



Town of Windham

2025-2026
Proposed Budget

Budget Components

- Revenues
 - Revenue Sharing
 - Homestead
 - BETE (Business Personal Property)
 - Municipal Fees (permits, etc.)
 - Grants
 - General Taxes
 - Undesignated funds and reserve funds
- Expenditures
 - County Tax
 - Municipal budget
 - RSU Budget
 - TIF Budget
 - Overlay
- Net Amount determining Mil Rate

Budget Drivers and Influences

- **Projected Stable and slightly increasing Revenues**
- **General Operating Budget**
- **Fixed expenses;**
 - Insurances
 - Workers Comp, General Liability & Casualty, Health Care.
 - Contractual obligations (service suppliers, GPCOG, MMA, etc.)
 - Energy (electric, propane gas, diesel and gas)
 - Long Term Contracts, Debt expenditures, Wage adjustments
- **Personnel changes/additions**
 - General Assistance (January)
 - Be The Influence (BTI) staff support thru FY26

Budget Comparison (Year to Year)

| | 24/25 Approved Budget | 25/26 Manager's | Overall Increase 25 to 26 |
|----------------------|--------------------------|---------------------|---------------------------------|
| Revenues | \$18,083,104 | \$21,280,329 | 17.68% |
| Town Expenses | \$33,497,270 | \$37,679,954 | 12.87% |
| Overlay | \$205,790 | \$205,790 | 0 |
| TIF | \$1,263,110 | \$1,263,110 | 0 |
| Municipal Net | \$15,414,166 | \$16,399,625 | 6.39% |
| RSU14 | \$28,096,394 | \$30,376,560 | 8.1% |
| County | \$2,012,255 | \$2,157,074 | 7.2% |
| Total | \$46,991,715 | \$50,402,159 | 7.26% |

Mill Rate Comparison (Year to Year)

| | 24/25 Approved Budget | 25/26 Manager's | Overall Increase 25 to 26 | Overall Increase 25 to 26 as a Percentage % |
|------------------|-----------------------------|--------------------|---------------------------------|---|
| Municipal | 4.12 | 4.32 | 0.20 | 4.85% |
| RSU14 | 6.86 | 7.34 | 0.48 | 7.00% |
| County | 0.49 | 0.52 | 0.03 | 6.12% |
| Total | 11.47 | 12.18 | 0.71 | 6.19% |

\$400,000 assessed single family home X \$0.20/\$1,000 = \$80 tax increase

\$80 distributed over 12 months is \$6.67 per month

Comparative Mil Rates 24/25

TAX RATE - LOCAL COMMUNITIES

| | <u>FY24</u> | <u>FY25</u> | |
|----------------|-------------|-------------|---------|
| SEBAGO | 12.98 | 13.64 | |
| WINDHAM | 11.20 | 11.47 | ➡ 12.18 |
| FALMOUTH | 12.64 | 13.38 | |
| GORHAM | 13.75 | 14.70 | |
| NEW GLOUCESTER | 14.29 | 14.89 | |
| GRAY | 15.18 | 9.70 | |
| STANDISH | 13.85 | 12.60 | |
| RAYMOND | 15.90 | 17.20 | |
| WESTBROOK | 16.68 | 14.75 | 15.32 |
| CUMBERLAND | 22.15 | 23.25 | |

COLA Increases

| Towns/Cities | As of 7/1/22 | As of 7/1/23 | As of 7/1/24 | Projected 7/1/25 |
|----------------|-----------------|-----------------|-----------------|---------------------|
| Brunswick | 5 | 6 | | 0-36hr / 5 union |
| Cape Elizabeth | 5 | 5 | 3 | |
| Casco | | 6 | 3.5 | |
| CumberlandCty | 6 | 6 | 3 | |
| Cumberland | 3.5 | 6 | 5 | 3 / 4 union |
| Falmouth | 5 | 5 | 3.6 avg | |
| Freeport | 5.6 | | 4.6 | 3.5 |
| Gorham | | 5.9 | 4 | 7 |
| Scarborough | 4 | 4.7 | 4.7 | |
| Standish | 5 | 7 | 4 | 3.5 |
| South Portland | 3 | 6 * Avg. | 3 | |
| Yarmouth | 4 | 5.5 | 3.5/4.5 | 4 |
| AVERAGE | 4.5% | 5.75% | 3.85% | |
| WINDHAM | 3% | 6.5% | 3% | 3.5% |

Potential Manpower Challenges

| Dept/Positions | FY26 | | FY27 | FY28 | FY29 |
|--|------|--|-------------|-------------------------------|------|
| | | | Projections | | |
| Operations Mgr. in FY25 budget | | | | | |
| Truck Drivers Laborers | | | 1 | | |
| Grounds Maintenance | | | 1 | Outsource Gambo Fields | |
| Patrol Officer | | | | | 1 |
| FF EMT's | | | | | |
| FF EMT Lieutenant | | | 2 | 1 | 1 |
| Recreation Programmer and Facilities Staffing | | | 1 | 1 | 1 |
| Community Center Staffing | | | | 2 | |
| General Assistance | 1 | | | | |
| Totals | 1 | | 5 | 4 | 3 |

Potential Projects



North Windham Public Safety Bldg



Gambo Fields Park
TOWN OF WINDHAM



Future Community Center



North Windham Ice Rink and Park

Potential Town Projects & RSU Committed Timelines

| Potential Projects | 25/26 | 26/27 | 27/28 | 28/29 | Est. Cost | Method of Payment |
|--|---------------|-------------|-------------|--------------------|---------------|---------------------------|
| Gambo Park | X Approved | X Bonded | X Bonded | | \$3.0M | Fund Balance & Bond |
| Waste Disposal- Cummings | X Approved | X Bonded | | | \$0.5M | TIF Bond |
| Old NW Fire Station Incubator | | | | X Approved&Bond | TBD | TIF Bond |
| New North Windham Public Safety Building | X Approved | X Bonded | | | \$10M | Fund Balance & Bond & TIF |
| Ice Rink and Playground | X | | | | \$3.0M | Fund Balance & Bond |
| Community Center | | | | | TBD | Fund Balance & Bond |
| RSU New Middle School | X | X | X | X | 39M 30M/9M | Bond Windham/Raymond |
| | | | | | | |

Capital Items

Projects/Equipment included in upcoming budget

- New Radio Equipment and New Tower at Central (Tower by Verizon)
- Gambo Fields & Park Land
- New North Windham Public Safety Building (Fire Station/Police Station/Cumb. Co. Sheriff)
- Central Park Ice Rink & Playground in North Windham w/ Public Safety Building
- Public Road Projects – Maintenance and Paving, Varney Mill Estates Drainage (partial)
- Community Center (Old Middle School)
- Continuance of Smith Cemetery project
- Plow Trucks and pickup for DPW – Wheeler and Single Axle Dump trucks, 1-ton
- Forbes Lane Park (grant funding eligible)
- Digital Signs for Central Station and North Windham Fire Station
- Solar Lease Buyout at the Landfill
- 2 EV cars

Capital Projects

Projects- In Process

- Smith Cemetery \$75,000
- Projected North Windham Public Safety Building
- Solar Panels at Town Hall \$100,000
- Town Hall Conference Rooms/Lunch Area
- Public Works Laydown Yard (shared with Portland Water District)
- HVAC replacement at Town Hall \$100,000
- Gravel Road Reconditioning \$200,000
- River Road/Rte202 Pedestrian Intersection Improvements
- South Windham Sidewalk (Blue Seal/Depot Street)
- East Windham Conservation Universal Trail
- North Windham Wastewater Treatment System
- North Windham Moves Project (rear access roads, adaptive tech signals, bike/ped facilities)
- N.W. Public Safety Building design/engineering
- Community Center (Middle School Re-use) preliminary design/engineering

Long- and Short-Term Debt

| Long Term Debt(Bonds) | \$6.316m GF Bond | TIF Bond | Fund Balance | Total |
|---|----------------------|-------------|-----------------|----------------------|
| Waste Disposal (Sewer) Cummings Prop. | | \$0.5M | | \$0.5M |
| New NW Public Safety Bldg to include + \$1.1M Impact Fees | \$2.5M | \$4.0M | \$2.4M | \$10M |
| New NW Ice skating rink & Playground | \$1.5M | | \$1.5M | \$3.0M |
| Gambo Park | \$1.5M | | \$1.5M | \$3.0M |
| Solar Lease Buyout (TBD) | \$815,601 | | | \$815,601 |
| | \$832,414 | | | \$832,414 |
| Short Term Debt (Lease Purchase) | | | | |
| Radio Equipment, FD Car 1, 10-wheel plow truck, pickup truck | \$1.287M | | | \$1.287 |
| Reserves for Future Debt to level payments | | | -\$250,000 | -\$250,000 |

Legal Debt Limitation is 15% of State Valuation \$4,103,400,000 or \$615,510,000. The Town's portion of the municipal debt is \$26,850,800 or 0.65% of the state valuation. Bonding Agencies recommend that an average of 12 to 14% of the total operating budget as debt service is consistent to addressing infrastructure needs.

Capital Project Cost Impact to Homeowner

| Proposed Projects | Total Cost | Bond Amount Paid by TIF | Bond Amount Paid by Unassigned Fund Balance | Bond Amount Paid by Public Safety Impact Fees | Bond Amount Paid by General Fund | Calculation to Mil Rate | Annual Taxes Based on \$400,000 Home | Monthly Cost |
|---|---|-------------------------|---|---|----------------------------------|-------------------------|--------------------------------------|--------------|
| Gambo Park Will include additional playing fields, recreational amenities, a new road and improved parking between the existing soccer fields and the park. | \$ 3.0 million | | \$ 1.5 million | | \$ 1.5 million | \$ 0.03 | \$ 12.00 | \$ 1.00 |
| North Windham Public Safety Building The new public safety building will also be home to the Cumberland County Sheriff's Office. | \$ 10.0 million <i>bond \$6.5 million</i> | \$ 4.0 million | \$ 2.4 million | \$ 1.1 million | \$ 2.5 million | \$ 0.05 | \$ 20.00 | \$ 1.67 |
| North Windham Public Ice Rink & Playground A new park in North Windham next door to the new Public Safety Building location to have an ice rink and play ground area. | \$ 3.0 million | | \$ 1.5 million | | \$ 1.5 million | \$ 0.03 | \$ 12.00 | \$ 1.00 |
| Solar Panel Buyout Enterprise Drive Solar Field lease buyout equals bond payment - Does not affect tax rate. | \$ 815,801.00 <i>offset by CMP Savings Account</i> | | | | | | | |
| Waste Water Expansion Area Wastewater expansion area to direct treated effluent. Paid by TIF - Does not affect taxes. | \$ 500,000.00 | \$ 500,000.00 | | | | | | |

Undesignated Fund Balance Usage

- Less GASB 16.67% and assigned funds \$6,561,121 is available
 - North Windham Public Safety Bldg \$2,400,000
 - Ice skating area and playground \$1,500,000
 - Gambo Field Improvements \$1,500,000
 - Transfer into Operations Budget \$750,000
 - Separation Pay \$149,749
 - Electric Vehicles \$40,000
 - Total \$6,339,749
 - Remaining Unassigned available funds \$221,372
 - Total fund reserves (GASB and assigned) \$15,380,418

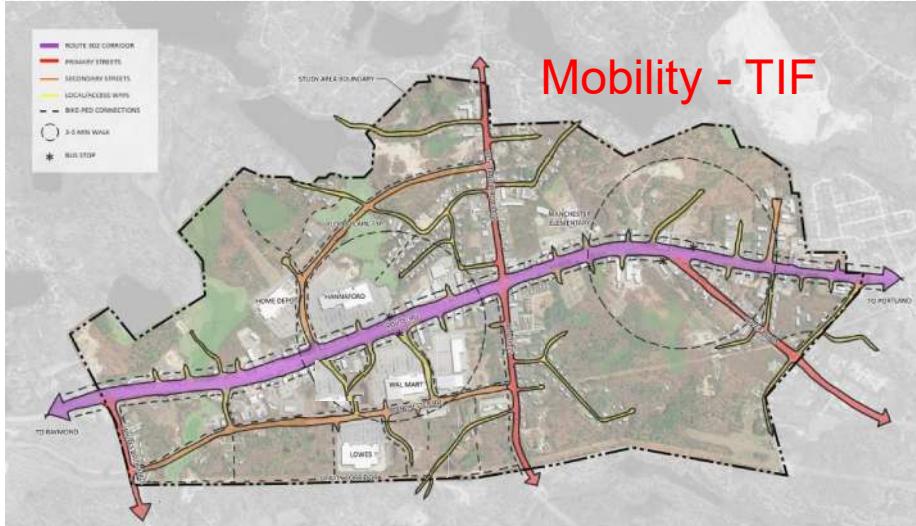
Windham Fund Balance Policy: To maintain a combined unrestricted fund balance in the general fund and the specified special revenue funds at 16.67% of the subsequent year's budget defined as the total municipal appropriations, school district assessment, and county taxes. In the event that the unrestricted fund balance drops below the target of 16.67% the Town will develop a plan, implemented through the annual budgetary process, to bring the balance to the target level. Once the target of 16.67% is reached, any portion of the unassigned fund balance above the target may be used to fund the capital needs of the community or reduce property taxes in any subsequent year as deemed appropriate by the Town Council.



Major Projects provided by TIF's

- Major Projects
 - **NW Mobility local access roads**, TIF* (10% Town, 10% State, 80% Fed)
 - **NW Wastewater Treatment Facility**, TIF (SRF** @ 2.0% 30 yrs.)
 - Environmental impacts; aquifer, phosphorous/nitrogen.
 - Economic Impacts; valuation, & jobs.

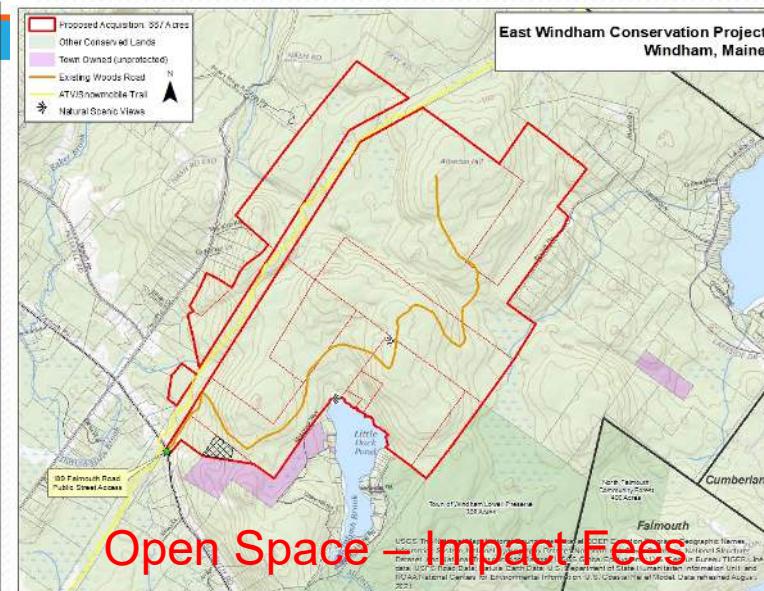
Mobility- Wastewater-Open Space



Wastewater Treatment - TIF

Three Major Projects

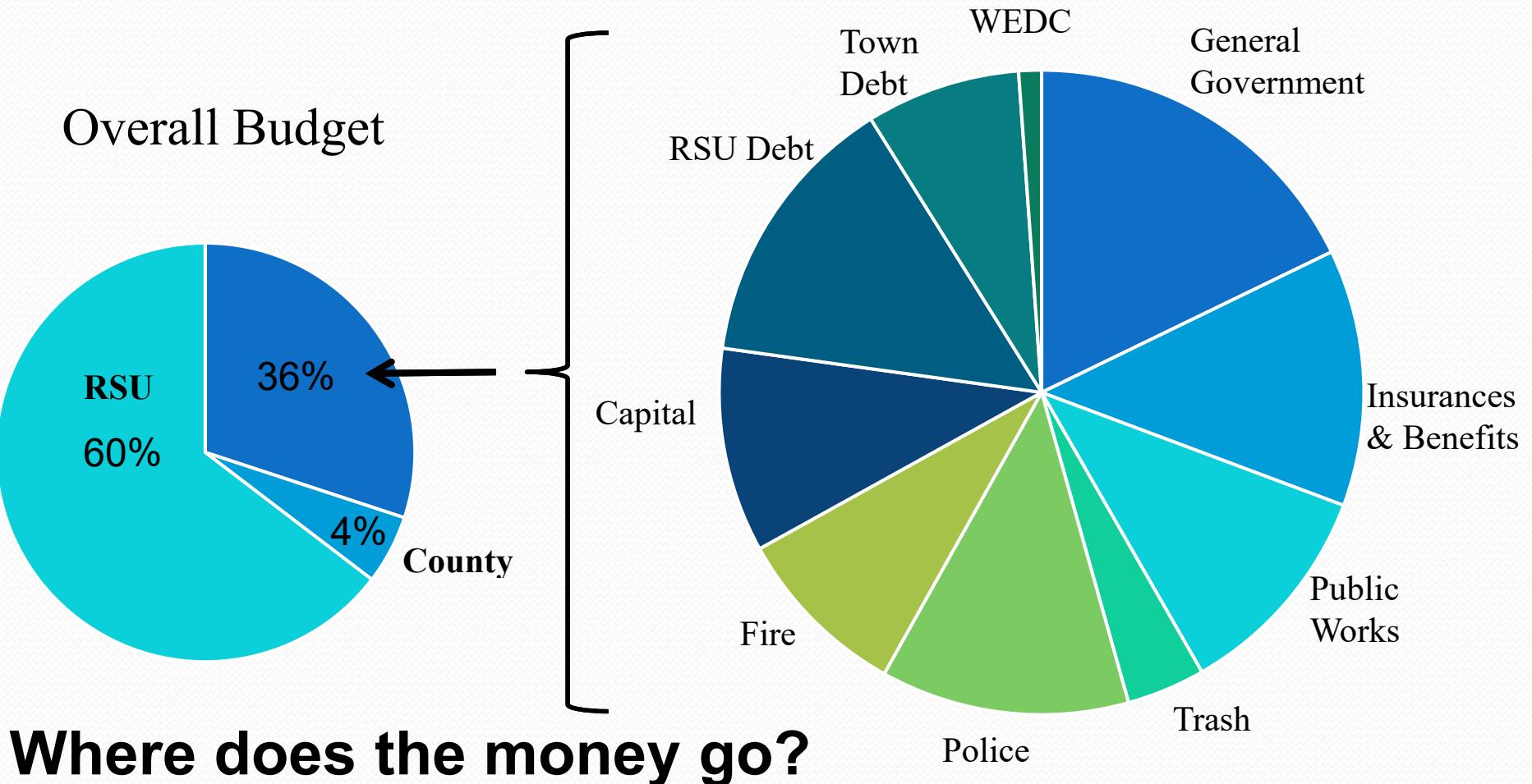
- NW Mobility local access road
- NW Wastewater Treatment Facility
- Windham Open Space Preservation



Open Space – Impact Fees

FY25/26 Budget Allocation

Municipal Budget



Budget Implications

This proposed budget addresses:

- Long Term Capital Project Investments;
- Capital Equipment Investments
- Capital Investment in Existing Infrastructure (roads and facilities)

Future Economic Concerns

- Federal Level – Potential Tarriff Impacts on budget and future revenue projections
- State Level – Numerous bills could impact budget
 - Citizen Budget Veto
 - Excise Tax reduction

Safety Measures in Budget

- Revenue projections on numerous line items are projected conservatively to weather normal market adjustments.
 - Excise tax, permitting fees, revenue sharing, interest earnings, etc.
- Utilizing residual capital funds towards long-term capital items reducing total capital outlay for 2025-2026.
- Additionally at the Annual Town Meeting (Saturday, June 14th) a warrant article will provide the authority for the Town Council to move funds from Unassigned & Assigned fund balance as necessary to meet obligations.
- Additional TIF districts can provide funds for sewer bond payments as a bridge if necessary, depending on market conditions.
- Impact fees provide additional revenue assurance for Sewer Project and North Windham Public Safety Building.

Projected Valuation Increases next 7 years

| Projected value increases | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|--|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------|-----------|
| April 1 valuation date | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| Vintage Apts (30) | Boody's C | 6,000,000 | | | | | | |
| Fieldings Condos (24) | Boody's C | 1,390,900 | | | | | | |
| Depot St Apts (completion) (30) | SWFS/Depot | 5,773,000 | | | | | | |
| Microtel Apts (50) | Gateway A | | 10,000,000 | | | | | |
| Anglers Road Apts (24) | Gateway A | | | 4,320,000 | | | | |
| Turning Leaf Apts (146) | Boody's C | | | 10,800,000 | | | | |
| Windham Village Apts (partial) (172) | Boody's C | | | 10,000,000 | | | | |
| New Gen Apts (partial) (400) | Boody's C | | | 30,000,000 | | | | |
| Turning Leaf Condos (32) | Boody's C | | | | 9,600,000 | | | |
| Windham Village Apts (partial) | Boody's C | | | | 18,000,000 | | | |
| South Windham Industrial (est) | SW Industrial | | | | 5,000,000 | | | |
| New Gen Apts (partial) | Boody's C | | | | 40,000,000 | | | |
| Turning Leaf Apts (60) | Boody's C | | | | | 12,000,000 | | |
| Windham Village Apts (partial) | Boody's C | | | | | 6,400,000 | | |
| New Gen Apts (partial) | Boody's C | | | | | 30,000,000 | | |
| New Gen Hotel | Boody's C | | | | | | 15,000,000 | |
| First Light Condos (60) | Gateway South | 10,000,000 | 10,000,000 | 10,000,000 | | | | |
| Projected Total Valuation Increases | | 23,163,900 | 75,120,000 | 82,600,000 | 48,400,000 | 15,000,000 | | |
| Project units over next 6 years | 103 units | 103 units | 103 units | 103 units | 103 units | 103 units | 103 units | 103 units |

To pay for \$51.2 million the Town
needs 250 million in new valuation

Coming off line
Pipeline
9,986,400
Approx. Total 243M

Blue is approved

Units represent – Condo's, Apartments 3 units and up, Townhouses, Duplex's

Landowners/Market determine development type (store, Apt, etc.) based on zoning

TIF Revenues less Bond Payments

| Description | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| TIF Revenues | \$1,162,298 | \$1,247,072 | \$1,993,998 | \$2,826,720 | \$3,381,868 | \$3,553,918 |
| Phase 1 Bond | \$1,819,000 | \$1,819,000 | \$1,819,000 | \$1,819,000 | \$1,819,000 | \$1,819,000 |
| Phase 2 Bond | | \$300,000 | \$625,000 | \$625,000 | \$625,000 | \$625,000 |
| Expansion Rte 302 (N) Side (Donna Beth Park) | | | | \$150,000 | \$150,000 | \$150,000 |
| Expansion Rte 302 (S) Side (Donna Beth Park) | | | | \$150,000 | \$150,000 | \$150,000 |
| Expansion Drip Dispersal (154K to 320K Gallons) | | | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Expansion New Drip Dispersal Field | | | | \$300,000 | \$300,000 | \$300,000 |
| Contingency (Cash) | | | \$250,000 | \$250,000 | \$250,000 | \$250,000 |
| New MBR Train/Thickening | | | | \$300,000 | \$300,000 | \$300,000 |
| Fire | | | \$250,000 | \$325,000 | \$325,000 | \$325,000 |
| Balance | (\$656,702) | (\$871,928) | (\$775,002) | (\$842,280) | \$312,868 | \$115,082 |

Current TIF Balance is approximately \$3,000,000

FY25/26 Budget Timeline

Timeline for the Town meeting