

Town of Camden  
Budget Committee  
Organization  
Meeting  
FY 24-25





# AGENDA

- Welcome & Introductions – Budget Committee Chair
- Election of Chair(s)
- Overview of FY25 Budget Committee Process Changes
- Rules of Order and Procedures – Budget Committee Chair
- Roles & Responsibilities
- Budget Basics
- Overview of Wages & Benefits
- Departmental Overviews (Town Manager, Finance, Planning/Codes/Development & Assessing)
- Other Business

# Welcome & Introductions

Budget Committee  
Member Introduction

Town Staff & Officials  
Introduction

Election of Budget  
Committee Chair(s)

# FY25 Budget Review: Process Changes

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## Monthly meetings from October to January

Background information on budget process, departments and trends/policies/issues that are drivers for the FY25 Budget  
Tour of facilities and amenities (TBD)



## January Workshop

Capital Planning & Debt Schedule  
Committee Project Presentations  
Budgetary Priorities: Select Board & Budget Committee



## March Budget Review Meetings

Focus on budget review  
Joint meetings between Budget Committee & Select Board

# Rules of Order: Examples from Prior Years

**Quorum.** The Chair will announce the number of Budget Committee members in attendance and announce if there is a quorum (at least 6).

**Actions.** To take action, there must be a motion, a second, and a vote. The vote must have a majority of those present pass.

In order to reconsider an item someone must make a motion to reconsider. The motion must be seconded, and it must pass in order to be reconsidered and discussed.

The Committee cannot keep revisiting items that we have considered and voted on. Therefore, if an item has already been reconsidered previously it cannot be reconsidered again unless someone on the winning side makes a motion to reconsider and it must pass by a 2/3 vote.

**Presentation on Departmental Budgets.** The Town Manager or Department Head will present the budgets for all the departments.

**Open Question Period.** The Town Manager and/or Department Heads may field questions during the departmental budget presentations. After the presentation the Chair will open the floor to additional questions about anything in the department budget.

**Approval of Department Budgets.** Once all questions have been answered either a Committee member will make a motion, or the Chair will call for a motion to be made. Once a motion has been approved the Committee will move on to the next department budget for consideration.



# Roles & Responsibilities

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1

## Town Manager:

- Prepare and submit budget preparation and review schedule
- Prepare and submit budget and budget message

2

## Budget Committee:

- Meet during and after the Town Manager Prepares the Budget
- Review Town Manager's Budget
- Make Recommendations to the Select Board

3

## Select Board:

- Meet to review the budget
- Accept public comment on the proposed budget
- Approve the final version of the budget for voter approval

Voter Approval

Budget  
Committee  
is NOT a  
Finance  
Committee

### Budget Committee

- Review & approval of Town's annual budget
- Setting financial goals & allocating financial resources
- Align budget w/ strategic objectives
- Prioritizing the distribution of financial resources

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### Finance Committee

- Oversight of financial operations & management
- Compliance w/ laws, policies & regulations
- Financial sustainability & risk management
- Overall financial health and performance

# Budget Basics



- The preparation and approval of a budget is the single most fundamental policy set by a municipality. It determines what services will be provided, to what extent they will be provided, and how they will be funded. This affects every citizen in our community.



# Budget Basics – Purpose of a Budget

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An accounting document (record & control expenditures)

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A management document (determines who can spend how much)

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Decision-making document (basis for sound decision-making by Select Board & Town Staff)

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Communications document (informing public of how their money is being spent)

# Importance of the Budget Committee

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You're giving us input on Camden's values: where we spend funds defines our principles and our goals for the future

You're helping the Town address the needs/wants of the community while balancing the ability of property owners to pay for services

You're implementing policy: without funding, most policies cannot be implemented

You're helping the Town communicate: you talk to friends, family and neighbors that we may not reach who also vote on the budget

# Important Considerations

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Do not think of this in terms of a singular year: You are building on the foundational work of prior years and creating a platform for future years



The Town is a service delivery organization: any significant spending cuts/increases are service cuts/increases

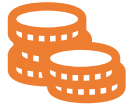


Ask yourself: Is this service important for the community? Is it worth the cost?



Non-tax-based revenues (fees for services) can off-set property tax impacts, but in practice residents don't like paying for services they perceive should be "free" (i.e. imbedded in their property tax bills)

# Budget Basics – Camden’s Budget



Line Item Budget – most common form used by local governments



Allows for a great deal of oversight & control



Connects and reports information on inputs used to produce government services



Does not allow a great deal of flexibility

FY 19 Budget	FY 19 Actuals	FY 20 Budget	FY 20 Actuals	FY 21 Budget	FY 21 Actuals To Date	FY 22 Dept Head	FY 22 Town Manag
376,000	383,076	405,000	403,979	448,000	287,469	462,900	462,
7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,
5,000	1,832	3,000	1,997	3,000	163	2,000	2,
30,000	29,604	32,000	30,691	35,300	22,172	36,400	36,
38,200	38,623	41,000	41,167	45,600	29,596	47,900	47,
143,000	131,100	163,500	162,015	169,000	95,669	169,000	169,
1,000	2,128	1,000	346	1,000	-	1,000	1,
2,400	2,400	2,400	2,400	2,400	1,569	2,400	2,
13,000	10,941	13,000	11,480	12,000	6,886	12,000	12,
13,000	12,108	13,000	12,924	13,500	6,016	13,500	13,
3,000	4,292	3,000	2,597	3,500	1,973	3,000	3,
2,000	1,956	2,000	1,655	2,200	1,511	2,200	2,
500	1,098	500	405	1,000	-	1,000	1,
4,000	2,883	4,000	3,259	4,000	315	3,000	3,
3,000	3,257	3,000	2,675	3,500	3,666	3,900	3,
15,000	14,200	13,000	11,361	15,000	16,101	13,000	13,
1,500	1,429	1,500	1,491	1,500	328	1,500	1,
3,000	1,485	10,000	9,690	10,000	6,303	10,000	10,
9,500	10,366	9,500	4,062	10,000	4,171	10,000	10,
9,300	8,590	9,300	9,807	9,300	8,618	9,300	9,
10,000	7,625	10,000	6,636	10,000	4,015	10,000	10,
20,500	28,050	20,500	17,350	21,000	17,150	21,000	21,
4,500	4,201	4,500	4,544	4,500	1,913	4,500	4,
<b>714,900</b>	<b>708,744</b>	<b>772,200</b>	<b>750,031</b>	<b>832,800</b>	<b>523,104</b>	<b>847,000</b>	<b>847,000</b>
						1.7%	1

# Budget Basics

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## Camden 4 Distinct Budgets:

- General Fund – Contains all the municipal services to be funded by property taxes
- Wastewater – Special Revenue Fund: Revenue needs to match expenses
- Snow Bowl – Special Revenue Fund
- Opera House – Special Revenue Fund



## Other important considerations:

- All grants are treated as special revenue funds & not included in the general fund budget
- Camden Public Library's Budget is 50% privately funded and sits outside general fund
- School Districts and County Budget (though 70% of property tax bills) are separate from our municipal budget and are handled through their respective budget processes

# Current Chart of Accounts

Town Meeting Articles as Seen by Camden Voters

What's Included in Each Department

In Other Words...

<b>General Government</b>	Administration & Finance	Town Manager's Office, Finance/Tax Collection Office
	Professional Services	Town Attorney, Misc. Legal, Engineering Services
	Planning, Code Enforcement, Community Development & Assessing	Code Enforcement/Permitting, Tax Assessing, Community Planning
	Information Technology	GIS, Website, Internet, Hardware, Assessing and General IT Maintenance Services
	Insurances	General Liability, Unemployment, Worker's Comp and Retiree Life Insurances
	Town Office Building	Heat, Water, Sewer, Security, Electricity and Cleaning of First Floor of 29 Elm Street
<b>Public Safety</b>	Police Department	Patrol/Detective/Admin/Animal Control/Parking Enforcement, Uniforms and Gear
	County Dispatch	Annual Fee for Knox Regional Communications - Dispatch Services for PD & FD
	Fire & Rescue	Fire Fighters, Training, Equipment/Gear Maint.,
	Public Safety Building	Heat, Water, Sewer, Electricity and Cleaning
	Hydrant Assessment	Annual Costs to Rent Hydrants from Maine Water Company
	EMS	Staffing, Training, Equipment for EMS Operations and Obligation to NEMHS
<b>Highways, Streets &amp; Bridges</b>	Public Works	Staffing, Equipment, Training, Winter Salt/Sand, Fleet & Plow Maintenance
	Streets & Sidewalks	Maintenance to Streets/Sidewalks, Storm Drains, Culverts and Paving
	Parking Lots	Maintenance for Town Owned Parking Lots
	Tree Program	Maintenance for Existing Town Trees and Planting for New or Replacement Trees
<b>Health &amp; Welfare</b>	Community Services	Annual Support to Area Agencies for the Benefit of Camden Residents
<b>Leisure Services</b>	Camden Public Library	Annual Support to CPL (a Town Owned Property)
	Camden Opera House	Annual Support to Staffing/Events/Programs/Maintenance of Opera House
	Harbor & Public Landing	Staffing for Harbor Operations, Restrooms, General Maint., Software and Equipment
	Recreation	Admin Staffing for Summer Rec. and its Programs, Bus Drivers and Grounds Maint.
	Parks	Staffing for all Town Park Maint., Skate Park Repairs, Trash Removal, etc.
	Dams	Dam Control Agent, General Maintenance for Megunticook, Seabright and Montgomeray Dams
<b>Cemeteries</b>	Cemetery Maintenance	Staffing and Equipment for Maintaining Mt. View, Oak Hill North and Oak Hill South Cemeteries
<b>Debt/Capital/Contingency</b>	Debt Service - Principal	Annual Principal Payments on Town Bonds/Leases/Loans
	Debt Service - Interest	Annual Interest Payments on Town Bonds/Leases/Loans
	Capital Reserves	Appropriated Funds to Save and Utilize for Future Expenses for Equipment, Facilities, etc.
	Capital Improvements	Current Purchases & Improvements to Town Equipment, Facilities and Infrastructure
	Contingency	Appropriated for Unanticipated Expenses Throughout the Fiscal Year

# FY25 Chart of Accounts

Town Meeting Articles as Seen by Camden Voters	What's Included in Each Department	In Other Words...
<b>General Government</b>	Administration & Finance	Town Manager's Office, Finance/Tax Collection Office
	Professional Services	Town Attorney, Misc. Legal, Engineering Services
	Planning, Code Enforcement, Community Development & Assessing	Code Enforcement/Permitting, Tax Assessing, Community Planning
	Information Technology	GIS, Website, Internet, Hardware, Assessing and General IT Maintenance Services
	Insurances	General Liability, Unemployment, Worker's Comp and Retiree Life Insurances
	Town Office Building	Heat, Water, Sewer, Security, Electricity and Cleaning of First Floor of 29 Elm Street
<b>Public Safety</b>	Police Department	Patrol/Detective/Admin/Animal Control/Parking Enforcement, Uniforms and Gear
	County Dispatch	Annual Fee for Knox Regional Communications - Dispatch Services for PD & FD
	Fire & Rescue	Fire Fighters, Training, Equipment/Gear Maint.,
	Public Safety Building	Heat, Water, Sewer, Electricity and Cleaning
	Hydrant Assessment	Annual Costs to Rent Hydrants from Maine Water Company
	EMS	Staffing, Training, Equipment for EMS Operations and Contract w/ NEMHS
<b>Public Works</b>	Public Works/Wastewater	Staffing, Equipment, Training, Winter Salt/Sand, Fleet & Plow Maintenance
		Maintenance to Streets/Sidewalks, Storm Drains, Culverts and Paving
		Maintenance to Town Owned Parking Lots
		Maintenance to Existing Town Trees and Planting for New or Replacement Trees
		Dam Control Agent, General Maintenance for Megunticook, Seabright and Montgomeray Dams
		Staffing, Equipment, Training and Operations of Town Wastewater Facilities & Infrastructure
<b>Community Services</b>	Community Services	Annual Support to Area Agencies for the Benefit of Camden Residents
<b>Culture &amp; Recreation Services</b>	Camden Public Library	Annual Support to CPL (a Town Owned Property)
	Camden Opera House	Annual Support to Staffing/Events/Programs/Maintenance of Opera House
	Harbor & Public Landing	Staffing for Harbor Operations, Restrooms, General Maint., Software and Equipment
	Parks/Recreation/Cemetery Maintenance	Admin Staffing for Summer Rec. and its Programs, Bus Drivers and Grounds Maint.
		Staffing for all Town Park Maint., Skate Park Repairs, Trash Removal, etc.
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# Frequently Used Terms

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**TIF – Tax Increment Financing District:** A defined geographic area where new property taxes (or a portion of new taxes) generated by a specific project or projects are set aside to be used to finance public or private projects for a defined period of time of up to 30 years. Camden has 2 TIF Districts: The Downtown TIF District & Highway TIF District.

**Retiring Debt** – When the Town completely pays off the principal on a bond or note.

**COLA** – Cost of Living Adjustment. When wages are adjusted to keep pace with inflation. The Town traditionally uses the social security index.

**Surplus/Unassigned Fund Balance:** Currently \$2,600,000. Best practice is to have enough funding available to sustain government operations for a period of approximately 2 months. To meet this benchmark Camden needs approximately \$2 million in our unassigned fund balance.



# Budget Impact on Taxes

- Tax rate (mil rate) is calculated by dividing the total municipal appropriation (expenses minus revenues) and school and county appropriation by the Town's valuation

Current mil rate calculation: **\$23,233,213**

Total Amount to be raised through local property taxes:  
School Assessment, County Assessment & Municipal  
Appropriation

Total Valuation: Real  
Estate & Personal  
Property

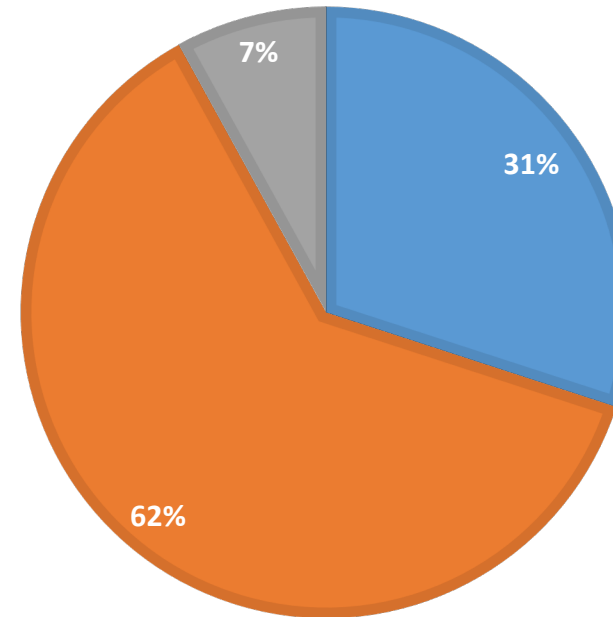
**\$1,694,784,331**

= **\$13.80/\$1,000 of value (current mil rate)**

# Impact on Taxes

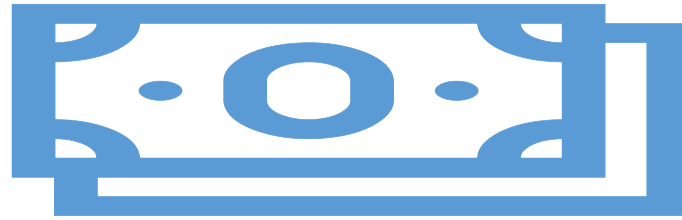
## DISTRIBUTION

■ Municipal ■ School ■ County



- The Budget you ultimately recommend accounts for 30% of your tax bill.
- The remaining 70% of your tax bill is determined by a combination of the School District and County

# Impact on Taxes



To reduce the tax rate 1 cent, we would have to cut spending by \$13,200, or increase *revenues* by \$13,800.

To reduce the tax rate 10 cents, we would have to cut spending by \$138,000, or increase revenues by \$138,000.

To reduce the tax rate by \$1.00 we would have to cut spending by \$1.38 million, or increase revenues by \$1.38 million.

To reduce the tax rate by 1 cent the *assessed value* needs to grow by \$1,380,000

To reduce the tax rate by 10 cents the *assessed value* needs to grow by \$13,800,000

To reduce the tax rate by \$1.00 the assessed value needs to grow by \$138,000,000

# FY 24-25 Challenges



Competition for (municipal) employees is fierce statewide, particularly in certain professions (Police, Fire/EMS, Assessing, Managers)



The housing crisis in Camden makes employee recruitment especially/uniquely challenging.



Emergency Medical Services costs will significantly increase.



Major infrastructure investment is necessary: Our infrastructure is aging and not designed to handle the impacts of climate change.



Strong desire amongst residents for additional spending on amenities, beautification, recreation, cultural services.


# Employee Benefits – Decision Making Authority

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Article IX of the Camden Personnel Policy identifies insurance and retirement benefits offered to employees




Insurance and retirement benefits for Police Officers are negotiated as part of their collective bargaining agreement with the Town




The Select Board has the authority to review the level of employee contributions to health insurance and choose the Town's insurance carrier

# Employee Compensation – Decision Making Authority

Article X of the Camden Personnel Policy states that employees will be paid on a basis that is commensurate with salaries and wages for comparable public and private work in this geographic area, and that this plan will attract and retain well qualified employees.



The Town Manager shall maintain a Step and Grade Pay Plan for all full time employees, which is the basis of compensation.



The Select Board has the authority to review the compensation plan

# Budget Committee is NOT a Personnel Committee

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## Budget Committee

- Review & approval of Town's annual budget
- Setting financial goals & allocating financial resources
- Align budget w/ strategic objectives
- Prioritizing the distribution of financial resources

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## Personnel Committee

- Development of policy recommendations around employee treatment, rights, obligations and relations
- No longer recommended due to liability issues
- By Camden's Charter and by Statute the Town Manager is responsible for setting employee compensation rates and administering the benefits as per the Personnel Policy