



Town of Newcastle

www.NewcastleMaine.us

Kevin L. Sutherland - Town Manager

4 Pump Street
PO Box 386
Newcastle, ME 04553
Tel. (207) 563-3441
Fax. (207) 563-6995

FROM: Kevin L. Sutherland, Town Manager
TO: Newcastle Select Board and Finance Committee
CC: Town Staff
DATE: March 11, 2024
RE: FY25 Town Manager Budget (REVISED)

While I have been involved with implementing and administering Newcastle’s 2024 fiscal year budget, this is the first budget for me to develop as your Town Manager. I want to thank you again for the opportunity to serve Newcastle.

I have implemented quite a few changes for this year, and I hope you will be pleased with the information that is provided to you and the residents of this community.

As we go through the process, I ask that you please take notes on how we can further improve the information as we will be sending out a survey to the Board and Finance Committee after the process to gather additional feedback.

Lastly, I’d like to thank the full-time staff here in Newcastle – Shelly, Michelle, and Emma for assisting me in putting this information together. It was a last-minute lift to see my vision come to fruition. It would definitely not have happened without them. (I have already added “start preparations earlier” to the debrief document.)

Summary of the Budget

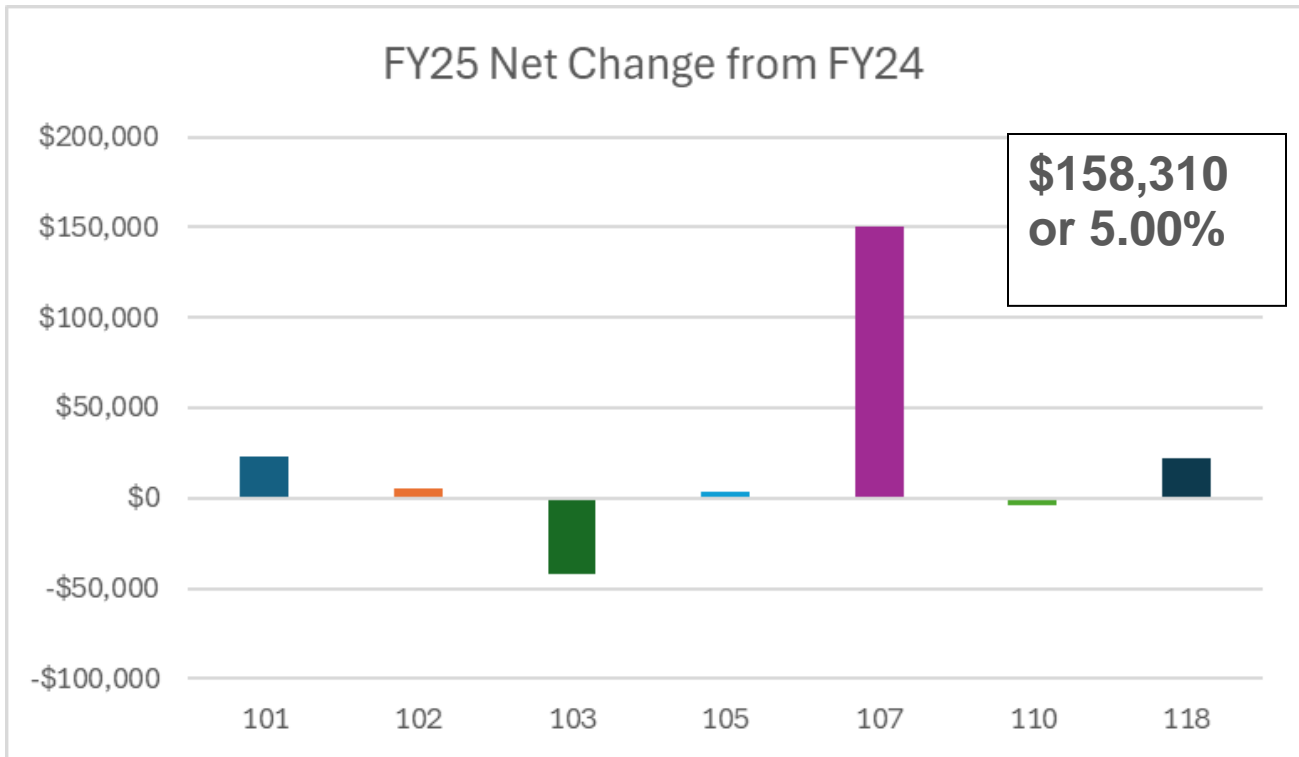
This memo complements the presentation that I will give this evening.

After subtracting out use of Fund Balance for \$250,000 in FY24 (50k for the VPI and 200k for the May Day Storm and the PFAs remediation work) and the recommended use of Fund Balance for \$52,000 (\$50k for contingency and \$2k for additional expenses for the Presidential Election), the annual operations for the municipal budget are projected to be 5.00% for Fiscal Year 2025.

BUDGET SUMMARY

(removed one-time use of fund balance to show more accurate change in annual operations)

	<u>FY24</u>	<u>FY25</u>	<u>Net Change</u>	
	<u>Budget</u>	<u>Manager</u>	<u>\$</u>	<u>%</u>
101 - GENERAL GOVERNMENT	658,407	681,168	22,761	3.46%
102 - COMMUNITY AND PUBLIC SERVICES	197,542	202,864	5,322	2.69%
103 - PLANNING & DEVELOPMENT	131,651	89,471	-42,180	-32.04%
105 - PUBLIC SAFETY	277,311	281,191	3,880	1.40%
107 - PUBLIC WORKS	662,399	812,450	150,051	22.65%
110 - DEBT SERVICE	253,717	249,857	-3,860	-1.52%
118 - TRANSFER TOTALS	984,780	1,007,116	22,336	2.27%
TOTAL MUNICIPAL BUDGET	3,165,807	3,324,117	158,310	5.00%



The notable increases in the budget include:

- 101 Administrative staffing adjustments and contracts put in place during Fiscal Year 2024. This budget also includes a 3.2% increase for all non-contract employees (matching SSI from Fall 2023)
- 102 Transfer station increase of 15% or just over \$18,000.
- 105 Almost \$8,000 for CLC Ambulance
- 107 the expiration of the five-year Winter Road plowing contract – a lot has changed in the last five years and the increases that were in the previous contract would now be considered modest. The previous contract per mile per season was in the \$6,500 range. It is now estimated to be in the \$11,000-\$13000 range.
- 118 In combination with current reserves for roads, an additional \$25,000 above last year is requested to address engineering and survey work of Glidden, Cross, and Pump Street, as well as Island Road railroad crossing work.

To offset some of these expenses, you'll see throughout the budget I've tried to tighten our belt where we could. I have only just started receiving feedback about concerns I've cut a bit too deep. I will have some additional documentation for the Board and the Committee showing the discrepancies between myself and staff in time for the workshop on the 13th.

Additionally, I am still working on the long-range capital and asset replacement schedule. That will be added to the back of Section 5 well before our conversation on March 20th.

All in all, my goal for FY25 was to present a municipal budget that addresses the changes made in FY24 and holds the line for another year. In part, because I believe the school budget will also see some increases and it will give us more time to better align budget efforts with comp plan goals and other projects the board would like to see happen in future years.