	1,136	-	-	-	-	
<b>101350 CIVIL PREPAREDNESS</b>							
65020 CIVIL PREPAREDNESS TELEPHONE/INTERNET	-	-	-	-	-	-	
65060 CIVIL PREPAREDNESS PRINTING	-	-	-	-	-	-	
66010 CIVIL PREPAREDNESS OFFICE SUPPLIES	-	-	-	-	-	-	
67507 CIVIL PREPAREDNESS EQUIPMENT	-	-	-	-	-	-	
<b>101520 GENERAL ASSISTANCE</b>							
65480 GENERAL ASSISTANCE	59,440	47,976	49,070	50,000	65,000	15,000	
<b>101530 PUBLIC HEALTH</b>							
64020 PUBLIC HEALTH SALARIES	520	520	491	520	520	-	
<b>101150 COUNTY TAX</b>							
65480 COUNTY TAX	909,420	930,931	863,018	893,000	935,000	42,000	
<b>101750 BANK FEES</b>							
65954 BANK FEES & CHARGES	557	599	(218)	600	600	-	
<b>101155 TIF DISTRICTS</b>							
65000 TIF FINANCING PLAN AMOUNT	60,901	167,985	139,334	236,000	27,000	(209,000)	
<b>101340 HYDRANTS</b>							
65300 HYDRANT RENT MACHINE & EQUIP M	246,775	254,179	254,179	261,804	262,000	196	
<b>101740 MISCELLANEOUS - GENERAL</b>							
65023 EPA STORMWATER 4 PROGRAM	17,125	17,839	19,104	19,600	19,600	-	
65025 COMPUTER REPAIR/REPLACEMENT	46,905	38,300	42,799	45,000	65,000	20,000	
65455 MEMORIAL DAY ACTIVITIES	732	732	1,191	700	700	-	
65950 SEACOAST SHIPYARD ASSOC	1,500	-	-	-	-	-	
65951 SHELLFISH CONSERVATION COMMISS	-	650	3,500	3,560	-	(3,560)	
66036 CONSERVATION COMMISSION	110	165	27	500	-	(500)	
68428 GRANT MATCHING FUNDS	22,647	10,000	-	-	-	-	
OLD TRANSFERS IN/OUT	-	13,066	-	-	-	-	
68525 MOSQUITO/TICK/WEEDES CONTROL PRGM	22,185	37,688	35,194	36,750	38,580	1,830	
68532 GIS WEB ACCOUNT	3,600	2,700	3,600	3,400	-	(3,400)	
69200 PSAP PAID TO YORK PD	26,068	26,068	28,674	30,000	35,000	5,000	
<b>TOTAL MISCELLANEOUS EXPENSES</b>	<b>1,568,352</b>	<b>1,676,579</b>	<b>1,571,034</b>	<b>1,636,434</b>	<b>1,504,000</b>	<b>(132,434)</b>	<b>-8.1%</b>

**PLANNING AND DEVELOPMENT**

**MISSION STATEMENT**

The Planning and Development Department works with residents and developers to manage change within the community. Recently reorganized, this department will be assuming a significant leadership role in planning for and implementing the town’s community and economic growth objectives. The department continues to provide oversight of building projects, permitting, valuation and enforcement of land use and health and safety regulations. The department provides professional support to the Planning Board, Board of Appeals, and Board of Assessment Review.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

<b>POSITION</b>	<b>FY20 Budget</b>	<b>FY21 Proposed</b>
Director of Planning & Development	1	1
Town Planner	1	1
Project Planner	0	.5
Development Staff Clerk	1	1
Code Enforcement Officer	1	1
Assistant Code Enforcement Officer	1	1
Shoreland Resource/Environmental Officer	0	0
<b>Total FTE</b>	5.0	5.5

**BUDGET OVERVIEW**

The overall proposed increase of the combined planning, code, and assessing is \$19,131, approximately 3.7%.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service. The contract for this unit expires June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Administration Budget under the Salary Adjustment line item.

A part-time project planner was hired in the prior fiscal year to assist the Planning Director with advancing broader policy efforts and ordinance amendments including the recodification of Title 16, affordable housing, short-term rentals, and retail marijuana. The position will also assist the Director with researching and applying for state and federal economic development grants and program supports.

Operating expenses are proposed to decrease \$5,970 driven primarily by the conclusion of the four-year personal property revaluation project.

The Town will no longer require a map generation service due to its transition to a new GIS service provider.

The Planning Board and Board of Appeals budget is proposed to be reduced by \$1,715.

<b>PLANNING BOARD &amp; BOARD OF APPEALS</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101720</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
65010 POSTAGE	4	102	-	300	250	(50)	
65040 EDUCATIONAL/MEETING EXPENSES	295	750	495	1,500	1,000	(500)	
65060 PRINTING	415	-	-	300	250	(50)	
65080 LEGAL NOTICES & OTHER ADVERTIS	1,603	326	779	1,750	1,000	(750)	
65480 OTHER PROFESSIONAL SERVICES	2,795	2,421	1,320	2,500	2,000	(500)	
66010 OFFICE SUPPLIES	-	72	-	200	150	(50)	
66026 SMPDC MEMBERSHIP	4,654	4,562	5,018	5,500	5,685	185	
<b>TOTAL PLANNING BOARD &amp; BOARD OF APPEALS</b>	<b>9,765</b>	<b>8,234</b>	<b>7,612</b>	<b>12,050</b>	<b>10,335</b>	<b>(1,715)</b>	<b>-14.2%</b>

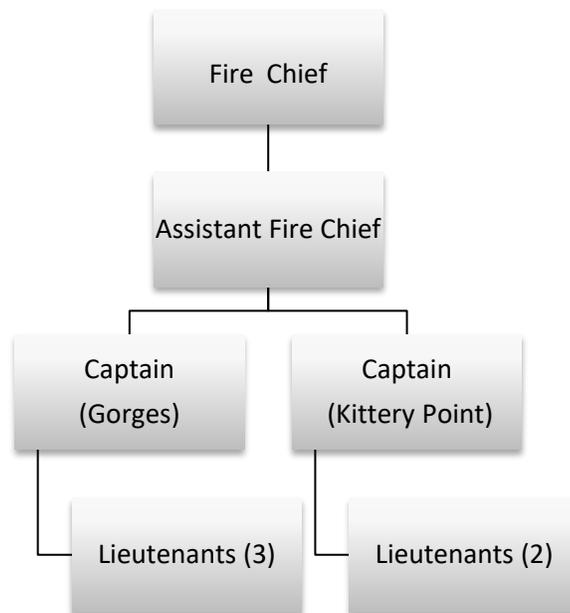
<b>PLANNING &amp; CODE ENFORCEMENT</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101721</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64042 DIRECTOR OF PLANNING AND DEVELOPMENT	-	-	98,964	99,323	100,052	728	
64006 PLANNER SALARY	75,216	94,270	62,720	61,350	63,001	1,650	
64005 CODE ENFORCEMENT SALARY	62,519	63,771	64,339	66,700	70,702	4,002	
64010 DEVELOPMENT STAFF CLERK	37,611	38,362	39,367	40,432	40,126	(306)	
NEW PROJECT PLANNER					21,000	21,000	
64017 ASSISTANT PLANNER	46,261	18,311	(763)	-	-	-	
64018 ASST CODE ENFORCEMENT OFFICER	47,381	50,026	50,877	53,302	51,328	(1,974)	
64020 SHORELAND RESOURCE OFFICER	18,020	18,711	18,162	-	-	-	
64030 OVERTIME	428	1,469	2,968	-	-	-	
<b>Total Personal Services</b>	<b>287,436</b>	<b>284,919</b>	<b>336,635</b>	<b>321,107</b>	<b>346,208</b>	<b>25,101</b>	<b>8%</b>
65010 POSTAGE	905	860	7	600	700	100	
65020 TELEPHONE & INTERNET	1,347	1,154	748	1,350	1,400	50	
65030 TRANSPORTATION	19	250	329	1,000	1,800	800	
65040 EDUCATIONAL/MEETING EXPENSES	710	605	1,427	3,000	3,000	-	
65060 PRINTING	693	368	-	800	650	(150)	
65070 MAPS	3,507	5,165	4,660	3,300	-	(3,300)	
65080 LEGAL NOTICES & OTHER ADVERTIS	-	300	150	-	-	-	
65300 MACHINE & EQUIPMENT MAINT	7,686	3,686	3,686	2,000	3,700	1,700	
65310 VEHICLE MAINTENANCE	-	-	-	300	300	-	
65311 GAS, GREASE & OIL	479	406	828	540	600	60	
65400 LEGAL SERVICES	11,360	4,870	6,390	9,000	7,500	(1,500)	
65410 COMPUTER SERVICES	10,825	8,845	10,130	24,315	25,635	1,320	
65411 BOARD OF ASSESSMENT REVIEW	100	65	192	200	200	-	
65423 PERSONAL PROPERTY EVAL. SERVICES	-	10,000	20,000	10,000	6,000	(4,000)	
65480 OTHER PROFESSIONAL SERVICES	100,339	125,534	98,848	140,000	140,000	-	
65521 UNIFORMS	273	221	220	350	250	(100)	
66010 OFFICE SUPPLIES	652	1,256	270	1,100	1,000	(100)	
66020 BOOKS/SUBSCRIPTIONS	661	105	70	700	500	(200)	
66030 OTHER SUPPLIES	123	170	51	250	250	-	
66035 ABSTRACTS & LIENS TRANSFERS	884	1,064	818	800	400	(400)	
67510 OFFICE FURNITURE & EQUIPMENT	-	-	-	750	500	(250)	
<b>Total Expenses</b>	<b>140,563</b>	<b>164,925</b>	<b>148,823</b>	<b>200,355</b>	<b>194,385</b>	<b>(5,970)</b>	<b>-3%</b>
<b>TOTAL PLANNING &amp; CODE ENFORCEMENT</b>	<b>427,999</b>	<b>449,844</b>	<b>485,458</b>	<b>521,462</b>	<b>540,593</b>	<b>19,131</b>	<b>3.7%</b>

**FIRE DEPARTMENT**

**MISSION STATEMENT**

The Kittery Fire Department provides services for the preservation and protection of life, property and environment. The department protects the community from the adverse effects of fire, medical emergencies, hazardous material incidents and natural disasters. The department focuses its efforts by providing rapid, professional and humanitarian service, essential in keeping the community healthy and safe.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

POSITION	FY20 Budget	FY21 Proposed
Fire Chief	1	1
Assistant Fire Chief	0	0.5
Part-Time Firefighters and Officers	6.4	6.4
<b>Total FTE</b>	7.4	7.9

**BUDGET OVERVIEW**

The department budget is projected to increase \$22,229, or approximately 6.3%.

The Fire Chief’s anticipated annual merit increase is being accounted for in the Administration Budget under the Salary Adjustment line item. Call firefighter wages are increasing as a result of the increased Maine minimum wage, effective January 1, 2020. Hourly wages are evaluated

and adjusted accordingly to maintain competitiveness and avoid compression of wage rates across different positions and departments.

The FY21 budget includes wages for the part-time Assistant Fire Chief position. This position was elevated from on-call to part-time in the prior fiscal year as part of the Town's succession planning for the Fire Chief. The Assistant Fire Chief has been assigned the function of Training Officer and responsible for OSHA compliance at the Fire Department. The position is also responsible for assisting the Chief with emergency operations management, FEMA reporting, and the annual review and updating of the standard operating procedures for the department. The overall effect is to prepare the Assistant Fire Chief for the role of Chief by exposing him to all aspects of the department's operations and management.

The personnel costs include the stipend program implemented in the prior fiscal year to ensure firefighters were available and ready to respond during the summer, on weekends and certain holidays during the year.

The Fire Chief is continuing to track the average Firefighter response to calls for service each year. Safe fire response generally requires a minimum of nine firefighters and one Incident Commander, for a total of 10. Though the response to calls had slightly improved in 2017; the overall trends are indicating increased gaps weekly and monthly in firefighters responding to calls. The stipend program has helped to ensure there is a response, but it is proving not significant enough to reverse the trends.

The Fire Chief has applied for four full-time firefighter positions through the federal SAFER grant program. These positions will ensure there are trained firefighters available for response during the most challenges days/times and months. The federal program covers 75% of the cost of hiring, and wages and benefits, for year one of the grant. Funding then reduces gradually for the following two years. By year four, the town becomes responsible for the full cost of the positions. If awarded the grant, the town would utilize Warrant Article 4 to access undesignated funds for the first year's match. Thereafter, the matching funds will be built into future operating budgets through the remaining years of the grant.

Non-personnel expenses are projected to increase \$8,573, approximately 7.0%.

Tires and tubes are significantly increased to reflect the need to replace tires for Tank 6. NFPA recommends tires be replaced every seven years, and Tank 6 is overdue.

## Fire Department Statistics

### Average Response by Month, Day of Week, and Time

Month	Firefighters per Call		
	2017	2018	2019
January	13.2	9.3	9.8
February	12.0	10.2	9.6
March	11.9	9.9	9.1
April	12.7	10.7	8.3
May	11.6	9.1	9.4
June	11.5	9.5	8.2
July	11.5	9.6	8.7
August	9.5	9.5	8.9
September	9.7	8.2	10.8
October	10.0	8.9	8.9
November	9.9	8.4	9.1
December	10.5	9.0	9.5

Day of the Week	12AM - 8AM			8AM - 4PM			4PM - 12AM		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Sunday	10.0	9.8	8.8	11.4	9.9	9.1	13.0	10.1	11.8
Monday	10.6	8.8	7.8	11.2	8.4	7.9	14.1	10.0	10.0
Tuesday	8.5	8.4	7.4	9.8	8.5	9.0	14.6	12.3	11.0
Wednesday	11.0	8.0	9.1	9.6	9.3	8.6	12.6	11.4	10.4
Thursday	9.0	8.9	8.8	9.9	8.1	8.0	12.3	11.3	10.7
Friday	11.2	7.3	6.9	9.2	7.5	7.5	11.5	8.9	10.4
Saturday	11.5	9.3	9.0	9.8	10.0	8.5	12.0	10.6	9.3

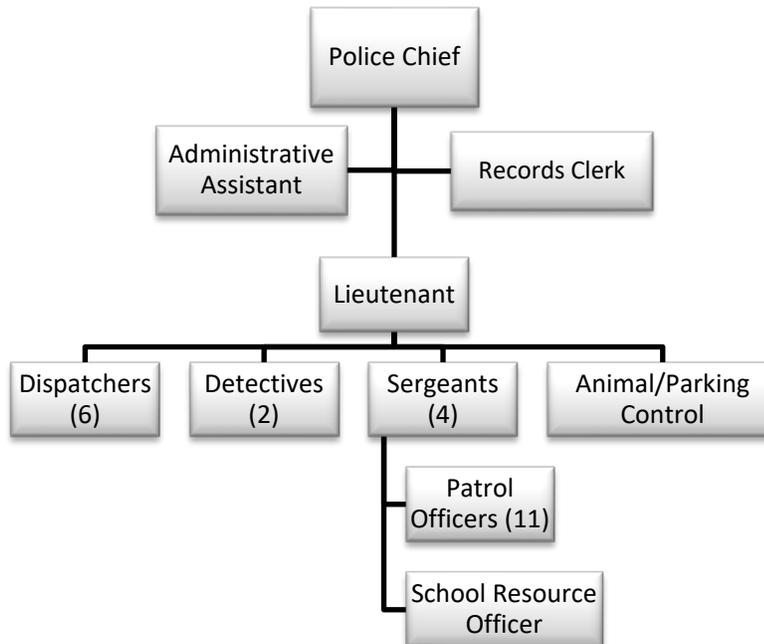
FIRE		FY17	FY18	FY19	FY20	FY21		
101320		ACTUALS	ACTUALS	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64003	FIRE CHIEF SALARY	52,788	53,635	71,683	89,469	90,125	656	
64020	PART TIME SALARIES	139,642	128,632	109,697	120,925	133,925	13,000	
64043	ON-CALL FIREFIGHTING PAY	-	-	16,320	16,320	16,320	-	
64095	ACCIDENT & HEALTH	1,938	1,938	2,072	2,072	2,072	-	
<b>Total Personal Services</b>		<b>194,367</b>	<b>184,205</b>	<b>199,772</b>	<b>228,786</b>	<b>242,442</b>	<b>13,656</b>	<b>6.0%</b>
64050	POSTAGE	2	6	-	-		-	
65020	TELEPHONE & INTERNET	7,701	8,630	7,905	8,160	7,728	(432)	
65040	EDUCATIONAL/MEETING EXPENSES	1,518	1,409	1,726	2,085	2,235	150	
64045	TRAINING	3,793	600	2,070	4,650	4,650	-	
65046	HEALTH/PHYSICAL	1,200	1,200	1,969	2,618	2,618	-	
65080	LEGAL NOTICES/OTHER ADVERTISE	-	103	103	-		-	
65200	ELECTRICITY	11,318	9,889	8,168	8,688	8,688	-	
65220	WATER	288	293	293	302	302	-	
65230	FUEL OIL	20,034	18,524	16,079	17,000	17,000	-	
65250	SEWER	300	300	300	400	400	-	
65300	MACHINE & EQUIPMENT MAINT	34,157	37,337	22,551	29,029	29,829	800	
65302	PROTECTIVE & SAFETY EQUIPMENT	1,964	1,958	4,203	3,660	3,660	-	
65311	GAS, GREASE & OIL	6,353	5,710	5,887	7,185	7,185	-	
65312	TIRES & TUBES	-	-	4,522	1,200	8,000	6,800	
65330	RADIO MAINTENANCE	3,751	2,070	4,299	4,657	5,117	460	
65480	OTHER PROFESSIONAL SERVICES	7,815	7,484	7,397	7,156	7,896	740	
65500	MAINTENANCE OF BLDG/GROUNDS	9,117	10,798	17,898	15,335	15,390	55	
66010	OFFICE SUPPLIES	193	603	188	672	672	-	
66020	BOOKS/SUBSCRIPTIONS/DUES	-	-	49	200	200	-	
66040	JANITORIAL SUPPLIES & SERVICES	727	531	703	600	600	-	
67505	EXTINGUISHER MAINTENANCE	178	714	265	500	500	-	
67515	LANTERNS & BATTERIES	108	42	240	200	200	-	
67520	OPERATING EQUIPMENT	1,999	5,645	3,336	8,000	8,000	-	
<b>Total Expenses</b>		<b>112,516</b>	<b>113,847</b>	<b>110,149</b>	<b>122,297</b>	<b>130,870</b>	<b>8,573</b>	<b>7.0%</b>
<b>TOTAL FIRE</b>		<b>306,883</b>	<b>298,052</b>	<b>309,921</b>	<b>351,083</b>	<b>373,312</b>	<b>22,229</b>	<b>6.3%</b>

## POLICE DEPARTMENT

### MISSION STATEMENT

The Kittery Police Department works in partnership with the community to enforce the law, preserve the peace and protect the rights, lives and property of all people. As guardians of the community, the department strives to ensure a high quality of life in a respectful, fair and compassionate manner.

### DEPARTMENT ORGANIZATION



### PERSONNEL SUMMARY

POSITION	FY20 Budget	FY21 Proposed
Chief	1	1
Lieutenant	1	1
Sergeants	4	4
Detective	2	2
Patrol Officer	11	11
School Resource Officer	1	1
Lead Dispatcher	1	1
Dispatcher	6	5.5
Animal Control Officer	1	1
Administrative Assistant	1	1
Records Clerk	0	1
<b>Total FTE</b>	<b>29.00</b>	<b>29.50</b>

**BUDGET OVERVIEW**

The overall Police budget is projected to increase by \$13,526, or 0.58%.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service. The contract for the two bargaining units covering this department expire June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Administration Budget under the Salary Adjustment line item.

Total personnel expenses are decreasing \$2,074 or approximately 0.1%. Retirements and turnover in full-time positions lower costs initially, as new staff members have not yet built up to the longevity rates of their predecessors.

In the prior year, staffing for the Dispatch and administrative functions was amended to provide a more consistent service level in Dispatch while still addressing the records management needs of the department. The position categorized as Dispatch/Records was shifted to focus strictly on Records, and a part-time Dispatcher position was added to provide shift coverage and support during busy times. Unlike a per diem dispatcher, the PT Dispatcher is scheduled to work a set number of hours weekly, to reinforce protocols and maintain their skills.

The Police Chief has applied for two positions through the federal COPS grant. These positions will add depth to the roster, and in turn help reduce overtime costs. The additional positions would allow the department to implement focused programs, such as a dedicated traffic officer. The federal program covers 72% of the cost of hiring, wages and benefits for year one of the grant. Funding then reduces gradually for the following two years until year 4 when the town would be responsible for the full cost of the positions. If awarded the grant, the town would utilize Warrant Article 4 to access undesignated funds for the first year's match. Thereafter, the matching funds will be built into future operating budgets through the remaining years of the grant.

Non-personnel expenses are increasing \$15,600 or 5.78%.

Armory supplies are increasing \$4,500 for the cost of ammunition and taser supplies. Training and annual firearms qualification is required for the officers. Janitorial supplies have been increased to reflect enhanced disinfecting and cleaning required a result of COVID-19.

Other expense increases are due to the general increase in cost of supplies and services.

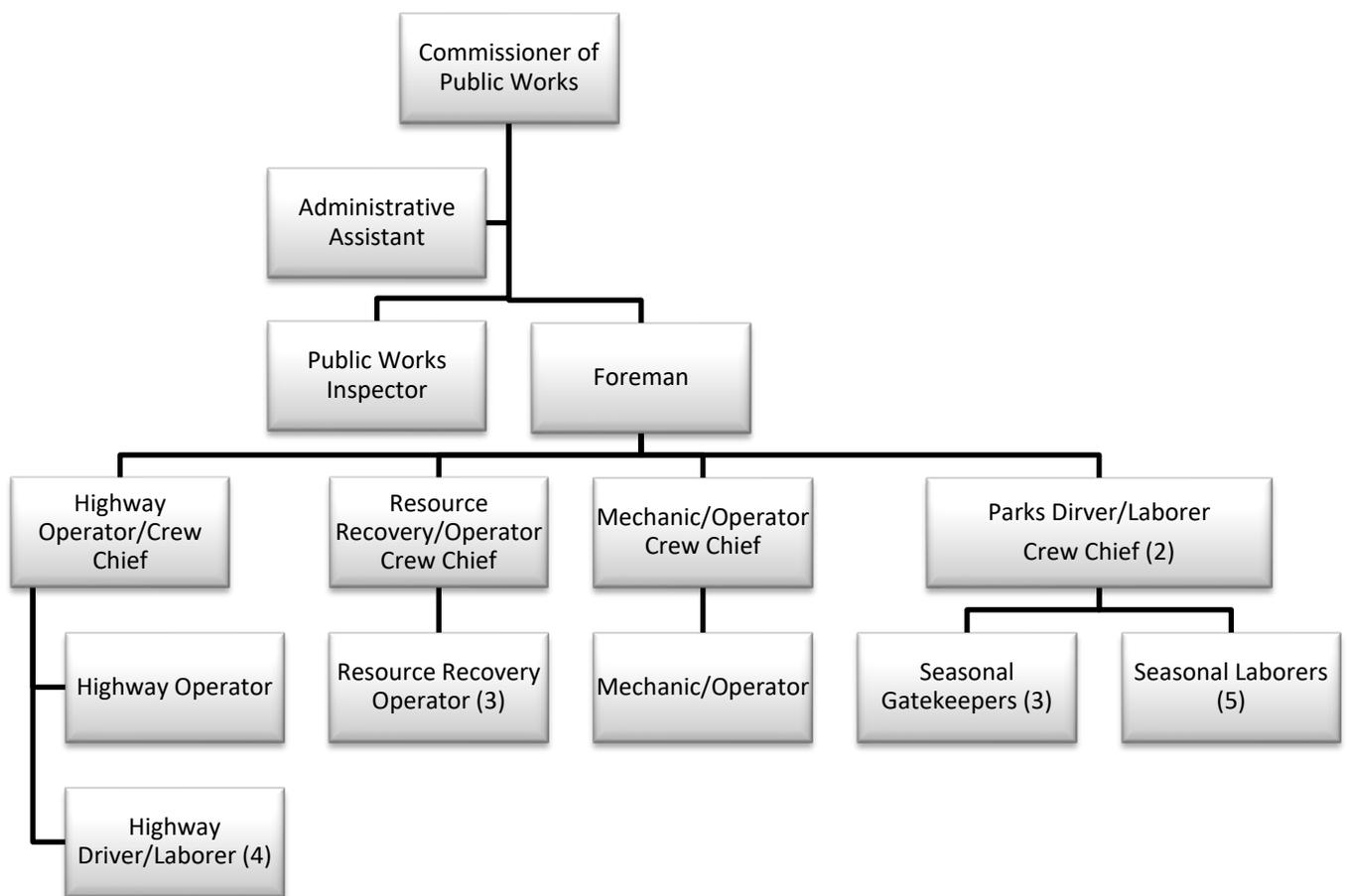
<b>POLICE</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101310</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64002 POLICE CHIEF FT SALARY	95,000	97,919	72,596	97,138	97,138	(0)	
64012 SERGEANTS SALARIES	260,985	297,641	294,648	318,214	321,381	3,167	
64013 SCHOOL RESOURCE OFFICER	58,195	59,382	60,898	67,349	67,448	99	
64014 DETECTIVES SALARIES	126,164	130,681	129,377	137,841	138,153	312	
64015 PATROLMEN SALARIES	633,256	658,525	633,433	699,475	685,333	(14,142)	
64016 DISPATCHER SALARIES	277,586	290,391	318,246	337,892	291,714	(46,178)	
64017 ADMINISTRATIVE ASSISTANT	39,369	45,154	46,674	47,935	94,534	46,599	
64021 MATRON SALARY	161	-	-	-	-	-	
64022 ANIMAL CONTROL OFFICER SALARY	30,160	30,904	31,856	61,693	67,276	5,583	
64023 LIEUTENANT SALARY	52,981	73,913	75,451	77,498	79,207	1,709	
64024 NIGHT DIFFERENTIAL	14,070	15,352	15,537	17,500	17,500	-	
64034 PHYSICAL FITNESS STIPEND	-	-	3,000	4,900	4,900	-	
64027 CUSTODIAN WAGES	12,558	13,054	13,204	14,830	15,057	227	
64030 OVERTIME	172,331	173,065	230,258	175,000	175,000	-	
64032 DEA OVERTIME	26,946	20,772	6,775	-	-	-	
64033 SICK TIME BUY BACK	2,128	1,907	-	1,340	1,890	550	
64035 OUTSIDE DETAIL	21,564	3,565	3,917	-	-	-	
64047 OTHER COMPENSATION	-	-	56,919	-	-	-	
<b>Total Personal Services</b>	<b>1,823,454</b>	<b>1,912,225</b>	<b>1,992,788</b>	<b>2,058,605</b>	<b>2,056,531</b>	<b>(2,074)</b>	<b>-0.10%</b>
65010 POSTAGE	502	553	23	530	530	-	
65020 TELEPHONE & INTERNET	19,328	20,307	22,132	22,000	24,700	2,700	
65030 TRANSPORTATION	1,831	2,202	5,776	2,000	2,800	800	
65040 EDUCATIONAL/MEETING EXPENSES	18,031	10,021	19,689	22,000	22,000	-	
65060 PRINTING	626	851	1,055	1,000	1,400	400	
65080 LEGAL NOTICES/OTHER ADVERTISE	1,280	425	-	700	700	-	
65200 ELECTRICITY	20,861	16,233	13,424	15,000	15,000	-	
65220 WATER	417	423	212	545	545	-	
65230 FUEL OIL	6,284	6,163	6,605	5,400	5,400	-	
65240 DUMPSTERS	749	783	784	750	750	-	
65250 SEWER	280	320	419	300	300	-	
65300 MACHINE & EQUIPMENT MAINT	30,401	34,273	57,334	68,100	68,100	-	
65310 VEHICLE MAINTENANCE	56,912	21,540	22,280	31,000	31,000	-	
65311 GAS, GREASE, OIL, & TIRES	-	33,663	35,539	40,000	45,000	5,000	
65470 DOG EXPENSE	645	780	385	750	750	-	
65480 OTHER PROFESSIONAL SERVICES	6,738	3,935	4,962	3,000	4,200	1,200	
65500 MAINTENANCE OF BLDG/GROUNDS	5,739	2,285	6,652	5,000	5,000	-	
65521 UNIFORMS	22,428	16,335	29,663	19,000	18,500	(500)	
65523 K-9 EXPENSES	96	-	-	-	-	-	
66010 OFFICE SUPPLIES	3,188	2,572	3,404	4,000	4,000	-	
66020 BOOKS/SUBSCRIPTIONS	2,931	2,653	3,289	4,000	4,000	-	
66030 OTHER SUPPLIES	7,000	4,560	3,283	3,200	5,100	1,900	
66032 ARMORY SUPPLIES	-	7,569	8,203	12,500	17,000	4,500	
66040 JANITORIAL SUPPLIES & SERVICES	1,655	1,660	2,152	1,700	3,000	1,300	
67510 OFFICE FURNITURE & EQUIPMENT	1,344	833	789	1,000	1,500	500	
67517 BULLET PROOF VESTS	4,577	5,692	6,837	6,200	4,000	(2,200)	
<b>Total Expenses</b>	<b>213,843</b>	<b>196,628</b>	<b>254,889</b>	<b>269,675</b>	<b>285,275</b>	<b>15,600</b>	<b>5.78%</b>
<b>TOTAL POLICE</b>	<b>2,037,297</b>	<b>2,108,854</b>	<b>2,247,677</b>	<b>2,328,280</b>	<b>2,341,806</b>	<b>13,526</b>	<b>0.58%</b>

**PUBLIC WORKS**

**MISSION STATEMENT**

The Department of Public Works endeavors to maintain the town’s roadways and drainage infrastructure to enable safe and convenient travel within town; to maintain the town’s parks and open spaces for the enjoyment of residents and visitors; and to maintain an efficient means of meeting town waste disposal and recovery needs.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

<b>POSITION</b>	<b>FY20 Budget</b>	<b>FY21 Proposed</b>
Commissioner of Public Works	1	1
Administrative Assistant	1	1
Foreman	1	1
Mechanic/Operator	2	2
Highway Equipment Operator	2	2
Highway Driver/Laborer II	4	4
Parks Driver/Laborer II	2	2
Parks Seasonal	4	4
Resource Recovery Operators	4	4
Public Works Inspector	1	1
<b>Total FTE</b>	<b>22</b>	<b>22</b>

**BUDGET OVERVIEW**

The Public Works budget is projected to increase a combined \$37,233, or 1.9%.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service. The contract for this unit expires June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Administration Budget under the Salary Adjustment line item.

Wages for seasonal employees are increasing as a result of the increased Maine minimum wage effective January 1, 2020. Hourly wages are evaluated and adjusted accordingly to maintain competitiveness. Hiring seasonal employees was a challenge prior to COVID-19, due to the low unemployment rate. Though unemployment has significantly increased as a major consequence of COVID-19, the federal Payroll Protection Program, which is in effect through at least July 31, 2020 is creating a new challenge to attract seasonal employees that could otherwise receive an additional \$600 per week in addition to unemployment to remain out of work.

Janitorial supplies have been increased to reflect enhanced disinfecting and cleaning required a result of COVID-19.

**Highway**

The Highway budget has a \$17,803 increase, approximately 1.6%.

Non-personnel expenses are increasing to reflect the increased cost of contracts and supplies. \$4,000 of the increase is accounted for in Striping and Other Professional Services. These increases will cover additional roadway striping efforts, and sustained tree maintenance services. Both of these efforts improve safety; the tree maintenance program lowers both potential liability and potential loss of power from downed limbs and trees during storms.

**Parks**

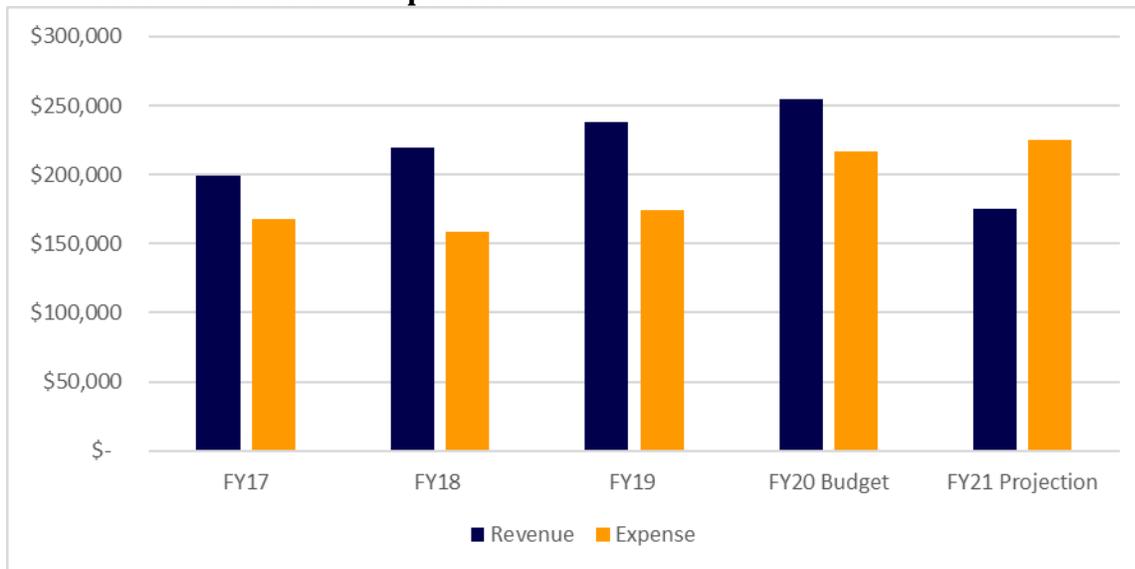
Town Parks are expected to increase \$8,465, approximately 5.4%. Approximately one-third of the cost increase is the result of wage adjustments for seasonal employees, noted above.

Other professional services are increasing \$4,000 to cover the cost of weed management. The Town is investigating alternative weed management treatments in response to concerns regarding health and environmental issues resulting from the use of pesticides.

Fort Foster DPW expenses are expected to increase \$8,382, approximately 5.2%. The cost increases are primarily the result of wage adjustments for seasonal employees, noted above.

It is unclear what impacts social distancing will have on Fort Foster attendance. The 14-day quarantine order applies to day visitors from neighboring states. This is expected to be modified as the summer tourism pressure pushes the state to a less restrictive requirement on day-trippers and for those on the NH border such as Kittery.

**Fort Foster Revenue and Expenses\***



Notes:

\* - excludes capital expenditures

- The Town Council increased some Fort Foster fees effective 2019 season.

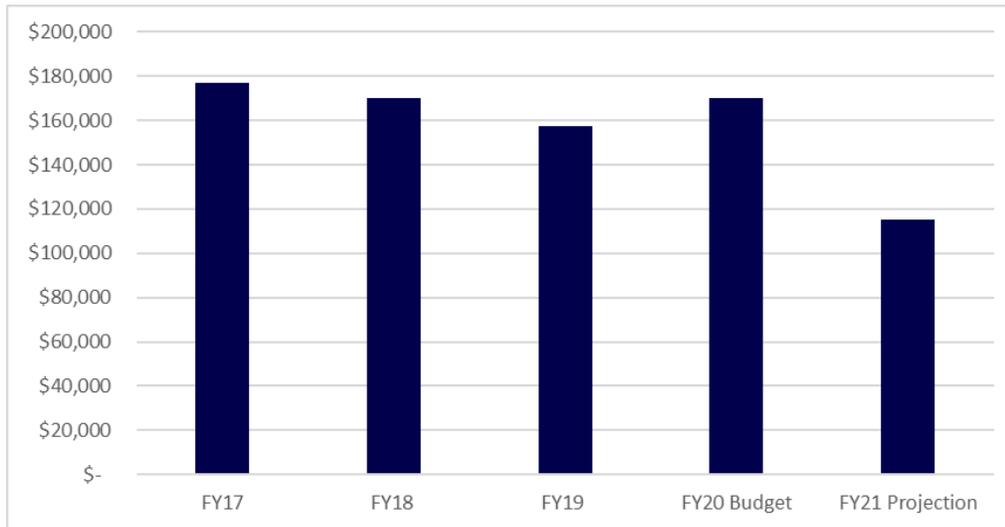
**Resource Recovery Center**

The Resource Recovery Center budget is projected to increase \$2,584, approximately 0.5%.

Natural turnover at the KRRF has resulted in a fairly new team staffing the facility. Currently no member of the KRRF team qualifies for longevity. The result is a reduction of \$4,512 in budgeted full-time salaries.

Other Professional Services is increasing \$6,000 for annual contractual increases in hauling and disposal costs. The recycling market is starting to show small signs of recovery as an odd ancillary outcome of the COVID-19 pandemic.

**Resource Recovery Center Revenue**



<b>DPW SUMMARY</b>	<b>FY17 ACTUALS</b>	<b>FY18 ACTUALS</b>	<b>FY19 ACTUALS</b>	<b>FY20 BUDGET</b>	<b>FY21 PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
Highway	878,528	1,073,135	1,069,346	1,096,698	1,114,500	17,803	
Resource Recovery	482,091	447,847	501,275	569,322	571,906	2,584	
Parks	122,488	114,957	110,167	155,597	164,062	8,465	
Ft. Foster/Beaches	126,335	122,415	148,875	161,642	170,024	8,382	
<b>Total Expenses</b>	<b>1,609,442</b>	<b>1,758,354</b>	<b>1,829,662</b>	<b>1,983,259</b>	<b>2,020,492</b>	<b>37,233</b>	<b>1.9%</b>

<b>HIGHWAY 101410</b>	<b>FY17 ACTUALS</b>	<b>FY18 ACTUALS</b>	<b>FY19 ACTUAL</b>	<b>FY20 BUDGET</b>	<b>FY21 PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64004 HIGHWAY 35% COMM SALARY	26,288	26,958	32,977	33,835	34,094	259	
64010 FULL TIME SALARIES	402,003	455,825	431,293	502,797	512,864	10,067	
64015 ADMINISTRATIVE ASSISTANT	46,306	47,586	49,178	50,965	51,443	477	
64020 PART TIME SALARIES	-	28,512	27,614	-	-	-	
64029 OVERTIME - SNOW & STORMS	79,403	68,891	63,167	75,000	75,000	-	
64030 OVERTIME	5,469	6,781	12,059	7,200	7,200	-	
<b>Total Personal Services</b>	<b>559,469</b>	<b>634,554</b>	<b>616,287</b>	<b>669,798</b>	<b>680,600</b>	<b>10,803</b>	<b>1.6%</b>
65010 POSTAGE	400	171	44	500	500	-	
65020 TELEPHONE & INTERNET	4,330	4,065	4,931	4,200	4,200	-	
65030 TRANSPORTATION	508	519	541	750	750	-	
65040 EDUCATIONAL/MEETING EXPENSES	1,406	1,243	2,395	4,000	4,000	-	
65060 PRINTING	481	544	647	600	600	-	
65080 LEGAL NOTICES/OTHER ADVERTISE	1,535	770	-	1,000	1,000	-	
65200 ELECTRICITY	6,193	5,851	4,957	4,100	4,100	-	
65220 WATER	559	1,421	1,339	2,500	2,500	-	
65230 FUEL OIL	2,456	6,659	6,674	7,000	7,000	-	
65250 SEWER	300	300	375	350	350	-	
65300 MACHINE & EQUIPMENT MAINT	15,969	13,283	15,509	18,000	18,000	-	
65302 PROTECTIVE & SAFETY EQUIPMENT	2,215	3,650	2,711	3,000	3,000	-	
65303 FACILITY SAFETY INSPECTION EXP	-	1,245	1,300	1,250	1,250	-	
65310 VEHICLE MAINTENANCE	15,611	17,082	15,607	16,000	18,000	2,000	
65311 GAS, GREASE & OIL	41,004	42,684	47,664	52,000	52,000	-	
65312 TIRES & TUBES	5,928	7,916	3,451	8,000	8,000	-	
65450 TARRING & PATCHING	11,299	10,639	18,025	12,000	12,000	-	
65452 SALT	124,256	203,030	186,570	140,000	140,000	-	
65454 SAND	-	1,680	-	2,100	2,100	-	
65456 GRAVEL & FILL	192	-	2,568	3,000	3,000	-	
65458 DRAINAGE SUPPLIES	2,244	6,639	4,548	5,000	5,000	-	
65460 SIGNS	8,662	9,640	6,976	10,000	10,000	-	
65462 STRIPING	24,425	29,055	32,967	38,000	40,000	2,000	
65466 SNOW REMOVAL EQUIP/PARTS	8,452	18,753	23,906	18,500	18,500	-	
65480 OTHER PROFESSIONAL SERVICES	7,461	13,235	24,454	28,000	30,000	2,000	
65500 MAINTENANCE OF BLDG/GROUNDS	1,759	6,065	7,811	6,500	6,500	-	
65521 UNIFORMS	4,800	3,600	3,200	4,400	4,400	-	
65522 C.D.L PROGRAMS	602	718	252	850	850	-	
66009 SHOP SUPPLIES	15,103	13,610	17,732	16,500	16,500	-	
66010 OFFICE SUPPLIES	622	548	838	800	800	-	
66011 HAND TOOLS	91	1,040	639	600	600	-	
66020 BOOKS/SUBSCRIPTIONS	477	497	585	1,000	1,000	-	
66030 OTHER SUPPLIES	39	128	851	400	400	-	
66040 JANITORIAL SUPPLIES & SERVICES	7,108	7,371	7,754	7,500	8,500	1,000	
67514 PLANT EQUIPMENT	-	698	1,459	1,500	1,500	-	
67518 RENTAL EQUIPMENT	2,108	699	1,681	3,000	3,000	-	
67520 OPERATING EQUIPMENT	-	1,368	779	2,000	2,000	-	
67540 IMPROVEMENTS TO BLDGS/GROUNDC	468	2,163	1,316	2,000	2,000	-	
<b>Total Expenses</b>	<b>319,059</b>	<b>438,581</b>	<b>453,059</b>	<b>426,900</b>	<b>433,900</b>	<b>7,000</b>	<b>1.6%</b>
<b>TOTAL HIGHWAY</b>	<b>878,528</b>	<b>1,073,135</b>	<b>1,069,346</b>	<b>1,096,698</b>	<b>1,114,500</b>	<b>17,803</b>	<b>1.6%</b>

<b>PARKS</b>	FY17	FY18	FY19	FY20	FY21	VARIANCE	%
	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>		
<b>101730</b>							
64007 PARKS 10% COMM SALARY	15,014	7,702	9,422	9,667	9,741	74	
64010 FULL TIME SALARIES	43,749	44,660	46,500	49,270	49,558	287	
64020 PART TIME SALARIES	30,635	26,686	14,196	43,740	46,800	3,060	
64030 OVERTIME	206	1,129	580	1,356	1,400	44	
<b>Total Personal Services</b>	<b>89,603</b>	<b>80,177</b>	<b>70,698</b>	<b>104,034</b>	<b>107,499</b>	<b>3,465</b>	<b>3.3%</b>
65040 EDUCATIONAL/MEETING EXPENSES	-	-	-	100	100	-	
65060 PRINTING	-	-	-	100	100	-	
65080 LEGAL NOTICES/OTHER ADVERTISE	-	-	-	150	150	-	
65200 ELECTRICITY	1,193	1,014	957	1,538	1,538	-	
65220 WATER	4,542	3,283	3,872	7,400	7,400	-	
65300 MACHINE & EQUIPMENT MAINT	1,343	1,443	1,029	2,000	2,000	-	
65302 PROTECTIVE & SAFETY EQUIPMENT	453	233	243	350	350	-	
65303 FACILITY SAFETY INSPECTION EXP	-	241	121	625	625	-	
65310 VEHICLE MAINTENANCE	2,977	598	637	1,000	1,200	200	
65311 GAS, GREASE & OIL	2,582	2,024	2,698	5,500	5,500	-	
65312 TIRES & TUBES	895	702	664	1,000	1,000	-	
65457 LOAM & SOD	354	1,852	117	3,000	3,000	-	
65480 OTHER PROFESSIONAL SERVICES	17,247	21,057	26,972	26,000	30,000	4,000	
65500 MAINTENANCE OF BLDG/GROUNDS	677	600	1,062	1,000	1,000	-	
65521 UNIFORMS	265	400	400	400	800	400	
66011 HAND TOOLS	208	76	120	150	150	-	
66030 OTHER SUPPLIES	81	114	107	150	150	-	
66040 JANITORIAL SUPPLIES & SERVICES	18	-	-	100	500	400	
67520 OPERATING EQUIPMENT	52	1,142	469	1,000	1,000	-	
<b>Total Expenses</b>	<b>32,885</b>	<b>34,780</b>	<b>39,469</b>	<b>51,563</b>	<b>56,563</b>	<b>5,000</b>	<b>9.7%</b>
<b>TOTAL PARKS</b>	<b>122,488</b>	<b>114,957</b>	<b>110,167</b>	<b>155,597</b>	<b>164,062</b>	<b>8,465</b>	<b>5.4%</b>

<b>FORT FOSTER AND BEACHES</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101735</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64007 PARKS 15% COMM SALARY	22,522	11,553	14,133	14,501	14,612	111	
64010 FULL TIME SALARIES	47,180	48,793	50,492	51,518	51,790	272	
64020 PART TIME SALARIES	36,461	42,982	52,474	55,916	62,080	6,164	
64030 OVERTIME	963	1,592	11,027	6,920	7,055	135	
<b>Total Personal Services</b>	<b>107,126</b>	<b>104,920</b>	<b>128,126</b>	<b>128,854</b>	<b>135,536</b>	<b>6,682</b>	<b>5.2%</b>
65020 TELEPHONE & INTERNET	1,247	1,344	1,428	1,400	1,400	-	
65040 EDUCATIONAL/MEETING EXPENSES	-	-	-	100	100	-	
65060 PRINTING	3,580	3,406	3,819	3,500	3,500	-	
65080 LEGAL NOTICES/OTHER ADVERTISE	-	-	240	200	200	-	
65200 ELECTRICITY	199	284	308	513	513	-	
65220 WATER	-	-	-	600	600	-	
65300 MACHINE & EQUIPMENT MAINT	597	152	420	1,500	1,500	-	
65302 PROTECTIVE & SAFETY EQUIPMENT	382	626	392	600	600	-	
65303 FACILITY SAFETY INSPECTION EXP	-	419	180	625	625	-	
65310 VEHICLE MAINTENANCE	3,439	672	-	1,000	1,200	200	
65311 GAS, GREASE & OIL	970	802	793	5,500	5,500	-	
65312 TIRES & TUBES	263	700	-	700	700	-	
65480 OTHER PROFESSIONAL SERVICES	790	1,440	4,573	4,000	4,000	-	
65500 MAINTENANCE OF BLDG/GROUNDS	1,291	1,837	2,129	4,500	4,500	-	
65510 PAINTING	74	450	217	400	400	-	
65521 UNIFORMS	400	400	391	700	700	-	
66011 HAND TOOLS	47	180	164	150	150	-	
66030 OTHER SUPPLIES	393	135	757	900	900	-	
66040 JANITORIAL SUPPLIES & SERVICES	5,536	3,449	4,697	4,500	6,000	1,500	
67520 OPERATING EQUIPMENT	-	1,199	40	1,200	1,200	-	
67575 SEAPOINT BEACH	-	-	200	200	200	-	
<b>Total Expenses</b>	<b>19,210</b>	<b>17,495</b>	<b>20,749</b>	<b>32,788</b>	<b>34,488</b>	<b>1,700</b>	<b>5.2%</b>
<b>TOTAL FORT FOSTER AND BEACHES</b>	<b>126,335</b>	<b>122,415</b>	<b>148,875</b>	<b>161,642</b>	<b>170,024</b>	<b>8,382</b>	<b>5.2%</b>

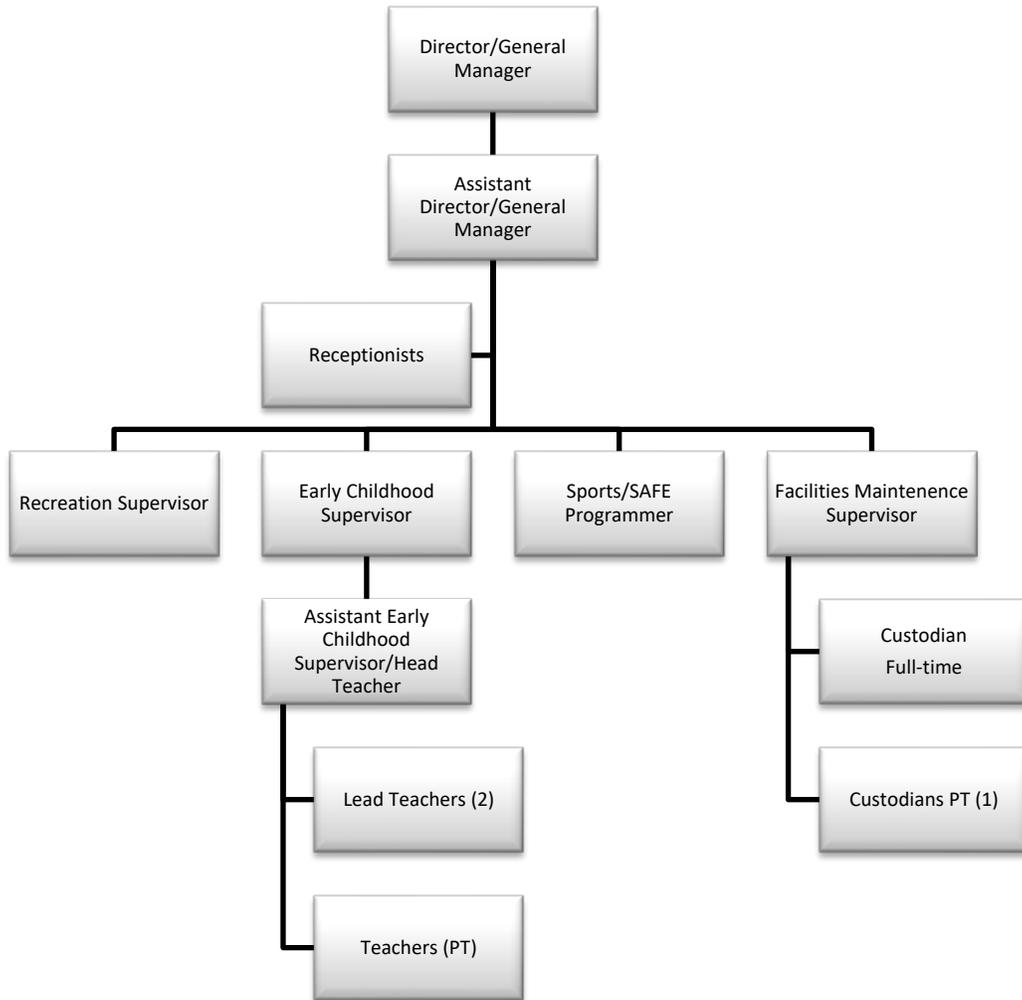
<b>RESOURCE RECOVERY CENTER</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101930</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64009 SOLID WASTE 40% COMM SALARY	60,058	30,809	37,688	38,668	38,964	296	
64010 FULL TIME SALARIES	123,483	128,209	163,232	178,149	173,637	(4,512)	
64012 SHORELAND RESOURCE OFFICER	26,087	-	-	-		-	
64020 PART TIME SALARIES	14,033	16,949	1,073	-		-	
64030 OVERTIME	7,983	4,824	5,436	8,500	8,500	-	
<b>Total Personal Services</b>	<b>231,644</b>	<b>180,791</b>	<b>207,428</b>	<b>225,317</b>	<b>221,101</b>	<b>(4,216)</b>	<b>-1.9%</b>
65020 TELEPHONE & INTERNET	889	918	823	2,000	2,000	-	
65030 TRANSPORTATION	173	-	-	200	200	-	
65040 EDUCATIONAL/MEETING EXPENSES	64	-	50	1,000	1,000	-	
65060 PRINTING	1,723	1,717	1,408	1,500	1,500	-	
65080 LEGAL NOTICES/OTHER ADVERTISE	-	-	-	-		-	
65090 ZERO WASTE PROGRAM EXPENSES	-	-	660	2,500	2,500	-	
65200 ELECTRICITY	14,429	14,056	15,100	11,275	11,275	-	
65220 WATER	592	641	602	950	950	-	
65230 FUEL OIL	633	1,005	411	1,230	1,230	-	
65300 MACHINE & EQUIPMENT MAINT	2,472	3,829	3,352	3,500	3,500	-	
65302 PROTECTIVE & SAFETY EQUIPMENT	672	1,020	1,900	1,000	1,000	-	
65303 FACILITY SAFETY INSPECTION EXPENSES	239	881	80	1,250	1,250	-	
65311 GAS, GREASE & OIL	7,325	8,558	9,026	12,000	12,000	-	
65312 TIRES & TUBES	-	3,023	-	3,000	3,000	-	
65480 OTHER PROFESSIONAL SERVICES	212,167	218,380	238,316	264,500	270,500	6,000	
65500 MAINTENANCE OF BLDG/GROUNDS	674	1,594	2,693	8,000	8,000	-	
65521 UNIFORMS	1,721	2,400	2,400	2,000	2,000	-	
66009 SHOP SUPPLIES	3,383	4,942	3,063	6,000	6,000	-	
66010 OFFICE SUPPLIES	132	123	89	250	250	-	
66011 HAND TOOLS	-	-	333	200	200	-	
66030 OTHER SUPPLIES	55	45	139	250	250	-	
66040 JANITORIAL SUPPLIES & SERVICES	1,202	1,335	1,385	1,400	2,200	800	
67516 PLANT EQUIPMENT MAINTENANCE	1,904	2,592	12,017	12,500	12,500	-	
67553 ASPHALT SURFACE MAINTENANCE	-	-	-	7,500	7,500	-	
<b>Total Expenses</b>	<b>250,447</b>	<b>267,056</b>	<b>293,847</b>	<b>344,005</b>	<b>350,805</b>	<b>6,800</b>	<b>2.0%</b>
<b>TOTAL RESOURCE RECOVERY CENTER</b>	<b>482,091</b>	<b>447,847</b>	<b>501,275</b>	<b>569,322</b>	<b>571,906</b>	<b>2,584</b>	<b>0.5%</b>

**KITTERY COMMUNITY CENTER**

**MISSION STATEMENT**

The Kittery Community Center provides recreation activities and services that contribute to the physical, emotional and social well-being of Kittery citizens. Through this mission, it provides athletic, educational, and cultural experiences for all ages that assist in contributing to a full and meaningful way of life.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

<b>POSITION</b>	<b>FY20 Budget</b>	<b>FY21 Proposed</b>
Director	1	1
Assistant Director	1	1
Recreation Supervisor	1	1
Sports/SAFE Programmer	1	1
Early Childcare Supervisor	1	1
Assistant Early Childcare Supervisor/Lead Teacher	1	1
Lead Teacher	2	2
Facilities Maintenance Supervisor	1	1
Head Custodian	0	0
FT Custodian	1	1
PT Custodian	1	1
Receptionist	2	2
Preschool Teacher	2	2
SAFE Teacher	2	2
<b>Total FTE</b>	<b>17.0</b>	<b>17.0</b>

**BUDGET OVERVIEW**

The Kittery Community Center budget is projected to decrease \$31,129, approximately 3%.

The impacts of long-term social distancing are profound. The need for community-based programs, activities, and gatherings with proper safety measures is growing as each week of isolation passes. The KCC staff and campus will play a significant role in the town's reconnection and return to normalcy. For this reason, the department is expected to be very active in FY21.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service. The contract for this unit expires June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Administration Budget under the Salary Adjustment line item.

Wages for part-time employees are increasing as a result of the increased Maine minimum wage effective January 1, 2020. Hourly wages are evaluated and adjusted accordingly maintain competitiveness.

The preschool program will resume operations in July, following a shutdown that coincided with the school closures for COVID-19. The preschool program is an outdoor forest program, which is an advantage for social distancing and safety for the students.

Summer camps were cancelled due to the risk and the restrictive nature of the reopening guidelines resulting from COVID-19. This decision impacts both revenue and expenses. In

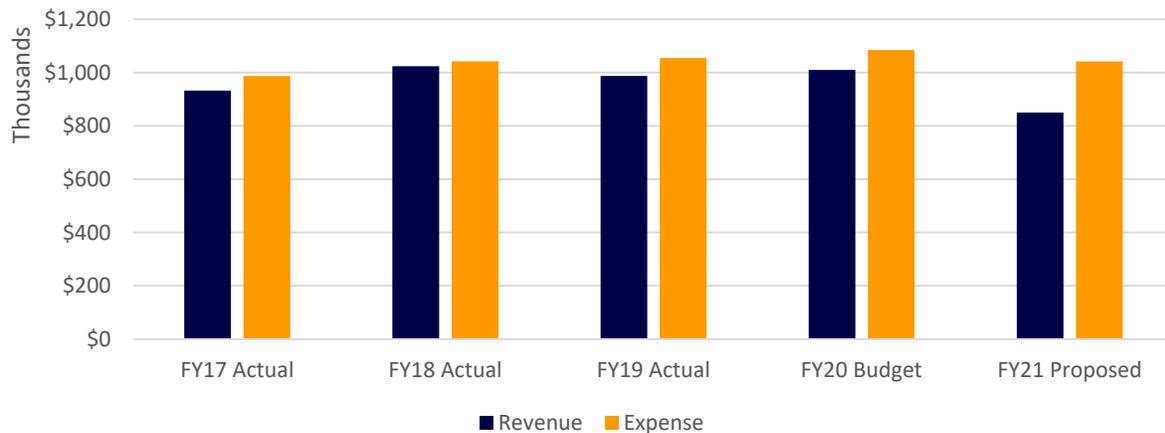
lieu of camps, funds have been added to the special events line to support family programs in the summer that allow for safe socialization and community reconnections.

Theater rentals will take a while to resume due to the safe congregation limits. Conversely, fitness suite operations and small meeting room rentals will resume in the summer. Instructional courses are also expected to resume early in FY21, with limitations on participants.

It is unclear if public schools will resume their normal schedule in the fall. The budget has been developed assuming afterschool programs will be held starting in September. The staff are also looking at how to support families in the fall with childcare if the school schedule is modified.

There is a heightened need for cleaning and building maintenance as the KCC starts to open for community use.

**Recreation Department Revenues and Expenses\***



\* - excludes capital expenditures

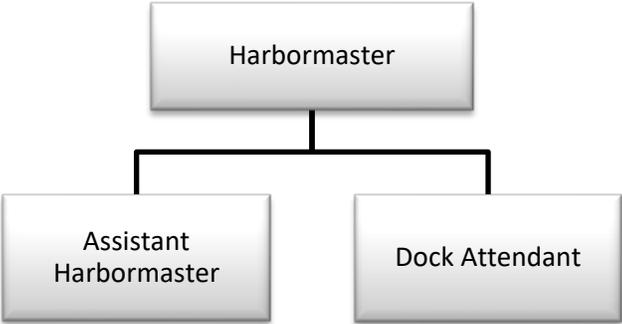
<b>RECREATION</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>VARIANCE</b>	<b>%</b>
<b>101830</b>	<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>		
64008 RECREATION DIRECTOR SALARY	78,521	80,683	78,364	81,172	81,428	256	
64009 ASST DIRECTOR/GEN MGR	57,709	59,345	58,501	59,000	59,627	627	
64010 EARLY CHILDHOOD SUPERVISOR	38,809	42,075	47,379	42,920	42,920	-	
64012 RECREATION SUPERVISOR	44,892	45,805	36,303	46,049	46,049	-	
64041 FACILITIES MAINT. SUPERVISOR	-	22,665	52,024	52,215	53,219	1,004	
64013 ASST EARLY CHILDCARE SUPER	33,102	33,766	21,070	36,019	35,313	(706)	
64014 LEAD TEACHERS	57,389	52,340	71,509	61,833	61,235	(598)	
64015 SAFE/SPORTS COORDINATOR	35,001	35,825	36,760	37,467	38,089	622	
64016 RECEPTIONISTS	49,589	49,805	48,621	54,911	63,250	8,339	
64017 BOOKKEEPER/SECRETARY	19,926	20,172	21,586	22,277	22,439	162	
64020 PT SAFE SCHOOL YEAR SALARIES	15,211	24,293	24,021	23,872	30,500	6,628	
64021 SAFE SUMMER SALARIES	31,341	29,605	35,593	62,958	13,650	(49,308)	
64023 ADVENTURE SUMMER STAFF	10,663	10,690	13,875	-	-	-	
64024 FT CUSTODIAN	78,899	59,588	35,296	37,467	37,467	-	
64025 PRE-SCHOOL STAFF SALARIES	94,162	123,701	134,824	132,294	162,556	30,262	
64026 INSTRUCTORS STIPENDS	21,165	30,865	22,958	-	-	-	
64027 PT CUSTODIAN WAGES	30,270	26,759	30,835	32,929	33,711	782	
64028 THEATRE TECHNICIANS	130	213	120	500	250	(250)	
64030 OVERTIME	7,122	6,941	1,705	6,000	4,500	(1,500)	
<b>Total Personal Services</b>	<b>703,901</b>	<b>755,136</b>	<b>771,343</b>	<b>789,882</b>	<b>786,203</b>	<b>(3,679)</b>	<b>-0.5%</b>
65010 POSTAGE	1,418	1,561	762	1,500	1,215	(285)	
65020 TELEPHONE & INTERNET	4,457	4,678	3,825	3,300	3,450	150	
65030 TRANSPORTATION/ADMISSIONS	2,850	987	7,257	5,400	12,000	6,600	
65060 PRINTING	7,565	8,196	7,800	8,500	8,500	-	
65080 LEGAL NOTICES/OTHER ADVERTISE	127	175	-	-	-	-	
65200 ELECTRICITY / UTILITIES	46,240	40,195	36,006	42,000	36,000	(6,000)	
65220 WATER	3,245	3,322	3,322	3,342	3,322	(20)	
65230 NATURAL GAS	32,888	39,187	39,455	34,000	34,000	-	
65250 SEWER	2,089	2,300	2,938	2,300	3,300	1,000	
65300 MACHINE & EQUIPMENT MAINT	1,801	3,372	4,363	3,500	4,305	805	
65310 VEHICLE MAINTENANCE	1,788	490	13	250	250	-	
65478 PROGRAM SERVICES	1,581	7,370	3,806	2,500	2,500	-	
65480 OTHER PROFESSIONAL SERVICES	625	625	2,181	1,500	2,500	1,000	
65500 MAINTENANCE OF BLDG/GROUNDS	7,676	17,597	13,497	13,000	14,500	1,500	
65521 UNIFORMS	-	693	537	-	-	-	
65610 SAFE SCHCOOL YEAR PROGRAM EXP	3,586	4,389	2,414	3,500	3,500	-	
65615 SAFE SUMMER PROGRAM EXPENSES	22,093	20,105	22,226	38,000	3,000	(35,000)	
65620 ADVENTURE ADOLESCENT CAMP	17,210	20,947	22,789	-	-	-	
65630 INSTRUCTORS-CONTRACTED	2,709	1,449	11,397	25,500	27,000	1,500	
65640 SPECIAL EVENTS	8,902	7,949	8,657	8,500	13,500	5,000	
65650 SENIOR PROGRAMS	3,927	10,947	3,154	6,000	1,500	(4,500)	
65670 TEAM EXPENSE	7,249	7,940	8,658	8,000	6,750	(1,250)	
65680 PRESCHOOL PROGRAM EXPENSES	12,537	10,393	8,552	8,000	8,000	-	
65801 CONTRACTED SERVICES	52,394	42,226	44,819	46,200	49,000	2,800	
65802 ANNEX UTILITIES	3,032	2,263	268	2,500	2,000	(500)	
65803 MISCELLANEOUS	15,010	7,572	5,165	7,500	5,500	(2,000)	
66010 OFFICE SUPPLIES	2,615	2,569	3,160	3,000	3,000	-	
66030 OTHER SUPPLIES	3,478	4,441	3,170	3,500	3,000	(500)	
66031 THEATRE SUPPLIES	1,024	468	767	1,000	750	(250)	
66040 JANITORIAL SUPPLIES & SERVICES	13,071	12,775	11,969	12,500	15,000	2,500	
<b>Total Expenses</b>	<b>283,186</b>	<b>287,181</b>	<b>282,926</b>	<b>294,792</b>	<b>267,342</b>	<b>(27,450)</b>	<b>-10.3%</b>
<b>TOTAL RECREATION</b>	<b>987,087</b>	<b>1,042,317</b>	<b>1,054,269</b>	<b>1,084,674</b>	<b>1,053,545</b>	<b>(31,129)</b>	<b>-3.0%</b>

**HARBORMASTER**

**MISSION STATEMENT**

The Harbormaster is responsible for maintenance and development of the port, harbor and navigable tidal waters within the jurisdiction of the town’s Port Authority. The Kittery Port Authority establishes the rules and regulations for the jurisdictional tidal waters, and the fees and fines collected by the town.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

POSITION	FY20 Budget	FY21 Proposed
Harbormaster	1	1
Assistant Harbormaster (seasonal)	0.5	0.5
Dock Attendant (seasonal)	0.5	0.5
<b>Total FTE</b>	<b>2.0</b>	<b>2.0</b>

**BUDGET OVERVIEW**

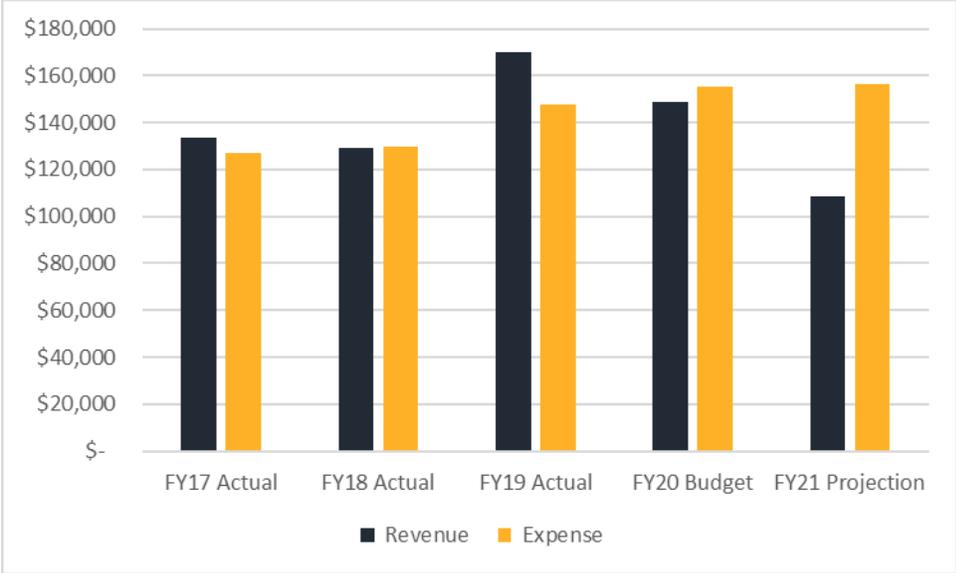
The Harbormaster budget is projected to increase \$1,004, approximately 0.9%. The budget maintains normal operations for FY21.

It is unclear what impacts social distancing will have on both commercial and recreational boating operations. The number of launch permits are expected to decrease during the State of Maine’s phased reopening plan. The plan requires anyone entering Maine from another state must quarantine for 14-days. This is expected to be modified as the summer tourism pressure pushes the state to a less restrictive requirement on day-trippers and for those on the NH border such as Kittery.

Even with anticipated reductions in boating activities this summer, staff are still expected to be busy with enforcement of the Kittery Port Authority Rules, state social distancing orders, and local and state laws.

Anticipated cost-of-living wage increases are being accounted for in the Administration Budget under the Salary Adjustment line item. The small increase for the Harbormaster is attributed to an increase in longevity during the next fiscal year.

**Harbormaster Revenues and Expenses\***



**Notes:**

- \* - excludes capital expenditures
- the KPA voted to increase mooring fees effective for FY19.

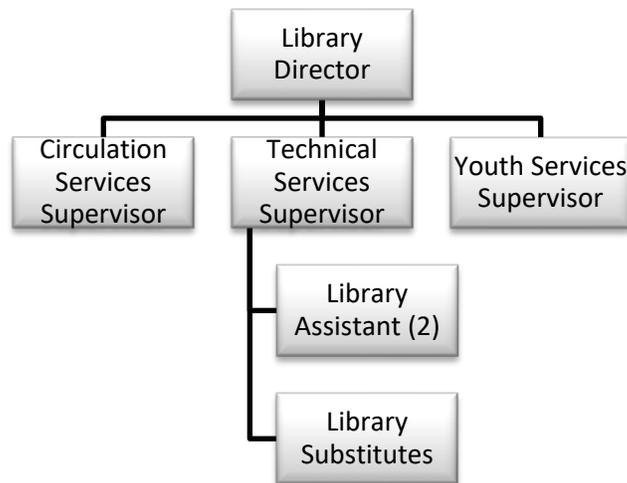
<b>HARBORMASTER - KPA</b>		<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101840</b>		<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
64010	HARBOR MASTER FULL TIME SALARIES	50,654	47,030	56,416	57,424	57,927	504	
64020	PART TIME SALARIES	10,903	9,542	13,017	14,100	14,100	-	
64030	OVERTIME	492	-	-	-	-	-	
	<b>Total Personal Services</b>	<b>62,049</b>	<b>56,573</b>	<b>69,432</b>	<b>71,524</b>	<b>72,027</b>	<b>504</b>	<b>0.7%</b>
65010	POSTAGE	206	8	-	500	250	(250)	
65020	TELEPHONE & INTERNET	864	1,181	1,434	1,100	1,100	-	
65030	TRANSPORTATION	565	-	-	500	-	(500)	
65052	PETTY CASH REPLENISHMENT	-	-	180	-	-	-	
65080	LEGAL NOTICES/OTHER ADVERTISE	420	127	-	-	-	-	
65200	ELECTRICITY	1,338	1,509	2,036	1,800	1,800	-	
65220	WATER	214	284	358	600	500	(100)	
65240	DUMPSTERS/TRASH REMOVAL	711	865	998	1,000	1,000	-	
65250	SEWER	2,270	-	100	300	-	(300)	
65305	BOAT EQUIPMENT MAINTENANCE	1,414	1,314	4,154	2,500	3,000	500	
65311	GAS, GREASE & OIL	992	807	462	1,000	2,000	1,000	
65452	SAFETY	829	473	-	1,000	1,000	-	
65460	SIGNS	558	488	66	500	-	(500)	
65462	RIGGING	5,591	8,784	7,887	10,000	10,000	-	
65463	SANITATION	367	1,945	1,631	3,500	3,500	-	
65469	SECURITY	-	-	-	-	-	-	
65470	PROFESSIONAL DEVELOPMENT	466	971	525	550	1,000	450	
65480	OTHER PROFESSIONAL/CONTRACTED	2,690	816	2,157	2,500	2,500	-	
65500	MAIN BLDG/GROUNDS WHARVES/HARBOR	2,570	3,089	8,767	6,000	6,000	-	
65521	UNIFORMS	298	534	241	1,000	1,000	-	
65550	PUBLIC OFFICIALS LIABILITY INS	2,627	1,530	-	-	-	-	
65551	MARINE OPERATORS LIAB INS	5,911	5,785	-	-	-	-	
66010	OFFICE SUPPLIES	849	130	237	500	400	(100)	
66040	JANITORIAL SUPPLIES & SERVICES	248	161	237	200	500	300	
	<b>Total Personal Services</b>	<b>31,996</b>	<b>30,799</b>	<b>31,471</b>	<b>35,050</b>	<b>35,550</b>	<b>500</b>	<b>1.4%</b>
	<b>TOTAL HARBORMASTER</b>	<b>94,045</b>	<b>87,371</b>	<b>100,903</b>	<b>106,574</b>	<b>107,577</b>	<b>1,004</b>	<b>0.9%</b>

**RICE PUBLIC LIBRARY**

**MISSION STATEMENT**

The mission of the Rice Public Library is to promote literacy and lifelong learning in a welcoming environment. The Library provides patrons access to local, national and global resources. It offers a collection that reflects the varied interests of the community through its collection of print, electronic, digital and emerging media and addresses the cultural interests of the community. The Library became a department of the Town effective July 1, 2019.

**DEPARTMENT ORGANIZATION**



**PERSONNEL SUMMARY**

<b>POSITION</b>	<b>FY20 Budget</b>	<b>FY21 Proposed</b>
Library Director	1	1
Circulation Services Supervisor	1	1
Youth Librarian Supervisor	1	1
Technical Services Supervisor	1	1
Cataloguing Assistant/Custodian	1	1
Library Services Assistant	.50	1
Substitutes (PT)	Varies	Varies
<b>Total FTE</b>	5.5	6.0

**BUDGET OVERVIEW**

The Library transitioned to a Town department in the prior fiscal year. Every effort was made to develop the annual budget in a manner that was consistent with the Town’s format and approach to budget calculations. There were some areas, specifically in the calculation of the full-time staff

costs that did not directly align with the Town's payroll and budget system due to schedule variation, application of the Town's longevity plan, and other anomalies. The budget is projected for a \$15,810 increase based on the correction of wage calculations.

Non-discretionary employment costs such as FICA, health insurance, and retirement contributions were incorporated into the town's Shared Expenses budget when it became a Town department.

Significant effort has been spent by the Library staff on identifying opportunities to connect patrons with content and services despite the new social distancing guidelines associated with COVID-19. The budget supports the approaches identified while also anticipating an eventual resumption of normalcy and active use of community spaces to gather and share information.

Full-time positions in the Library are covered by the Teamsters Clerical Unit. The contract for this unit expires June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Administration Budget under the Salary Adjustment line item.

The budget reflects "normal operations", despite the pending capital project that will have disruptive impacts on programs and operations during construction. The construction of the Rice Building expansion and renovation is expected to begin in Q4 of FY21 and last approximately 12 months.

Total non-personnel expenditures are essentially flat. The budget reflects a certain level of reallocation and further definition of line items related to content and programs.

<b>RICE PUBLIC LIBRARY</b>		<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>		
<b>101810</b>		<b>ACTUALS</b>	<b>ACTUALS</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
65002	Library Director				80,126	80,126	-	
64010	Library Full Time				179,214	195,233	16,019	
65003	Library Part Time				10,140	10,140	-	
<b>Total Personal Services</b>		<b>296,934</b>	<b>299,902</b>	<b>314,368</b>	<b>269,480</b>	<b>285,499</b>	<b>16,019</b>	<b>5.9%</b>
65010	Postage	2,149	2,849	2,250	1,250	400	(850)	
65020	Telephone	1,171	1,165	1,200	1,200	1,200	-	
65060	Printing Expense	3,996	2,054	2,500	1,000	400	(600)	
65200	Electricity (Rice & Taylor)	6,756	5,893	7,000	7,175	7,175	-	
65220	Water	998	1,733	1,600	1,800	600	(1,200)	
65230	Heating Expense (Rice & Taylor)	7,098	9,183	7,950	9,500	9,500	-	
65250	Sewer	-	-	-	-	1,000	1,000	
65340	E-Books ADULT	2,235	2,151	2,000	2,060	6,000	3,940	
NEW	E-Books CHILD				1,000	1,000	-	
65341	Audiovisual/DVD ADULT	14,812	15,915	14,000	14,420	14,420	-	
NEW	Audiovisual/DVD CHILD/TEEN					1,100	1,100	
65342	Copier Expense	2,995	3,037	2,500	3,000	3,400	400	
65431	Professional Dues	1,038	1,011	1,000	1,000	1,000	-	
65432	Technology	11,809	10,344	11,300	11,639	13,000	1,361	
65433	Library Programs ADULT	16,538	17,198	16,000	16,480	2,480	(14,000)	
NEW	Library Programs CHILD/TEENS					10,000	10,000	
65435	Conferences & Workshops	393	169	300	200	200	-	
65480	Other Professional Svcs (Delivery)	600	1,408	1,560	1,560	1,700	140	
65500	Grounds Maintenance	8,726	5,408	6,000	6,000	6,000	-	
65505	Building Repairs and Maintenance	12,306	13,657	13,000	13,000	13,000	-	
65803	Miscellaneous	2,013	1,944	1,650	1,650	1,650	-	
66010	Office Supplies	2,684	2,591	2,000	2,500	700	(1,800)	
NEW	Library Processing Supplies				3,400	3,400	-	
66020	Books, Magazines, Newspapers ADULT	54,513	58,410	48,543	49,999	37,249	(12,750)	
NEW	Books CHILD/TEEN					14,550	14,550	
67510	Office Equipment/Small Furniture	2,448	3,690	2,500	3,500	2,000	(1,500)	
NA	Insurance (Gen'l & Workers' Comp)	8,108	7,705	9,000	-	-	-	
NA	Building Cleaning	16,908	15,533	15,000	-	-	-	
NA	401K & Payroll Service Fees	4,974	4,783	5,000	-	-	-	
NA	Professional Services (PR)	1,051	1,592	1,200	-	-	-	
NA	Bookkeeping, Bank & Audit Charges	8,967	8,335	9,500	-	-	-	
	OFFSETTING REVENUE	(43,808)	(30,280)	(20,020)	-	-	-	
<b>Total Expenses</b>		<b>151,478</b>	<b>167,478</b>	<b>164,533</b>	<b>153,333</b>	<b>153,124</b>	<b>(209)</b>	<b>-0.1%</b>
<b>TOTAL LIBRARY</b>		<b>448,412</b>	<b>467,380</b>	<b>478,901</b>	<b>422,813</b>	<b>438,623</b>	<b>15,810</b>	<b>3.7%</b>

## COMMUNITY AGENCIES

### MISSION STATEMENT

Through Community Agencies, the town seeks to provide funding to non-profit agencies that provide support services for the residents of Kittery.

### BUDGET OVERVIEW

The projected budget is reduced from the prior year and focused on those agencies that directly help Kittery residents with essential needs such as housing, food, transportation, and case work.

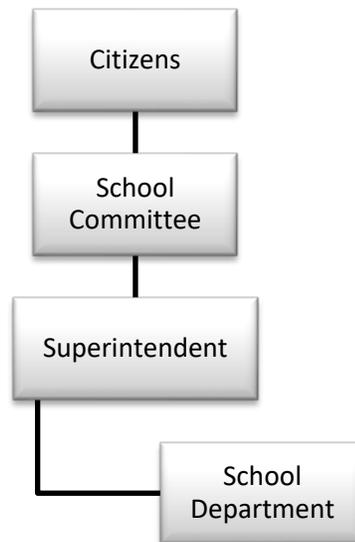
COMMUNITY AGENCIES 101540	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUALS	FY20 BUDGET	FY21 PROPOSED	VARIANCE	%
65479 FAIR TIDE	1,500	1,600	1,600	1,800	2,000	200	
65482 AIDS RESPONSE SEACOAST	965	965	965	965	-	(965)	
65483 AMERICAN RED CROSS	500	500	-	-	-	-	
65487 CARING UNLIMITED	965	1,000	-	-	-	-	
65492 YORK COUNTY COMMUNITY ACTION	2,500	2,500	2,500	2,500	2,500	-	
65495 VISITING NURSES OF SO MAINE	2,000	-	-	-	-	-	
65497 SO MAINE AREA AGENCY ON AGING	1,300	1,300	1,300	1,400	1,400	-	
65499 CROSSROADS HOUSE	2,000	2,000	2,000	2,000	2,000	-	
65526 GARDEN CLUB	-	-	-	300	-	(300)	
65528 SO MAINE VETERANS MEMORIAL CEMETERY	-	1,000	-	200	-	(200)	
<b>TOTAL COMMUNITY AGENCIES</b>	<b>11,730</b>	<b>10,865</b>	<b>8,365</b>	<b>9,165</b>	<b>7,900</b>	<b>(1,265)</b>	<b>-14%</b>

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## SCHOOL DEPARTMENT

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The Kittery School Department is organized under the authority of the elected School Committee, who relies upon the Superintendent to manage the day-to-day operations of the department.



In contrast to other Town Department budgets that are submitted for final approval by Town Council, the School Department's annual budget is subject to a three-step process: 1) the School Committee must vote on its recommended budget, 2) the Town Council must vote to place the School Committee's submittal on the Town Meeting warrant, and 3) the final approval of the budget is subject to direct vote at the June Town Meeting Secret Ballot.

### **BUDGET OVERVIEW**

The School Department has proposed a \$976,493 increase in spending; of which \$576,955 will be funded by the property tax levy. This represents a 3.67% increase in the property-tax supported funds for the School Department.

<b>SCHOOL DEPARTMENT</b>	<b>FY17 BUDGET</b>	<b>FY18 BUDGET</b>	<b>FY19 BUDGET</b>	<b>FY20 BUDGET</b>	<b>FY21 PROPOSED</b>	<b>VARIANCE</b>	<b>%</b>
REGULAR INSTRUCTION	6,387,857	6,570,215	6,849,500	6,957,318	7,465,221	507,903	
SPECIAL EDUCATION	3,258,062	3,552,580	3,569,011	3,947,542	4,258,384	310,842	
CAREER & TECHNICAL	5,826	5,048	5,152	5,000	5,000	-	
OTHER INSTRUCTION	319,082	340,080	344,553	340,668	369,797	29,129	
STUDENT & STAFF SUPPORT	1,617,251	1,712,412	1,800,673	1,942,731	1,957,801	15,070	
SYSTEM ADMINISTRATION	562,964	536,539	609,767	622,541	699,712	77,171	
SCHOOL ADMINISTRATION	1,087,564	1,124,149	1,094,450	1,035,314	1,043,010	7,696	
TRANSPORTATION & BUSES	572,920	541,769	654,589	609,034	652,500	43,466	
FACILITIES MAINTENANCE	1,480,416	1,361,914	1,383,566	1,356,587	1,360,981	4,394	
DEBT SERVICE & OTHER COMMITMENTS	825,703	815,103	802,769	789,150	769,972	(19,178)	
ALL OTHER EXPENDITURES	80,200	115,200	115,200	90,000	90,000	-	
<b>TOTAL SCHOOL EXPENSES</b>	<b>16,197,845</b>	<b>16,675,009</b>	<b>17,229,230</b>	<b>17,695,885</b>	<b>18,672,378</b>	<b>976,493</b>	<b>5.52%</b>
<b>TOTAL SCHOOL REVENUE</b>	<b>1,734,804</b>	<b>1,927,605</b>	<b>2,002,713</b>	<b>1,967,336</b>	<b>2,366,873</b>	<b>399,537</b>	<b>20.31%</b>
<b>TOTAL TAX APPROPRIATION</b>	<b>14,463,041</b>	<b>14,747,404</b>	<b>15,226,517</b>	<b>15,728,549</b>	<b>16,305,504</b>	<b>576,955</b>	<b>3.67%</b>

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**ADULT EDUCATION**

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**BUDGET OVERVIEW**

Adult Education refers to an education program primarily operated for individuals beyond the compulsory school age. It is administered by school administrative units, through a career-pathways and service system, that except as provided in section 8602-B, includes intake, assessment, advising, instruction and individual learning plans; is guided by data management and analysis, annual monitoring and annual professional development plans; uses appropriately certified staff; is designed to meet identified local needs; makes use of partnerships and alignment with workforce development, postsecondary institutions and support services; and offers at least 3 of the following:

- A. Basic literacy instruction or instruction in English as a Second Language
- B. High school completion courses
- C. College transition courses
- D. Enrichment courses
- E. Adult workforce training and retraining
- F. Adult career and technical education

**BUDGET HIGHLIGHTS**

The town's projected contribution to this department is remaining flat at \$98,970. The program includes a part-time Workforce Training coordinator to work with various state agencies, local businesses, the town, and School Department to develop and grow a vibrant Apprenticeship program in Kittery.

The Workforce Training coordinator will work with local employers, including the town, to develop apprenticeship opportunities, certification/test preparation and support, and other career development that supports skilled labor and those interested in careers in the technical trades.

REVENUE	FY18 BUDGET	FY19 BUDGET	FY20 BUDGET	FY21 BUDGET	VARIANCE	%
State Subsidy	37,865	37,770	41,001	43,798	2,797	
Carry Forward - Adult Ed	22,944	26,136	24,563	22,432	(2,131)	
Enrichment Fees	32,950	27,872	30,203	30,000	(203)	
<b>Local Funds</b>	<b>80,590</b>	<b>86,765</b>	<b>98,970</b>	<b>98,970</b>	<b>-</b>	<b>0.0%</b>
Fees from Other Schools	-	-	500	502	2	
Donations from Private Sources	2,200	2,200	-	-	-	
Private Grants	-	-	2,200	2,900	700	
<b>TOTAL ADULT EDUCATION REVENUE</b>	<b>\$ 176,549</b>	<b>\$ 180,743</b>	<b>\$ 197,437</b>	<b>\$ 198,601</b>	<b>\$ 1,164</b>	<b>0.6%</b>
<b>EXPENSES</b>						
<b>Workforce Training</b>						
Salaries - Professionals	1,300	1,300	9,120	9,120	-	
Salaries - Other	12,000	1,000	1,000	1,000	-	
FICA - Professionals	99	19	219	219	-	
FICA - OTHER	918	77	77	77	-	
Retirement - Professionals	52	52	2,906	2,906	-	
Work Comp - Professionals	7	7	39	39	-	
Work Comp - Reg EEs	65	5	5	5	-	
Contracted Services (ACCPAdvisor)	-	14,888	15,186	15,641	456	
Supplies - Instructional	100	100	100	100	-	
Books - Workforce	100	100	1,000	1,000	-	
<b>Total Workforce Training</b>	<b>14,641</b>	<b>17,546</b>	<b>29,651</b>	<b>30,107</b>	<b>456</b>	<b>1.5%</b>
<b>High School Completion</b>						
Salaries - Professionals	7,920	7,920	7,920	7,920	-	
Salaries - Other	9,697	-	-	-	-	
FICA - Professionals	115	115	300	300	-	
FICA - Other Employees	742	-	-	-	-	
Retirement - Professionals	314	314	300	329	29	
Work Comp - Professionals	43	40	43	43	-	
Work Comp -Other	52	-	-	-	-	
Contracted Services (ACCPAdvisor)	-	13,097	13,359	13,760	401	
Instructional Supplies	870	870	870	870	-	
<b>Total High School Completion</b>	<b>19,753</b>	<b>22,356</b>	<b>22,792</b>	<b>23,222</b>	<b>430</b>	<b>1.9%</b>
<b>Local Literacy</b>						
Salaries - Professionals	1,000	1,000	2,000	2,000	-	
FICA - Professionals	15	15	30	153	123	
Retirement - Professionals	40	40	80	80	-	
Work Comp - Professionals	5	5	10	10	-	
Instructional Supplies	-	100	100	100	-	
<b>Total Local Literacy</b>	<b>1,060</b>	<b>1,159</b>	<b>2,220</b>	<b>2,343</b>	<b>123</b>	<b>5.5%</b>

	FY18	FY19	FY20	FY21	VARIANCE	%
<i>Enrichment</i>	BUDGET	BUDGET	BUDGET	BUDGET		
Salaries - Enrichment	6,000	6,000	6,000	14,700	8,700	
FICA - Enrichment	459	459	459	1,125	666	
Retirement - Enrichment	-	-	50	50	-	
Work Comp - Enrichment	33	30	30	74	44	
Prof Services - Adult Ed	14,000	8,905	8,905	205	(8,700)	
<b>Total Enrichment</b>	<b>20,492</b>	<b>15,394</b>	<b>15,444</b>	<b>16,153</b>	<b>709</b>	<b>4.6%</b>
<b>Administration</b>						
Asst. Director Salaries	49,437	50,673	51,904	53,461	1,557	
Clerical Salaries	5,932	6,081	6,203	6,389	186	
(Assist) Director Health Benefit	8,185	8,716	9,413	10,166	753	
FICA - Admin	717	735	750	775	25	
FICA - Clerical	454	465	496	489	(7)	
Retirement - Asst Director	1,963	2,012	2,068	2,224	156	
Tuition - Admin	1,000	1,000	1,000	1,350	350	
Work Comp - Admin	267	253	258	258	0	
Work Comp - Reg EE	11	30	31	31	-	
EE Train & Develop	200	200	200	200	-	
Professional Services (Director)	37,265	38,922	39,700	35,709	(3,991)	
Copier Service Agreement	165	193	200	200	-	
Copier Lease	200	200	200	200	-	
Postage	1,350	1,350	1,500	1,500	-	
Telephone	400	400	400	400	-	
Online Software Apps	300	300	300	300	-	
Advertising	2,500	2,500	4,000	4,200	200	
Printing	2,332	2,332	850	850	-	
Travel - Reg	500	500	500	500	-	
Travel - Professional Dev	550	550	550	550	-	
Supplies	700	700	700	700	-	
Food- Adult Ed Admin	200	200	200	200	-	
Tech Supplies	250	250	300	300	-	
Supplies - Graduation	225	225	325	325	-	
Tech Equipment >\$5K	-	-	-	-	-	
Tech Equipment <\$5K	1,000	1,000	1,000	1,000	-	
Tech Hardware <\$5K	2,000	2,000	2,000	2,000	-	
Dues and Fees	2,500	2,500	2,500	2,500	-	
<b>Total Administration</b>	<b>120,603</b>	<b>124,287</b>	<b>127,548</b>	<b>126,776</b>	<b>(772)</b>	<b>-0.6%</b>
<b>TOTAL ADULT EDUCATION EXPENSES</b>	<b>\$ 176,549</b>	<b>\$ 180,743</b>	<b>\$ 197,655</b>	<b>\$ 198,601</b>	<b>\$ 946</b>	<b>0.5%</b>

# Section III Sewer Enterprise



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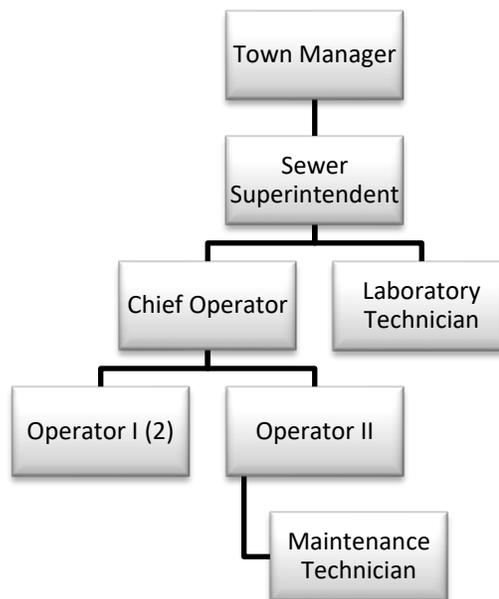
## SEWER ENTERPRISE

### MISSION STATEMENT

The Kittery Wastewater Treatment operation was created as an enterprise fund in 1969. Known as the Sewer Department, their mission is to protect the local environment through the collection and treatment of wastewater.

An enterprise fund is separate from the town's General Fund in that its expenses are not borne by the taxpayers; but rather by a proportional fee charged to those who are connected to the sewer line. The fund is designed to support the sewer operation, with the revenues directly applied to department expenses.

### DEPARTMENT ORGANIZATION



### PERSONNEL SUMMARY

POSITION	FY20 Budget	FY21 Proposed
Town Manager	0.25	0.25
Superintendent	1	1
Chief Operator	1	1
Operator I	2	2
Operator II	1	1
Laboratory Technician	1	1
Maintenance Technician	1	1
<b>Total FTE</b>	<b>7.25</b>	<b>7.25</b>

**BUDGET OVERVIEW**

Beginning in FY19, the town embarked on a five-year plan designed to ensure revenues meet annual operating and capital needs and began an effort to reestablish an appropriate reserve balance for the fund. The plan also included paying down a deficit balance resulting from the general fund providing cash flow for the enterprise.

As of the prior fiscal year, the Sewer Enterprise Fund has begun raising revenue to meet all of its annual operating expenses and annual debt. Additionally, the Fund has approximately \$347K in capital reserves. The deficit balance to the Town's General Fund has been repaid. The Sewer Enterprise has approximately \$778K in reserves from entrance and impact fees and grants. The phased plan to address the deficit balance owed to the General Fund has been completed.

The next five years will focus on building an operating reserve for the Enterprise Fund. The Operating Reserve will ensure stable operations of the utility if there is an unexpected expense, loss, or revenue shortage. It will take several years to build a healthy reserve fund using operating surpluses each year. The operating reserve fund goal is 2.5 months of annual expenses.

The capital reserve is expected to remain at the FY20 balance or grow, net of capital projects planned for FY21. The favorable capital reserve projection is supported by the planning and permitting activity in FY20, with no fewer than three major development projects planned within the Sewer service area. Though COVID-19 placed some projects on hold, it is expected at least two of the projects will break ground in early fall.

Due to the impacts of COVID-19 on retail and food service operations, revenue is projected to be relatively flat compared to the prior year's budget. Though construction will begin on new projects along the sewer line, it is not expected these developments will be ready for operation until late in FY21.

The budget is expected to increase \$44,143, approximately 1.8%. Chemicals and waste processing services costs are increasing as new regulations come online and require additional steps and materials to treat the collected wastewater. Maintenance and repairs of equipment and buildings is increasing to reflect a renewed focus on preventative maintenance and regular servicing of pumps and pump stations. Such activity should increase the useful life of the equipment and lower energy costs over time.

Unless otherwise noted, wage costs reflect step and longevity adjustments based on years of service. The contract for this unit expires June 30, 2020. Anticipated increases in wages expected as part of the contract negotiations are being accounted for in the Salary Adjustment line item.

The Sewer Enterprise budget has been developed to ensure the fund ends the next fiscal year on target or with a small surplus, assuming COVID-19 restrictions continue to depress construction and operations through the summer.

	FY17	FY18	FY19	FY20	FY21		
SEWER REVENUE	ACTUALS	ACTUALS	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
43210 SEWER LIEN FEES	-	-	-	-	-	-	
43220 PENALTY INTEREST	4,847	3,702	3,170	3,000	3,000	-	
43360 SPECIAL CONTRACT REVENUE	-	-	3,437	-	10,200	10,200	
45001 REVENUE US NAVY	531,752	528,533	579,522	585,000	585,000	-	
45002 REVENUE US NAVY HOUSING	91,033	91,441	123,450	123,000	123,000	-	
45003 REVENUE OTHER	25,340	35,023	58,760	45,000	45,000	-	
45004 REVENUE TOWN OF ELIOT	221,944	202,933	197,309	208,000	205,000	(3,000)	
45005 REVENUE NEW SEWER	1,177,382	1,232,751	1,498,541	1,500,000	1,500,000	-	
45006 EXPANSION ASSESSMENT REVENUE	318,599	50,535	89,044	50,000	50,000	-	
45007 SEWER INTEREST REVENUE	7,271	20,636	14,587	15,000	12,000	(3,000)	
45008 UNBILLED REVENUE SEWER	-	-	-	-	-	-	
<b>SEWER REVENUE</b>	<b>2,378,168</b>	<b>2,165,555</b>	<b>2,567,820</b>	<b>2,529,000</b>	<b>2,533,200</b>	<b>4,200</b>	<b>0.2%</b>
<b>EXPENSES</b>	<b>2,514,978</b>	<b>2,409,848</b>	<b>2,679,554</b>	<b>2,442,411</b>	<b>2,486,554</b>	<b>44,143</b>	<b>1.8%</b>
<b>NET</b>	<b>(136,810)</b>	<b>(244,293)</b>	<b>(111,734)</b>	<b>86,589</b>	<b>46,646</b>		

## SEWER ENTERPRISE FUND

	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUAL	FY20 BUDGET	FY21 PROPOSED	VARIANCE	%
<b>602760 GENERAL OPERATIONS</b>							
64011 TOWN MANAGER SALARY	19,094	29,578	31,535	33,568	33,891	323	
64012 SUPERINTENDENT SALARY	83,166	90,517	150,476	95,000	97,138	2,138	
64013 OFFICE CLERK SALARY	45,658	46,602	35,547	48,729	48,733	4	
64031 SALARY & POSITION ADJUSTMENT	-	-	-	5,000	14,122	9,122	
64050 MAINE STATE RETIREMENT	46,106	46,707	13,090	48,992	15,175	(33,817)	
64051 ICMA EMPLOYER SHARE	880	1,760	1,862	4,356	2,100	(2,256)	
64060 FICA EMPLOYER SHARE	38,039	37,700	15,832	43,380	14,171	(29,210)	
64070 WORKERS COMPENSATION	17,701	17,306	19,493	16,000	20,000	4,000	
64090 MAJOR MEDICAL INSURANCE	143,948	147,176	149,141	124,575	148,686	24,110	
64091 DENTAL INSURANCE	1,147	1,231	1,559	1,869	1,406	(463)	
64092 DISABILTY INSURANCE	3,444	3,555	-	4,200	3,927	(273)	
65101 MMA RISK POOL	22,521	25,226	27,323	29,000	32,316	3,316	
65350 INDIRECT COSTS	22,900	22,900	22,900	22,900	22,900	-	
65430 AUDIT SERVICES	2,300	3,900	2,300	3,900	4,300	400	
65480 OTHER PROFESSIONAL SERVICES	-	24,900	-	-	-	-	
66035 ABSTRACTS & LIENS - SWR	-	426	304	500	500	-	
68060 DEBT SERVICE (PRINCIPAL & INTEREST)	845,175	769,211	769,024	767,499	765,954	(1,545)	
NEW CAPITAL EXPENSES	-	-	200,000	-	-	-	
<b>TOTAL GENERAL OPERATIONS</b>	<b>1,292,079</b>	<b>1,268,695</b>	<b>1,440,385</b>	<b>1,249,467</b>	<b>1,225,317</b>	<b>(24,150)</b>	<b>-1.9%</b>
<b>602750 TREATMENT PLANT</b>							
64010 TREATMENT PLANT LABOR	210,485	153,563	126,124	175,000	138,413	(36,587)	
64019 PLANT MAINT LABOR	43,091	52,197	48,714	50,893	53,460	2,568	
64030 OVERTIME	31,829	26,353	37,846	45,000	40,000	(5,000)	
65015 CELLULAR PHONE	-	63	-	-	-	-	
65020 TREATMENT PLANT TELEPHONE	3,623	3,458	3,300	3,400	3,800	400	
65040 TREATMENT PLANT EDUCATIONAL/MT	5,481	2,662	6,074	5,200	5,000	(200)	
64050 MAINE STATE RETIREMENT	-	-	38,235	-	31,760	31,760	
64051 ICMA EMPLOYER SHARE	-	-	-	-	-	-	
64060 FICA EMPLOYER SHARE	-	-	27,984	-	24,056	24,056	
65200 TREATMENT PLANT ELECTRICITY	115,047	103,505	101,300	105,000	110,000	5,000	
65220 TREATMENT PLANT WATER	3,539	3,763	6,382	5,006	5,000	(6)	
65230 TREATMENT PLANT FUEL (WOOD PELLETS)	10,818	9,478	13,749	16,000	16,000	-	
65310 TREATMENT PLANT MOTOR VEHICLE	43,937	28,196	34,615	48,743	48,000	(743)	
65316 TREATMENT PLANT GENERATOR FUEL	728	291	1,158	2,240	2,240	-	
65410 TREATMENT PLANT COMPUTER SERV	4,142	3,658	8,363	7,998	12,000	4,002	
65480 TREATMENT PLANT OTHER PROF/CON	96,636	53,356	85,346	60,000	60,000	-	
65500 TREATMENT PLANT BLDG MAINT	1,287	884	1,098	2,000	5,000	3,000	
65930 ALARMS	538	337	689	2,000	2,000	-	
65955 TREATMENT PLANT SLUDGE MGT	123,288	137,061	141,220	136,500	146,000	9,500	
66010 TREATMENT PLANT OFFICE SUPPLIE	2,701	3,066	3,796	3,000	4,000	1,000	
66300 TREATMENT PLANT SUPPLIES	30,199	29,021	26,538	26,670	32,000	5,330	
66340 LABORATORY CHEMICALS/SUPPLIES	7,785	11,061	8,957	11,945	16,000	4,055	
66400 TREATMENT PLANT REPAIRS/STRUCT	301	1,364	417	1,000	2,000	1,000	
66410 TREATMENT PLANT REPAIRS/EQUIPM	18,814	28,718	21,446	21,000	24,000	3,000	
66420 TREATMENT PLANT TOOL/EQUIPMENT	25,569	31,863	46,808	27,000	28,000	1,000	
66450 TREATMENT PLANT CHEMICALS & MA	88,632	93,071	107,900	106,000	106,000	-	
66520 TREATMENT PLANT SAFETY EQUIPME	10,037	24,029	12,668	13,450	14,000	550	
<b>TOTAL TREATMENT PLANT</b>	<b>878,507</b>	<b>801,019</b>	<b>910,728</b>	<b>875,045</b>	<b>928,729</b>	<b>53,684</b>	<b>6.1%</b>

SEWER ENTERPRISE FUND	FY17 ACTUALS	FY18 ACTUALS	FY19 ACTUAL	FY20 PROPOSED	FY21 PROPOSED	VARIANCE	%
<b>602702 SEWER LINES</b>							
65692 SEWER LINES LABOR	15,805	21,453	15,789	17,382	17,327	(55)	
65480 LINES CONTRACT/PROF SVCS	16,543	30,872	40,283	28,350	28,000	(350)	
65691 LINES - SUPPLIES	2,075	18,437	5,969	12,000	12,000	-	
<b>TOTAL SEWER LINES</b>	<b>34,423</b>	<b>70,761</b>	<b>62,041</b>	<b>57,732</b>	<b>57,327</b>	<b>(405)</b>	<b>-0.7%</b>
<b>602709 PUMP STATIONS (consolidated)</b>							
64010 PUMP STATION LABOR	62,525	54,119	51,722	59,099	55,349	(3,750)	
65015 PUMP STATION TELEPHONE	667	379	577	600	600	-	
65200 PUMP STATION ELECTRICITY	59,558	53,054	54,933	50,815	50,815	-	
65220 PUMP STATION WATER	912	925	1,130	1,000	1,200	200	
65315 PUMP STATION GENERATOR FUEL	534	491	385	1,000	2,200	1,200	
65480 PUMP STATION OTHER PROF SERV	57,670	45,595	50,238	45,000	45,000	-	
65930 PUMP STATION ALARM	7,318	6,971	7,527	6,700	6,700	-	
66300 PUMP STATION SUPPLIES	154	105	220	600	5,000	4,400	
66320 PUMP STATION PARTS	13,485	10,305	17,366	14,000	20,000	6,000	
<b>TOTAL PUMP STATIONS (CONSOLIDATED)</b>	<b>202,824</b>	<b>171,944</b>	<b>184,099</b>	<b>178,814</b>	<b>186,864</b>	<b>8,050</b>	<b>4.5%</b>
<b>602715 PUMP STATION 6 - PNSY</b>							
64010 PUMP STATION # 6 LABOR	19,682	17,169	19,528	22,000	21,431	(569)	
65200 PUMP STATION # 6 ELECTRICITY	16,276	13,942	15,804	15,000	15,000	-	
65220 PUMP STATION # 6 WATER	1,043	1,058	852	1,000	1,000	-	
65315 PUMP STATION GENERATOR FUEL	471	150	280	800	800	-	
65480 PUMP STATION # 6 CONTRACTOR SE	5,399	7,147	10,517	6,000	8,000	2,000	
65930 PUMP STATION # 6 ALARM	459	337	263	300	300	-	
66300 PUMP STATION # 6 SUPPLIES	22	210	989	1,000	1,000	-	
66320 PUMP STATION # 6 PARTS	4,238	1,414	5,895	4,000	6,000	2,000	
<b>TOTAL PUMP STATION # 6 (PNSY)</b>	<b>47,588</b>	<b>41,427</b>	<b>54,128</b>	<b>50,100</b>	<b>53,531</b>	<b>3,431</b>	<b>6.8%</b>
<b>602716 PUMP STATION 7 - ELIOT</b>							
64010 PUMP STATION # 7 LABOR	16,190	14,810	18,070	19,313	19,830	517	
65200 PUMP STATION # 7 ELECTRICITY	5,453	5,511	5,159	4,600	4,600	-	
65220 PUMP STATION # 7 WATER	231	236	177	230	230	-	
65315 PUMP STATION GENERATOR FUEL	479	-	-	425	425	-	
65480 PUMP STATION # 7 CONTRACTOR SE	24,754	25,408	2,220	4,784	6,500	1,716	
65930 PUMP STATION # 7 ALARM	269	430	263	300	300	-	
66300 PUMP STATION # 7 SUPPLIES	16	-	-	50	400	350	
66320 PUMP STATION # 7 PARTS	12,165	9,607	2,285	1,550	2,500	950	
<b>TOTAL PUMP STATION # 7 (ELIOT)</b>	<b>59,557</b>	<b>56,002</b>	<b>28,174</b>	<b>31,252</b>	<b>34,785</b>	<b>3,533</b>	<b>11.3%</b>
<b>TOTAL SEWER ENTERPRISE</b>	<b>2,514,978</b>	<b>2,409,848</b>	<b>2,679,554</b>	<b>2,442,411</b>	<b>2,486,554</b>	<b>44,143</b>	<b>1.8%</b>

Town of Kittery

New/Replacement Schedule and Estimated Costs

Sewer Dept

Vehicles and Equipment

Annual Inflation: 3.00%

							2021	2022	2023	2024	2025
Pump Station #13 Gen	2019	90,000	Capital	Collection	Kohler	100 KW					
Truck 452	2011	95,000	Capital	WWTF	Ford	F-550 Dump		75,000			
Truck 451	2019	63,000	Capital	WWTF	Ford	F-550 Utility					
Truck	2020	42,000	Capital	WWTF	Ford F-250						
SCADA	2020	90,000	Capital	Collection				30,000			
Septage Building	2020	35,000	Capital	WWTF						35,000	
Annual I/I Sewer Lines	Various	20,000	Capital	Collection	Various	Lining of Sewer Lines		22,510		23,185	23,881
Pump Station #21 Upgrade	2021	175,000	Impact	Collection		Upgrade Pump serving Homestead Dr		191,227			24,597
Pump Station #8 Line Correction	2022	100,000	Capital	Collection		Camera line under wetlands		12,000			
Tank #1 Diff	2019	33,436	Capital	WWTF	Aqua Aerobic	Aeration diffusers					
PS # 7 controls	2019	10,000	Capital	Eliot Specific	Upgrade	Panel					
Quansit bldgt	2004	3,500	Operating	WWTF	15 yr	Quansit bldgt		3,939		4,179	
Computer Lab	2014	1,500	Operating	WWTF	Dell	window 7					1,639
Computer sca,	2014	1,500	Operating	WWTF	Dell	window 7					1,639
Computer CO	2014	1,500	Operating	WWTF	Dell	window 7					1,639
Computer sca,	2014	1,500	Operating	WWTF	Dell	window 7					1,639
Computer sup	2014	1,500	Operating	WWTF	Dell	window 7					1,639
Computer surv	2011	1,500	Operating	WWTF	Thinkcenter	window 7					1,639
Computer GPS	2012	1,500	Operating	WWTF	Dell	window 7					1,639
Lap top 1	2019	500	Operating	WWTF	Dell	window 7					
Lap top 2	2014	500	Operating	WWTF	Dell	window 7					
Magnum Gen	2012	35,000	Capital	Collection	100 KW	Portable		39,393			43,046
Plant Panel	1993	42,000	Capital	WWTF	panel	Aqua Aerobic					
Onan Gen 1	1998	20,000	Capital	Collection	60 KW	Portable		22,510			
Onan Gen 2	1998	25,000	Capital	Collection	60 KW	Portable					
Digester Blr 2	2008	12,000	Capital	WWTF	Tuthill	Tuthill		13,506			
CL2 tank	1993	6,000	Capital	WWTF	Poly	Poly		6,753			
PS#8 VFD 1	2010	5,000	Operating	Collection	panel	panel			5,796		
Chem pump 1	2010	3,000	Operating	WWTF	Blue and white	hose pump				3,478	
Chem pump 2	2010	3,000	Operating	WWTF	Blue and white	hose pump				3,478	
Chem pump 3	2010	3,000	Operating	WWTF	Blue and white	hose pump				3,478	
Chem pump 4	2010	3,000	Operating	WWTF	Blue and white	hose pump				3,478	
Biculflite tank	1993	2,000	Operating	WWTF	Poly	Poly				2,319	
Security Fence	1993	40,000	Capital	WWTF	30 yr	Replace Gate mechanism					
EQ Pump 1	1999	18,000	Capital	WWTF	Flight	Submersible		19,669			
EQ Pump 2	1999	18,000	Capital	WWTF	Flight	Submersible		20,259			
EQ pump 3	1999	18,000	Capital	WWTF	Flight	Submersible				20,867	
Headworks Roof	1993	15,000	Capital	WWTF	30 yr					17,389	
Chem/Blower Room roof	1993	15,000	Capital	WWTF	30 yr					17,389	
Decantors tnk1	2006	14,000	Capital	WWTF	Aqua Aerobic	10 foot Float					
Decantors tnk2	2006	14,000	Capital	WWTF	Aqua Aerobic	10 foot Float		15,298			
Hworks Grt Pmp	2017	6,000	Capital	WWTF	Hayward Gordan	Grit Pump Headworks				7,164	
Headwks Blr 1	2014	1,500	Operating	WWTF	Roots	RIA 24 2"				1,791	
Headwks Blr 2	2014	1,500	Operating	WWTF	Roots	RIA 24 2"				1,791	
Skid Steer	2010	42,500	Capital	WWTF	Skid Steer	New Holland					52,270
Digester Blr 1	2014	15,000	Capital	WWTF	Roots	Easyair X2					18,448
Bio Filter media	2017	7,000	Capital	WWTF	replace	media and blower		7,649			8,609
Lakeside HDW	2008	47,000	Capital	WWTF	Lakeside	Rotating Bar screen					
Pellet Boiler plt	2008	44,000	Capital	WWTF	Okefen	Maine Energy system					
Pellet Boiler Cen	2008	44,000	Capital	WWTF	Okefen	Maine Energy system					
Tank #2 Diff	2016	33,436	Capital	WWTF	Aqua Aerobic	Aeration diffusers					
PS# 7 Generator	2007	70,000	Capital	Eliot Specific	PS # 7	Kohler					
New Holland	2011	42,675	Capital	WWTF	New Holland	I-225					
Auma Actuator 1	2012	7,800	Capital	WWTF	Auma	Influent valve					
Auma Actuator 2	2012	7,800	Capital	WWTF	Auma	Decantor Valve Tnk 1					
Auma Actuator 3	2012	7,800	Capital	WWTF	Auma	Decantor Valve tnk 2					
Auma Actuator 4	2012	7,800	Capital	WWTF	Auma	Airline Tnk 1					
Auma Actuator 5	2012	7,800	Capital	WWTF	Auma	Airline Tnk 2					
Airation Blw 1	2017	5,000	Capital	WWTF	Roots	Aeration Blowers		5,628			
Airation Blw 2	2017	5,000	Capital	WWTF	Roots	Aeration Blowers		5,628			
Airation Blw 3	2017	5,000	Capital	WWTF	Roots	Aeration Blowers		5,628			
Jet Rodder	2011	43,400	Capital	WWTF	Mongoose	Model- 184				50,312	
Septage Pumps	2015	63,000	Capital	WWTF	Septic Rec	Wempco					
Plant/ PS Electric VFDs	2015	367,000	Capital	WWTF	Plant/Pump sta	VFD install					
PS #9 Generator	1993	100,000	Capital	Collection	PS # 9	Cat					
PS# 6 Generator	1993	70,000	Capital	Collection	PS # 6	Cat					
PS # 21 Generator	2014	70,000	Capital	Collection	PS # 21	CAT					
Plant Generator	2014	250,000	Capital	WWTF	Main Plant	CAT					
PS # 22 Generator	2014	100,000	Capital	Collection	PS # 22	Kohler					
PS # 23 Generator	2014	70,000	Capital	Collection	PS # 23	Kohler					
PS # 24 Generator	2014	70,000	Capital	Collection	PS # 24	Kohler					
JD Loader	1996	25,000	Capital	WWTF	Bucket Loaded	John Deere 544 E					28,138
Garage Roof	2014	25,000	Capital	WWTF	30 yr	Garage Roof					
Ash Shed Roof	2010	10,000	Capital	WWTF	30 yr	Ash Shed Roof					
Office/ Lab Roof	2011	24,800	Capital	WWTF	20 yr	Office/ Lab Roof					
Plant Windows	2015	37,000	Capital	WWTF	30 yr	Plant Windows					
Gen Barn	2010	10,000	Capital	WWTF	30 yr	Gen Barn					
Paving at Main Plant	2015	31,900	Capital	WWTF	20 yr	Paving at Main Plant					
Screw Press	2024	250,000	Capital	WWTF		Screw Press				298,513	
<b>TOTAL</b>							<b>309,172</b>	<b>250,753</b>	<b>186,169</b>	<b>337,320</b>	<b>175,108</b>