

TOWN OF KITTERY, MAINE



**TOWN BUDGET
FISCAL YEAR 2025**

GENERAL AND ENTERPRISE FUNDS

JULY 1, 2024 TO JUNE 30, 2025

TOWN COUNCIL

Judith Spiller, Chair
Colin McGuire, Vice-Chair
Celestyne Bragg
Cyrus Clark
Cameron Hamm
H. Scott Mason
Mary Gibbons Stevens

Town Manager

Kendra Amaral

Finance Director

Elizabeth Lallemand

SUBMITTED MAY 13, 2024

200 Rogers Road
Kittery, ME 03094

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TOWN MANAGER'S BUDGET MESSAGE

The enclosed Fiscal Year 2025 (FY25) Operating and Enterprise Fund budgets represent the culmination of the Town of Kittery's conservative approach to fiscal management and the focus on implementing the town's vision, goals, and objectives as expressed through the Comprehensive Plan, Council Annual Goals, and community priorities.

This budget, though divided by department and function, represents the collective spending plan for the delivery of core municipal services and identified initiatives in the coming fiscal year.

The town utilizes a zero-based budgeting approach, meaning each service is reviewed for its alignment with community plans and goals, and each budget reflects the estimated genuine cost of providing those services in today's market. That is evident in the variation of cost adjustments from department to department, and line item to line item. Some departments and line items are increasing, while others are decreasing.

This budget also reflects the challenging realities of inflation on supply and services costs, growing wage demands across all labor sectors, and an ambitious list of priorities for the community. Combined, these factors impact the cost of providing effective, efficient, and responsive service that meets the community's needs and interests.

The prior fiscal year budget was primarily a "level service" budget, meaning most of the cost increases supported current services and work on various ongoing projects. The collective bargaining agreements for union labor were in the second year of their three-year period. The only additions to staff were in Public Safety Dispatch and the increase in hours for the Community Outreach Liaison in the Police Department.

The FY25 budget plan reflects significant changes in cost, driven by increased labor costs and additional firefighter positions to provide for the town's public safety needs 24/7, and sustaining 24/7 ambulance service. The FY25 budget plan also absorbs significant cost increases from vendors and suppliers who are experiencing higher labor costs, materials, and services costs.

Goals, objectives, and initiatives remain at the forefront of the town's work plan and budget development process. These include launching an update to the Comprehensive Plan, developing traffic calming and parking policies, continuing work on ensuring Kittery is welcoming and equitable for all residents, continuing to address the ever-growing housing crisis, and implementation of

the Climate Action Plan. These initiatives require staff, support services, and materials to successfully be completed.

Kittery's financial position at the end of the prior year remained strong, with an unassigned fund balance exceeding policy by over \$3.2M. Construction is happening in various areas of town which is helping to offset the loss of value in commercial property, such as the strip malls and light-industrial that are losing ground in our region.

The Maine Department of Labor indicates unemployment in York County has increased in the past year, growing from 2.7% to 3%; while the U.S. Bureau of Labor Statistics is showing unemployment for the region is at 2.6%, an increase of 0.4%. Both rates remain well below what is considered a "natural rate of unemployment", which varies between 4% and 5%. The labor market is achieving higher wages due to a combination of labor shortages and rising cost of living.

Kittery continues to lose ground on its housing affordability index, with the number of households unable to afford current median home prices topping the previous high set in 2002. Median list prices for homes for sale are up 29% over the prior year, with the median home price as of April 30, 2024 coming in at \$710,000¹. High demand and low supply remain the primary factors driving up prices. Kittery remains a community that needs an economically diverse population, but the housing supply continues to push us further and further towards full gentrification.

Relative to staffing, the town has struggled less with recruitment and retention in some areas such as office and professional positions. However, filling skilled labor positions such as wastewater treatment operators, police officers, and especially seasonal labor positions remain a challenge. The recruitment and retention adjustments the town adopted in 2022 and 2023 helped avoid a labor shortage crisis for town operations but were not sufficient to sustain competitiveness.

The Town Council adopted FY25 budget and annual goals that are integral to the proposed budget. The budget goals include:

Produce a budget that seeks to respond to service expectations of the community, and appropriately addresses unmet needs and responds to growing inflation.

¹ Source: Multiple Listing Service (MLS) for single family and condominiums in Kittery January 1, 2024 to April 30, 2024.

Propose a budget that sufficiently provides for the public safety needs of the community in the areas of Fire, Police, and Dispatch.

Engage in upcoming successor collective bargaining agreements with the goal of balancing recruitment and retention of high-quality staff with affordability for the community.

The Town Manager has annual goals that are also factored into the development of the budget and were considered in the review of requests and needs articulated by each department.

The 2024 annual goals include:

- Launch the Comprehensive Plan Update and include robust public engagement and incorporation of various existing plans and input including the Climate Action Plan, DEI Committee review, Bike/Ped Master Plan, housing goals, Joint Land Use initiatives, and Library Strategic Plan, among others.

Support long term planning and growth management objectives

- Identify programs, grants, and property acquisitions that retain or increase working waterfront access.
- Recommend amendments to the Business Park Zone that reflect the hydrological study, community objectives, and market analysis.
- Evaluate opportunities to establish TIF districts for housing and transportation.

Climate Action

- Inventory heat islands, street trees, shade areas, and develop plan to plant more trees and install shade trees.
- Develop and implement community strategies for public health advisories about climate-related health risks.
- Work with PNS and York County Emergency Management to review and update evacuation routes, signage, and maps to direct people away from flood and climate-related hazards.
- Implement DOE Energy Efficiency Block Grant to incentivize and support residential weatherization and energy efficiency improvements for low and mid-income residents.

Social and Racial Equity and Justice

- Develop programs, recognitions, and activities that engage the community and draw attention to the diversity of annual celebrations observed throughout the community.

- Assist in the implementation of regular diversity education/engagement programs that bring community members together, celebrates the diversity of Kittery, and increases the sense of belonging for all people.

Enhance Municipal Services

- Launch Police Citizens Academy and expand to other areas as appropriate.
- Continue to implement short-term recommendations from Bike/Ped Master Plan.
- Finish development of the five-year strategic plan for the Library and present recommendations.
- Develop a funding plan for the implementation of the Memorial Field Rehabilitation and KCC Master Plan.
- Create a youth “club” that offers drop in/unscheduled youth activities at the KCC.
- Increase access to passive recreation opportunities for young adults by expanding the Pop Up game pod initiatives and other programs.
- Continue to grow community awareness and access to official town information by providing learning opportunities for navigating the town’s website, social media accounts, and other community input tools.
- Investigate cell service improvements for Kittery Point.

The FY25 budget has been developed to fund the staff, resources, and support needed to accomplish this ambitious set of goals in as prudent a manner as possible. However, it is not possible to continue to provide core services and meet a growing list of goals without significant funding. The math is straightforward. What is complex is how to determine whether the cost of pursuing these goals is reasonable for Kittery this year, and if not, what priorities must be sacrificed or paused to achieve an acceptable budget.

BUDGET SUMMARY

The proposed FY25 budget, inclusive of municipal operations and capital spending is increasing \$1,794,357 or approximately 10% over the prior fiscal year. Approximately \$741,245, or 41%, is offset by growth in revenue from business operations (non-property tax revenue), resulting in a projected tax levy increase of \$998,672 or 8.52%.

A significant portion of the cost increases are associated with inflationary pressure on wages, benefits, supplies, materials, and vendor prices. In addition to market pressure, there are other contributing factors impacting the FY25 budget including:

- \$454,598 to hire four additional firefighters to achieve minimal safe 24/7 response capability.

- \$425,000 increase for anticipated wage increases associated with collective bargaining negotiations and full-time and part-time non-union cost of living adjustments.
- \$142,000 in new costs for ambulance service.
- \$40,000 for the Comprehensive Plan Update project.
- \$19,941 for Maine's new Family Medical Leave law.
- \$88,440 for increased rates for municipal solid waste and household hazardous waste disposal.
- \$85,028 in the York County Tax increase.
- \$292,500 increase in capital funding.
- \$95,000 in Tax Increment Financing (65% of new taxes generated in the district; remaining goes to general fund).

The above-listed items equates to 91% of the cost increases in the FY25 budget.

This budget is a significant increase over prior years and reflects the demands and desires articulated by the community through the Council, various boards, commissions and committees, and residents. The town cannot successfully meet the needs and wants of the community without sufficient resources and talented staff to accomplish the work.

I wish to thank our Department Heads for their assistance in developing this budget proposal. The town is fortunate to have a dedicated, creative, resourceful, and forward-focused leadership team.

Sincerely,



Kendra Amaral
Town Manager

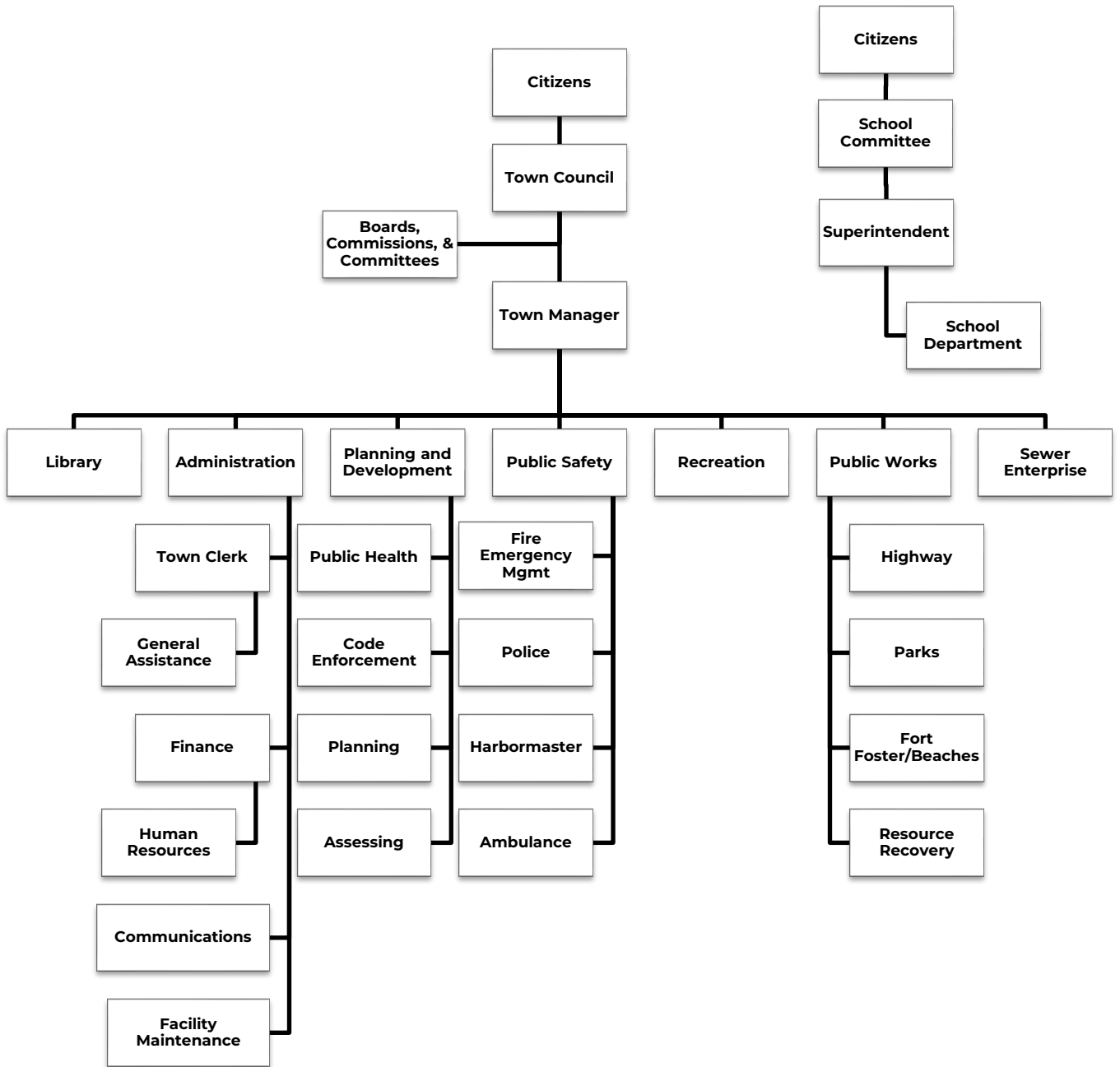
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Section I Overview



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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 represent 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

JANUARY - Capital Investment requests reviewed by the Capital Investment Committee. Town Manager and Superintendent meet to discuss overall financial picture.

FEBRUARY - Operating Budget forms provided to Department Heads, Capital Improvement Plan updated and presented to Town Council.

MARCH - Municipal revenue estimates, salary projections and budget requests due to the Town Manager. 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 and Vote.

JUNE - Public Hearing – Town Meeting Articles and School Budget Validation Referendum 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 of which the town maintains 65 road miles.

According to the U.S. Census, Kittery has a projected population of 10,235. Kittery is the 22nd most populated municipality in Maine². The town is located within York County, which is the second most populated county in Maine. Kittery's daytime population nearly doubles year-round due to local employers including the Portsmouth Naval Shipyard and through tourism.

Kittery residents live in approximately 5,400 housing units, which are approximately 66.5% owner-occupied. Household income is growing. The median household currently estimated by the U.S. Census Bureau is \$82,608³, which represents a \$10,000 increase over the prior year. HUD estimates median household income for Kittery at \$125,500⁴, representing a \$10,500 increase over the prior year. Approximately 7.4% of Kittery's residents have incomes below the poverty level, a decrease of approximately 0.9% from the prior year.

Kittery is directly adjacent to Portsmouth, New Hampshire, which has a population of over 22,700 people and a median income estimated at \$100,169. The city is accessible from Kittery by three bridges over the Piscataqua River. Kittery also abuts Eliot, Maine and York, Maine, with populations of 7,162 and 13,998 respectively and median incomes of \$92,474 and \$107,088 respectively².

The town has a working waterfront, significant open space and parkland, and multiple vibrant commercial hubs including its Foreside district and its public marina at Pepperrell Cove. The Route 1 Mall corridor is currently in a transitional phase coinciding with the shift in demand from brick-and-mortar retail to more experience-based commercial ventures such as restaurants, breweries, etc.

Kittery's full-time residential population level is most similar to Wells, Kennebunk, and Old Orchard Beach in York County. However, it is worth noting that Kittery's day-time population increases year-round rather than seasonally, as is the case of the comparable communities. The municipal budget, exclusive of school spending and capital, has begun to lag behind these comparably sized communities.

² Source: Maine Revenue Service

³ Source: U.S. Census Bureau, Population and Demographic information, ACS Five-Year Estimates

⁴ Source: HUD's Office of Policy Development & Research; Kittery, 2023 Estimate

Comparisons of Population, State Valuation, Municipal Budget and 2024 Tax Rate⁵

	Population	2024 Municipal Budget	2024 Tax Rate	Last Revaluation
Wells	11,555	\$28,156,868	\$10.85	2023
Kennebunk	11,641	\$24,397,987	\$16.05	2018
Old Orchard Beach	9,168	\$19,849,718	\$11.40	Note
Kittery	10,194	\$16,295,742	\$13.61	2020

Note: Old Orchard Beach’s last formal revaluation was in 2002 for residential properties and 2005 for commercial properties. In lieu of revaluation Old Orchard Beach performs an annual “market adjustment”, applied to all properties based on general current market trends.

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 Navy’s fleet of nuclear-powered submarines. The Shipyard employs over 8,500 civilian and non-civilian personnel and is investing over \$110M in various infrastructure improvements that will expand its functional capacity and increase the number of submarines it can work on in drydock at one time. The Shipyard creates a significant labor demand that cannot be met by Kittery without a corresponding increase in housing supply.

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, charter fishing, aquaculture, and recreational boating. Commercial zones throughout town support local food service (grocery, butchery, bakery, etc.), restaurants and breweries, retail, galleries, performing arts spaces, and personal services (doctors, veterinarians, stylists and barbers, health clubs/gyms, etc.). Small industrial operations remain in Kittery though are contracting as land values grow, labor shrinks, and manufacturing costs increase.

The town’s 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 and continues to drive up land and housing values.

The town, and the State as a whole, are in a housing crisis, meaning housing production is not keeping pace with demand. Median list price as of April 2024, was \$710,00 for a single family detached home⁶, an increase of 29% over the prior

⁵ Sources: Maine Revenue Service and Town published Budget Documents and tax rate information. Budget excludes Schools.

⁶ Source: Multiple Listing Service (MLS)

year. The availability of “starter homes” and rental properties is exceptionally scarce. Average rental prices are \$2,900 for a 1 bedroom⁷. Affordable housing is defined as housing that costs no more than 30% of household income if income is no more than 80% of the area median income. MaineHousing calculates that 80% of area median income for a family of four is \$97,900, setting the affordable housing rate at \$1,958. At current rental rates, Kittery housing is unaffordable to laborers, service industry workers, entry-level employees, and young people.

A recent development project of 298 rental units is coming on line in the current calendar year. This is the most significant addition of housing to Kittery’s supply in many years. Their 2-bedroom, 2-bath units start at \$3,005 per month⁸.

Overall, Kittery is in high demand. The community is attracting mid-to-high income professionals and retirees. Businesses and property owners are responding accordingly by adjusting services, products, and prices to reflect the more affluent customers and clientele.

The town is planning to complete a Comprehensive Plan Update in 2025. The current Comprehensive Plan was adopted in 2018 and covers the decade of 2015 to 2025. The Comprehensive Plan update will reflect the town’s expressed vision for a more climate resilient and energy efficient community, that has a diverse population, protected open space, stable working waterfront, well-used active transportation infrastructure, affordable housing, and enriching community experiences.

In December 2023, the Kittery Town Council adopted its Climate Action Plan (CAP) which includes the goal of reducing the town’s non-industrial greenhouse gas emissions by 40% by 2030. To achieve this ambitious goal, the CAP outlines 29 strategies and action items that improve the town’s resiliency to climate change, increase electrification of homes, become more energy efficient, and reduce vehicle miles. The CAP also reflects the various goals and priorities expressed by the community around affordable housing, public and active transit, open space, stormwater management, equitable access to resiliency and efficiency efforts, among others.

⁷ Source: Realtor.com

⁸ Seacoast Residences, Kittery Maine as of April 26, 2024

BUDGET OVERVIEW

Revenue	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Proposed	\$ Change
Taxes						
Property Tax Revenue (Net Abatement	26,578,131	27,142,282	28,539,215	29,924,021	31,617,444	1,693,423
PILOTs	3,123	6,276	-	3,200	3,500	300
	26,581,254	27,148,559	28,539,215	29,927,221	31,620,944	1,693,723
Revenue Generating Operations						
Recreation Fees	182,586	558,342	753,605	650,000	747,500	97,500
Solid Waste Fees & Fines	199,057	240,933	153,981	190,000	208,000	18,000
Fort Foster	353,286	278,999	355,963	325,000	300,000	(25,000)
Harbormaster Fees & Fines	205,856	183,633	178,281	147,100	160,100	13,000
Dispatch	123,576	138,360	192,650	200,171	207,994	7,823
Library Fees & Fines	2,139	2,251	3,986	2,000	3,000	1,000
	1,066,501	1,402,518	1,638,466	1,514,271	1,626,594	112,323
Local Receipts						
Excise (Auto/Boat)	2,145,384	2,107,924	2,167,115	1,984,000	2,048,000	64,000
Code Enforcement Fees	388,423	1,915,206	478,473	350,000	450,000	100,000
Lien Fees & Penalty Interest	59,471	58,047	59,292	52,000	52,000	0
Town Clerk & Registration Fees	70,183	72,649	74,379	59,000	70,000	11,000
Public Safety Fees, Fines & Permits	70,786	50,897	53,267	45,450	75,150	29,700
Planning and Land Use Fees	12,903	14,836	16,573	11,000	31,500	20,500
Animal Control	1,916	3,946	3,304	2,000	3,000	1,000
Other Local Receipts	6,290	10,701	24,803	6,850	7,200	350
	2,755,357	4,234,206	2,877,206	2,510,300	2,736,850	226,550
State Provided						
State Revenue Sharing	880,453	1,139,122	1,404,494	1,225,000	1,290,000	65,000
Homestead Reimbursement	407,281	338,913	425,474	400,000	500,000	100,000
General Assistance	33,330	24,685	125,069	63,000	82,180	19,180
MDOT Highway	12,000	12,000	9,001	12,000	9,000	(3,000)
Other State Provided	6,491	2,723	3,556	2,000	2,500	500
School Revenue	1,967,336	2,490,448	2,468,937	3,043,738	3,614,708	570,970
	3,306,891	4,007,891	4,436,530	4,745,738	5,498,388	752,650
Other Revenue						
GMH Housing	289,137	311,742	321,655	320,000	320,000	0
Investment Income	19,407	12,227	406,159	20,000	200,000	180,000
School Resource Officer	55,274	55,274	59,000	56,650	63,000	6,350
Trust Revenue	12,500	12,500	12,500	0	0	0
Sewer Department Rental	22,900	22,900	25,000	108,835	123,052	14,217
Miscellaneous/other	7,432	11,576	71,783	8,175	28,000	19,825
Carry Forwards & Supplemental Appr	185,127	35,000	35,000	35,000	35,000	0
	591,778	461,219	931,097	548,660	769,052	220,392
TOTAL REVENUE	34,301,780	37,254,393	38,422,514	39,246,190	42,251,828	3,005,638
Expenses						
General Government	986,969	1,092,054	1,286,339	1,368,041	1,776,606	408,565
Shared Expenses	3,440,332	4,009,045	4,120,856	4,316,416	4,570,265	253,849
Planning & Code Enforcement	539,801	585,273	577,481	629,616	657,122	27,507
Public Safety	2,829,723	3,355,513	3,751,372	4,138,262	4,522,119	383,858
Public Works	1,924,417	2,123,400	2,372,516	2,424,971	2,507,080	82,110
Community and Human Services	1,310,785	1,431,131	1,697,302	1,686,138	1,775,075	88,937
County Tax	1,005,790	1,005,790	989,989	1,007,305	1,092,333	85,028
Streetlights	38,907	32,373	41,647	55,000	55,000	0
Hydrant Rental	255,149	255,149	269,912	275,725	275,725	0
Other	165,271	168,353	208,164	339,830	511,834	172,004
Education	18,672,378	19,284,752	19,980,622	21,245,048	22,510,769	1,265,721
Capital Investment	1,455,500	1,588,900	1,551,400	1,705,400	1,997,900	292,500
Overlay	-	-	-	-	-	0
Transfers to Other Funds	-	-	-	-	-	0
TOTAL EXPENSES	32,625,022	34,931,732	36,847,600	39,191,751	42,251,828	3,060,077

TAX RATE PROJECTION AND ALLOCATION

Tax Rate Projection

	ACTUAL FY21	ACTUAL FY22	ACTUAL FY23	BUDGET FY24	PROPOSED FY25	\$ Change
Valuation Actual/Projected	2,064,279,273	2,120,959,499	2,151,987,242	2,211,442,083	2,246,442,083	35,000,000
Taxes Committed/Projected	26,629,234	27,415,182	28,539,215	29,924,021	31,617,444	1,693,423
Tax Rate (Mil Rate)	12.90	13.00	13.48	13.61	14.07	0.46
Overlay	214,712	157,292	151,315	150,000	175,000	25,000
School Portion	16,406,201	16,794,304	17,511,685	18,201,310	18,896,061	694,751
Town Portion	10,223,033	10,620,878	11,027,529	11,722,711	12,721,383	998,672

Tax Rate Projection Allocation

	ACTUAL FY21	ACTUAL FY22	ACTUAL FY23	BUDGET FY24	PROPOSED FY25	\$ Change
Tax Rate	\$12.90	\$13.00	\$13.48	\$13.61	\$14.07	\$0.59
Municipal	\$3.68	\$3.73	\$3.94	\$3.99	\$4.03	\$0.27
Capital	\$0.71	\$0.75	\$0.73	\$0.77	\$0.85	\$0.16
School	\$8.01	\$7.96	\$8.27	\$8.20	\$8.06	\$0.14
County	\$0.49	\$0.48	\$0.47	\$0.45	\$0.47	\$0.02
Overlay	\$0.10	\$0.07	\$0.07	\$0.07	\$0.07	\$0.01

The town has a policy that it must have at least two- and one-half months of the combined school and municipal budget in unassigned fund balance (aka savings) each year. The amount required in the unassigned fund increases each year in pace with the growth in school and municipal budgets. This year, the town is required to hold approximately \$8.2M in unassigned fund balance. The unassigned fund balance is verified each year through the annual fiscal year audit.

Undesignated Fund Balance History

	FY20	FY21	FY22	FY23
Municipal Unassigned Fund Balance	\$6,494,008	\$8,131,323	\$10,273,357	\$11,316,745
Municipal and School Expenditures	32,682,514	34,931,732	36,847,600	39,191,751
Budgeted Monthly	2,723,543	2,910,978	3,070,633	3,265,979
2.5 Months Budgeted	6,808,857	7,277,444	7,676,583	8,164,948
Actual Months Town & School	2.38	2.79	3.35	3.47
Town and School Fund Balance as % of Total	19.9%	23.3%	27.9%	28.9%

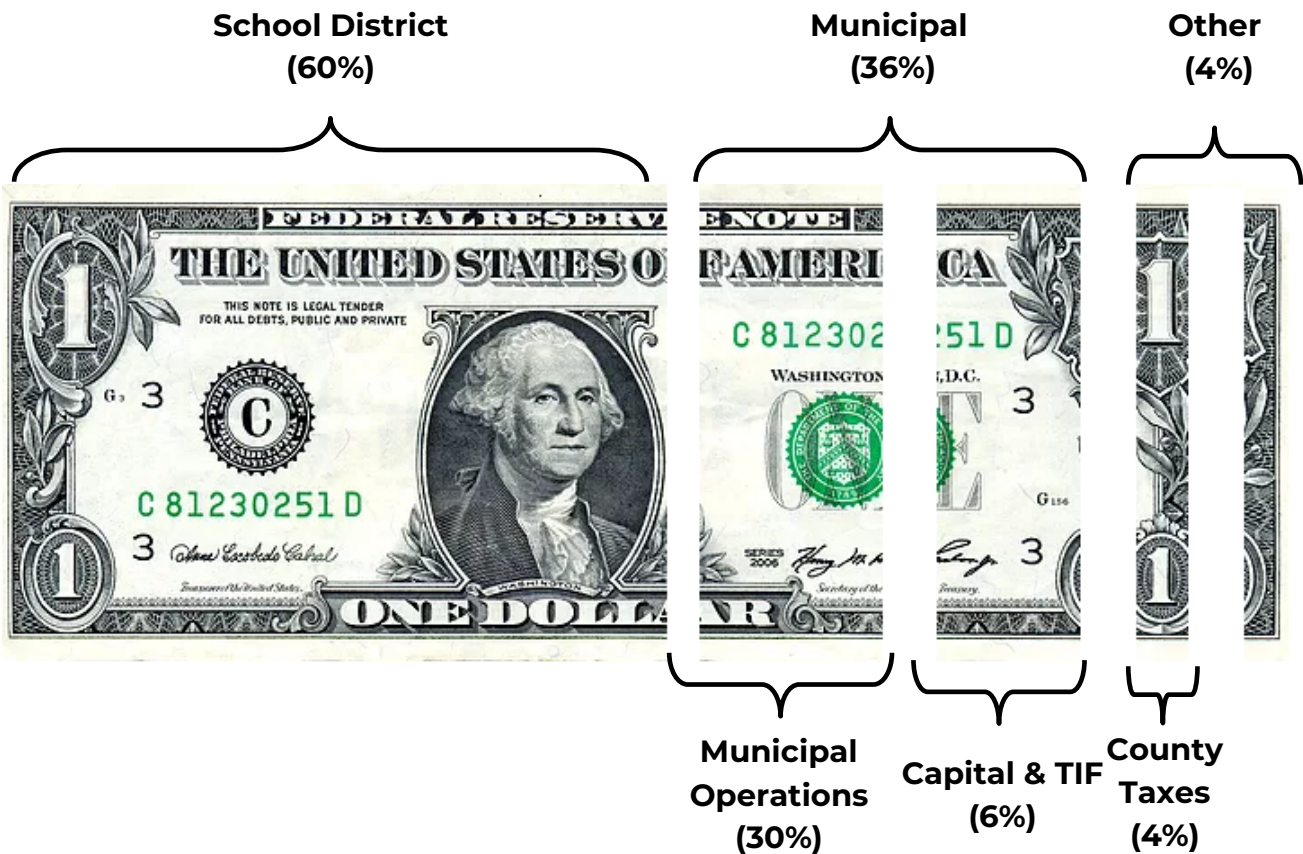
REVENUE SUMMARY

REVENUE SOURCES

The Town of Kittery's primary revenue source is the local property tax. The property tax supports municipal, school, capital, and the town's-share of the county operations. Approximately 75% of the annual town and school costs are expected to be funded through local property taxes, a 1% decrease from the prior year.

Approximately 36% of municipal operations are funded through non-property tax revenue, a 1% increase over the prior fiscal year. Approximately 16% of school operations are funded through non-property tax revenue, an increase of 2% over the prior year. The town is a minimum receiver for education funding, meaning the state only provides financial support for mandated special education programs. The School Department is adding a new pre-kindergarten program in FY25 and is expecting to receive additional funding from the State to help offset the costs.

Tax Dollar Breakdown



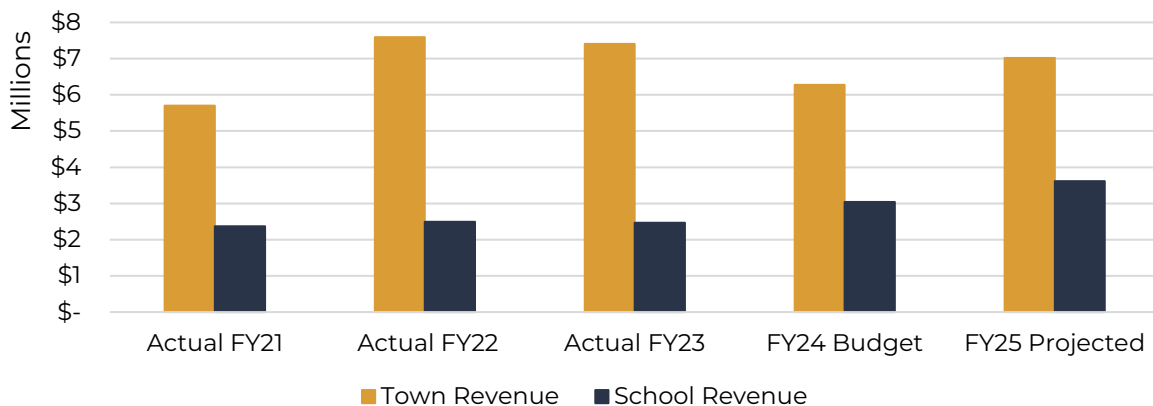
Each tax dollar paid supports a variety of local and county government functions. \$0.60 of every dollar paid in property tax supports Kittery's

educational programs. The town operations require \$0.30 of each property tax dollar. Municipal operations include public works, police, harbormaster, administration, clerk services, planning and code enforcement, fire service, recreation, and other functions.

Capital and TIF are funded with \$0.06 from every property tax dollar raised, and the county receives \$0.04 of every dollar.

Revenue from municipal operations is expected to increase 12%, approximately \$741,245. A significant portion of the revenue increase is from increasing reimbursements and revenue sharing from the State of Maine and interest income from invested idle cash.

Non-Property Tax Revenue Sources



Revenue Generating Operations

Recreation revenue from the Kittery Community Center is expected to continue its growth towards pre-pandemic revenue levels. Enrollment in youth programs is relatively flat, while rental income and revenue from general programs and events is growing. The youth program stagnation is reflective of the school enrollment stagnation and the shifting population of Kittery to households with fewer children, or no children at all.

Solid Waste (SW) Fees and Fines are expected to grow as a result of recent fee updates the Council approved earlier this year. The new fees better reflect the cost of disposal for household hazardous waste items such as construction debris, electronics, and appliances. Fees had not been increased in approximately ten years prior to this recent change.

Fort Foster Fees are projected to reduce due to a shortened season. The majority of fees are generated from day pass purchases at the park. Due to seasonal labor shortages, the season has been reduced from being open

weekends in May and September, and daily June, July and August, to be open daily mid-June to mid-August.

Harbormaster fees are primarily from mooring holders, which remain steady each year. Launch fees, and transient and hourly dock/slip rentals are dependent on weather; as more recreational boating activity occurs in sunnier, drier weather.

Dispatch fees are paid by the Town of Eliot to the Town of Kittery for providing public safety dispatch for their Police and Fire Departments. The dispatch fees are tied to contractual rates and annual increases.

Revenue Generating Operations

Revenue Projections	Actual FY22	Actual FY23	Budget FY24	Projected FY25	Variance
Recreation	\$558,342	\$580,000	\$650,000	\$747,500	\$97,500
SW Fees & Fines	\$240,993	\$170,000	\$190,000	\$208,000	\$18,000
Fort Foster Fees	\$278,999	\$325,000	\$325,000	\$300,000	(\$25,000)
Harbormaster	\$185,063	\$148,600	\$147,100	\$160,100	\$13,000
Dispatch	\$138,360	\$150,000	\$200,171	\$207,994	\$7,823
TOTAL	\$1,401,757	\$1,373,600	\$1,512,271	\$1,623,594	\$111,323

REVENUE SHARING AND FEDERAL SUPPORT

Approximately 31% of on-property tax revenue will come from state Revenue Sharing, property tax relief reimbursement programs, and payment-in-lieu-of-taxes (PILOT) from the military housing that is located off-base from the Portsmouth Naval Shipyard. This is a reduction of approximately 1% from the prior year.

The military housing PILOT is scheduled to be renewed in the second quarter of the FY25 fiscal year. For this reason, no increase is projected in this revenue, though negotiations are expected to result in some inflation related increase in the PILOT.

TAXABLE VALUATION

Maine law requires municipalities to revalue real estate every 10 years or when assessed values go below 70% of market, whichever is sooner. Kittery completed a revaluation in 2020 which resulted in an increase in value of \$588M, bringing the total valuation to an estimated \$2,064,279,273. At the current rate of price escalation in Kittery's residential housing market and the shifts in commercial and industrial land use, the town is expected to need another revaluation next year.

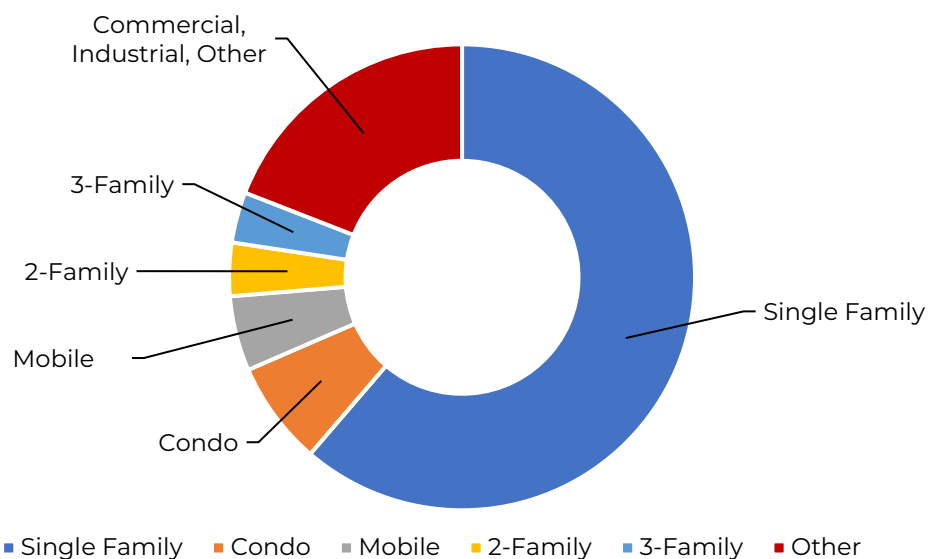
The town is currently projecting valuations will be below 80% of market value, meaning all property, except those undergoing permitted building improvements, is valued at less than 80% of what the current market price for the property would be if sold today. Rough calculations suggest a revaluation could reduce the tax rate by \$4.20 per thousand, bringing it back below \$10 per thousand.

The largest growth in values for FY25 is projected to be in single family homes and apartments. To note, the majority of the growth in commercial value is a result of the new apartment complex at 76 Dennett Road coming online this year calendar year. The development is counted as commercial due to the number of units it is managing.

Approximately \$35M in property value will be exempted due to the Homestead Exemption provision of State law. Homestead and other exemptions reduce as the town’s assessed value drops below market.

All other commercial, excepting the apartment complex, and industrial values are decreasing. The town was notified in April that a small local manufacturing operation will be closing in the coming year. That change is expected to impact the valuation in the following fiscal year. The significant commercial value the town used to enjoy during the heyday of the outlet malls is continuing to decline as retail trends shift nationally.

Residential Property Values as % by Category⁹



⁹ Commercial includes the large apartment complex development at 76 Dennett Road.

The Town Council added the adoption of LD2003 to its suite of inclusionary-housing zoning requirements. This adds additional options to increase housing supply of various types, from organic infill such as accessory dwelling units, to larger density new development. Inclusionary housing now covers most zones within the town’s targeted growth areas. The recently adopted Climate Action Plan has a significant emphasis on housing, and specifically housing being developed where existing infrastructure (utilities, roads, walking/biking routes) exists.

Referring to the Comparable Communities chart, the town’s operating budget (excluding education) is approximately \$5.4M below the average for the comparable communities; while the valuation is approximately \$1.4B below the average valuation. More importantly, it continues to hold that valuation is the largest factor in the tax rate relative to Kittery’s comparable communities.

Comparable Communities

		Proposed FY25 Municipal Budget	Projected FY25 Tax Rate
Wells	11,555	\$29,544,180.00	\$6.48
Kennebunk	11,641	\$30,253,075.00	Note
Old Orchard Beach	9,168	\$20,550,841.00	\$11.33
Kittery	10,194	\$19,741,059.00	\$14.07

Note: Kennebunk’s projected tax rate was not available at the time of printing of this document.

REVENUE DETAIL

	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
43001 PROPERTY TAX REVENUE	10,322,652	10,381,485	11,038,329	11,722,711	12,721,383	998,672	8.5%
43003 PROPERTY TAX ABATEMENTS	(50,025)	(33,506)	(10,800)	-	-	-	
43004 PAYMENT IN LIEU OF TAXES-PILOT	3,123	6,276	-	3,200	3,500	300	
43006 HOMESTEAD/VETS/BLIND EXEMPT	407,281	338,913	425,474	400,000	500,000	100,000	25.0%
43007 TREE GROWTH REVENUE	1,360	1,883	2,258	2,200	2,200	-	
43031 EXCISE TAX AUTOMOBILE	2,111,718	2,066,975	2,097,392	1,936,000	2,000,000	64,000	
43032 EXCISE TAX BOAT	33,666	40,949	69,723	48,000	48,000	-	
43109 SIGN PERMITS	2,475	1,725	2,525	2,000	2,500	500	
43110 CODE ENFORCEMENT FEES	388,423	1,915,206	478,473	350,000	450,000	100,000	28.6%
43113 BOARD OF ASSESSMENT REVIEW	800	100	-	-	-	-	
43114 ADDITIONAL LAND USE FEES	5,825	4,835	5,350	4,000	4,000	-	
43115 PLANNING FEES (SUBDIVISIONS)	3,803	8,176	8,698	5,000	25,000	20,000	400.0%
43120 TOWN CLERK FEES	25,784	28,056	30,285	24,000	28,000	4,000	16.7%
43121 WILDLIFE AGENT FEE	1,172	1,026	1,070	1,000	1,000	-	
43122 ANIMAL WELFARE AGENT FEE	1,727	1,098	1,595	1,600	1,500	(100)	
43130 TOWN REGISTRATION FEES	44,399	44,593	44,094	35,000	42,000	7,000	20.0%
43135 HWY PERMITS & FEES	1,724	5,997	17,814	1,500	1,500	-	
43140 SOLID WASTE PERMITS & FEES	125,960	105,402	90,033	90,000	108,000	18,000	20.0%
43145 SOLID WASTE RECYCLING	73,097	135,531	63,949	100,000	100,000	-	
43147 DINGHY FEES	14,699	14,813	13,010	12,000	12,000	-	
43148 TRANSIENT SLIP RENTAL	8,626	17,925	18,207	16,000	17,000	1,000	
43149 KPA APPLICATION FEES	1,125	1,750	1,125	500	1,000	500	
43150 MOORING FEES	151,642	109,828	106,764	85,000	95,000	10,000	11.8%
43151 LAUNCH FEE	17,860	16,927	17,992	15,000	16,000	1,000	
43152 TRANSIENT MOORING	7,065	14,439	13,100	12,000	12,000	-	
43153 WAIT LIST FEE	1,880	2,429	2,318	2,000	2,000	-	
43154 HARBOR & WATER USAGE FEE	55	-	-	-	-	-	
43155 CLAM LICENSE FEE	-	-	555	500	1,500	1,000	
43156 PIER USAGE FEES	2,278	5,372	3,036	2,600	2,600	-	
43157 MOORING LATE FEES	626	150	1,917	-	-	-	
43159 KAYAK RACK RENTAL	1	1,430	256	1,500	1,000	(500)	
43160 FORT FOSTER FEES	353,286	278,999	355,963	325,000	300,000	(25,000)	-7.7%
43164 BEACH FIRE PERMITS	-	345	900	350	800	450	
43165 SPRINKLER PERMITS	-	200	400	-	-	-	
43210 LIEN FEES	6,355	7,102	23,261	7,000	7,000	-	
43220 PENALTY INTEREST	53,116	50,945	36,031	45,000	45,000	-	
43221 LIBRARY FINES & FEES	2,139	2,251	3,986	2,000	3,000	1,000	
43320 RECREATION FEES	182,586	558,342	753,605	650,000	747,500	97,500	15.0%
43310 SALE OF ORDINANCES & MAPS	-	-	544	-	-	-	
43330 ANIMAL CONTROL	1,916	3,946	3,304	2,000	3,000	1,000	
43335 POSTAGE	50	29	35	-	-	-	
43336 PHOTO COPIES	258	123	188	200	200	-	
43351 ACCIDENT REPORTS	2,451	2,890	2,505	2,500	2,500	-	
43352 PARKING TICKETS	49,675	30,362	32,045	25,000	25,000	-	
43353 GUN PERMITS	1,150	565	1,155	500	500	-	
43354 ELIOT DISPATCHING SERVICES	123,576	138,360	192,650	200,171	207,994	7,823	3.9%
43355 ORDINANCE FINES	550	100	540	350	350	-	
43356 WITNESS FEES	40	200	362	300	300	-	
43358 FALSE ALARMS	920	780	660	800	500	(300)	
43359 AMBULANCE RENTAL & FEES	16,000	16,000	16,000	16,000	46,000	30,000	187.5%

Continued on the next page

FY25 Revenue Detail (cont'd)

	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
43410 MDOT HWY MAINTENANCE	12,000	12,000	9,001	12,000	9,000	(3,000)	-25.0%
43420 STATE REVENUE SHARING	880,453	1,139,122	1,404,494	1,225,000	1,290,000	65,000	5.3%
43421 STATE PARK FEE REV SHARING	5,787	2,723	3,556	2,000	2,500	500	
43443 RESTITUTION INCOME	705	-	-	-	-	-	
43470 GENERAL ASSISTANCE REIMB	33,330	24,685	125,069	63,000	82,180	19,180	30.4%
43480 MARY SAFFORD WILDES TRUST	12,500	12,500	12,500	-	-	-	
43510 INTEREST ON INVESTMENTS	19,407	12,227	406,126	20,000	200,000	180,000	900.0%
43511 UNREALIZED GAIN/LOSS INVESTMENT	-	-	(6,699)	-	-	-	
43530 MISCELLANEOUS REVENUE	6,803	10,947	48,319	7,500	7,500	-	
43532 COVID RELIEF FUNDS	9,000	-	-	-	-	-	
43540 SEWER DEPT RENT	22,900	22,900	25,000	108,835	123,052	14,217	13.1%
43555 SNOWMOBILE/HANDICAP/ELDER	629	629	675	675	500	(175)	
43560 GMH HOUSING	289,137	311,742	321,655	320,000	320,000	-	
43575 SUP APPRO FROM UNDESIGNATED	-	-	-	-	-	-	
43576 TRANSFER IN FROM OTHER FUNDS	35,000	35,000	35,000	35,000	35,000	-	
43580 USE OF CARRY FORWARDS	-	-	-	-	-	-	
45007 INTEREST REVENUE	-	-	33	-	-	-	
45015 FEMA REVENUE TO GF	141,127	-	-	-	-	-	
45020 MMA WKRS COMP DIVIDEND	-	-	22,789	-	20,000	20,000	
45025 SCHOOL RESOURCE OFFICER COMP	55,274	55,274	59,000	56,650	63,000	6,350	11.2%
TOTAL REVENUE	16,028,940	17,971,071	18,435,193	18,001,142	19,741,059	1,739,917	9.7%

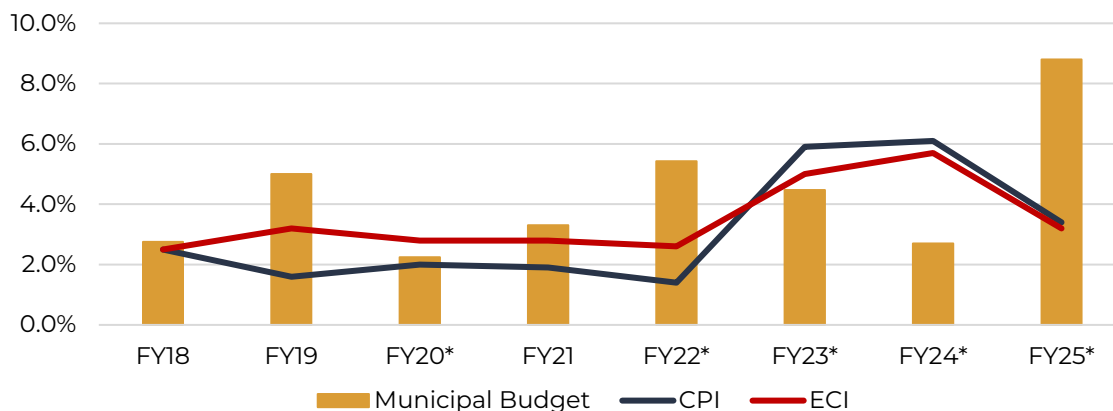
EXPENSE SUMMARY

The FY25 annual tax commitment for municipal and school operations is projected to increase from \$29,924,021 to \$31,617,444, or approximately 5.7%. Total spending for municipal operations and capital is \$19,741,059, which is an increase of \$1,794,357 or 11.8%. Non-tax revenue is projected to cover \$741,245 of the additional costs, approximately 41%; the remainder will be raised through the tax levy. The proposed property tax levy is approximately \$1,585,000 below the LD-1 limit for municipal appropriations.

A measure the town uses to evaluate its annual budget increase is the Employment Cost Index (ECI). This index better measures the 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. At the conclusion of March 2024, ECI was 3.2% meaning employment costs increased 3.2% over the prior year in this region. This reflects the continuing upward pressure on wages as workers across multiple sectors are in high demand and low supply. The Consumer Price Index (CPI) is at 3.4% for the region.

The municipal operating budget, exclusive of county taxes, capital, and TIF, is increasing 8.8%; however this increase includes four new full-time firefighter positions. When excluding the new positions, the increase is closer to the ECI and CPI, at 5.7%. On average over the past eight years the municipal operating budget is between 1% and 1.4% above economic inflation indicators despite adding 14.5 full-time equivalent staff positions in that same period.

% Increase Consumer Price Index, Employment Cost Index, and Municipal Operations¹⁰



* Represent years in which the budget included addition of staff positions.

¹⁰ Source: Bureau of Labor Standards, Consumer Price Index Northeast Region New England Division, Employment Cost Index, Civilian, 12 months ended Dec 2023. Municipal operations exclude capital, county taxes and TIF revenue offset.

Full-Time Equivalent – Municipal Staff Comparison

Department	FY18	FY25
Administration	10.95	12.25
Fire	0.50	13.25
Harbormater	1.50	3.00
KCC	17.00	10.50
Library	4.80	6.00
Planning & Development	5.40	5.50
Police & Public Safety Dispatch	27.75	31.00
Public Works	21.60	22.50
TOTAL	89.50	104.00
Variance		14.50

Kittery is falling behind 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 relatively consistent. The average budget proposed for FY25 for the town’s comparable communities is \$25,176,254, exclusive of school/education budgets; compared to Kittery at \$19,741,059. Despite the lag in municipal expenditures, Kittery is exceling at implementing its annual work plans, building a healthy financial reserve, investing in capital, and leading on key initiatives including climate action and affordable housing efforts.

Comparable Communities

	Proposed FY25	
	Population	Municipal Budget
Wells	11,555	\$29,544,180.00
Kennebunk	11,641	\$30,253,075.00
Old Orchard Beach	9,168	\$20,550,841.00
Kittery	10,194	\$19,741,059.00

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, to advance the annual goals and objectives, and to support the town’s financial expectations. Approximately \$10.8M in the \$17.7M operating budget (exclusive of capital) is associated with wages and benefits for active and retired employees. That represents 61% of the operating budget. Of that, approximately \$3.3M is dedicated to employer costs such as health and retirement benefits and payroll taxes.

Collective Bargaining negotiations are underway with all union employees in the municipal staff. These are negotiated concurrently. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated cost of living increases anticipated from union negotiations for all personnel. The negotiation objectives are to ensure Kittery remains competitive in the most reasonable manner possible. Negotiations began in March of this year and are expected to continue into the summer.

Health insurance rates are projected to increase 4.5% across the board. The town splits the cost of any premium increase above 2% with some of the employees, in accordance with their specific collective bargaining agreement. The only exceptions are the Police Department's represented units which do not have a shared risk model incorporated into their collective bargaining agreements. In all cases, the contracts have an 80/20 split floor, meaning the employees will pay no more than 20% of their health and dental premiums.

Most of the department budgets are "level-service" meaning there is no additional services or growth in operations anticipated in non-personnel spending. Cost increases are primarily being driven by inflationary factors on supplies, materials, and vendor contracts. For example, the Resource Recovery Division within the Public Works Department is projecting an \$88,440 increase in Other Professional Services due to significant cost increases for disposal of municipal solid waste and household hazardous waste.

Another example is the addition of a new Ambulance Service fee. For many years, the town has enjoyed effectively "free" ambulance coverage in exchange for the ambulance service provider retaining all fees and revenue from the transport and treatment of patients. Stagnant Medicare reimbursements combined with an aging population and increased unbillable "checks" and "assists" have tipped the balance where providing the service costs more than it currently generates in revenue. Kittery and Eliot are now required to supplement the service or lose ambulance coverage in town. The budget contains half of the cost of the ambulance service, \$142,000, while Eliot will pay the other half.

The FY25 budget incorporates four new FTEs. The Fire Department includes four additional full-time firefighters, to bring the department to 12 full-time firefighters, and ensure the town has minimal staff coverage for emergency fire and rescue response 24 hours a day seven days a week. The cost of the additional firefighters, including payroll taxes, benefits, and workers compensation insurance is approximately \$455,000 and represents the single largest increase in this fiscal year budget.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system,

costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use. Some departments will retain a portion of their telephone budget for cell phones and copper-phone lines for elevators and fire alarm systems.

County taxes are increasing 6.2% for the town. As with other regional employers, York County is struggling to fill vacant positions and cover increased costs of supplies and services. They are also growing their substance abuse rehabilitation programs.

A number of the annual goals established by the Council will be implemented through the work of the Planning and Development Department. This includes the Comprehensive Plan Update, the rezoning of the Business Park Zone, and development of zoning amendments that advance the Climate Action Plan. This department has an increase in funding for professional services to assist in the workload.

The TIF account is also increasing by approximately \$95,000. The second largest increase is in the TIF Financing Plan at \$95,000 or 55.9%. Seacoast Residences at 76 Dennett Road has contributed approximately \$27,100,000 in new value to the town since FY24. Based on current projections for the tax rate, the tax generation of the segregate TIF value will be over \$400,000. Because this is a tax incentive financing district, and based on the town's ordinance, the town will segregate 65% of the generated taxes, or approximately \$265,000, to the TIF, with the remaining going to support general operating costs of the town.

The department budgets include detailed comparisons by line item, and explanations for budget requests. It is in these pages, the full breadth and depth of the zero-based budgeting approach is most evident.

SUMMARY OF DEPARTMENT EXPENDITURES

Expense Projections	ACTUAL FY21	ACTUAL FY22	BUDGET FY23	BUDGET FY24	PROPOSED FY25	\$ Change	% Change
GENERAL GOVERNMENT							
Admin	959,175	1,078,239	1,266,516	1,339,191	1,739,026	399,835	29.86%
Council	3,410	2,865	3,465	5,650	5,650	-	0.00%
Elections	24,384	10,951	16,358	23,200	31,930	8,730	37.63%
Total General Government	986,969	1,092,054	1,286,339	1,368,041	1,776,606	408,565	29.86%
SHARED EXPENSES							
Retirement	535,959	576,390	615,305	644,783	727,943	83,160	12.90%
FICA	401,393	429,671	479,985	550,224	570,165	19,941	3.62%
Maine Family Medical Leave Law	-	-	-	-	19,715	19,715	--
Workers Compensation	124,001	146,692	177,623	174,678	227,000	52,322	29.95%
Medical - Active Employees	1,180,744	1,329,010	1,359,317	1,457,112	1,501,503	44,392	3.05%
Dental - Active Employees	13,006	15,649	17,986	19,037	19,128	91	0.48%
Property and Casualty Insurance	178,174	186,765	195,267	196,089	206,362	10,273	5.24%
Self Insurance Claims	-	-	1,000	-	-	-	--
Retired Medical & Dental	192,522	196,032	174,656	200,000	189,300	(10,700)	-5.35%
Misc Employee-Related Costs	65,120	50,945	45,391	54,440	55,200	760	1.40%
Employee Benefits & Insurance	2,690,920	2,931,154	3,066,530	3,296,363	3,516,317	219,954	6.67%
Debt Service	814,532	1,128,835	1,099,717	1,074,493	1,053,948	(20,545)	-1.91%
Total Shared Expenses	3,505,453	4,059,990	4,166,247	4,370,856	4,570,265	199,409	4.56%
PLANNING & CODE ENFORCEMENT							
Planning Board & BOA	7,629	10,785	-	-	-	-	--
Planning & Code Enforcement	531,651	573,967	576,961	628,576	657,122	28,547	4.54%
Misc Exp - Public Health	521	521	520	1,040	-	(1,040)	-100.00%
Total Planning & Code Enforcem	539,801	585,273	577,481	629,616	657,122	27,507	4.37%
PUBLIC SAFETY							
Fire	352,911	575,057	787,779	959,442	1,205,680	246,238	25.66%
Harbormaster	108,292	124,633	147,118	150,823	154,005	3,182	2.11%
Ambulance Service	-	-	-	-	142,000	142,000	--
Police	2,368,520	2,655,823	2,816,475	3,027,997	3,020,434	(7,562)	-0.25%
Public Safety	2,829,723	3,355,513	3,751,372	4,138,262	4,522,119	383,858	9.28%
PUBLIC WORKS							
Highway	1,047,849	1,172,477	1,328,400	1,272,377	1,295,447	23,070	1.81%
Resource Recovery	561,665	590,138	623,906	706,184	785,114	78,930	11.18%
In Town Parks	177,578	223,923	286,501	251,131	252,014	883	0.35%
Fort Foster/Beaches	137,326	136,861	133,710	195,279	174,506	(20,773)	-10.64%
Public Works	1,924,417	2,123,400	2,372,516	2,424,971	2,507,080	82,110	3.39%
COMMUNITY & HUMAN SERVICES							
Library	434,671	433,771	528,541	532,293	556,099	23,806	4.47%
Recreation	730,900	829,207	884,953	945,669	975,426	29,756	3.15%
General Assistance	38,344	58,674	170,408	90,000	117,400	27,400	30.44%
Community Agencies	7,900	7,900	7,900	7,900	7,900	-	0.00%
Adult Education	98,970	101,579	105,500	110,275	118,250	7,975	7.23%
Community and Human Service:	1,310,785	1,431,131	1,697,302	1,686,138	1,775,075	88,937	5.27%
MISC EXPENSES - OTHER							
County Tax	1,005,790	1,005,790	989,989	1,007,305	1,092,333	85,028	8.44%
Streetlights	38,907	32,373	41,647	55,000	55,000	-	0.00%
Hydrant Rental	255,149	255,149	269,912	275,725	275,725	-	0.00%
TIF	27,000	20,000	25,000	170,000	265,000	95,000	55.88%
Other Miscellaneous	138,271	148,353	183,164	169,830	246,834	77,004	45.34%
Miscellaneous Expenses	1,465,117	1,461,665	1,509,711	1,677,860	1,934,892	257,032	15.32%
Total Operating Expenses	12,562,265	14,109,026	15,360,969	16,295,743	17,743,159	1,447,417	8.88%
	-0.8%	12.3%	8.9%	6.1%	8.9%		
CAPITAL IMPROVEMENT PLAN	1,455,500	1,588,900	1,551,400	1,705,400	1,997,900	292,500	17.15%
TOTAL MUNICIPAL EXPENSES	14,017,765	15,697,926	16,912,369	18,001,143	19,741,059	1,739,917	9.67%

FY25 COSTS BY CATEGORY (Excluding CAPITAL INVESTMENT)

	Personnel	Utilities	Building/ Equip	Other	Total
Administration	559,249	22,445	63,500	668,832	1,314,026
Council	4,000	-	-	1,650	5,650
Elections	7,000			24,930	31,930
Planning	421,707	500	12,220	222,695	657,122
Fire	1,025,582	53,592	57,309	69,197	1,205,680
Police	2,612,164	54,350	128,500	225,420	3,020,434
Harbormaster	103,233	5,472	5,500	39,800	154,005
Public Works	1,355,210	43,305	89,850	1,018,715	2,507,080
Recreation	638,233	73,600	40,450	223,143	975,426
Miscellaneous	425,000	395,429	70,000	254,130	1,144,559
Health and Retirement	2,512,790				2,512,790
FICA	570,165				570,165
Workers' Compensation	227,000				227,000
Library	350,906	45,870	18,000	141,323	556,099
Subtotal	10,812,240	694,563	485,329	2,889,835	14,881,966
% of Total	60.9%	3.9%	2.7%	16.3%	83.9%

OTHER

Property and Casualty	206,362		
General Assistance	117,400		
Community Support	7,900		
County Tax	1,092,333	6.2%	
TIF	265,000	1.5%	
Adult Education	118,250		
Debt	1,053,948	5.9%	
Subtotal	-	2,861,193	16.1%

GRAND TOTAL **\$ 17,743,159**

CAPITAL IMPROVEMENT PLAN

The FY25-FY29 Capital Improvement Plan (CIP) was developed to address the present and future capital needs across multiple departments. The plan incorporates the rapid inflation experienced in the past two years and expected in the coming years.

The town has a policy that it must have at least two- and one-half months of the combined school and municipal budget in unassigned fund balance (aka savings) each year. The amount required in the unassigned fund increases each year in pace with the growth in school and municipal budgets. This year, the town is required to hold approximately \$8.2M in unassigned fund balance. In addition to the required amount, there is a projected \$2.5M in additional or excess unassigned fund balance this fiscal year.

The CIP Committee considered capital needs, debt service, the “On the Horizon” project list, and the unassigned fund balance excess in its development of this CIP. In many cases, the Committee considered a ten-year outlook for capital needs and debt obligations, rather than the standard five-year timeframe. Considering the longer ten-year time outlook allows the Committee to make recommendations that provide for a more stable level of capital investment and planning, and avoid unplanned spikes in funding needs.

The proposed funding for capital in FY25 is \$1,962,900, representing an increase of \$95,500 from the previous year’s CIP funding.

The FY25 plan meets the majority of the needs identified by departments. Due to the long-lead times for fire apparatus, the significant impact inflation has had on the cost of manufacturing fire rolling stock, and the excess in unassigned fund balance, the replacement of the ladder truck is proposed to be funded with the excess unassigned fund balance through the warrant article process. This approach allows the town to order the apparatus so it will be delivered around the time the existing ladder should be decommissioned (approximately two years or 2027) and allow the town to take advantage of discounts available for payment in full up front. Typically the discounts range from 5% to 10% off the cost of the equipment, or approximately \$75,000 to \$150,000 discount, without impacting the tax levy. As this is a one-time project, the approach does not create a structural deficit in the CIP in the future and avoids the town from having to significantly increase the CIP for the next two years or issue debt for the project.

Inflation continues to be the biggest factor in the cost increases for the CIP. The inflation factor/cost escalator is predominately 4.5%, with a few exceptions including fire apparatus which is at 5.5%.

Debt service will be \$1,513,023, a decrease of \$31,438 from the prior year. The town will see a reduction in debt service in FY27 with the completion of the Road Improvements and the Community Center Annex bonds. The following year, the Fire Station bond will be completed. These three bonds equate to \$338,500 annually in debt service costs. Two recently developed plans/projects, the Memorial Field Renovation and the Kittery Community Center Master Plan, are being considered for potential bonding in the coming year. The two committees working on these projects are collaborating on joint public outreach and input gathering to understand the community interest in funding implementation of these projects. The projects are listed in the “On the Horizon” list. The town has more than sufficient bonding capacity, per policy, to support a bond of the magnitude required to implement some or all of the components of the two projects. However, the annual debt service will exceed current annual debt payments, requiring an increase in the tax levy. This is not technically a problem; it is simply a matter of what level of additional taxes the property owners are willing to pay to accomplish the important goals of these projects.

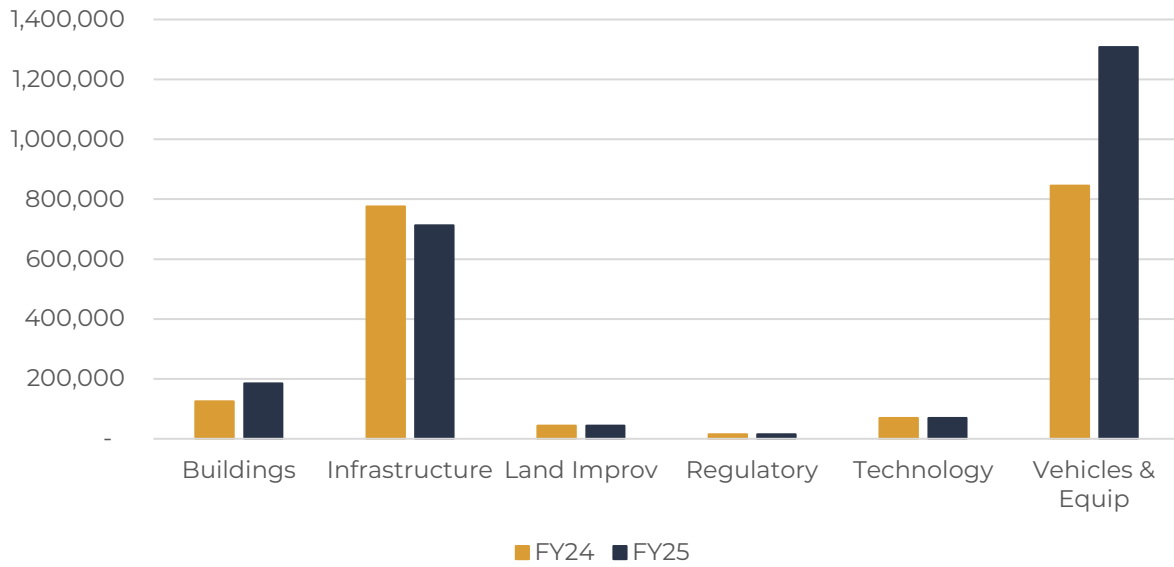
Funding for Holding Accounts is proposed to increase \$25,000 from the prior fiscal year. Funding for Fire Apparatus is not being proposed due to the warrant article plan for the ladder truck replacement noted above. Municipal Facility Reserve is proposed to increase in order to cover the cost of replacement of various heating, ventilation, and plumbing components along with exterior door replacements to improve heating/cooling efficiency.

The Capital Reserve Accounts are projected to increase \$142,500 from the prior year. Increases in the KCC Facility and Equipment reserves are proposed to support various improvements and replacements in the community center, and to prepare for buildout of a new young adult/teen space. The total combined increases are \$85,000. The Police vehicle reserve is increasing by \$20,000 to cover the increasing cost of vehicles and cruiser equipment. These costs are driven entirely by inflation and manufacturer’s model changes. The Police Equipment reserve is increasing \$70,000 in anticipation of implementation of body worn cameras and implementation of evidence and file storage solutions that expand much needed capacity.

Only one capital project is being proposed for the FY25 CIP. The project is to fund replacement of the existing computer aided incident management system for public safety. This system is used by Public Safety Dispatch and Police Departments. The existing software company has signaled their intent to cease

developing and supporting the existing software, requiring public safety agencies throughout the country to transition to a new system. The town is working collaboratively with other public safety agencies in the region to approach this challenge collaboratively for the benefit of efficiency and potential cost savings.

Capital Improvement Costs by Category



FY25 Capital Improvement Plan

Project Name	TYPE	FY25 Plan
CAPITAL HOLDING ACCOUNTS		
Right of Way Reserve (Pavement Mgt)	Infrastructure	\$ 600,000
Fire Apparatus & Vehicle Reserve	Vehicles & Equip	-
Open Space Reserve	Land Improv	-
Municipal Facility Reserve	Buildings	150,000
CAPITAL HOLDING ACCOUNTS TOTAL		\$ 750,000
CAPITAL RESERVE ACCOUNTS		
DPW Vehicles & Equipment Reserve	Vehicles & Equip	\$ 450,000
MS4 Compliance Reserve	Infrastructure	40,000
Parks Reserve	Land Improv	20,000
Fire Equipment Reserve	Vehicles & Equip	60,400
Municipal Technology Reserve	Technology	70,000
KCC Equipment Reserve	Vehicles & Equip	75,000
KCC Facility Reserve	Buildings	75,000
Harbormaster Boat & Vehicle Reserve	Vehicles & Equip	7,500
Harbormaster Equipment Reserve	Vehicles & Equip	25,000
Harbormaster Facility Reserve	Infrastructure	15,000
Police Vehicle Reserve	Vehicles & Equip	175,000
Police Equipment Reserve	Vehicles & Equip	85,000
Fire Facility Reserve	Buildings	25,000
CAPITAL RESERVE ACCOUNTS TOTAL		\$ 1,122,900
CAPITAL PROJECTS		
LED Lighting Conversion	Infrastructure	-
Fort Foster Invasive Plant Management	Land Improv	-
Climate Action Plan	Infrastructure	-
Memorial Field Assessment	Infrastructure	-
Roadside Landscaping	Infrastructure	-
Legion Pond Restoration	Infrastructure	-
IMC Replacement	Technology	125,000
Bike/Ped Master Plan	Infrastructure	-
CAPITAL PROJECTS TOTAL		\$ 125,000
TOTAL ALL CAPITAL		\$ 1,997,900

Section II
Department Budgets



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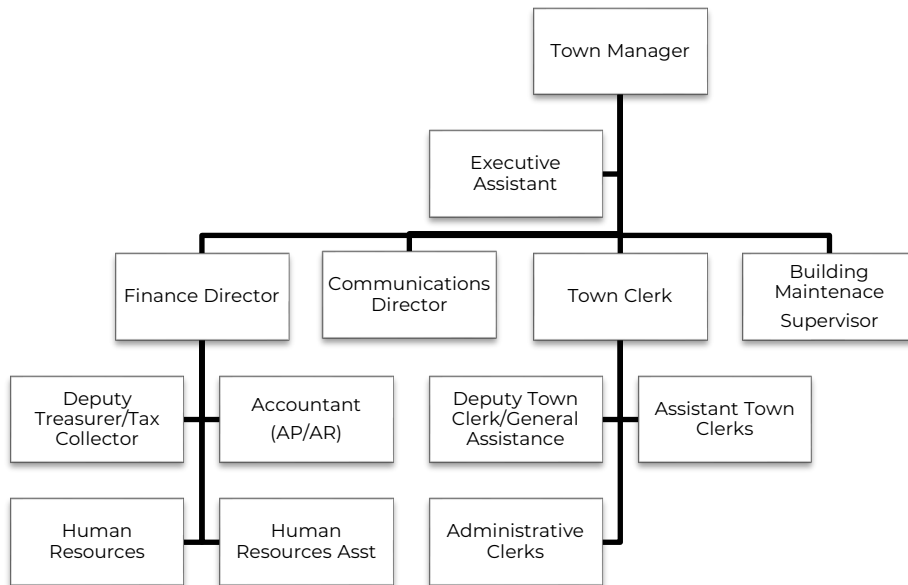
ADMINISTRATION

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 Division, the Finance Division, Human Resources, Communications, and Facility Maintenance.

In many cases the roles in the Administration department support residents and other departments equally, providing the resources, information, and administrative processing of everything from processing and tracking revenue and expenses, to talent acquisition and benefits management, records management, and ongoing facility preventative maintenance and repair.

DEPARTMENT ORGANIZATION



PERSONNEL SUMMARY

POSITION	FY24 Budget	FY25 Proposed
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	1	1
Accountant	1	1
Human Resources Manager	1	1
Human Resources Assistant	1	1
Building Maintenance Supervisor	1	1
Communications Director	1	1
Town Clerk	1	1

Deputy Town Clerk	1	1
Assistant Town Clerk	1.5	1.5
Administrative Clerk	0	0
Total FTE	12.25	12.25

BUDGET OVERVIEW

All seven union contracts expire June 30, 2024. As in prior years, the Salary Adjustment line item in Administration has been increased to anticipate the resulting costs of contracts for six of the seven unions. The Sewer union is budgeted for within the Sewer Department budget because it is an enterprise fund and is wholly funded by sewer customers.

The Administration budget is projected to increase \$399,835 or approximately 29.9%. Of this, \$385,000 is for Salary Adjustments, and will be transferred to each department at the end of FY25 to offset increased personnel costs resulting from negotiations. Unless otherwise noted, any other wage increases in the budget reflect step and longevity adjustments based on years of service.

Excluding the Salary Adjustment line, the department costs are projected to increase \$14,835 or 1.1 %.

The Salary Adjustment line item is projected to be \$425,000 and includes the estimated costs of all wage related components encompassed in the collective bargaining agreements and non-union cost-of-living adjustments including wages, FICA, and retirement contribution increases associated with resulting wage adjustments.

Non-personnel expenses are increasing \$4,972, or approximately 1.3%.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. In order to simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

The Web Page line item is increasing \$6,750 to include increased vendor costs for web-hosting and for the recently added accessibility component that allows users to adjust the font colors, sizes, types, and arrangements to improve readability for those with visual impairments or neurodiverse reading needs.

Other vendor services including Audit, Legal and Other Professional are increasing as our vendors' labor and business costs increase with inflation and the tight labor market. In some cases, such as Legal, the budget reflects reduced projected use of the service to manage budget increases, while in others, such as Audit and Other Professional, the budget increase is unavoidable.

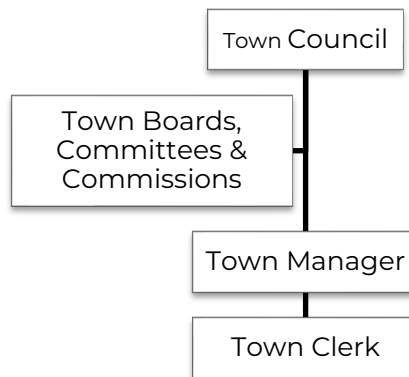
ADMINISTRATION	FY21	FY22	FY23	FY24	FY25		
10110	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64011 MANAGER SALARY (75%)	106,978	110,797	118,508	119,435	121,606	2,171	
64014 TOWN CLERK SALARY	81,934	84,999	74,397	74,904	74,813	(91)	
64017 CLERKS SALARIES	318,483	333,519	297,806	182,920	181,119	(1,801)	
64052 FINANCE SALARIES	-	-	-	185,991	186,597	606	
64018 HR MANAGER	63,330	71,023	75,826	80,071	81,152	1,081	
64046 COMMUNICATIONS DIRECTOR	-	-	64,609	74,094	74,813	719	
64026 FINANCE DIRECTOR SALARY	113,698	119,916	128,615	121,824	122,711	887	
64041 FACILITIES MAINTENANCE SUPERVI	-	161	58,962	60,829	61,976	1,147	
64027 CUSTODIAN WAGES	10,012	10,539	9,535	22,857	26,000	3,143	
64030 OVERTIME	699	1,851	14,910	4,000	6,000	2,000	
64031 SALARY ADJUSTMENT	-	-	-	40,000	425,000	385,000	
Total Personal Services	695,134	732,805	843,166	966,924	1,361,787	394,863	40.8%
65010 POSTAGE	6,884	9,379	7,757	10,000	10,000	-	
65020 TELEPHONE & INTERNET	8,140	7,850	8,720	9,000	1,000	(8,000)	
65030 TRANSPORTATION	-	-	247	2,500	2,500	-	
65040 EDUCATIONAL/MEETING EXPENSE	831	4,207	5,700	5,000	5,000	-	
65060 PRINTING	6,821	11,677	11,972	14,500	15,000	500	
65080 LEGAL NOTICES/OTHER ADV	2,380	271	2,273	3,000	3,000	-	
65200 ELECTRICITY	10,184	11,532	10,030	13,440	13,440	-	
65220 WATER	317	317	238	500	500	-	
65230 FUEL OIL	3,439	4,487	5,230	5,200	5,500	300	
65240 DUMPSTERS	633	683	942	1,000	1,680	680	
65250 SEWER	299	344	321	325	325	-	
65300 MACHINE & EQUIPMENT MAINT	34,312	34,331	25,099	40,000	40,000	-	
65400 LEGAL SERVICES	45,805	101,090	88,638	75,000	75,000	-	
65410 COMPUTER SERVICES	44,080	52,682	46,748	65,450	65,740	290	
65415 WEB PAGE	4,461	7,720	4,103	6,000	12,750	6,750	
65430 AUDIT SERVICES	19,050	16,750	17,550	20,000	24,000	4,000	
65480 OTHER PROFESSIONAL SERVICES	39,621	44,699	128,196	45,000	45,000	-	
65500 MAINTENANCE OF BLDG/GROUNDS	9,009	9,066	20,868	20,000	20,000	-	
66010 OFFICE SUPPLIES	7,217	6,719	10,065	9,000	9,000	-	
66020 BOOKS/SUBSCRIPTIONS	1,094	1,203	1,647	1,500	1,750	250	
66025 MAINE MUNICIPAL ASSOC. DUES	13,207	14,004	14,756	15,352	15,554	202	
66030 OTHER SUPPLIES	-	680	1,057	1,000	1,000	-	
66035 ABSTRACTS & LIENS	4,256	4,951	3,551	6,000	6,000	-	
66040 JANITORIAL SUPPLIES & SERVICES	2,003	793	3,642	2,500	2,500	-	
67510 OFFICE FURNITURE & EQUIPMENT	-	-	4,000	1,000	1,000	-	
Total Expenses	264,041	345,434	423,350	372,267	377,239	4,972	1.3%
TOTAL ADMINISTRATION	959,175	1,078,239	1,266,516	1,339,191	1,739,026	399,835	29.9%

TOWN COUNCIL

MISSION STATEMENT

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

DEPARTMENT ORGANIZATION



BUDGET OVERVIEW

Members of the Town Council receive a stipend of \$20 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.

Other Professional Services covers the cost of training opportunities for Councilors. These are typically hosted by Maine Municipal Association and state agencies. Current Council members are taking advantage of the training and professional development opportunities offered including training on their roles as well as professional development opportunities that cover current issues and initiatives such as diversity, equity and inclusion, affordable housing, climate change, and the impacts of mental health issues on communities.

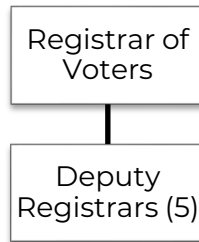
TOWN COUNCIL	FY21	FY22	FY23	FY24	FY25		
101115	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64001 COUNCIL STIPEND	3,320	2,820	3,120	4,000	4,000	-	
65480 OTHER PROF SERVICES	45	-	300	1,500	1,500	-	
66037 COUNCIL EXPENSES	45	45	45	150	150	-	
TOTAL TOWN COUNCIL	3,410	2,865	3,465	5,650	5,650	-	0%

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	FY24 Budget	FY25 Proposed
Registrar (Town Clerk in Administration Budget)	1	1
Deputy Registrars (PT as needed)	4	5
Total FTE	N/A	N/A

BUDGET OVERVIEW AND RECOMMENDATION

FY25 elections include the November Presidential/State and town elections and the annual June School Budget Validation Referendum and warrant articles. The Presidential Election is expected to draw over 80% turnout. The budget reflects the anticipated additional costs for mailing absentee ballots, additional voting machines (rental), and election workers for the election day and absentee vote processing.

ELECTIONS 101130	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
64020 PART TIME SALARIES	8,721	3,138	5,345	6,000	7,000	1,000	
65000 ELECTION EXPENSES	189	207	747	1,000	1,000	-	
65010 POSTAGE	2,767	610	1,279	2,500	3,500	1,000	
65060 PRINTING	8,095	4,190	6,380	8,000	7,500	(500)	
65480 OTHER PROFESSIONAL SERVICES	2,480	2,807	1,518	5,500	5,500	-	
66010 OFFICE SUPPLIES	336	-	19	200	300	100	
67510 OFFICE FURNITURE & EQUIPMENT	1,796	-	1,070	-	7,130	7,130	
TOTAL ELECTIONS	24,384	10,951	16,358	23,200	31,930	8,730	37.6%

SHARED EXPENSES

DESCRIPTION

Shared expenses represent employee and insurance costs that are shared by all departments. These items are 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

Employee Benefits and Insurance is projected to increase \$219,954, approximately 7.2%.

The Shared Expenses reflect the addition of the four full-time firefighters. Also incorporated are the changes in employees' health plan selections, retirement enrollment, insurance rates, FICA, and workers compensation costs.

The budget contains the new Maine Family Leave Act tax of 0.5% of wages. This is budgeted for half of a year, as the tax does not go into effect until January 1, 2025, half-way through the fiscal year. The anticipated cost for the half of year is \$19,715. It is unclear how this law will work, and how it will address the effective double-dipping of a State paid leave benefit and locally funded sick leave. The rules for the implementation of the law are still in development.

The anticipated rate increase from Allegiant Care, the primary insurer, is 4.5%. Some, though not all, of the collective bargaining agreements require a 50/50 cost share of increases of over 2% with the employees until the cost share reaches a floor of the employer paying for 80% of the insurance costs.

Workers Compensation rates are also increasing significantly. Though the town has worked hard to bring its mod-rate down below 1.0, the most recent payroll reconciliation with our workers compensation risk pool resulted in increased costs of \$52,322. The addition for four firefighters will further increase this number.

EMPLOYEE BENEFITS & INS 103000 - 103003	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
64050 MAINE STATE RETIREMENT	506,184	549,095	588,900	603,186	686,553	83,368	13.8%
64051 ICMA EMPLOYER SHARE	29,775	27,294	26,405	41,597	41,390	(207)	-0.5%
64060 FICA EMPLOYER SHARE	401,393	429,671	479,985	550,224	570,165	19,941	3.6%
64070 WORKERS COMPENSATION	124,001	146,692	177,623	174,678	227,000	52,322	30.0%
64090 MAJOR MEDICAL INSURANCE	1,180,744	1,329,010	1,359,317	1,457,112	1,501,503	44,392	3.0%
64091 DENTAL INSURANCE	13,006	15,649	17,986	19,037	19,128	91	0.5%
64092 DISABILITY INSURANCE	32,281	32,264	33,269	34,000	34,000	-	0.0%
64090 RETIRED EMPLOYEE MEDICAL/DENTAL	192,522	196,032	174,656	200,000	189,300	(10,700)	-5.4%
65101 MMA RISK POOL (PROP & CASUALTY)	178,174	186,765	195,267	196,089	206,362	10,273	5.2%
68427 SELF INSURANCE CLAIMS	-	-	1,000	-	-	-	-
NEW MAINE FAMILY MEDICAL LEAVE LAW	-	-	-	-	19,715	19,715	
65115 UNEMPLOYMENT COMPENSATION	24,486	10,552	2,958	10,000	10,000	-	0.0%
65150 MISCELLANEOUS INSURANCE LIFE	5,788	5,538	6,467	7,440	8,200	760	10.2%
65210 UNION CENTRAL LIFE INS	2,566	2,591	2,697	3,000	3,000	-	0.0%
BENEFITS AND INSURANCE	2,690,920	2,931,154	3,066,530	3,296,363	3,516,317	219,954	7.2%

DEBT SERVICE

BUDGET OVERVIEW

The municipal debt service is projected to decrease \$20,545, approximately 1.9%.

Municipal bonds become eligible for refinancing after 10 years. There are no bonds eligible for refinancing in the FY25 timeframe.

Total combined debt for the town and School Department is 3.9%, well below the town’s policy of 8%.

There are two committees working collaboratively on building community support for a bond vote in November 2024, to fund improvements to athletic fields and the Kittery Community Center campus. The bond article will likely be for between \$8 and \$15M depending on which phases of the campus plan are included. Estimated average annual debt service, based on current rates, if the bond article passes is between \$588,710 and \$1,104,375.

DEBT SERVICE	FY21	FY22	FY23	FY24	FY25		
101230	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
68057 RUSTLEWOOD FARM - PRINC	6,407	6,545	6,701	6,874	7,063	189	
68065 2006 FIRE STATION BOND	115,000	115,000	115,000	110,000	110,000	-	
68066 2010/2021 REFUND DPW BOND PRIN	35,000	16,500	16,500	16,250	16,250	-	
68067 2012 KCC BOND PRINC	275,000	275,000	275,000	275,000	275,000	-	
68068 2015 CIP BOND PRINCIPAL	225,000	225,000	225,000	225,000	225,000	-	
68069 KLT BRAVE BOAT HEADWATERS PRINC	11,741	11,910	12,101	12,314	12,550	236	
68071 LIBRARY BOND PRINCIPAL	-	240,000	240,000	240,000	240,000	-	
68257 RUSTLEWOOD FARM INTEREST	3,908	3,770	3,614	3,411	3,252	(159)	
68265 2006 FIRE STATION BOND INT	15,100	12,800	10,500	8,250	6,050	(2,200)	
68268 2015 CIP BONDS INTEREST	24,750	20,250	15,750	11,250	6,750	(4,500)	
68269 KLT BRAVE BOAT HEADWATERS INT	6,349	6,180	5,989	5,776	5,540	(236)	
68295 2010/2021 REFUND DPW BOND INT	13,503	113,133	97,230	4,063	3,575	(488)	
68297 2012 KCC BOND INT	82,775	5,474	4,558	66,275	60,088	(6,187)	
68271 LIBRARY BOND INTEREST	-	77,275	71,775	90,030	82,830	(7,200)	
DEBT & INTEREST	814,532	1,128,835	1,099,717	1,074,493	1,053,948	(20,545)	-1.9%

MISCELLANEOUS EXPENSES

DESCRIPTION

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

BUDGET OVERVIEW

This budget is projected to have an overall increase of \$425,392 or approximately 24.0%. The Miscellaneous budget is one of three major drivers of the overall FY25 budget increases. There are three line-item changes in this budget. Ambulance Services is a new line item with new costs, VOIP/DATA is a new line item, but is absorbing costs that were previously spread across multiple departments, and Public Health Salaries for which the costs are being moved to the Planning and Development budget.

The first and most significant is the addition of new costs for Ambulance Service, at \$142,000. The town has enjoyed effectively “free” ambulance coverage in exchange for the ambulance service provider retaining all fees and revenue from the transport and treatment of patients. Stewards Ambulance currently guarantees 1.5 Advanced Life Support ambulances for Kittery and Eliot, housed in the Gorges Road Fire Station. Stagnant Medicare reimbursements combined with an aging population and increased unbillable “checks” and “assists” have tipped the balance where providing the service costs more than it currently generates in revenue. Kittery and Eliot are now required to supplement the service or lose coverage. The budget contains half of the cost of the ambulance service, while Eliot will pay the other half. Offsetting Kittery’s costs (and reflected in the revenue budget) is \$30,000 in rent being paid by Stewarts for the use of the Gorges Road Fire Station for the ambulances and staff. The net impact for Kittery, after accounting for the rental income, is \$112,000.

The second largest increase is in the TIF Financing Plan at \$95,000 or 55.9%. Seacoast Residences at 76 Dennett Road has contributed approximately \$27,100,000 in new value to the town since FY24. Based on current projections for the mil rate, the tax generation of the segregate TIF value will be over \$400,000. Because this is a tax incentive financing district, and based on the town’s ordinance, the town will segregate 65% of the generated taxes, or approximately \$265,000, to the TIF, with the remaining going to support general operating costs of the town.

The annual County Tax assessment is increasing \$85,028, approximately 8.4%. As with the municipal budget, the County is being impacted by wage pressure due to labor shortages, and cost increases for supplies and services. The County Tax assessment is based on town valuation (the TIF district value growth is exempted), rather than actual services received from the County.

The new VOIP/DATA line items brings costs for office phones and data service from the various departments into a single budget. The respective department budgets have been adjusted accordingly. The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

General Assistance is projected to increase \$27,400, or approximately 30.4%. Of this increase, approximately \$10,000 is for the growing demands for General Assistance. The remainder is to compensate Fair Tide for providing General Assistance services, consistent with the Town Council's 2023 Annual Goal of transitioning General Assistance services to a properly trained and staffed social services/social worker team. This transition provides better services to the clients, ensures a more holistic approach to meeting their emergency needs, and reduces the potential for over-subscribing to service support.

EV Charging Station Electricity is increasing \$5,000 to reflect the increased use by both municipal fleet vehicles and the public. Staff are evaluating options for charging for non-municipal vehicles to offset costs and reflect the growing availability of charging facilities throughout town.

All other increases are based on anticipated vendor and supply cost increases.

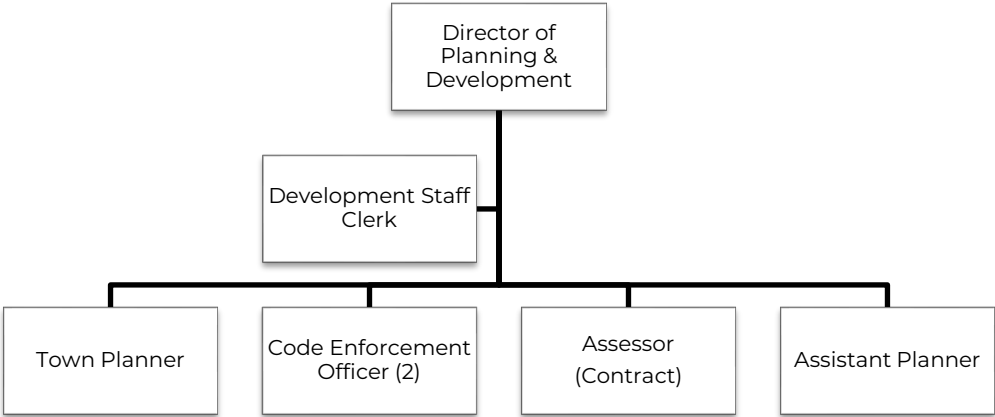
		FY21	FY22	FY23	FY24	FY25		
MISCELLANEOUS		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
101330 STREETLIGHTS								
65200	ELECTRICITY - STREETLIGHTS	17,997	18,482	21,042	30,000	30,000	-	0.0%
65300	MACHINE & EQUIPMENT MAINT	20,910	13,891	20,605	25,000	25,000	-	0.0%
101520 GENERAL ASSISTANCE								
65480	GENERAL ASSISTANCE	38,344	58,674	170,408	90,000	117,400	27,400	30.4%
101530 PUBLIC HEALTH								
64020	PUBLIC HEALTH SALARIES	521	521	1,000	1,040	-	(1,040)	-100.0%
101150 COUNTY TAX								
65480	COUNTY TAX	1,005,790	1,005,790	989,989	1,007,305	1,092,333	85,028	8.4%
101750 BANK FEES								
65954	BANK FEES & CHARGES	(11)	146	43	500	50	(450)	-90.0%
101155 TIF DISTRICTS								
65000	TIF FINANCING PLAN AMOUNT	27,000	20,000	25,000	170,000	265,000	95,000	55.9%
101340 HYDRANTS								
65300	HYDRANT RENT MACHINE & EQUIP M	255,149	255,149	269,912	275,725	275,725	-	0.0%
NEW AMBULANCE SERVICE								
NEW	AMBULANCE SERVICE	-	-	-	-	142,000	142,000	
101740 MISCELLANEOUS - GENERAL								
65023	EPA STORMWATER 4 PROGRAM	18,964	21,467	25,116	25,000	25,000	-	0.0%
65025	COMPUTER REPAIR/REPLACEMENT	49,103	53,787	87,197	65,000	70,000	5,000	7.7%
65455	MEMORIAL DAY ACTIVITIES	-	-	128	750	500	(250)	-33.3%
65201	EV CHARGING STATION ELECTRICITY	-	601	1,703	1,000	5,000	4,000	400.0%
65951	SHELLFISH CONSERVATION (RENAMED)	-	-	-	2,000	2,000	-	0.0%
68525	MOSQUITO/TICK/WEEDES CONTROL PRGM	38,856	38,580	32,793	38,580	38,580	-	0.0%
69200	PSAP PAID TO YORK PD	31,359	33,772	36,184	37,000	46,000	9,000	24.3%
NEW	VOIP/DATA	-	-	-	-	59,704	59,704	
TOTAL MISCELLANEOUS EXPENSES		1,503,982	1,520,860	1,681,120	1,768,900	2,194,292	425,392	24.0%

PLANNING AND DEVELOPMENT

MISSION STATEMENT

The Planning and Development Department works with property owners and the community to manage the evolution of land use within Kittery. This department assumes a significant leadership role in planning for and implementing the town’s community and economic growth objectives, provides 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, Board of Assessment Review, and the Kittery Port Authority.

DEPARTMENT ORGANIZATION



PERSONNEL SUMMARY

POSITION	FY24 Budget	FY25 Proposed
Director of Planning & Development	1	1
Town Planner	1	1
Project/Assistant Planner	.5	.5
Development Staff Clerk	1	1
Code Enforcement Officer	1	2
Assistant Code Enforcement Officer	1	0
Total FTE	5.5	5.5

BUDGET OVERVIEW

The overall projected increase for this department is \$28,547, approximately 4.6%.

The two union contracts that cover Planning and Development employees are set to expire June 30, 2024. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated costs resulting from negotiations.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

Personnel costs are increasing \$9,123, approximately 2.2%. This includes a salary adjustment to bring the Planner wages into line with the market. Multiple communities are searching for Planners and without a market adjustment the town risked turnover in this role.

The Public Health Salaries, which equates to a stipend for the Code Enforcement Officers to serve a Public Health Officers. In prior years this was budgeted in the Miscellaneous Budget.

Operating expenses are increasing \$19,424, or approximately 9.0%. The largest increase is approximately \$40,000 in the Other Professional Services line for the pending Comprehensive Plan Update. There has been significant work undertaken by various boards, commissions, and committees to understand and refine the vision and goals of the town, including the Climate Action Plan development, the Diversity Equity and Inclusion review of the Comp Plan, the Library Strategic Plan, and other efforts. The staff expect to utilize this rich and current community input to inform an update of the Comp Plan rather than a complete rewrite.

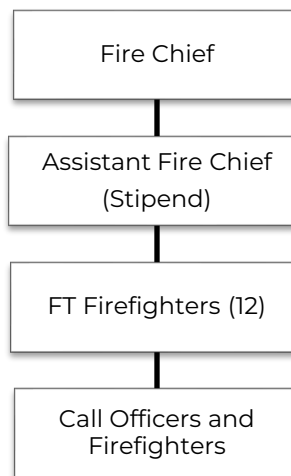
PLANNING & CODE ENFORCEMENT 101721	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
64042 DIRECTOR OF PLANNING AND DEVELOPMENT	103,076	106,932	106,961	119,339	119,339	-	
64006 PLANNER SALARY	64,431	56,667	38,100	63,000	69,890	6,890	
64005 CODE ENFORCEMENT SALARIES	71,442	73,080	141,690	154,642	151,221	(3,421)	
64010 DEVELOPMENT STAFF CLERK	41,044	42,271	43,555	45,477	44,754	(723)	
64017 ASSISTANT PLANNER	20,245	26,882	43,782	30,128	36,504	6,377	
64018 ASST CODE ENFORCEMENT OFFICER	52,967	61,655	2,460	-	-	-	
64030 OVERTIME	93	501	-	-	-	-	
Total Personal Services	353,298	367,988	376,548	412,585	421,707	9,123	2.21%
65010 POSTAGE	1,875	1,145	1,159	1,200	1,400	200	
65020 TELEPHONE & INTERNET	1,856	1,820	942	1,500	500	(1,000)	
65030 TRANSPORTATION	(51)	663	-	300	150	(150)	
65040 EDUCATIONAL/MEETING EXPENSES	1,187	3,059	885	3,000	3,000	-	
65060 PRINTING	113	10	-	300	150	(150)	
65080 LEGAL NOTICES & OTHER ADVERTIS	1,366	6,008	470	1,400	750	(650)	
65300 MACHINE & EQUIPMENT MAINT	3,667	3,131	2,818	3,200	5,200	2,000	
65310 VEHICLE MAINTENANCE	114	-	-	500	500	-	
65314 VEHICLE LEASE	471	1,893	1,893	1,885	5,520	3,635	
65400 LEGAL SERVICES	1,359	3,724	756	2,500	-	(2,500)	
65410 COMPUTER SERVICES	23,371	30,162	68,534	32,500	51,557	19,057	
65411 BOARD OF ASSESSMENT REVIEW	-	183	-	200	-	(200)	
65423 PERSONAL PROPERTY EVAL. SERVICES	1,500	7,500	3,800	-	-	-	
65480 OTHER PROFESSIONAL SERVICES	135,185	138,036	110,022	159,000	157,976	(1,024)	
65521 UNIFORMS	-	335	400	400	400	-	
66010 OFFICE SUPPLIES	202	630	1,212	750	750	-	
66020 BOOKS/SUBSCRIPTIONS	33	214	356	350	200	(150)	
66026 SMPDC MEMBERSHIP	5,685	5,685	5,856	5,856	6,212	356	
66030 OTHER SUPPLIES	-	102	724	150	150	-	
67510 OFFICE FURNITURE & EQUIPMENT	-	1,679	586	1,000	1,000	-	
Total Expenses	178,352	205,979	200,413	215,991	235,415	19,424	8.99%
TOTAL PLANNING & CODE ENFORCEMENT	531,651	573,967	576,961	628,576	657,122	28,547	4.54%

FIRE DEPARTMENT

MISSION STATEMENT

The Kittery Fire Department provides services for the preservation and protection of life, property, and the 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 on providing rapid, professional, and humanitarian service, essential in keeping the community healthy and safe.

DEPARTMENT ORGANIZATION



PERSONNEL SUMMARY

POSITION	FY24 Budget	FY25 Proposed
Fire Chief	1	1
Assistant Fire Chief	0.25	0.25
Full-time Firefighters	8	12
Total FTE	9.25	13.25

BUDGET OVERVIEW

In accordance with Town Council goals this budget includes the addition of four more full-time firefighters. With this addition, the department will be able to provide the town with emergency response capability 24 hours a day seven days a week.

The department budget is projected to increase \$246,238, or approximately 25.7%.

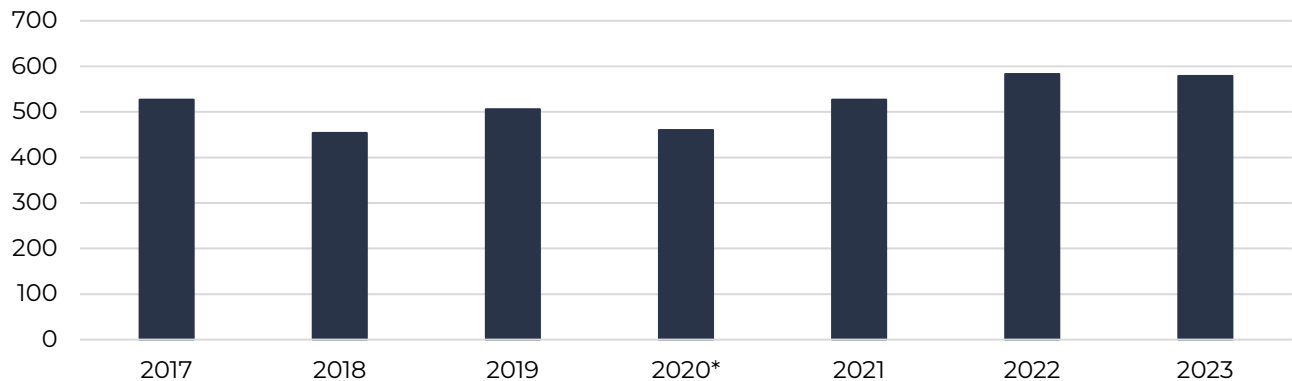
Personnel costs are projected to increase \$232,393. This includes the addition of four full-time firefighters and anticipated stipends for shift commend, offset by reductions and realignment of the Chief Salary, Part Time Salaries and Call Firefighting Pay.

The data on call firefighter response is conclusive that the call force is insufficient to meet the needs of the community. The average number of call firefighters responding that are SCBA qualified is 1.8, down from 2.7 the year prior. This means on average, the most reliable call firefighters responding to calls cannot enter a building, or engage in the suppression and rescue operations on scene.

Even with the expansion of the department to 12 total full-time firefighters, the town must rely heavily on mutual aid for certain fire and/or rescue operations; just as our mutual aid partners rely on Kittery Fire Department to respond when needed.

Average Response by Month, Day of Week, and Time

Total Fire Department Calls



* COVID-19 outbreak

Average Response – Call Firefighters

Day of the	12AM - 8AM					8AM - 4PM					4PM - 12AM				
	2019	2020*	2021	2022	2023	2019	2020*	2021	2022	2023	2019	2020*	2021	2022	2023
Sunday	8.8	8.2	6.2	3.9	3.3	9.1	9.5	7.7	5.8	3.5	11.8	10.1	8.8	6.4	4.0
Monday	7.8	6.8	6.8	2.1	2.7	7.9	8.9	7.3	4.7	2.7	10.0	10.3	8.8	6.9	4.4
Tuesday	7.4	8.3	7.3	4.1	1.3	9.0	8.8	7.5	3.6	2.6	11.0	11.0	10.0	7.9	2.9
Wednesday	9.1	7.8	6.9	3.4	1.0	8.6	9.5	7.7	4.6	2.9	10.4	9.1	8.8	5.4	3.5
Thursday	8.8	8.5	7.2	4.2	3.1	8.0	8.2	7.0	3.3	2.5	10.7	11.0	10.4	6.8	3.8
Friday	6.9	7.6	6.4	3.9	1.0	7.5	9.0	7.9	4.2	2.6	10.4	8.6	8.0	6.0	3.9
Saturday	9.0	8.1	6.4	4.8	3.3	8.5	9.1	7.7	5.0	3.5	9.3	8.9	6.6	6.6	4.0

* COVID-19 outbreak

Average Response - Call Firefighters					
Month	2019	2020*	2021	2022	2023
January	9.8	9.5	9.1	5.2	4.1
February	9.6	7.8	7.8	4.6	5.4
March	9.1	10.8	8.7	5.8	3.4
April	8.3	10.6	8.3	5.5	4.4
May	9.4	10.7	8.2	4.7	3.0
June	8.2	9.3	7.8	7.0	2.7
July	8.7	8.3	6.5	5.3	2.5
August	8.9	8.5	7.2	4.6	2.7
September	10.8	7.4	7.4	5.9	2.9
October	8.9	8.6	7.3	5.3	3.0
November	9.1	10.0	8.2	4.6	2.9
December	9.5	9.7	8.5	5.1	2.2

	2019	2020*	2021	2022	2023
AVE Call Firefighters per Call	9.2	9.3	7.9	5.3	3.3
AVE SCBA Call Fighters per Call					1.8

* COVID-19 outbreak

Collective Bargaining negotiations are underway with union employees. Though this department is not currently covered by a collective bargaining agreement, the cost of living negotiated with the unions applies to all employees. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated cost of living increases anticipated from union negotiations for all personnel.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

Non-personnel costs are increasing \$13,845 or 8.3%. These costs include utility costs, fuel costs, and the cost for maintenance of equipment and apparatus; all resulting from inflation.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

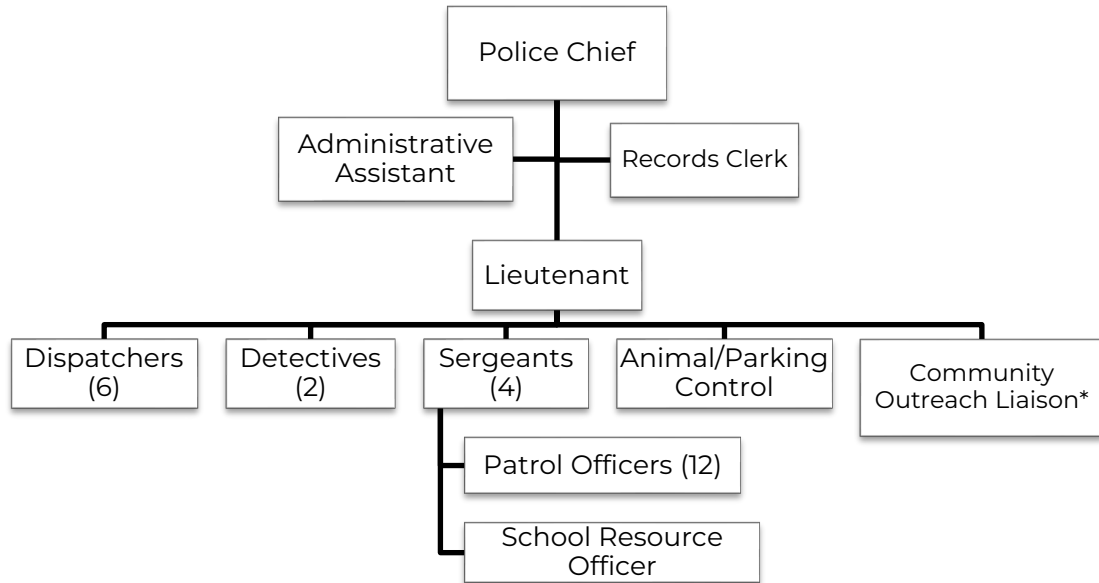
FIRE		FY21	FY22	FY23	FY24	FY25		
101320		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64003	FIRE CHIEF SALARY	92,854	98,887	108,023	109,302	102,000	(7,302)	
64044	FULL TIME FIREFIGHTER SALARIES	-	186,852	379,977	536,334	823,048	286,714	
64045	OVERTIME FT FIREFIGHTER	-	32,342	47,603	55,000	55,000	-	
64020	PART TIME SALARIES	131,218	97,465	88,533	77,187	12,000	(65,187)	
64043	CALL FIREFIGHTING PAY	12,447	12,155	11,645	13,600	31,852	18,252	
64095	ACCIDENT & HEALTH	2,072	1,682	1,682	1,766	1,682	(84)	
Total Personal Services		238,591	429,383	637,462	793,189	1,025,582	232,393	29.3%
64050	POSTAGE	19	32	28	50	50	-	
65020	TELEPHONE & INTERNET	7,664	9,132	9,590	9,180	1,500	(7,680)	
65040	EDUCATIONAL/MEETING EXPENSES	2,431	2,085	2,650	2,600	2,600	-	
64045	TRAINING	2,953	1,189	4,600	4,650	6,000	1,350	
65046	HEALTH/PHYSICAL	1,596	1,200	1,887	7,600	7,600	-	
65080	LEGAL NOTICES/OTHER ADVERTISE	-	275	-	-	-	-	
65200	ELECTRICITY	7,900	9,158	9,178	11,112	18,446	7,334	
65220	WATER	293	365	366	425	600	175	
65230	FUEL OIL	12,458	19,471	18,748	26,840	32,446	5,606	
65250	SEWER	407	664	502	400	600	200	
65300	MACHINE & EQUIPMENT MAINT	37,124	41,374	41,875	40,419	40,419	-	
65302	PROTECTIVE & SAFETY EQUIPMENT	4,188	5,529	2,158	3,660	3,000	(660)	
65311	GAS, GREASE & OIL	7,121	8,580	16,491	15,390	18,677	3,287	
65312	TIRES & TUBES	6,392	-	-	-	-	-	
65330	RADIO MAINTENANCE	1,737	1,443	1,618	2,867	3,600	733	
65480	OTHER PROFESSIONAL SERVICES	6,350	7,955	6,158	8,570	8,570	-	
65500	MAINTENANCE OF BLDG/GROUNDS	8,185	14,189	18,499	15,390	15,390	-	
65521	UNIFORMS - FT FIREFIGHTERS	-	2,800	5,600	5,600	8,400	2,800	
66010	OFFICE SUPPLIES	-	330	167	800	800	-	
66020	BOOKS/SUBSCRIPTIONS/DUES	-	-	-	200	400	200	
66040	JANITORIAL SUPPLIES & SERVICES	447	696	1,419	1,000	1,500	500	
67505	EXTINGUISHER MAINTENANCE	318	320	616	1,000	1,000	-	
67515	LANTERNS & BATTERIES	301	-	-	500	500	-	
67520	OPERATING EQUIPMENT	6,436	18,888	8,166	8,000	8,000	-	
Total Expenses		114,320	145,674	150,317	166,253	180,098	13,845	8.3%
TOTAL FIRE		352,911	575,057	787,779	959,442	1,205,680	246,238	25.7%

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



* provided in collaboration with York County Community Action and other partners

PERSONNEL SUMMARY

POSITION	FY24 Budget	FY25 Proposed
Chief	1	1
Lieutenant	1	1
Sergeants	4	4
Detective	2	2
Patrol Officer	12	12
School Resource Officer	1	1
Lead Dispatcher	1	1
Dispatcher	5	5
Animal Control Officer	1	1
Administrative Assistant	1	1
Community Outreach Liaison (contracted)	1	1
Records Clerk	1	1
Total FTE	31.00	31.00

BUDGET OVERVIEW

The overall Police budget is effectively level funded, with a minor decrease of \$7,562 or approximately a 0.25% decrease.

The three union contracts that cover the Police Department employees is set to expire June 30, 2024. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated costs resulting from negotiations.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

Total personnel expenses are increasing \$7,419 or approximately 0.28%. Recent retirements have resulted in lower longevity costs for certain lines, and the elimination of previously covered employees on a legacy Sick Time Buy Back provision.

The Police Department has consistently had to rely heavily on overtime to cover shifts due to vacancies, time at the Criminal Justice Academy for training, and normal workplace absences. The Town Council added an Officer to the budget in FY22 using a year-end transfer. The full benefit of the Officer added in FY22 still has not yet been realized due to retirements, long-term absences, and turnover.

Non-personnel expenses are decreasing \$14,981 or approximately -3.54%.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

Other cost fluctuations reflect either reductions in anticipated need such as in printing, vehicle fuel, and bullet proof vests or increases to reflect supply and service cost increases from vendors.

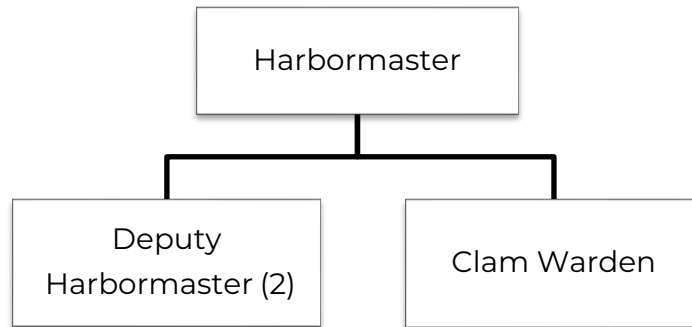
POLICE 101310	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
64002 POLICE CHIEF FT SALARY	101,639	103,837	109,413	115,992	114,822	(1,170)	
64012 SERGEANTS SALARIES	312,774	334,012	365,286	400,183	397,654	(2,529)	
64013 SCHOOL RESOURCE OFFICER	60,445	57,892	73,237	78,532	79,380	848	
64014 DETECTIVES SALARIES	138,234	144,267	155,347	167,347	163,059	(4,288)	
64015 PATROLMEN SALARIES	715,313	771,712	797,766	916,657	913,547	(3,111)	
64016 DISPATCHER SALARIES	292,112	335,473	287,493	384,020	394,865	10,844	
64017 ADMINISTRATIVE ASSISTANTS	96,523	99,782	103,172	109,440	107,624	(1,816)	
64022 ANIMAL CONTROL OFFICER SALARY	66,260	70,971	86,961	84,910	96,357	11,448	
64023 LIEUTENANT SALARY	81,620	85,121	90,843	97,880	98,281	401	
64024 NIGHT DIFFERENTIAL	15,605	15,215	16,045	15,500	18,200	2,700	
64034 PHYSICAL FITNESS STIPEND	1,500	7,940	8,552	14,000	10,000	(4,000)	
64027 CUSTODIAN WAGES	13,667	14,171	14,349	18,285	18,377	91	
64030 OVERTIME	222,919	250,904	343,088	200,000	200,000	-	
64033 SICK TIME BUY BACK	-	-	1,415	2,000	-	(2,000)	
Total Personal Services	2,118,611	2,291,298	2,452,968	2,604,746	2,612,164	7,419	0.28%
65010 POSTAGE	931	1,030	798	870	870	-	
65020 TELEPHONE & INTERNET	24,880	33,160	37,278	37,000	24,000	(13,000)	
65030 TRANSPORTATION	2,800	3,018	3,700	3,200	3,200	-	
65040 EDUCATIONAL/MEETING EXPENSES	17,635	27,313	25,757	28,150	26,600	(1,550)	
65060 PRINTING	8,926	909	607	8,600	3,000	(5,600)	
65080 LEGAL NOTICES/OTHER ADVERTISE	541	-	78	850	850	-	
65200 ELECTRICITY	13,579	15,376	13,156	15,000	21,750	6,750	
65220 WATER	423	423	291	545	500	(45)	
65230 FUEL OIL	5,449	6,169	6,973	6,000	6,000	-	
65240 DUMPSTERS	844	910	1,031	1,160	1,700	540	
65250 SEWER	399	458	429	400	400	-	
65300 MACHINE & EQUIPMENT MAINT	66,131	69,388	74,396	88,500	88,500	-	
65310 VEHICLE MAINTENANCE	22,192	32,927	34,925	29,000	31,000	2,000	
65311 GAS, GREASE, OIL, & TIRES	29,692	45,010	58,055	50,000	48,000	(2,000)	
65470 DOG EXPENSE	85	422	155	1,800	1,800	-	
65480 OTHER PROFESSIONAL SERVICES	1,204	35,117	4,953	3,500	3,500	-	
65500 MAINTENANCE OF BLDG/GROUNDS	2,129	6,139	3,065	5,000	5,000	-	
65521 UNIFORMS	20,898	29,918	30,258	31,500	30,000	(1,500)	
65693 SOCIAL SERVICES PARTNER	-	6,875	20,625	56,000	56,000	-	
66010 OFFICE SUPPLIES	3,167	3,790	4,256	4,500	4,500	-	
66020 BOOKS/SUBSCRIPTIONS	2,964	3,053	5,188	6,500	7,800	1,300	
66030 OTHER SUPPLIES	3,285	5,771	3,462	5,400	6,100	700	
66032 ARMORY SUPPLIES	17,307	29,344	28,888	30,000	30,000	-	
66040 JANITORIAL SUPPLIES & SERVICES	2,411	2,652	710	3,000	2,500	(500)	
67510 OFFICE FURNITURE & EQUIPMENT	1,455	1,384	812	1,500	1,500	-	
67517 BULLET PROOF VESTS	581	3,968	3,663	5,276	3,200	(2,076)	
Total Expenses	249,908	364,524	363,507	423,251	408,270	(14,981)	-3.54%
TOTAL	2,368,520	2,655,823	2,816,475	3,027,997	3,020,434	(7,562)	-0.25%

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	FY24 Budget	FY25 Proposed
Harbormaster	1	1
Deputy Harbormaster (seasonal)	1	1
Clam Warden	0.5	0.5
Dock Attendant (seasonal)	0.5	0.5
Total FTE	3.0	3.0

BUDGET OVERVIEW

The Harbormaster budget is projected to increase \$3,182, approximately 2.1%.

Collective Bargaining negotiations are underway with union employees. Though this department does not include positions covered by a collective bargaining agreement, the cost of living negotiated with the unions also applies to non-union employees. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated cost of living increases anticipated from union negotiations for all personnel.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

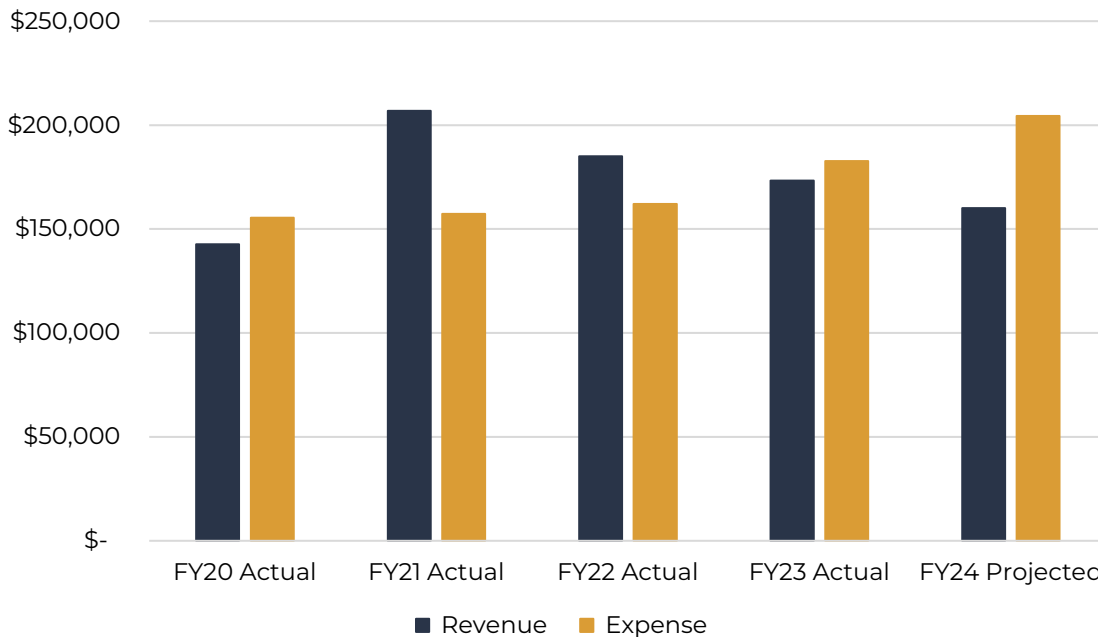
Total personnel costs are increasing \$3,401 or approximately 3.4%. Personnel are important during the boating season; they ensure the safety of boaters and visitors to the facilities, and collect revenue for use of the piers, floats, and boat launches. The staff also help enforce parking regulations at Pepperrell Cove during the busy season. The Clam Warden stipend covers the Clam Warden’s work monitoring shellfish harvesting and shellfish ordinance compliance in the winter.

Deputy Harbormaster rates continue to increase as the market for seasonal employees remains competitive. Activity on the water, and the boating public’s demand for service continues to grow, requiring more support from the Deputy Harbormasters, which translates to more seasonal hours.

Non-personnel costs are effectively projected to be flat, coming in \$219 below the prior year. In general, operating costs are increasing in areas including electricity, boat maintenance services, and fuel for the boats. The offset is in the reallocation of telephone and data to the general miscellaneous budget, which reflects a \$2,600 offset to the Harbormaster budget.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

Harbormaster Revenues and Expenses*



* Excludes capital expenditures

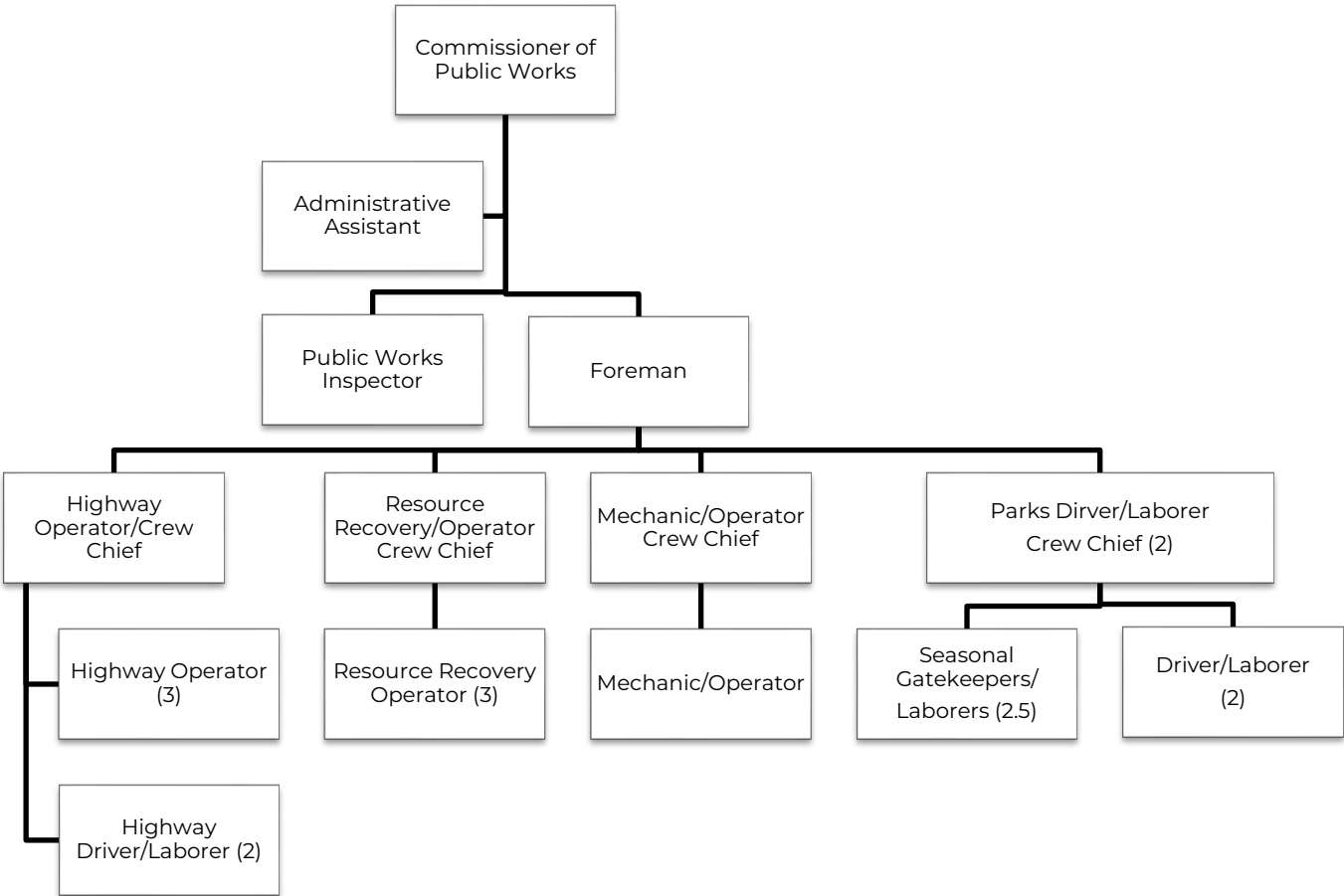
HARBORMASTER		FY21	FY22	FY23	FY24	FY25		
101840		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64010	HARBORMASTER SALARY	60,396	61,848	64,391	66,390	66,483	93	
64020	PART TIME SALARIES	20,432	24,969	26,416	33,442	36,750	3,308	
	Total Personal Services	80,829	86,817	90,808	99,832	103,233	3,401	3.4%
65010	POSTAGE	342	210	232	250	250	-	
65020	TELEPHONE & INTERNET	1,807	2,181	1,342	2,600	500	(2,100)	
65080	LEGAL NOTICES/OTHER ADVERTISE	-	88	-	-	-	-	
65200	ELECTRICITY	1,793	1,757	1,909	2,016	3,072	1,056	
65220	WATER	168	175	195	525	500	(25)	
65240	DUMPSTERS/TRASH REMOVAL	872	1,118	1,201	1,800	1,400	(400)	
65305	BOAT EQUIPMENT MAINTENANCE	3,724	4,798	4,830	5,000	6,000	1,000	
65310	VEHICLE MAINTENANCE		2,324	3,295	3,500	2,500	(1,000)	
65311	GAS, GREASE & OIL	1,052	1,785	4,593	5,500	6,900	1,400	
65452	SAFETY	454	-	-	-	-	-	
65460	SIGNS	350	-	-	-	-	-	
65462	RIGGING	6,830	13,731	19,112	14,000	14,000	-	
65463	SANITATION	1,322	1,861	2,251	2,500	2,500	-	
65470	PROFESSIONAL DEVELOPMENT	172	1,061	1,462	1,500	1,500	-	
65480	OTHER PROFESSIONAL/CONTRACTED	2,764	2,006	3,992	2,500	2,500	-	
65500	MAIN BLDG/GROUNDS WHARVES	4,981	3,495	10,210	4,500	5,000	500	
65521	UNIFORMS	353	714	1,147	2,000	1,500	(500)	
66010	OFFICE SUPPLIES	314	72	62	300	150	(150)	
66030	OTHER SUPPLIES	-	-	-	2,000	2,000	-	
66040	JANITORIAL SUPPLIES & SERVICES	166	442	476	500	500	-	
	Total Expenses	27,464	37,817	56,310	50,991	50,772	(219)	-0.4%
	TOTAL HARBORMASTER	108,292	124,633	147,118	150,823	154,005	3,182	2.1%

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

POSITION	FY24 Budget	FY25 Proposed
Commissioner of Public Works	1	1
Administrative Assistant	1	1
Foreman	1	1
Mechanic/Operator	2	2
Highway Equipment Operator	4	4
Highway Driver/Laborer II	2	2
Parks Driver/Laborer II	4	4
Parks Seasonal	2.5	2.5
Resource Recovery Operators	4	4
Public Works Inspector	1	1
Total FTE	22.5	22.5

BUDGET OVERVIEW

The Public Works budget is projected to increase a combined \$82,110, or 3.4%.

The two union contracts that cover Public Works employees are set to expire June 30, 2024. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated costs resulting from negotiations.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

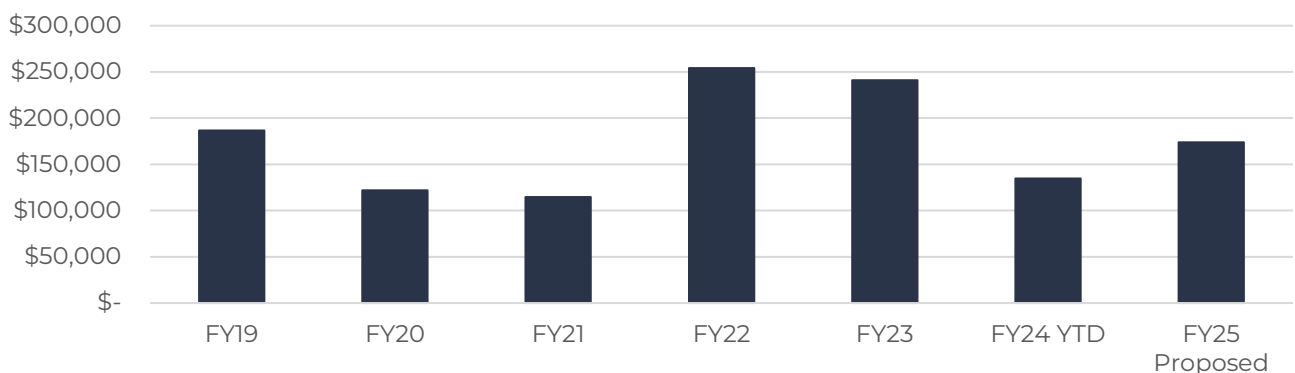
Highway

The Highway budget is projected for a \$23,070 increase, or approximately 1.8%.

The predominate increase in personnel costs is due to four employees qualifying for their next longevity step due to their years of service working for the town.

Non-personnel cost increases reflect price fluctuations and adjustments in the coming year’s work plan. The budget for winter storm operations, specifically salt, is projected to hold flat. Higher salt costs are being offset with reduced salt usage.

Road Salt Costs



Parks

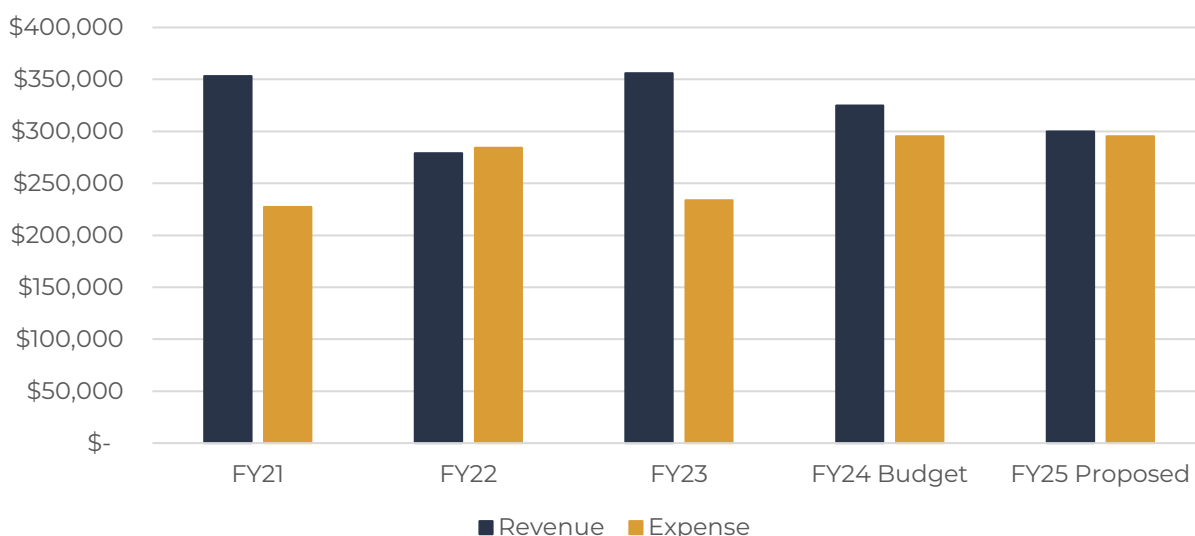
The Parks budget is projected to remain effectively flat over the prior year, with an increase of \$883, less than 1%. Supplies and vendor costs are increasing while other costs of operation are decreasing to reflect efficiencies.

Fort Foster expenses are projected to decrease \$20,773 or approximately -10.6%. The significant cost reduction is in part-time salaries for the seasonal staff.

Kittery is not immune to the labor shortages experienced throughout our region for seasonal labor. As a result, the town has had to reduce the “season” for Fort Foster to be from mid-June to mid-August, when seasonal employees are available. Wages for seasonal employees are rising, offsetting some of the savings realized from a shorter season.

When Fort Foster is not in season, the gates are open for public use and portable toilets are provided through October.

Fort Foster Revenue and Expenses*



* Includes employee benefits (Shared Expenses Budget), excludes capital expenditures.

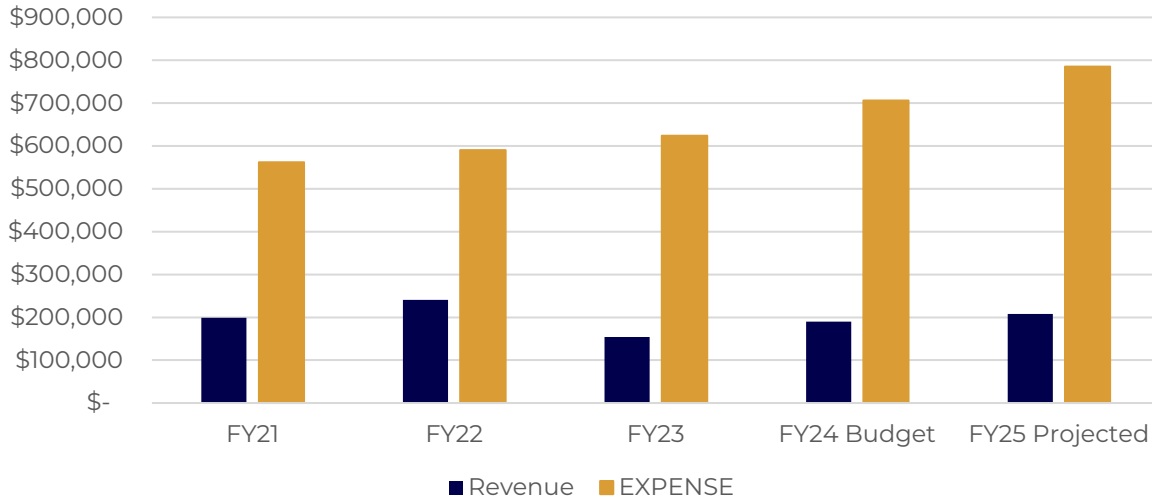
Resource Recovery Facility

The Resource Recovery Facility budget is projected to increase \$78,930, approximately 11.2%.

The increase is primarily in Other Professional Services which covers our municipal solid waste and household hazardous waste disposal costs. The tipping fee for our municipal solid waste had been \$80.78 per ton, which was negotiated prior to COVID and the significant inflation increases. The new rate is \$106 per ton, and reflects the vendors increased labor and operating costs. The town disposes of approximately 2,000 tons of municipal solid waste annually.

Other cost increases in the Other Professional Service line include cost increases from our vendors handling our household hazardous waste.

Resource Recovery Center Revenue



* Includes employee benefits (Shared Expenses Budget), excludes capital expenditures.

DPW SUMMARY	FY21	FY22	FY23	FY24	FY25	VARIANCE	%
	ACTUALS	ACTUALS	BUDGET	BUDGET	PROPOSED		
Highway	1,047,849	1,172,477	1,328,400	1,272,377	1,295,447	23,070	1.8%
Resource Recovery	561,665	590,138	623,906	706,184	785,114	78,930	11.2%
Parks	177,578	223,923	286,501	251,131	252,014	883	0.4%
Ft. Foster/Beaches	137,326	136,861	133,710	195,279	174,506	(20,773)	-10.6%
	1,924,417	2,123,400	2,372,516	2,424,971	2,507,080	82,110	3.4%

HIGHWAY	FY21	FY22	FY23	FY24	FY25		
101410	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64004 HIGHWAY 35% COMM SALARY	35,497	36,433	38,458	39,885	40,272	387	
64010 FULL TIME SALARIES	491,027	493,922	547,656	594,096	606,965	12,869	
64015 ADMINISTRATIVE ASSISTANT	55,882	46,437	47,219	50,371	50,909	539	
64029 OVERTIME - SNOW & STORMS	38,597	48,747	59,679	75,000	75,000	-	
64030 OVERTIME	14,658	12,117	12,384	8,000	12,000	4,000	
Total Personal Services	635,661	637,657	705,396	767,352	785,147	17,795	2.3%
65010 POSTAGE	194	124	276	500	400	(100)	
65020 TELEPHONE & INTERNET	5,284	5,361	4,313	4,200	3,000	(1,200)	
65030 TRANSPORTATION	13	500	1,200	750	600	(150)	
65040 EDUCATIONAL/MEETING EXPENSES	252	254	7,325	4,000	3,000	(1,000)	
65060 PRINTING	496	283	423	600	400	(200)	
65080 LEGAL NOTICES/OTHER ADVERTISE	1,036	789	-	1,000	600	(400)	
65200 ELECTRICITY	4,579	6,108	5,794	4,600	6,000	1,400	
65220 WATER	1,339	1,339	1,761	2,500	2,500	-	
65230 FUEL OIL	8,090	5,243	6,898	7,000	7,500	500	
65250 SEWER	400	400	400	400	400	-	
65300 MACHINE & EQUIPMENT MAINT	9,573	14,146	17,423	18,000	16,000	(2,000)	
65302 PROTECTIVE & SAFETY EQUIPMENT	3,067	3,208	2,544	3,000	3,000	-	
65303 FACILITY SAFETY INSPECTION EXP	1,555	648	801	1,250	1,000	(250)	
65310 VEHICLE MAINTENANCE	22,863	24,503	31,302	20,000	30,000	10,000	
65311 GAS, GREASE & OIL	35,073	39,540	62,829	64,875	55,000	(9,875)	
65312 TIRES & TUBES	6,703	7,299	8,049	8,000	7,500	(500)	
65450 TARRING & PATCHING	23,787	18,233	35,833	12,000	20,000	8,000	
65452 SALT	114,685	254,202	241,135	172,000	172,000	-	
65454 SAND	439	-	-	2,100	1,500	(600)	
65456 GRAVEL & FILL	2,875	2,752	6,493	3,000	3,000	-	
65458 DRAINAGE SUPPLIES	4,720	3,430	6,684	5,000	5,000	-	
65460 SIGNS	7,925	3,785	10,613	10,000	8,500	(1,500)	
65462 STRIPING	42,099	42,740	53,202	54,000	58,000	4,000	
65466 SNOW REMOVAL EQUIP/PARTS	23,765	18,667	21,514	22,000	22,000	-	
65480 OTHER PROFESSIONAL SERVICES	33,250	24,275	35,574	30,000	30,000	-	
65500 MAINTENANCE OF BLDG/GROUNDS	12,637	11,146	5,265	6,500	6,500	-	
65521 UNIFORMS	5,122	3,701	5,075	4,400	6,000	1,600	
65522 C.D.L PROGRAMS	868	934	11,271	850	3,000	2,150	
66009 SHOP SUPPLIES	19,154	17,455	13,658	19,000	16,000	(3,000)	
66010 OFFICE SUPPLIES	854	1,090	1,084	1,000	1,000	-	
66011 HAND TOOLS	1,010	742	635	600	800	200	
66020 BOOKS/SUBSCRIPTIONS	1,245	1,410	665	1,500	1,000	(500)	
66030 OTHER SUPPLIES	193	396	741	400	500	100	
66040 JANITORIAL SUPPLIES & SERVICES	4,744	7,753	8,332	8,500	8,500	-	
67514 PLANT EQUIPMENT	1,425	1,025	2,464	1,500	2,000	500	
67518 RENTAL EQUIPMENT	6,439	7,883	-	3,000	1,500	(1,500)	
67520 OPERATING EQUIPMENT	2,019	1,595	2,775	2,000	1,600	(400)	
67540 IMPROVEMENTS TO BLDGS/GROUND	2,414	1,860	8,652	5,000	5,000	-	
Total Expenses	412,188	534,820	623,004	505,025	510,300	5,275	1.0%
TOTAL HIGHWAY	1,047,849	1,172,477	1,328,400	1,272,377	1,295,447	23,070	1.8%

PARKS	FY21	FY22	FY23	FY24	FY25		
101730	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64007 PARKS 10% COMM SALARY	10,142	10,410	10,988	11,396	11,506	111	
64010 FULL TIME SALARIES	90,654	147,374	202,757	159,787	159,957	170	
64020 PART TIME SALARIES	11,600	-	-	-	-	-	
64030 OVERTIME	45	710	155	1,600	1,000	(600)	
Total Personal Services	112,441	158,493	213,900	172,783	172,464	(319)	-0.2%
65040 EDUCATIONAL/MEETING EXPENSES	-	60	50	100	75	(25)	
65060 PRINTING	-	-	123	100	75	(25)	
65080 LEGAL NOTICES/OTHER ADVERTISE	-	-	-	150	100	(50)	
65200 ELECTRICITY	1,082	1,291	1,085	1,723	1,300	(423)	
65220 WATER	4,222	4,227	4,007	7,600	5,000	(2,600)	
65300 MACHINE & EQUIPMENT MAINT	1,758	2,610	3,566	2,000	5,500	3,500	
65302 PROTECTIVE & SAFETY EQUIPMENT	908	1,050	955	1,050	1,000	(50)	
65303 FACILITY SAFETY INSPECTION EXP	1,153	13	-	625	400	(225)	
65310 VEHICLE MAINTENANCE	1,100	3,119	2,196	2,400	5,400	3,000	
65311 GAS, GREASE & OIL	1,855	3,254	6,478	9,100	6,000	(3,100)	
65312 TIRES & TUBES	1,156	925	971	1,000	1,000	-	
65457 LOAM & SOD	1,313	1,571	169	3,500	2,000	(1,500)	
65480 OTHER PROFESSIONAL SERVICES	47,236	45,214	49,688	45,000	48,000	3,000	
65500 MAINTENANCE OF BLDG/GROUND:	406	194	1,064	1,000	600	(400)	
65521 UNIFORMS	2,284	1,116	1,800	1,200	1,800	600	
66011 HAND TOOLS	77	66	208	150	200	50	
66030 OTHER SUPPLIES	42	150	215	150	200	50	
66040 JANITORIAL SUPPLIES & SERVICES	-	-	26	500	250	(250)	
67520 OPERATING EQUIPMENT	543	570	-	1,000	650	(350)	
Total Expenses	65,137	65,430	72,601	78,348	79,550	1,202	1.5%
TOTAL PARKS	177,578	223,923	286,501	251,131	252,014	883	0.4%

FORT FOSTER & BEACHES		FY21	FY22	FY23	FY24			
101735		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64007	PARKS 15% COMM SALARY	15,213	15,614	16,482	17,094	17,260	166	
64010	FULL TIME SALARIES	54,796	35,163	48,102	51,035	52,297	1,261	
64020	PART TIME SALARIES	48,540	42,847	39,771	79,600	57,000	(22,600)	
64030	OVERTIME	5,867	5,295	8,111	8,000	6,500	(1,500)	
	Total Personal Services	124,416	98,920	112,466	155,729	133,056	(22,673)	-14.6%
65020	TELEPHONE & INTERNET	1,632	1,759	1,970	1,400	1,400	-	
65040	EDUCATIONAL/MEETING EXPENSES	-	-	-	100	100	-	
65060	PRINTING	959	1,932	2,563	3,500	3,500	-	
65080	LEGAL NOTICES/OTHER ADVERTISE	-	-	-	200	200	-	
65200	ELECTRICITY	236	349	357	575	575	-	
65220	WATER	-	-	-	600	600	-	
65300	MACHINE & EQUIPMENT MAINT	243	2,695	1,513	1,500	3,000	1,500	
65302	PROTECTIVE & SAFETY EQUIPMENT	536	600	562	600	600	-	
65303	FACILITY SAFETY INSPECTION EXP	775	40	152	625	625	-	
65310	VEHICLE MAINTENANCE	818	2,037	1,492	2,400	5,400	3,000	
65311	GAS, GREASE & OIL	353	1,624	2,957	9,100	3,500	(5,600)	
65312	TIRES & TUBES	471	1,307	-	700	700	-	
65480	OTHER PROFESSIONAL SERVICES	-	3,744	4,572	4,000	7,000	3,000	
65500	MAINTENANCE OF BLDG/GROUND	2,644	2,193	1,226	4,500	4,500	-	
65510	PAINTING	401	329	10	400	400	-	
65521	UNIFORMS	628	372	600	800	800	-	
66011	HAND TOOLS	157	29	83	150	150	-	
66030	OTHER SUPPLIES	828	15,363	630	1,000	1,000	-	
66040	JANITORIAL SUPPLIES & SERVICES	1,011	2,069	2,030	6,000	6,000	-	
67520	OPERATING EQUIPMENT	1,218	1,500	233	1,200	1,200	-	
67575	SEAPOINT BEACH	-	-	294	200	200	-	
	Total Expenses	12,910	37,942	21,244	39,550	41,450	1,900	4.8%
	TOTAL FORT FOSTER & BEACHES	137,326	136,861	133,710	195,279	174,506	(20,773)	-10.6%

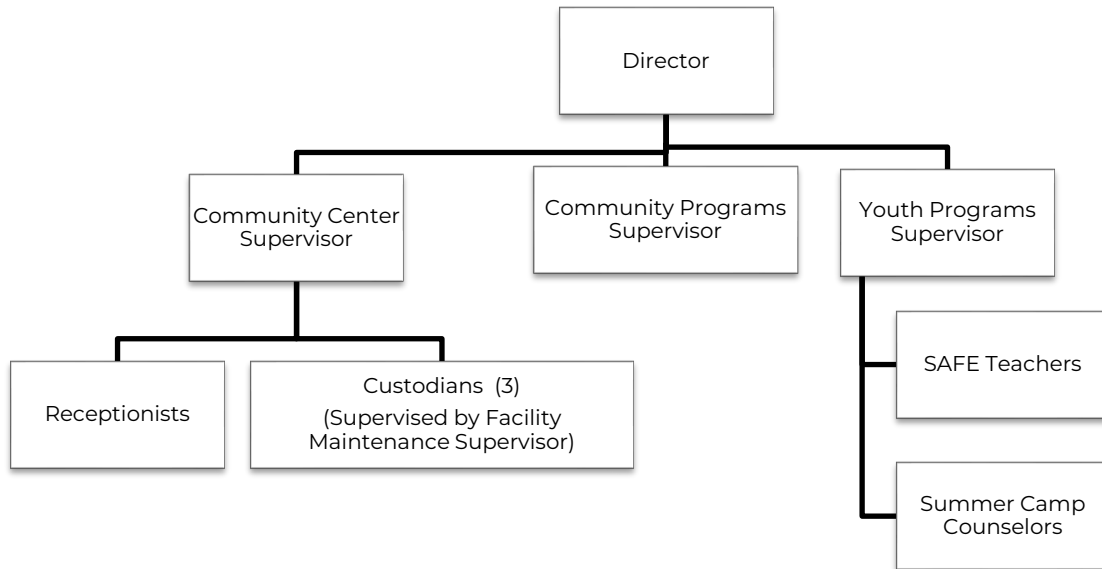
RESOURCE RECOVERY CENTER		FY20	FY21	FY22	FY23	FY24	FY25		
101930		ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64009	SOLID WASTE 40% COMM SALARY	39,274	40,569	41,638	43,952	45,583	46,026	442	
64010	FULL TIME SALARIES	163,548	172,597	164,500	178,210	206,546	208,518	1,972	
64030	OVERTIME	12,082	7,346	17,110	14,999	11,500	10,000	(1,500)	
	Total Personal Services	214,904	220,512	223,249	237,161	263,629	264,544	915	0.3%
65020	TELEPHONE & INTERNET	857	909	1,562	1,024	2,000	2,000	-	
65030	TRANSPORTATION	-	-	-	-	200	100	(100)	
65040	EDUCATIONAL/MEETING EXPENSES	500	-	201	50	1,000	500	(500)	
65060	PRINTING	2,026	2,140	2,592	1,975	2,000	2,000	-	
65090	ZERO WASTE PROGRAM EXPENSES	-	-	2,818	3,694	6,000	6,000	-	
65200	ELECTRICITY	17,074	16,208	18,590	15,821	12,700	16,000	3,300	
65220	WATER	527	527	590	567	1,000	700	(300)	
65230	FUEL OIL	-	-	1,133	-	1,230	1,230	-	
65300	MACHINE & EQUIPMENT MAINT	1,904	10,445	10,800	18,613	10,000	10,000	-	
65302	PROTECTIVE & SAFETY EQUIPMENT	750	1,150	1,720	1,000	1,000	1,000	-	
65303	FACILITY SAFETY INSPECTION EXPEN:	391	1,759	640	1,014	1,250	800	(450)	
65311	GAS, GREASE & OIL	7,508	5,132	6,740	11,431	16,275	11,000	(5,275)	
65312	TIRES & TUBES	94	1,094	2,524	-	3,000	1,000	(2,000)	
65480	OTHER PROFESSIONAL SERVICES	238,886	281,281	290,427	288,458	332,500	420,940	88,440	
65500	MAINTENANCE OF BLDG/GROUNDS	1,453	8,526	8,995	11,464	8,000	4,000	(4,000)	
65521	UNIFORMS	2,800	3,312	2,121	1,500	2,000	3,000	1,000	
66009	SHOP SUPPLIES	2,989	3,648	5,933	3,840	6,000	6,200	200	
66010	OFFICE SUPPLIES	155	145	236	245	250	150	(100)	
66011	HAND TOOLS	100	334	-	252	200	100	(100)	
66030	OTHER SUPPLIES	104	42	265	255	250	150	(100)	
66040	JANITORIAL SUPPLIES & SERVICES	1,514	1,512	2,752	1,977	2,200	2,200	-	
67516	PLANT EQUIPMENT MAINTENANCE	3,003	2,990	6,253	23,565	26,000	24,000	(2,000)	
67553	ASPHALT SURFACE MAINTENANCE	-	-	-	-	7,500	7,500	-	
	Total Expenses	282,636	341,152	366,890	386,745	442,555	520,570	78,015	17.6%
	TOTAL RESOURCE RECOVERY	497,540	561,665	590,138	623,906	706,184	785,114	78,930	11.2%

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

POSITION	FY24 Budget	FY25 Proposed
Director	1	1
Community Center Supervisor	1	1
Community Programs Supervisor	1	1
Youth Programs Supervisor	1	1
FT Custodian	2	2
PT Custodian	0.5	0.5
Receptionists	2	2
Bookkeeper	0	0
SAFE Teachers	2	2
Total FTE	10.5	10.5

BUDGET OVERVIEW

The Kittery Community Center (KCC) budget is increasing \$29,756, approximately 3.1%.

The Kittery Community Center is continuing to increase programs and events that serve a broad range of ages, interests, and abilities. KCC staff are working with the Youth Ad Hoc Committee and Seeds of Wonder to transform the Annex into a “youth wing” that includes the forest preschool, SAFE Afterschool and Summer program space, and new drop-in teen space for Kittery’s young people to have a safe place to hang out, be with friends, and engage in self-directed activities that meet their interests.

At present, the planning for the teen space is still in the design and planning phase. Additional staff are likely going to require to staff the space once it is fully up and running, but the timing is still uncertain the team works through how to get the space ready for the teens, including purchasing furniture, equipment, and supplies.

The two union contracts that cover Kittery Community Center employees are set to expire June 30, 2024. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated costs resulting from negotiations.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

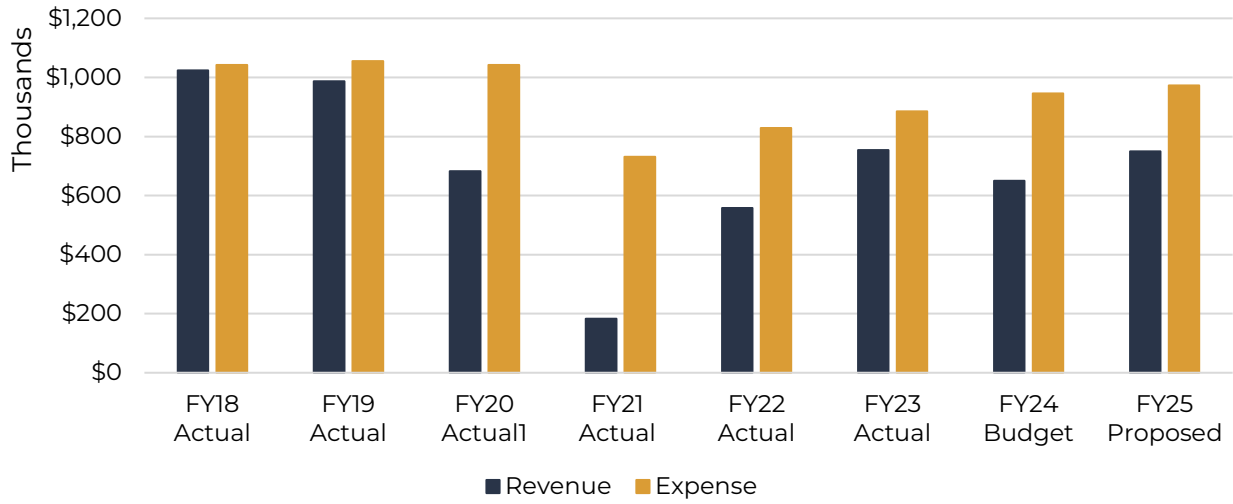
The overall personnel budget is increasing \$21,333 or approximately 3.4%. The increase is primarily driven by ongoing competition for seasonal workers in the SAFE Afterschool and Summer programs. Market forces are driving the starting rates for these positions into the \$18 per hour range, as we compete with area businesses for seasonal and part-time staff. Total increases in part-time, seasonal wages is \$15,066 or approximately 70% of the total personnel cost increase.

Non-personnel expenses are increasing \$8,423, approximately 2.6%.

The town transitioned to Voice Over Internet Protocol (VoIP) telephone service in 2023 for all departments. To simplify financial tracking for this single system, costs for telephone and data have been consolidated into a single budget for all departments and placed in the Miscellaneous budget. The staff are also working on simplifying and truing up the data service, to ensure municipal operations are getting what is needed and not paying for legacy accounts no longer in use.

The remaining non-personnel expenses reflect cost increases from suppliers and vendors, and reductions based on planned programs and needs.

Recreation Department Revenues and Expenses*



* Excludes capital expenditures

Note: Closed KCC in March of 2020 due to the COVID-19 pandemic; full programming did not resume until late FY21.

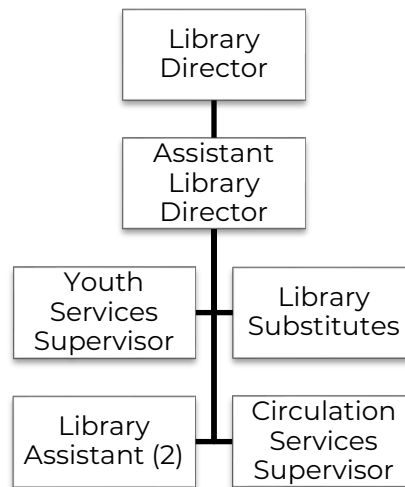
RECREATION		FY21	FY22	FY23	FY24	FY25		
101830		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
64008	RECREATION DIRECTOR SALARY	85,118	90,189	93,919	95,558	96,786	1,227	
64009	ASST DIRECTOR/GEN MGR	42,057	-	-	-	-	-	
64038	COMMUNITY CENTER SUPERVISOR	-	6,446	52,909	52,980	52,980	-	
64010	EARLY CHILDHOOD SUPERVISOR	2,446	-	-	-	-	-	
64012	COMMUNITY PROGRAM SUPERVISOR	47,094	46,767	44,999	52,980	52,980	-	
64041	FACILITIES MAINT. SUPERVISOR	55,029	57,582	256	-	-	-	
64014	LEAD TEACHERS	1,627	-	-	-	-	-	
64015	YOUTH PROGRAMS SUPERVISOR	38,946	52,095	54,026	55,099	55,996	897	
64016	RECEPTIONISTS	46,287	66,227	72,230	74,850	78,650	3,800	
64017	BOOKKEEPER/SECRETARY	27,476	21,706	1,248	-	-	-	
64020	PT SAFE SCHOOL YEAR SALARIES	72,565	55,854	53,537	69,073	74,570	5,497	
64021	SAFE SUMMER SALARIES	15,261	74,015	80,710	119,931	125,631	5,700	
64024	FT CUSTODIAN	38,412	39,465	40,656	80,613	84,357	3,744	
64025	PRE-SCHOOL STAFF SALARIES	568	-	-	-	-	-	
64026	INSTRUCTORS STIPENDS	975	6,925	6,850	6,600	6,000	(600)	
64027	PT CUSTODIAN WAGES	30,778	37,803	46,645	13,714	13,783	69	
64028	THEATRE TECHNICIANS	-	-	200	350	350	-	
64030	OVERTIME	1,687	2,711	2,762	1,500	2,500	1,000	
Total Personal Services		506,324	557,785	550,946	623,249	644,583	21,333	3.4%
65010	POSTAGE	375	1,158	790	1,195	325	(870)	
65020	TELEPHONE & INTERNET	4,024	3,697	4,591	3,750	500	(3,250)	
65030	TRANSPORTATION/ADMISSIONS	2,481	11,387	5,432	-	-	-	
65060	PRINTING	6,615	8,280	8,577	8,950	8,218	(732)	
65200	ELECTRICITY / UTILITIES	27,385	34,457	31,887	35,000	32,000	(3,000)	
65220	WATER	3,185	3,202	3,245	3,350	3,350	-	
65230	NATURAL GAS	31,365	27,269	42,921	33,500	35,000	1,500	
65250	SEWER	1,310	1,797	2,394	2,750	2,750	-	
65300	MACHINE & EQUIPMENT MAINT	3,749	1,887	1,803	925	1,800	875	
65310	VEHICLE MAINTENANCE	(11)	18	93	250	400	150	
65478	PROGRAM SERVICES	2,474	2,516	2,429	2,500	8,000	5,500	
65480	OTHER PROFESSIONAL SERVICES	2,642	2,076	1,648	2,000	2,500	500	
65500	MAINTENANCE OF BLDG/GROUNDS	27,202	20,537	42,924	23,000	28,000	5,000	
65521	UNIFORMS	226	339	-	-	-	-	
65610	SAFE SCHCOOL YEAR PROGRAM EXP	10,835	160	2,060	3,000	1,500	(1,500)	
65615	SAFE SUMMER PROGRAM EXPENSES	3,084	25,744	39,148	63,000	65,500	2,500	
65630	INSTRUCTORS-CONTRACTED	18,246	36,216	45,476	33,000	40,000	7,000	
65640	SPECIAL EVENTS	7,027	7,379	7,370	7,500	7,500	-	
65650	SENIOR PROGRAMS	-	-	784	1,500	2,000	500	
65670	TEAM EXPENSE	2,908	4,783	7,230	6,500	6,250	(250)	
65680	PRESCHOOL PROGRAM EXPENSES	447	-	-	-	-	-	
65801	CONTRACTED SERVICES	55,263	60,261	65,754	69,000	72,000	3,000	
65802	ANNEX UTILITIES	-	2,629	-	1,500	-	(1,500)	
65803	MISCELLANEOUS	3,213	4,604	4,091	3,500	-	(3,500)	
66010	OFFICE SUPPLIES	2,078	3,010	2,540	3,000	3,000	-	
66030	OTHER SUPPLIES	1,117	248	738	1,500	-	(1,500)	
66031	THEATRE SUPPLIES	-	649	387	750	-	(750)	
66040	JANITORIAL SUPPLIES & SERVICES	7,338	7,120	9,692	11,500	10,250	(1,250)	
Total Expenses		224,575	271,422	334,006	322,420	330,843	8,423	2.6%
TOTAL RECREATION		730,900	829,207	884,953	945,669	975,426	29,756	3.1%

RICE PUBLIC LIBRARY

MISSION STATEMENT

Rice Public Library provides a welcoming environment that serves as a bridge for equitable access to ideas, experiences, and resources that inspire learning and promotes a connected community of informed citizens and lifelong learners.

DEPARTMENT ORGANIZATION



PERSONNEL SUMMARY

POSITION	FY24 Budget	FY25 Proposed
Library Director	1	1
Assistant Library Director (formerly Technical Services)	0	1
Circulation Services Supervisor	1	1
Youth Librarian Supervisor	1	1
Technical Services Supervisor	1	0
Cataloguing Assistant/Custodian	1	1
Library Services Assistant	1	1
Substitutes (PT)	Varies	Varies
Total FTE	6.0	6.0

BUDGET OVERVIEW

The budget is projected to increase \$23,806, approximately 4.5%.

Since opening the newly renovated and expanded Library facility, the Rice Public Library has seen a sharp increase in patrons, program participants, and circulation of materials. In 2023, the Library Advisory Committee began developing a 5-year strategic plan to inform how it should evolve services into the future. The Strategic

Plan is a compilation of key participant and community input, and shapes the development of programs, and curation of the collection. The Strategic Plan is also a guide for the evolution of library services as the needs that reflects the community today. Finally, the Strategic Plan informs the development of the annual budget and helps focus staff on the types of grants to pursue in the coming years.

The Library Advisory Committee has completed the community input phase, and the goals and objectives development. They approved the action items for the plan and are in the process of drafting the plan report for adoption. Though the plan development is not complete yet, this budget anticipates action items identified through the process.

The union contract that covers Library employees is set to expire June 30, 2024. As in prior years, the Salary Adjustment line item in the Administration budget is carrying the anticipated costs resulting from negotiations.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

Wages are increasing \$5,736 or approximately 1.7%. The majority of the increase is for part-time staff that help fill shifts, and assist the Librarians with patron services, shelving, and other vital tasks.

The remaining increase of \$18,070 is for non-personal costs. The majority of the increase reflects the actual cost of operating the new building and grounds. While costs for collection maintenance and programs have been adjusted, both through increases and decreases, to reflect the Strategic Plan action items including expanding the digital resources and collection, increase volunteer opportunities to develop and host programs such as discussion groups and book clubs, expand the Childrens Storytime program to include one weekend and one late-day a month, and explore program opportunities for the Maker Space.

RICE PUBLIC LIBRARY		FY21	FY22	FY23	FY24	FY25		
101810		ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
65002	LIBRARY DIRECTOR	82,561	86,744	224,992	93,732	93,732	-	
64010	LIBRARY FULL TIME	200,559	208,420	90,893	245,739	245,865	126	
65003	LIBRARY PART TIME	4,987	9,210	14,301	5,700	11,310	5,610	
Total Personal Services		288,107	304,374	330,185	345,170	350,906	5,736	1.7%
65010	POSTAGE	643	87	586	400	400	-	
65020	TELEPHONE & INTERNET	1,618	2,606	8,012	3,750	3,950	200	
65060	PRINTING	-	48	469	400	400	-	
65200	ELECTRICITY	5,449	4,817	13,419	14,400	24,000	9,600	
65220	WATER	293	183	1,261	1,500	2,520	1,020	
65230	HEATING	6,617	2,321	12,412	12,000	15,000	3,000	
65250	SEWER	800	500	755	400	400	-	
65338	E-BOOKS CHILD	249	999	837	1,000	1,000	-	
65339	AUDIOVISUAL CHILD/TEEN	1,051	827	552	700	700	-	
65340	E-BOOKS ADULT	6,037	4,648	12,262	10,000	13,000	3,000	
65341	AUDIOVISUAL ADULT	14,548	10,022	6,794	6,000	4,000	(2,000)	
65342	COPIER	3,525	1,235	845	3,000	1,500	(1,500)	
65431	PROFESSIONAL DUES	111	475	210	500	500	-	
65432	TECHNOLOGY	12,819	14,515	15,422	16,500	16,500	-	
65433	PROGRAMS - ADULT	2,798	3,654	8,016	14,000	12,000	(2,000)	
65434	PROGRAMS- CHILD/TEEN	8,516	9,559	8,061	9,000	9,000	-	
65435	CONFERENCES & WORKSHOPS	102	35	-	200	200	-	
65480	OTHER PROFESSIONAL	2,049	2,449	6,489	2,500	2,500	-	
65500	MAINTENANCE BLDG/GROUNDS	11,217	3,476	14,983	5,000	15,000	10,000	
65505	JANITORIAL SUPPLIES & SERVICES	8,029	7,724	6,981	7,500	3,000	(4,500)	
65803	MISCELLANEOUS	1,088	487	752	1,250	-	(1,250)	
66010	OFFICE SUPPLIES	926	982	2,312	2,000	2,000	-	
66012	LIB PROCESSING SUPPLIES	3,392	2,131	4,232	3,600	3,600	-	
66020	BOOKS/MAGS/NEWS ADULT	37,463	39,399	51,674	52,000	55,000	3,000	
66021	BOOKS CHILD/TEEN	15,236	14,927	20,120	18,523	18,523	-	
67510	OFFICE EQUIPMENT/FURNITURE	1,991	1,293	901	1,000	500	(500)	
Total Expenses		146,564	129,397	198,356	187,123	205,193	18,070	9.7%
TOTAL LIBRARY		434,671	433,771	528,541	532,293	556,099	23,806	4.5%

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.

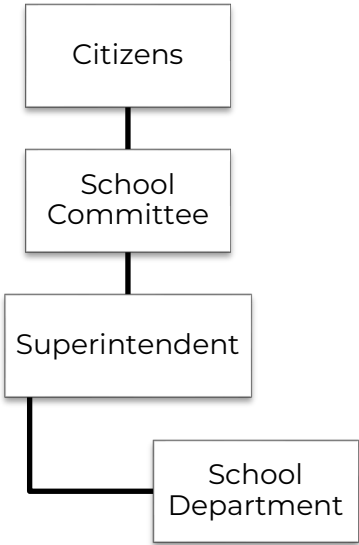
BUDGET OVERVIEW

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

COMMUNITY AGENCIES 101540	FY21 ACTUAL	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
65479 FAIR TIDE	2,000	2,000	2,000	2,000	2,000	-	
65492 YORK COUNTY COMMUNITY ACTION	2,500	2,500	2,500	2,500	2,500	-	
65497 SO MAINE AREA AGENCY ON AGING	1,400	1,400	1,400	1,400	1,400	-	
65499 CROSSROADS HOUSE	2,000	2,000	2,000	2,000	2,000	-	
TOTAL COMMUNITY AGENCIES	7,900	7,900	7,900	7,900	7,900	-	0%

SCHOOL DEPARTMENT

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 budget is projected to increase \$1,265,721 or approximately 6.0%. The increase is offset by non-property tax revenue of \$570,970. The remainder, \$694,751 will be raised through the tax levy; this represents an approximately 3.8% increase in levy contributed funds.

The School Department budget presentation is presented separately and is available by visiting www.kitteryschools.com.

SCHOOL DEPARTMENT	FY21 BUDGET	FY22 BUDGET	FY23 BUDGET	FY24 BUDGET	FY25 PROPOSED	VARIANCE	%
REGULAR INSTRUCTION	7,465,221	7,843,384	7,991,346	8,242,753	8,899,703	656,950	
SPECIAL EDUCATION	4,258,384	4,368,790	4,392,472	4,581,907	4,816,036	234,129	
CAREER & TECHNICAL	5,000	6,752	6,752	7,824	25,381	17,557	
OTHER INSTRUCTION	369,797	368,605	366,157	376,237	414,650	38,413	
STUDENT & STAFF SUPPORT	1,957,801	2,054,847	2,212,623	2,388,951	2,604,729	215,778	
SYSTEM ADMINISTRATION	699,712	748,915	832,571	910,482	879,424	(31,058)	
SCHOOL ADMINISTRATION	1,043,010	1,080,585	1,113,698	1,295,562	1,315,423	19,861	
TRANSPORTATION & BUSES	652,500	686,979	715,541	776,905	829,429	52,524	
FACILITIES MAINTENANCE	1,360,981	1,304,898	1,411,669	1,554,489	1,726,919	172,430	
DEBT SERVICE & OTHER COMMITM	769,972	720,997	697,793	469,938	459,075	(10,863)	
ALL OTHER EXPENDITURES	90,000	100,000	240,000	640,000	540,000	(100,000)	
TOTAL SCHOOL EXPENSES	18,672,378	19,284,752	19,980,622	21,245,048	22,510,769	1,265,721	5.96%
TOTAL SCHOOL REVENUE	2,366,873	2,490,448	2,468,937	3,043,738	3,614,708	570,970	18.76%
TOTAL TAX APPROPRIATION	16,305,504	16,794,304	17,511,685	18,201,310	18,896,061	694,751	3.82%

ADULT EDUCATION

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 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 function is projected to increase \$7,975, approximately 7.2%.

The overall cost of Adult Education services is increasing to reflect increase in labor costs and inflation in the cost of services and materials. Total cost for Adult Education is increasing \$15,037, or 6.8%, while offsetting revenues is increasing \$7,062, or 3.2%.

The Adult Education team continue to work collaboratively with town staff on workforce development and municipal job introduction opportunities for historically challenging positions to fill, such as wastewater treatment, public safety dispatch, police service, youth services, and public works. Initial conversations have also begun around growing the workforce development opportunities in energy efficiency/climate resiliency jobs including weatherization, energy efficiency residential systems installation, and others.

These efforts dovetail with the workforce development Adult Education already provides for private sector retail and service businesses in the Seacoast region.

ADULT EDUCATION

	FY21	FY22	FY23	FY24	FY25	VARIANCE	%
REVENUE	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET		
State Subsidy	43,798	48,467	41,040	45,815	61,849	16,034	
Carry Forward - Adult Ed	22,432	31,701	39,904	39,904	30,767	(9,138)	
Enrichment Fees	30,000	15,000	15,500	20,308	20,308	-	
Local Funds	98,970	101,579	105,500	110,275	118,250	7,975	7.2%
Workforce Fees			1,000	1,000	1,000	-	
Fees from Other Schools	502	-	-	500	500	-	
Donations from Private Sources	-	-	-	-	-	-	
Private Grants	2,900	940	1,559	2,035	2,200	165	
TOTAL REVENUE	\$ 198,601	\$197,687	\$197,687	\$219,837	\$234,874	\$ 15,037	6.8%
EXPENSES							
Workforce Training							
Salaries - Professionals	9,120	9,348	9,950	10,950	11,388	438	
Salaries - Other	1,000	1,200	1,200	1,500	1,500	-	
FICA - Professionals	219	136	144	159	159	-	
FICA - Other	77	92	92	115	115	-	
Retirement - Professionals	2,906	2,906	2,906	2,906	906	(2,000)	
Work Comp - Professionals	39	39	39	46	74	27	
Work Comp - Reg EEs	5	5	5	6	10	4	
Contracted Services (ACCPAdvisor)	15,641	16,111	16,111	16,755	17,425	670	
Supplies - Instructional	100	200	1,200	1,200	1,200	-	
Books - Workforce	1,000	1,000	1,000	1,000	1,000	-	
Total Workforce Training	30,107	31,036	31,036	34,637	33,776	(861)	-2.5%
High School Completion							
Salaries - Professionals	7,920	9,990	9,990	10,990	11,430	440	
Salaries - Other	-	-	-	1,000	1,000	-	
FICA - Professionals	300	152	152	159	159	-	
FICA - Other Employees	-	-	-	77	77	-	
Retirement - Professionals	329	403	403	403	403	-	
Work Comp - Professionals	43	43	43	52	79	27	
Work Comp -Other	-	-	-	4	7	3	
Contracted Services (ACCPAdvisor)	13,760	14,172	14,172	14,739	14,777	38	
Instructional Supplies	870	870	870	870	870	-	
Total High School Completion	23,222	25,631	25,631	28,294	28,801	507	1.8%
Local Literacy							
Salaries - Professionals	2,000	2,000	2,000	3,000	3,120	120	
Salaries - Other	-	-	-	1,000	1,000	-	
FICA - Professionals	153	153	153	230	230	-	
FICA - Other	-	-	-	77	77	-	
Retirement - Professionals	80	80	80	80	80	-	
Work Comp - Professionals	10	10	10	12	22	10	
Instructional Supplies	100	100	100	155	155	-	
Total Local Literacy	2,343	2,343	2,343	4,553	4,683	130	2.9%

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	FY21	FY22	FY23	FY24	FY25	VARIANCE	%
Enrichment	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET		
Salaries - Enrichment	14,700	6,500	7,000	9,800	9,800	-	
FICA - Enrichment	1,125	497	536	750	750	-	
Retirement - Enrichment	50	-	-	-	-	-	
Work Comp - Enrichment	74	19	20	24	49	25	
Prof Services - Adult Ed	205	205	205	205	205	-	
Total Enrichment	16,153	7,221	7,221	10,779	10,803	25	0.2%
Administration							
Asst. Director Salaries	53,461	55,867	58,101	60,425	62,842	2,417	
Clerical Salaries	6,389	6,389	6,580	6,844	6,844	-	
(Assist) Director Health Benefit	10,166	10,979	10,979	11,198	19,755	8,556	
Dental	-	437	437	454	896	442	
FICA - Admin	775	795	818	822	902	81	
FICA - Clerical	489	489	503	524	524	-	
Retirement - Asst Director	2,224	2,280	2,280	2,280	2,790	511	
Tuition - Admin	1,350	1,350	1,350	1,350	1,350	-	
Work Comp - Admin	258	175	175	210	366	156	
Work Comp - Reg EE	31	20	20	24	42	17	
EE Train & Develop	200	100	100	150	150	-	
Professional Services (Director)	35,709	38,553	38,553	40,095	43,552	3,457	
Copier Service Agreement	200	200	200	200	200	-	
Copier Lease	200	200	200	200	200	-	
Postage	1,500	1,500	1,500	1,500	1,500	-	
Telephone	400	1,000	400	800	400	(400)	
Online Software Apps	300	300	300	300	300	-	
Advertising	4,200	4,200	4,200	4,200	4,200	-	
Printing	850	850	850	850	850	-	
Travel - Reg	500	300	300	350	350	-	
Travel - Professional Dev	550	350	350	375	375	-	
Supplies	700	700	700	700	700	-	
Food- Adult Ed Admin	200	100	100	100	100	-	
Tech Supplies	300	300	1,300	1,300	1,300	-	
Supplies - Graduation	325	325	325	325	325	-	
Tech Equipment >\$5K	-	-	-	-	-	-	
Tech Equipment <\$5K	1,000	1,000	2,000	2,000	2,000	-	
Tech Hardware <\$5K	2,000	1,000	1,000	1,500	1,500	-	
Dues and Fees	2,500	2,500	2,500	2,500	2,500	-	
Total Administration	126,776	131,456	131,456	141,575	156,811	15,236	10.8%
TOTAL EXPENSES	\$ 198,601	\$197,687	\$197,687	\$219,837	\$ 234,874	\$ 15,037	6.8%

Section III Sewer Enterprise



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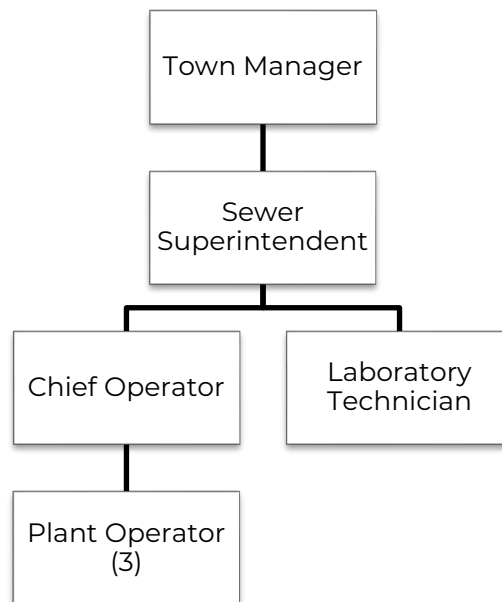
SEWER ENTERPRISE

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	FY24 Budget	FY25 Proposed
Town Manager	0.25	0.25
Superintendent	1	1
Chief Operator	1	1
Plant Operator	3	3
Laboratory Technician	1	1
Total FTE	7.25	7.25

BUDGET OVERVIEW

The Sewer Enterprise Fund is projected to increase revenue by approximately \$223,500, or 8.3% and increase expenses by \$219,491 or 7.8%; resulting in an operational deficit projection of \$122,884.

The five-year rate study that projected the rates needed to cover the cost of operating the wastewater collection and processing operation carried through the prior fiscal year. A new rate study is needed and should incorporate an anticipated treatment plant rebuild expected to be needed within the next seven years to meet pending regulatory requirements, and improvements to the collection system to meet future needs associated with the Climate Action Plan and growth in the targeted growth areas of town.

The Fund's Unassigned Balance is \$1,997,188 and is therefore healthy enough for the time being to absorb the operational deficit for FY25 as may be needed. The rate study proposed above will also include evaluation of the Unassigned Fund Balance for potential use to establish a Stabilization Fund and a Capital Planning Fund that will offset the cost of the anticipated treatment plant rebuild.

The Fund has approximately \$2.01M in capital reserves, including approximately \$188,068 in general capital reserves, and \$1,826,020 in betterment and impact fees. The entrance and impact fees will be utilized to offset the cost of the debt-service balloon planned for when the town expanded sewer in 2016, to, in part, support the Business Park Zone. The entrance and impact fees will grow by approximately \$1,021,260 in fees from the recently completed development in the Business Park Zone. Approximately \$175,000 each year from FY25 through FY30 will be transferred to cover the debt service balloon.

Exclusive of the entrance and impact fee transfer, revenue is projected to increase \$48,500, approximately 2.2%, over the prior year. Factored into the revenue is an increase from the occupancy of the development in the Business Park. Other revenue increases are projected based on current fiscal year revenue tracking. Revenue from expansion assessments is waning off as the payment agreements for the betterment fees of the 2016 expansion get paid off.

The union contract that covers Sewer employees is set to expire June 30, 2024. As an enterprise fund, the anticipated costs resulting from negotiations must be carried within this fund, as a Salary Adjustment line. That includes anticipated increases in wages, FICA, and retirement contributions.

Unless otherwise noted, any wage increases in this budget reflect step and longevity adjustments based on years of service.

The budget contains the new Maine Family Leave Act tax of 0.5% of wages. This is budgeted for half of a year, as the tax does not go into effect until January 1, 2025, half-way through the fiscal year.

Debt represents the largest increase in the budget, at \$173,921; or approximately 80% of the total expense increase for the fiscal year. The debt service schedule the town agreed to in 2016 included a balloon in the annual debt service beginning in FY25 and ending in FY30, when the Council believed there would be significant new development in the Business Park Zone generating the revenue needed to

cover the increased debt service payments. Only one project was able to be built before the goals of the town relative to development in this area changed, significantly reducing the likelihood of major development in this zone in the future.

The remaining cost increases are either associated with labor cost increases or supply and vendor cost adjustments.

	FY21	FY22	FY23	FY24	FY25		
SEWER REVENUE	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED	VARIANCE	%
43220 PENALTY INTEREST	3,545	4,355	4,964	3,000	4,000	1,000	
43360 SPECIAL CONTRACT REVENUE	13,963	13,129	17,916	15,000	16,500	1,500	
45001 REVENUE US NAVY	496,905	547,252	541,829	500,000	540,000	40,000	
45002 REVENUE US NAVY HOUSING	132,221	120,837	120,779	115,000	120,000	5,000	
45003 REVENUE SEPTAGE	275,515	261,914	143,418	120,000	145,000	25,000	
45004 REVENUE TOWN OF ELIOT	204,841	218,803	255,847	200,000	220,000	20,000	
45005 REVENUE RESIDENTIAL & COMMERCIAL	1,651,421	1,616,214	1,682,771	1,600,000	1,636,000	36,000	
45006 EXPANSION ASSESSMENT REVENUE	142,839	131,336	105,988	130,000	50,000	(80,000)	
45007 SEWER INTEREST REVENUE	13,346	4,269	5,172	7,500	7,500	-	
45008 PERMITS AND MISC SEWER REVENUE	-	(265)	135	-	175,000	175,000	
	2,934,596	2,917,844	2,878,819	2,690,500	2,914,000	223,500	8.3%
EXPENSES	2,240,535	2,361,713	2,541,479	2,817,393	3,035,948	218,555	7.8%
NET	694,060	556,131	337,340	(126,893)	(121,948)		
Unassigned Fund Balance			1,997,188				

* Unassigned Fund Balance from FY2023 Financial Audit.

SEWER ENTERPRISE FUND	FY21	FY22	FY23	FY24	FY25	VARIANCE	%
	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROPOSED		
602760 GENERAL OPERATIONS							
64011 TOWN MANAGER SALARY (25%)	35,659	36,932	39,503	38,412	40,701	2,289	
64012 SUPERINTENDENT SALARY	101,171	103,837	108,874	113,718	114,822	1,104	
64013 OFFICE CLERK SALARY	49,845	51,342	32,001	-	-	-	
64031 SALARY & POSITION ADJUSTMENT	-	-	-	2,500	40,000	37,500	
64050 MAINE STATE RETIREMENT	15,152	15,981	14,065	11,599	11,367	(232)	
64051 ICMA EMPLOYER SHARE	2,062	2,139	2,293	2,305	2,442	137	
64060 FICA EMPLOYER SHARE	12,941	13,614	12,881	11,638	11,897	260	
NEW MAINE FAMILY LEAVE LAW	-	-	-	-	1,411	1,411	
64070 WORKERS COMPENSATION	11,110	8,393	11,369	12,645	15,000	2,355	
64090 MAJOR MEDICAL INSURANCE	129,108	130,962	148,029	163,458	143,610	(19,848)	
64091 DENTAL INSURANCE	2,433	2,445	2,457	1,500	1,500	-	
64092 DISABILTY INSURANCE	-	-	-	4,750	5,000	250	
65101 MMA RISK POOL	30,283	31,630	31,458	34,604	36,000	1,396	
65350 INDIRECT COSTS	22,900	22,900	25,000	108,835	123,052	14,217	
65430 AUDIT SERVICES	4,050	3,250	4,350	3,900	5,000	1,100	
65480 OTHER PROFESSIONAL SERVICES	-	-	-	-	-	-	
66035 ABSTRACTS & LIENS - SWR	152	133,088	126,306	500	500	-	
68060 DEBT SERVICE (PRINCIPAL & INTERES1	765,954	631,183	637,432	691,937	865,858	173,921	
CAPITAL EXPENSES	-	-	-	-	-	-	
TOTAL GENERAL OPERATIONS	1,182,820	1,187,697	1,196,016	1,202,300	1,418,161	215,860	18.0%
602750 TREATMENT PLANT							
64010 TREATMENT PLANT LABOR	157,473	170,090	167,616	196,267	179,124	(17,143)	
64019 PLANT MAINT LABOR	49,213	64,542	60,634	53,235	62,690	9,455	
64030 OVERTIME	21,212	19,041	30,544	40,000	40,000	-	
65015 CELLULAR PHONE	-	215	94	-	-	-	
65020 TREATMENT PLANT TELEPHONE	4,027	4,791	3,338	4,400	4,400	-	
65040 TREATMENT PLANT EDUCATIONAL/MT	3,810	3,330	3,988	5,500	6,000	500	
64050 MAINE STATE RETIREMENT	32,661	34,763	39,471	37,860	36,532	(1,328)	
64060 FICA EMPLOYER SHARE	24,088	27,761	28,846	28,395	31,289	2,894	
65200 TREATMENT PLANT ELECTRICITY	97,488	108,552	103,261	110,000	110,000	-	
65220 TREATMENT PLANT WATER	3,638	3,435	2,718	3,900	3,900	-	
65230 TREATMENT PLANT FUEL (WOOD PELL	11,092	11,899	7,981	15,000	15,000	-	
65310 TREATMENT PLANT MOTOR VEHICLE	11,731	16,551	29,102	28,000	29,000	1,000	
65316 TREATMENT PLANT GENERATOR FUEL	786	792	218	2,400	2,400	-	
65410 TREATMENT PLANT COMPUTER SERV	9,983	9,892	8,417	16,000	16,000	-	
65480 TREATMENT PLANT OTHER PROF/CON	56,949	59,892	57,108	80,000	80,000	-	
65500 TREATMENT PLANT BLDG MAINT	2,435	1,713	1,087	5,000	5,000	-	
65930 ALARMS	108	1,641	350	2,000	2,000	-	
65955 TREATMENT PLANT SLUDGE MGT	147,589	161,917	263,167	293,000	293,000	-	
66010 TREATMENT PLANT OFFICE SUPPLIE	3,361	4,077	5,199	6,000	6,000	-	
66300 TREATMENT PLANT SUPPLIES	7,015	18,897	16,620	32,000	32,000	-	
66340 LABORATORY CHEMICALS/SUPPLIES	13,386	16,101	18,293	20,000	20,000	-	
66400 TREATMENT PLANT REPAIRS/STRUCT	1,085	1,431	1,416	5,000	5,000	-	
66410 TREATMENT PLANT REPAIRS/EQUIPM	17,052	14,739	7,471	28,000	28,000	-	
66420 TREATMENT PLANT TOOL/EQUIPMENT	7,835	10,299	10,128	28,000	28,000	-	
66450 TREATMENT PLANT CHEMICALS & MA	123,732	139,536	142,997	190,000	190,000	-	
66520 TREATMENT PLANT SAFETY EQUIPME	8,236	10,337	9,505	15,000	15,000	-	
TOTAL TREATMENT PLANT	815,983	916,235	1,019,570	1,244,958	1,240,335	(4,622)	-0.4%

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SEWER ENTERPRISE FUND		FY21	FY22	FY23	FY24	FY25	VARIANCE	%
		BUDGET	ACTUAL	BUDGET	PROPOSED	PROPOSED		
602702 SEWER LINES								
65692	SEWER LINES LABOR	20,042	21,566	24,065	24,014	23,697	(317)	
65480	LINES CONTRACT/PROF SVCS	6,333	1,715	14,993	30,000	30,000	-	
65691	LINES - SUPPLIES	3,999	8,773	7,465	16,000	16,000	-	
TOTAL SEWER LINES		30,374	32,054	46,522	70,014	69,697	(317)	-0.5%
602709 PUMP STATIONS (Consolidated)								
64010	PUMP STATION LABOR	45,895	57,828	68,935	57,939	61,858	3,919	
65015	PUMP STATION TELEPHONE	712	752	793	800	800	-	
65200	PUMP STATION ELECTRICITY	45,594	53,176	53,558	54,000	54,000	-	
65220	PUMP STATION WATER	1,156	925	753	1,420	1,420	-	
65315	PUMP STATION GENERATOR FUEL	606	688	1,930	2,000	2,000	-	
65467	PUMP STATION CONTRACTUAL SVCS	24,360	20,195	42,635	45,000	45,000	-	
65930	PUMP STATION ALARM	6,637	5,455	6,734	7,000	7,000	-	
66300	PUMP STATION SUPPLIES	1,645	4,349	4,155	6,000	6,000	-	
66320	PUMP STATION PARTS	13,396	8,584	21,425	32,000	32,000	-	
TOTAL PUMP STATIONS		140,002	151,952	200,919	206,159	210,078	3,919	1.9%
602715 PUMP STATION # 6 - PNSY								
64010	PUMP STATION # 6 LABOR	12,694	19,332	16,697	16,199	17,451	1,252	
65200	PUMP STATION # 6 ELECTRICITY	8,575	10,632	10,282	15,000	15,000	-	
65220	PUMP STATION # 6 WATER	1,058	1,058	794	1,100	1,100	-	
65315	PUMP STATION GENERATOR FUEL	166	617	-	600	600	-	
65480	PUMP STATION # 6 CONTRACTOR	8,845	6,908	7,126	10,000	10,000	-	
65930	PUMP STATION # 6 ALARM	183	108	-	300	300	-	
66300	PUMP STATION # 6 SUPPLIES	235	630	942	1,000	1,000	-	
66320	PUMP STATION # 6 PARTS	2,888	1,221	3,545	6,000	6,000	-	
TOTAL PUMP STATION # 6 (PNSY)		34,644	40,506	39,385	50,199	51,451	1,252	2.5%
602716 PUMP STATION # 7 - ELIOT								
64010	PUMP STATION # 7 LABOR	18,219	24,814	24,397	23,524	24,186	662	
65200	PUMP STATION # 7 ELECTRICITY	5,090	6,176	5,681	6,400	6,400	-	
65220	PUMP STATION # 7 WATER	236	236	177	240	240	-	
65315	PUMP STATION GENERATOR FUEL	860	-	-	500	500	-	
65480	PUMP STATION # 7 CONTRACTOR SE	12,267	1,419	7,219	10,000	10,000	-	
65930	PUMP STATION # 7 ALARM	-	117	-	200	2,000	1,800	
66300	PUMP STATION # 7 SUPPLIES	-	182	127	400	400	-	
66320	PUMP STATION # 7 PARTS	40	326	1,467	2,500	2,500	-	
TOTAL PUMP STATION # 7 (ELIOT)		36,712	33,269	39,067	43,764	46,226	2,462	5.6%
TOTAL SEWER ENTERPRISE		2,240,535	2,361,713	2,541,479	2,817,393	3,035,948	218,555	7.8%

New/Replacement Schedule and Estimated Costs**Sewer Dept****Vehicles and Equipment**

			2025	2026	2027	2028	2029
Headworks Roof	Capital	WWTF				19,534	
Office/ Lab Roof	Capital	WWTF			30,905		
Security System	Operating	Collection			3,739		
Treatment Plant Signs	Capital	WWTF		14,310			
Annual Sewer Line/Manhole Lining	Capital	Collection	57,058	59,626	62,309	65,113	68,043
I&I Study Collection System	Capital	Collection	136,940				
Computer - surveillance	Operating	WWTF	1,712				
Computer Chief Operator	Operating	WWTF			2,243		
Computer Lab Tech	Operating	WWTF			2,243		
Computer Superintendent	Operating	WWTF			2,492		
Plant Lap top 1	Operating	WWTF				1,563	
Superintendents Laptop	Operating	WWTF	2,511				
Emergency Trailer	Capital	WWTF	10,000				
JD Loader	Capital	WWTF				97,670	
Truck 452 F-550 Dump	Capital	WWTF	91,293				
Truck Flatbed F-550	Capital	WWTF			72,279		
Truck Pickup F-250	Capital	WWTF					
Auma Actuator 1	Capital	WWTF			9,720		
Auma Actuator 2	Capital	WWTF		9,302			
Auma Actuator 3	Capital	WWTF			9,720		
Auma Actuator 4	Capital	WWTF			9,720		
Auma Actuator 5	Capital	WWTF			9,720		
Bio Filter media	Capital	WWTF			8,723		9,526
Bisulfite pump 1	Operating	WWTF	3,423				
Bisulfite pump 2	Operating	WWTF	3,423				
Bisulfite Tank	Operating	WWTF					
Decanter SBR tank 1-1	Capital	WWTF		16,695			
Decanter SBR tank 1-2	Capital	WWTF	7,988				
EQ Pump 1	Capital	WWTF	11,412				
EQ Pump 2	Capital	WWTF		11,925			
EQ pump 3	Capital	WWTF			12,462		
Headworks Blower 2	Operating	WWTF	4,565				
Hypo pump 1	Operating	WWTF				3,907	
Hypo pump 2	Operating	WWTF				3,907	
Hypo tank	Capital	WWTF		7,155			
Jet Rodder	Capital	WWTF	49,527				
Onan Portable Generator 1	Capital	Collection		29,813			
Pump Station #21 Generator	Impact	Collection			10,593		
Pump Station #6 Generator	Capital	Collection				91,158	
Pump Station #6 VFD 2 Replacement	Capital	Collection					
Pump Station #7 controls	Capital	Eliot Specific					61,239
SBR Aeration Blower Motor 2	Capital	WWTF			6,231		
SBR Aeration Blower Motor 3	Capital	WWTF			6,231		
SBR Tank #1 Aeration Diffusers	Capital	WWTF		35,776			
SBR Tank #2 Aeration Diffusers	Capital	WWTF		39,873			
Septage Pump 3	Capital	Collection					13,609
Septage Pump 4	Capital	Collection				13,023	
Sludge Holding Tank Blower 1	Capital	WWTF					
Sludge Holding Tank Blower 2	Capital	WWTF					24,496
TOTAL			379,852	224,475	259,330	295,874	176,912