

<i>Account Number</i>	<i>Account Description</i>	<i>Actual Year Before Last: FY23</i>	<i>Actual Last Year FY24</i>	<i>Budgeted This Year FY25</i>	<i>Estimated This Year FY25</i>	<i>Requested Next Year FY26</i>
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## 65 FUND BALANCE - Cruise Ship Reserve Fund

Starting Fund Balance	108,860	706,193	1,101,695	1,120,171	798,513
Revenues & Other Sources	1,278,060	1,166,067	750,904	610,851	367,073
Expenditures & Other Uses	680,727	752,089	1,163,146	932,509	752,004
Ending Fund Balance	706,193	1,120,171	689,453	798,513	413,582

### Notes:

- A. Money may not be expended from reserve funds (Fund Balance) without Town Meeting approval. Reserve funds may be encumbered or designated by Town Council action.
- B. New cruise ship port fees were implemented July 1, 2009. All cruise ships disembarking are required to pay a Passenger Service Fee and a Port Development Fee. As required by law, these fees can be used only for facilities and services directly benefitting cruise ship passengers, although the general public may also derive some benefit from them.
- C. This budget reflects revenues from the expected level of visitation under the Cruise Ship disembarkations LUO amendment approved by the voters in November of 2022 as well as associated expenses.

## 65 REVENUES - Cruise Ship Fund

(\* = See Page CS-5)

<b>Operating Revenues</b>						
65-4363	Passenger Service Fees *	657,428	616,467	397,125	321,296	212,955
<b>Capital Revenues</b>						
65-4364	Port Development Fees *	620,632	549,599	353,777	289,555	154,116
65-4366	Grant Income					
65-4367	Ferry Terminal Reimbursements					
Total Non-Tax Revenue		1,278,060	1,166,066	750,903	610,851	367,073
<b>Total Revenues &amp; Other Sources</b>		<b>1,278,060</b>	<b>1,166,066</b>	<b>750,903</b>	<b>610,851</b>	<b>367,073</b>

## EXPENDITURES - Cruise Ship Fund

### #6510

#### DIRECT EXPENSES

<b>Contract Services</b>						
5100	Wages - Capt Salary	0	0	0	0	35,175
5105	Wages - Harbormaster/Asst/Park Mgr	30,545	32,349	82,308	19,344	53,853
5115	Wages PT (2)	907	0	18,350	0	0
5150	Wages - Holiday pay		1,057	3,930	1,153	3,930
5160	Benefits ICMA			0	2,000	0
5170	27th PP, Vacation Accrual		5,162			0
5200	Benefits FICA		2,135	8,001	3,325	4,420
5210	Benefits MPERS (12.8%) ICMA		3,719	9,301	2,823	6,085

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5215	Benefits Wcomp&Unemployment		0	4,644	4,644	2,566
5225	Benefits health Insurance		947	20,000		20,000
5230	Benefits Opt Out		4,500	7,800	7,800	7,800
5240	Benefits HRA FSA Admin Fees					0
5290	Benfits HRA			6,800		6,800
5298	Benefits ME Paid Family Med Leave			523		289
5334	Environmental Monitoring *	14,041	0	0	9,000	0
5337	Cottage St. Landscape Design	0	0	0	0	0
5340	Legal Fees	0	0	2,000	2,000	0
5356	Ferry Terminal Study	0	0	0	0	0
5358	Visitor Wayfinding Services *	42,600	0	0	0	0
5359	Industry Relations *	0	0	0	0	0
<b>Other</b>						
5448	Supplies - Cones, Trsh Lids, Misc.	2,510	0	3,000	2,400	3,000
5459	Supplies - Patrol Boat	104	0	1,000	500	1,000
5512	Util-Inet/WIFI Park access	900	750	1,000	1,000	1,000
5517	Fuel - Patrol Boat	1,374	1,606	1,400	1,300	1,400
5659	Repairs/Service - Patrol Boat	1,379	3,118	2,000	1,750	2,000
5805	Install/remove navigation aids	0	0	0	0	0
5810	Other Dues	830	889	0	0	0
5822	Insurance: Marina Landing + 1/2 FT	6,450	6,625	6,700	6,700	6,700
5824	Insurance: Patrol Boat	4,795	4,915	5,000	4,850	5,000
5844	Workshop Reg/Conferences-Admin	0	0	0	0	0
5845	Training - Security Boat	0	0	0	0	0
5846	Travel - Rooms & Meals-(1/2 PBoat)	836	0	0	0	0
5906	Contingency	3,000	2,500	45,600	3,000	15,000
5924	Island Explorer Contribution-	94,106	94,106	94,106	94,106	25,000
5924	Lifeflight Foundation Contribution	1,400	0	1,400	1,400	1,400
5926	Commercial Fishing Service			25,000	25,000	10,000
Total Direct Expenses		205,777	164,378	349,863	194,095	<b>212,418</b>

**#6520 ALLOCATED EXPENSES: OPERATIONS**

4816	Administrative Services *	10,166	30,445	60,400	60,400	50,668
4845	Port Security Services *	87,754	160,940	201,470	201,470	137,236
4853	Harbor Management Services *	39,175	4,890	4,980	4,980	4,980
4870	Comfort Station Services *	21,866	34,514	40,359	40,359	33,395
4877	Public Works Services *	79,695	120,628	99,655	99,655	73,436
Total Operating Expense Allocations		238,656	351,417	406,864	406,864	<b>299,716</b>

Total Passenger Services Expenses		444,433	515,795	756,727	600,959	512,134
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How The Department Operation Expense Allocation Works:

Estimates are made each year as to the required resources from each of the above departments (labor, equipment, outsourced cont For labor, we add an estimated payroll benefit percentage. Number of cruise ship days, two cruise days, etc., are calculated basec known reservations and various estimates are made to document the impact on each department. This is done once per year at bu time, and eventually by Town Meeting to transfer these \$ to the General Fund to cover said costs.

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**ALLOCATED EXPENSES: CAPITAL**


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These accounts utilize cruise ship Port Development Fees to compensate the Capital Improvement Program (CIP) Fund for the following capital improvements provided for the enjoyment & safety of cruise ship passengers. More detail on projects is in the CIP narratives of the CIP budget.

**Transfer to the CIP Fund**

6120	WiFi in the Parks Improvements		2,500	2,500	2,500	2,500
6130	Municipal Bldg Renovations		5,000	5,000	5,000	5,000
6162	Comprehensive Plan Implementation		5,000	5,000	5,000	0
6164	Lower Main St. Streetscape		20,000	30,000	30,000	0
6166	Cottage St. Streetscape		20,000	30,000	30,000	0
6200	Ambulance Replacement		15,000	15,000	15,000	23,000
6214	Fire Engine #1 Tanker					10,000
6218	Fire Engine #4 Ladder					10,000
6220	Fire Engine #5		5,000	5,000	5,000	15,000
6232	Radio Command Console (in Disp)		0	0	0	0
6235	Port Security/HrbMstr Boat Resrv		2,500	2,000	2,000	10,870
6234	Police Cruiser Replacement		10,000	10,000	10,000	10,000
6246	Public Safety Bldg PD Renovations		5,000	5,000	5,000	5,000
6258	Ferry Terminal Improvements		0	5,000	5,000	5,000
6264	Paton Service and Repair Lights		0	0	0	4,000
6266	Town Pier & Fencing Reserve		12,894	13,000	13,000	13,000
6269	Harbor Committee F.Term-to #6258		0	0	0	0
6270	Harbor Vehicle and Trailer					8,000
6300	Benches, Lights, etc. -Parks		5,000	5,000	5,000	5,000
6304	Harbor Float Replacement					4,000
5448	Museum in the Streets Reserve		1,900	1,900	1,900	2,000
6302	Grant Park Reserve		5,000	1,000	1,000	5,000
6318	Village Green Bandstand Resv.		5,000	5,000	5,000	5,000
6334	Harborview Park Renovations		5,000	5,000	5,000	5,000
6336	Downtown Signage Reserve		10,000	10,000	10,000	5,000
6338	Park Fountains			30,000	30,000	0
6342	Village Green Water fill station			5,000	5,000	0
6350	Restroom Renovations Reserve		5,000	32,000	32,000	0
6426	Sidewalk Reconstruction		20,000	20,000	20,000	0
6436	Street Sweeper			10,000	10,000	10,000
6508	Downtown Signs Debt Service	21,000	21,000	23,650	23,650	22,000
6510	Barker Park Debt Service-'10	5,500	5,500	5,500	5,500	5,500
6510	Harborview Park Debt Service-'10	1,000	1,000	1,000	1,000	1,000
6510	Restroom Const. Debt Service-'10	24,000	24,000	24,000	24,000	24,000
6518	Ferry Terminal Debt Service	25,000	25,000	25,000	25,000	25,000
	Total Capital Expense Allocations	76,500	236,294	331,550	331,550	239,870

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<b>Total Expenditures &amp; Other Uses</b>	520,933	752,089	1,088,277	932,509	752,004
<b>Cruise Ship Fund</b>					

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## Cruise Ship Fund Details

New cruise ship port fees were implemented July 1, 2009. By law these fees can be used only for facilities and services directly benefitting cruise ship passengers, although the general public can also use these facilities and some of the services. The Cruise Ship Fund was established as a component of the General Fund to better track these revenues and expenses, while assuring that fees unspent in one year are carried forward to the next year as fund balance within the Cruise Ship Fund. Expenditures from Fund Balance are approved via the annual Town Meeting budget process. All cruise ship fees and related revenues are recorded directly in the Cruise Ship Fund. However, cruise ship expenses are incurred for both capital and operating purposes and are incurred by numerous departments, making expense budgeting more complicated and difficult. In order to maintain budgetary control and accountability, cruise ship expenses are primarily recorded in the appropriate department and/or fund, and inter-fund transfers are made in amounts equal to the expense. However, direct cruise ship expenses are charged directly to the Cruise Ship fund (e.g. Dues, Island Explorer, travel, marina insurance & patrol boat expenses, etc.). Cruise Ship Fund is a component of the General Fund.

### Cruise Ship Visit History & Projections

#### Projections

FY25 -	This Fiscal Year				Ships			Passengers *			source
	Month	Anchored	Small Ships <200	Totals	Anchored	Small Ships	Totals				
	July-Nov-'24	80	38	118	146,162	4,390	150,552		< Actual		
	Apr-Jun-'25		5	5		600	600		Estimated		
	Cancels				(14,616)	(499)	(15,115)		10% cut**		
	<b>Total</b>	<b>80</b>	<b>43</b>	<b>123</b>	<b>131,546</b>	<b>4,491</b>	<b>136,037</b>		< This Fiscal Year		

  

FY26	Next Fiscal Year				Ships			Passengers *			source
	Month	Anchored	Small Ships <200	Totals	Anchored	Small Ships	Totals				
	July-Nov-'25	32	32	64	63,896	3,679	67,575		< Reservations		
	May-June-'26		9	9	0	1,080	1,080		< Reservations		
	Cancels				(3,195)	(480)	(3,675)		5% cut for enx		
	<b>Total</b>	<b>32</b>	<b>41</b>	<b>73</b>	<b>60,701</b>	<b>4,279</b>	<b>64,980</b>		< Next Fiscal Year		

\* Passengers are recorded at the vessel's "lower berth" capacity, not the actual number boarding.

\*\* Adjustment for No Shows (cancelled reservations) is made at historical averages. **Small Ships = <200 pass**

**Cruise Ship Fund Details**

**4363 Passenger Service Fee**

These fees are used to pay for such services as bus parking control by police officers, extra restroom cleaning on cruise ship days.

All cruise ships which anchor in Federal Designated Anchorages will pay a per passenger fee of: eff. 7/1/25

<b>This Fiscal Year</b>	<i>Number</i>	<i>Per Passenger</i>	<i>Rate</i>	<i>Total</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
FY25 - Ships Anchored Out	136,037		\$2.93		\$398,588	
		<i>Per</i>				
<b>Next Fiscal Year</b>	<i>Number</i>	<i>Passenger</i>	<i>Rate</i>	<i>Total</i>		
FY26 Ships Anchored Out	57,506		\$3.00			\$172,518
FY26 Tendering to Town Pier	4,279	\$	9.45			40,437
<b>Total Cruise Ship Passenger Service Fee Revenue</b>					<b>\$398,588</b>	<b>\$212,955</b>
<b>Passenger Service Expense</b>						
Total Direct Expenses					194,095	212,418
Total Operating Expense Allocations (Amount Transferred to General Fund)					406,864	299,716
Total Cruise Ship Passenger Service Expense					\$600,959	\$512,134
<b>Fund Surplus or (Loss) from Service Operations</b>					<b>(\$202,371)</b>	<b>(\$299,179)</b>

**4364 Port Development Fee**

These fees are used to pay for capital improvements and/or debt service for projects such as the renovation of Harborview Park, the Village Green Bandstand, the Newport Comfort Station, Grant Park, Agamont Park, creating accessibility improvements to our sidewalks as well as other infrastructure improvements.

<b>This Fiscal Year</b>	<i>Passengers</i>	<i>Per Passenger</i>	<i>Rate</i>	<i>Total</i>	<i>Estimated This Year</i>	<i>Requested Next Year</i>
FY25 - All Ships	136,037		\$2.61		\$355,057	
<b>Next Fiscal Year</b>	<i>Passengers</i>	<i>Per Passenger</i>	<i>Rate</i>	<i>Total</i>		
FY26 All Ships	57,506		\$2.68			\$154,116
	4,279	\$	4.55			19,469
<b>Total Cruise Ship Port Development Fee Revenue</b>					<b>\$355,057</b>	<b>\$154,116</b>
<b>Port Development Expense</b>						
Cruise Ship Capital Expense Allocations (Transferred to CIP Fund)					\$331,550	\$239,870
<b>Capital Fund Surplus or (Loss)</b>					<b>\$23,507</b>	<b>(\$85,754)</b>