CITY OF GARDINER, MAINE

– INCORPORATED 1849 –

FY27 Proposed Budget

Prepared & Presented by:
Denise Brown, Interim City Manager
& Department Directors

May 20, 2026

Department Requests

Up $935,213 (11%)

- The initial budget included two added FF/Paramedics, an added Police Officer and part-time administrative support, $100K towards parking lot paving, and $225K for sidewalks
- This would have required an additional $2.00 on the mil rate

City of Gardiner

FY27 Budget Summary by Department

Department	FY26 Approved	FY27 Proposed	$ Change	% Change
General Government	$ 1,137,765	$ 1,233,927	$ 96,162	8.45%
Technology	$ 183,334	$ 182,340	$ (994)	-0.54%
Police	$ 1,609,659	$ 1,847,935	$ 238,276	14.80%
Fire	$ 1,796,738	$ 1,888,143	$ 91,405	5.09%
Buildings & Grounds	$ 288,435	$ 274,376	$ (14,059)	-4.87%
Highway	$ 2,299,363	$ 2,733,044	$ 433,681	18.86%
Library	$ 599,558	$ 636,082	$ 36,524	6.09%
Economic Development	$ 263,538	$ 306,058	$ 42,520	16.13%
Community & Social Services	$ 235,421	$ 247,119	$ 11,698	4.97%
CITY BUDGET TOTAL	$ 8,413,811	$ 9,349,024	$ 935,213	11.12%
OVERLAY	$ 54,734	$ 25,342	$ (29,392)	-53.70%
MSAD 11/EDUCATION ASSESSMENT	$ 5,150,291	$ 5,150,291	$ -	0.00%
COUNTY ASSESSMENT	$ 728,636	$ 728,636	$ -	0.00%
GRAND TOTAL BUDGET	$ 14,347,472	$ 15,253,293	$ 905,821	6.31%
PROJECTED REVENUE	$ (14,347,472)	$ (15,253,293)	$ (905,821)	6.31%
Deficit	$ -	$ -	$ -	

Interim City Manager Cuts $592,997

Public Works -$440,900

- Defers 1st payment on three capital purchases to FY28
- Removed $50K in Gardiner Main Street parking lot paving and $50K in funding towards the Arcade parking lot project
- Remove $225K for sidewalk replacement
- Reduced engineering (use TIF funds or grant money if Waterfront Improvements start)

Fire -$93,192

- Removed two requested swing positions cutting $54,642 (29% of the wages and benefits) from the General Fund
- This also reduces Gardiner's share for the Ambulance Service by $38,550

General Government, Economic Development, and Police -$58,905

- Use TAP SR funds to pay the final $25K for the revaluation
- Remove part-time admin support in Econ Dev Dept
- Use Drug Forfeiture SR funds to pay for new cruiser laptop and remove taser cartridges

FY27 Proposed Budget $8,756,027

Up $342,216 (4%)

- The Police Department bears 67% of this years increase due to an added floater position, changes in health insurance coverages, and a new cruiser with setup charges
- This proposal adds .60 on the mil rate

City of Gardiner

FY27 Budget Summary by Department

Department	FY26 Approved	FY27 Proposed	$ Change	% Change
General Government	$ 1,137,765	$ 1,208,927	$ 71,162	6.25%
Technology	$ 183,334	$ 182,340	$ (994)	-0.54%
Police	$ 1,609,659	$ 1,840,392	$ 230,733	14.33%
Fire	$ 1,796,738	$ 1,794,951	$ (1,787)	-0.10%
Buildings & Grounds	$ 288,435	$ 274,376	$ (14,059)	-4.87%
Highway	$ 2,299,363	$ 2,292,144	$ (7,219)	-0.31%
Library	$ 599,558	$ 636,082	$ 36,524	6.09%
Economic Development	$ 263,538	$ 279,696	$ 16,158	6.13%
Community & Social Services	$ 235,421	$ 247,119	$ 11,698	4.97%
CITY BUDGET TOTAL	$ 8,413,811	$ 8,756,027	$ 342,216	4.07%
OVERLAY	$ 54,734	$ 22,283	$ (32,451)	-59.29%
MSAD 11/EDUCATION ASSESSMENT	$ 5,150,291	$ 5,150,291	$ -	0.00%
COUNTY ASSESSMENT	$ 728,636	$ 728,636	$ -	0.00%
GRAND TOTAL BUDGET	$ 14,347,472	$ 14,657,237	$ 309,765	2.16%
PROJECTED REVENUE	$ (14,347,472)	$ (14,657,237)	$ (309,765)	2.16%
Deficit	$ -	$ -	$ -	

FY27 Capital Requests

Dept/Funding	Class	Project Title	Notes	Est. Cost	FY27	FY28
Police Department						
Lease/Purchase (5 yr)	Vehicle	2026 Ford Explorer (replace 2016 Chiefs car)	To be used as pool vehicle	$ 48,000.00	$ 11,100.00	$ 11,100.00
Public Works						
Lease/Purchase (5 yr)	Vehicle	2015 Chevy Silverado 3500 1-ton Black Dump	Deferred first payment to FY28	$ 80,000.00		$ 18,500.00
Lease/Purchase (5 yr)	Equipment	Wacker Neuson Wheel Loader (added piece)	Deferred first payment to FY28	$ 100,000.00		$ 23,100.00
Lease/Purchase (15 yr)	Equipment	Snowthrower (replaces 2012 equipment)	Deferred first payment to FY28	$ 190,000.00		$ 18,300.00
One-time Purchase	Equipment	Excavator Trailer (10-ton 25')	Use money from sale of 2012 snowthrower	$ 15,000.00	$ -	
Bond (10-yr)	Infrastructure	Salt Shed	Use current shed to house/cover the sand	$ 290,000.00	$ 37,500.00	$ 37,500.00
Ambulance Fund						
Use of Fund Balance	Vehicle	Rechassis Rescue 2		$ 275,000.00		
Use of Fund Balance	Vehicle	Chevy Tahoe - replace with fly-car		$ 100,000.00		
WasteWater Fund						
Lease	Vehicle	GMC Pick-up replace with 1-ton with lift gate	Replaces 2009 Vehicle	$ 75,000.00	$ 14,776.00	$ 14,776.00
			TOTALS	*$ 1,173,000.00*	*$ 63,376.00*	*$ 123,276.00*

Revenue

Highlights

- State Revenue Sharing increased by $264,573 (23%)
- Reduced Use of Fund Balance by $100K

City of Gardiner

FY27 Revenue Summary by Category

Category	FY26 Approved	FY27 Proposed	$ Change	% Change
Taxes (net of TIF Transfers)	$ 11,020,547	$ 11,155,463	$ 134,916	1.22%
Licenses & Permits	$ 61,500	$ 61,500	$ -	0.00%
Intergovernmental	$ 2,141,470	$ 2,428,408	$ 286,938	13.40%
Charges for Services	$ 49,800	$ 49,800	$ -	0.00%
Other	$ 307,000	$ 282,000	$ (25,000)	-8.14%
Transfers	$ 167,155	$ 180,066	$ 12,911	7.72%
Use of Fund Balance	$ 600,000	$ 500,000	$ (100,000)	-16.67%
GRAND TOTAL BUDGET	$ 14,347,472	$ 14,657,237	$ 309,765	2.16%

FUND BALANCE

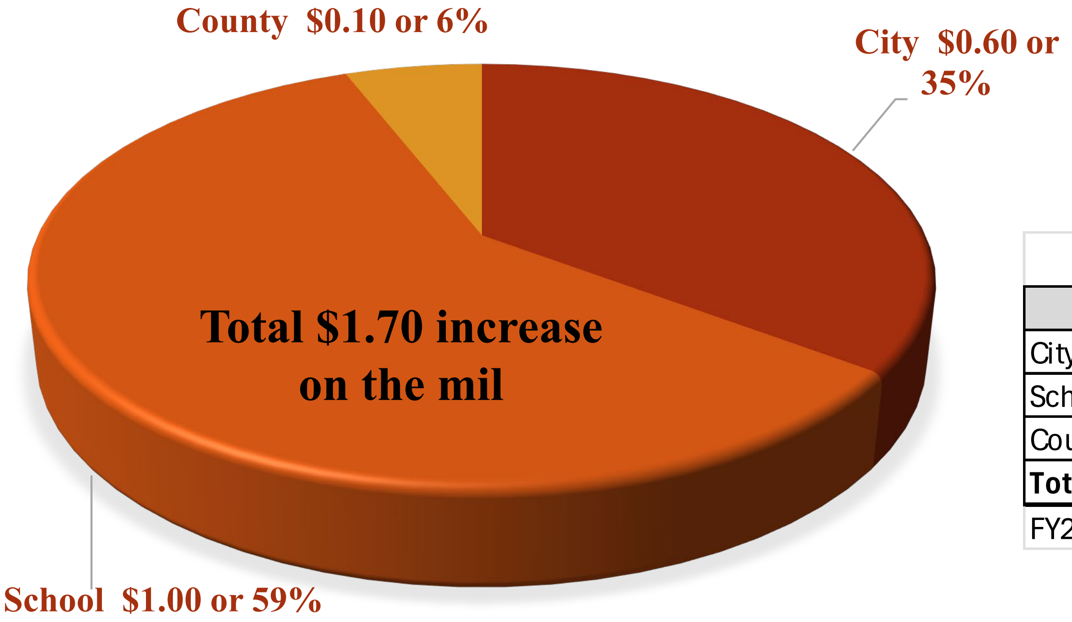
- **This budget proposes to use $500K in unassigned fund balance, putting the projected fund balance at 18.75%**
- **Auditors recommend 2-3 months of operating expenditures or 16.6%-25%.**
- **Using $100,000 less would increase the mil by approximately .25 and leave a fund balance of 19.4%**
- **Conversely, using $100,000 more would reduce the mil rate by about .25 but put the fund balance at 18%**

City/School/County

City of Gardiner

FY27 Budget Summary

Category	FY26 Approved	FY27 Proposed	$ Change	% Change
OPERATING	$ 7,826,440	$ 8,316,237	$ 489,797	6.26%
CAPITAL/DEBT	$ 587,371	$ 439,790	$ (147,581)	-25.13%
CITY BUDGET TOTAL	$ 8,413,811	$ 8,756,027	$ 342,216	4.07%
OVERLAY	$ 54,734	$ 33,718	$ (21,016)	-38.40%
MSAD 11/EDUCATION ASSESSMENT	$ 5,150,291	$ 5,573,812	$ 423,521	8.22%
COUNTY ASSESSMENT	$ 728,636	$ 760,272	$ 31,636	4.34%
GRAND TOTAL BUDGET	$ 14,347,472	$ 15,123,829	$ 776,357	5.41%
PROJECTED REVENUE	$ (14,347,472)	$ (15,123,829)	$ (776,357)	5.41%
Deficit	$ -	$ (0)	$ (0)	



Mil Rate Impact

	FY25	FY26	FY27 Proposed	$ 3-Year Inc	% 3-Year Inc
City	$ 0.50	$ -	$ 0.60	$ 1.10	26%
School	$ 1.00	$ 0.45	$ 1.00	$ 2.45	57%
County	$ 0.40	$ 0.25	$ 0.10	$ 0.75	17%
Totals	**$ 1.90**	**$ 0.70**	**$ 1.70**	**$ 4.30**	**100%**
FY24 rate - 23.70	$ 25.60	$ 26.30	$ 28.00		

5-Year Shift in % of Taxes & % of Budget

Percent of Taxes							
Category	FY22	FY23	FY24	FY25	FY26	FY27 Proposed	5-Year Shift
City	46.27%	45.85%	44.36%	44.78%	44.53%	44.35%	-1.92%
School	48.50%	48.80%	50.50%	49.12%	48.60%	48.97%	0.47%
County	5.23%	5.34%	5.14%	6.10%	6.88%	6.68%	1.45%
Totals	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	

Share of Budget by Category							
Category	FY22	FY23	FY24	FY25	FY26	FY27 Proposed	5-Year Shift
City	60.86%	61.15%	59.46%	57.98%	57.54%	57.06%	-3.80%
School	35.33%	35.01%	36.79%	37.38%	37.20%	37.79%	2.46%
County	3.81%	3.83%	3.75%	4.64%	5.26%	5.15%	1.34%
Totals	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	

Though the School makes us 38% of the budget expenses, they require almost 50% of the property tax revenue

FY27 Tax Increment Finance District (TIF)

$2,008,026

Libby Hill Expenses	
Detention Pond Maintenance	10,000
Harrison Ave-Cobbossee Stream Bank Stabilization	100,000
Arcade Parking Lot Capital Improvement Project	300,000
Waterfront Capital Improvement Project	100,000
Credit Enhancement Payments	36,286
Transfer to General Fund	300,000
Debt Service/Libby Hill Phase II	206,883
Total Expenses	**1,053,169**
Downtown Expenses	
Harrison Ave-Cobbossee Stream Bank Stabilization	50,000
Arcade Parking Lot Capital Improvement Project	400,000
Credit Enhancement Payments	17,255
Total Expenses	**467,255**

Central Maine Crossing Expense	
CEA-Project Account (40%)	39,101
Transfer to General Fund	40,613
Facility Capital Improvement Project	180,000
Total Expenses	**259,714**
Summer St Affordable Housing Expense	
Credit Enhancement Payment	8,194
Education	8,194
Total Expenses	**16,388**
Commonwealth Expense	
Credit Enhancement Payment	30,000
Facility Capital Improvement Project	160,000
Total Expenses	**190,000**
Iron Heights Affordable Housing Expense	
Credit Enhancement Payment	10,750
Downtown Parking Upkeep & Improvement	10,750
Total Expenses	**21,500**

Proposed transfer of $340,613 back to the General Fund

AMBULANCE SERVICE

$2,543,079

Formula to bill Members	
Budget	$ 2,543,079.00
Individual & Insurance Bills	$ (1,800,000.00)
Net Budget to be covered	$ 743,079.00
50% Per Capita	$ 371,539.50
50% Usage	$ 371,539.50

This budget is up $216,050 (9.3%)

95% of this increase is in the Wages & Benefits due to the 5-year transition back to an 80/20 split between Fire and Ambulance (from the 65/35 model), contractual increases, and a 10% increase to the health insurance.

Town	Population	50% Per Capita	Ave 3 Year Call Vol	% of Incidents	50% Usage	Total Base Fee	FY27 Uncoll.	Grand Total	FY26 Total	Dollar Diff	% Diff
Chelsea (1/2)	1,389	20,048	232	7%	25,214	45,261	8,139	53,400	43,294	10,106	23.3%
Farmingdale	2,995	43,227	413	12%	44,885	88,112	14,697	102,809	87,028	15,781	18.1%
Gardiner	5,961	86,036	1179	34%	128,097	214,133	56,575	270,709	227,612	43,097	18.9%
Litchfield	3,586	51,757	357	10%	38,799	90,556	22,019	112,575	92,868	19,707	21.2%
Pittston	2,875	41,495	257	8%	27,967	69,462	12,233	81,695	69,403	12,292	17.7%
Randolph	1,743	25,157	248	7%	26,916	52,073	10,778	62,852	55,779	7,073	12.7%
Richmond	3,522	50,834	435	13%	47,239	98,073	23,917	121,990	104,233	17,757	17.0%
West Gardiner	3,671	52,984	298	9%	32,423	85,407	16,642	102,049	86,811	15,238	17.6%
Totals	**25,742**	**371,540**	**3,419**	**100%**	**371,540**	**743,079**	**165,000**	**908,079**	**767,028**	**141,051**	**18.4%**

This budget does not include the proposed two new positions. $133,775 would be added for a total Ambulance budget increase of $349,825 or 15%.
Adding the two positions would cost an additional $93,150 in the General Fund or approximately .25 to the mil rate.
This is split in two areas - $54,641 (29% of the wages and benefits) and $38,509 (the increase for Gardiner's share of the Ambulance Service).

Rate Increases Calculation	
FY27 Proposed Budget (up $102,681 or 4.85%)	2,217,803
Projected Revenue:	
Farmingdale	(184,101)
Randolph	(201,164)
Penalties & Interest	(25,000)
Balance needed from Gardiner	1,807,538
Projected Revenue from Gardiner at current rate	1,715,142
Deficit	**92,396**
5% increase	85,757
Note: The initial budget required an 10% increase	

WASTEWATER

$2,217,803

This budget is up $102,681 (4.85%)

This will necessitate a 5% sewer rate increase

Major Cost Drivers

- **A budget item of $100K to set aside funds to slip line Spring Street in July of 2027 (FY28). This amount will be added to a carryforward from FY26 and another $100K in FY28 for a project total of $250K vs. the estimated cost of $3,635,000 from Olver Associates to fully remediate Spring Street.**
- **Capital Reserve budget amount of $40K which is a requirement of USDA/RD per the City's Loan/Grant agreement for the WasteWater Treatment Facility and Maine Avenue Pump Station Phase 2 Upgrades**

**** Approved by WasteWater Advisory Committee on March 26 ****

BUDGET TIMELINE

May 27 -Review of any Council directed changes, time for public comment, and set first and second read dates

June 3 - Budget First Reading

June 17 - Budget Second Reading