



Town of Newcastle

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Michelle Cameron - Treasurer

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FROM: Michelle Cameron, Treasurer
TO: Newcastle Select Board and Finance Committee
CC: Kevin Sutherland, Town Manager
DATE: March 25, 2024
RE: FY25 3/20/24 Budget Meeting Updates

Questions/Comments from the March 20th discussion related to the draft suggested amounts for Debt Service, Reserve Accounts, County Budget, Education and Revenues. Below are the questions and comments with Town Manager and Treasurer answers in italics.

Reserves

1. *Alewives - What is the balance for the Town of Nobleboro? Need Interlocal Agreement.*

We've emailed the Nobleboro treasurer and asked for this information.

2. *Building - Should a Building Facilities Department be created?*

Funding from one Division of the annual operating budget (or a reserve account) would make sense for facility maintenance and repair. At this time, I would not suggest a maintenance employee (part-time or stipend), but to contract for a one-time building assessment and repair schedule which would give the town manager and town staff the checklist necessary to ensure work is awarded following the Purchasing Policy and completed on time/budget.

3. *Fire Truck - This should be considered a depreciation of vehicles fund*

This type of schedule analysis is on the to-do list for the next fiscal year (FY26)

4. *Harriet Bird Playground - Inquiry as to whether there was more money spent and applied to a different expense line.*

All Harriet Bird operating expenses come out of our operating budget (Section 3, Page 3 - 101-67)

5. *Road - Capital- Discussion on which road projects to move forward with. Amendment is 10 below.*

After 3 budget workshops on every aspect of the municipal budget, we believe the Select Board and Finance Committee might benefit from an additional conversation about Capital Roads, either as part of the budget amendment conversation on March 25th or a subsequent workshop to bring back at a future budget meeting/vote.

Potential Amendments to date (all included in list of potential motions for the Select Board to consider on 3/25):

1. *Recommendation to increase Planning & Development Professional Development Fees budget line by \$1,200.*
2. *Proposed Amendment: Increase Select Board Pay line (E101-01-01) by \$2,500.*
3. *Recommendation to increase the S.C.B.A. budget line by \$2,000.*
4. *Recommendation to decrease the Fire Department Hourly Pay budget \$800. This will still allow for pay increase based on call volume.*
5. *Recommendation to move \$50,000 from Building Reserve account to create a Building Maintenance reserve account.*
6. *Recommendation to create a PFAs reserve account with a budget amount of \$11,000.*
7. *Recommendation to increase the Revaluation reserve account budget line by \$14,500.*
8. *Recommendation to move \$148,000 & \$20,000 from undesignated fund to FEMA May Day Storm to new reserve account.*
9. *Decrease Veteran Park reserve budget line to \$0.00 (zero dollars)*
10. *Recommendation to increase Interest on Checking revenue budget line by \$25,000.*
11. *Recommendation to increase the Capital Roads Projects reserve budget line to \$1,200,000.*

Other considerations:

- Change Contingency E101-99-99 “Up from \$15k” \$35k use of Fund Balance.

In FY24 there was originally \$15,000 in the contingency. The presentation on March 11th has all \$50,000 of the contingency account as one-time (ie - use of fund balance). The FY25 recommended budget inadvertently reduces ongoing contingency by \$15,000. At this point, it would be a request or motion to amend the budget, if so desired.