



To: The residents of Casco  
From: Tony Ward, Town Manager  
Date: 05-06-2024  
Re: FY 25 Proposed Budget

On behalf of the Casco Selectboard, I am providing the reasons for the increases associated with the FY 2025 budget and the current financial status of the Town. The Selectboard and Finance Committee thoroughly discussed each of the proposed budget lines and encountered many challenges. These discussions focused on the needs, wants and expectations of the residents while grasping the effects of these discussions on property owners. The information below outlines the discussions related to budget lines that increased outside that the norm. We hope this facilitates positive and constructive dialogue at our Town Meeting on June 5<sup>th</sup> at 6:30 pm.

The Town's current financial status is sound with minimal long-term debt services. According to the draft FY 2023 audit, the Town's Unassigned Funds Balance is \$4.6 million. Of this amount, the Town committed \$660,600 for capital projects and tax minimization during the June 2023 Town Meeting. The Town approved the following uses of the Unassigned Funds:

- \$190,000 for removal and upgrades of Town owned fueling system
- \$205,600 for FY 24 road repairs or improvements to Leach Hill Road, Quaker Ridge Road, Sunny Hill Road, Overlook Lane and Moose Run.
- \$15,000 for purchasing of mobile radios for the Fire Department
- \$250,000 for repairing, ditching, and paving of New Road and South Casco Village Road.

These expenditures were not included in the above audit amounts, which means the current unassigned funds balance is closer to \$3.94 million. Our auditors recommend Towns maintain a 3-month reserve in their unassigned funds which is approximately \$3 million.

### **Planning**

Included in the FY25 draft is funding for a full-time planner. These services are currently contracted, but not completely included in the FY24 budget. The approval of the Comprehensive Plans requires dedicated staff to review and assist with recommendations relating to land usage or non-uses recommended in the Com Plan. Additionally, the Town is experiencing more complex planning applications that require additional review or staff time commitment. In addition, the planner would provide planning services for the Code Enforcement Office and Planning Board. The planner would additionally provide staff support or guidance for the Comprehensive Plan Implementation Committees and Ad Hoc Committee for Complete Streets/Vision Zero. The FY25 budget includes funding for 10 months of employment and benefits. The total estimated costs associated with the position for FY25 are \$93,350.

## **Law Enforcement**

The FY25 budget proposes a contract with Cumberland County Sheriff's Department for 40 hours of dedicated law enforcement services. The current level of law enforcement is provided by Cumberland County rural patrol. These officers are not dedicated to our community and these rural deputies cover a large geographic area. A contracted deputy provides law enforcement coverage dedicated to the contract community. This contract provides greater focus on local problems and more dedicated problem-solving opportunities. A contracted deputy can also provide ordinance enforcement that rural deputies cannot.

The most substantial costs occur in year 1 for these contracted services. The Sheriff's Department estimates the initial equipment purchase at approximately \$113,000 for cruiser, equipment for cruiser and deputy. The Town retains ownership of the cruiser upon separation of the contract or upgrading of the cruiser. The estimated annual costs associated with this contracted law enforcement service is \$155,600.

## **Animal Control**

Animal Control (ACO) services are provided on a regional basis. The ACO covers the Towns of Casco, Naples and Raymond. The ACO is a Casco employee, and we bill the other Towns for their services. The FY25 ACO budget is \$127,789 and Casco receives approximately \$90,000 in revenue. The proposed FY25 ACO budget is increasing by \$15,552 but includes the hiring of a part-time Animal Control Officer to cover the full-time employees' days off.

## **Insurance and Benefits**

Increases in costs associated with employee benefits and insurances associated with daily operation of the Town continue escalating. The most substantial increases are in FICA/Medicare/retirement and our workers compensation insurances.

## **Bulky Waste/Transfer Station**

The portions of the operating budget subsidized by Casco and Naples actually decreased from FY24 to FY25. The noticeable increase is due to a funding model area. Numerous transitions in the Town governments created an loss of institutional knowledge. This created a funding shortfall of Casco's tipping fees for Municipal Solid Waste and Recycling with Eco Maine. The past few years, the fees were absorbed with unexpended funds.

## **Debt Services**

The Debt Service budget for FY25 increases by \$59,932 if the capital budget passes as presented. The proposed budget includes the required bond payment of \$278,438 for the 2017 bond and a lease purchase payment of \$85,494 for the 2023 Fire Engine. The current proposed budget includes utilizing \$176,865 in unassigned funds to pay off the lease purchases for the 2024 GMC one-ton truck and 2023 John Deere Backhoe. If the unassigned funds are not approved, the Town must raise an additional \$59,303 in lease purchase payments.

### **Capital/Road Projects**

The proposed raised and appropriate portion of the capital project budget is \$621,914 is a \$621,914 increase over FY24. This increase does reflect the proposed increase in raised and appropriated funds but does not accurately reflect the funds spent on Capital projects. In FY24, the Town approved the appropriation of \$750,040 from capital accounts and unassigned funds for road projects. In addition, the Town authorized \$410,000 for other capital projects using capital reserve accounts, unassigned funds, and American Rescue Plan Act funds. Thus, the total spent on capital projects was \$1,160,040 on capital projects. This budget proposes utilizing \$333,300 from unassigned funds for 4 capital projects(Meeting House, Community Park, Public Works plow truck and Fire Department portable radios). The 2 major road projects that totaled \$621,914, if approved, would be funded by property taxes. The total proposed capital budget for FY25 is \$955,214 or \$204,826 less than FY24 expenditures. The Selectboard decided to utilize current property taxes because of the necessity for long-term sustained funded for Town roadways. The current estimate to improve roads or maintain roads at a good status is 16 million dollars.