

**TOWN OF READFIELD**  
**BUDGET COMMITTEE**  
**Meeting of February 12, 2019**  
**Minutes**

APPROVED

The Budget Committee of the Town of Readfield held a regularly scheduled meeting on February 12, 2019. Members in attendance included: Andrews Tolman, Chair; Rebecca Lambert; Pete Davis; and Ellen Schneider. Martin Hanish was absent. Eric Dyer, Town Manager, was also present. The meeting was convened at approximately 6:35 pm.

Dyer reminded Members that the next meeting of the Committee would be February 28, 2019. That meeting, which will focus on the capital budget plan, will be held in conjunction with the Select Board.

Dyer then reviewed an updated version of the current calculation of the 2020 mil rate. He pointed out that this iteration assumes no change in valuations, but has been adjusted to reflect the increase in revenue sharing proposed in Governor Mills' biennial budget. The current version of the mil calculation shows no change, year over year.

Sean Keegan and Hannah Flannery of the Recreation Association presented the proposed budget for Recreation (Department 30-10) to the Committee. Keegan noted that the budget builds in an increase of \$250 to account for the cost of swim instruction, which the Association plans to build into the rec program in the coming summer season. He added that they anticipate that fee revenues will offset the cost of lifeguards at the beach, noting that the rec budget is entirely fee based/funded.

Keegan and Flannery stated that there are no plans to change any of the charges or fees for the sports programs in the coming year. Much of the equipment, which was very old, has been replaced over the course of the current year.

The group discussed recreation fees and programming. Keegan noted that Maine Vocational Rehabilitation programming helps provide some support for staff, as does the Fed Cap program. Last summer, the rec programs met their revenue targets and received very good public feedback.

Dyer then reviewed the proposed budget for Readfield Heritage Days, which are held on a two-year cycle, with the Heritage Day celebration being held during the even numbered fiscal years (e.g. FY20). Each year, \$5k is put in reserves for the celebration; this happened for FY19. The additional \$5k included in the proposed FY20 will make \$10k available for the festival and fireworks.

The Committee briefly reviewed the budget for Town Properties (30-60), which show no change, year over year.

Greg Durgin of the Trails Committee then presented an overview of the Trails budget (30-70). The only budget increase requested is \$2,510 for materials needed to attend to trail building and maintenance. These funds will be provided from the trails' reserves; no new tax revenues are required.

Durgin noted there are various factors that influence annual spending on trails. These include weather, the availability of volunteer support and timing. The Trails Committee cannot always accurately predict when a new trail will be built because of the various factors mentioned above. Dyer noted that the offsetting revenue for the trails budget is included in the revenue budget for the Department.

Millstream Dam (30-80) was then reviewed. That budget reflects an \$8k decrease, as project investments have now been completed.

The discussion then turned to Roads (60-10); this FY20 budget shows a large (\$42.4k) decrease as the Town moves away from most of the very heavy road projects and shifts to a routine maintenance cycle of projects. This shift is very deliberate and intended to smooth out the level of investment in roads that is needed, providing more stability to the roads budget and, barring unforeseen circumstances, the need for large bond issues in the future. It was noted, though, that the paving budget that is part of the maintenance work, appears in the capital budget, rather than the operating budget, and will be discussed later.

The Committee then reviewed the proposed Capital Improvements budget (65-01). This includes the purchase of three computers for town staff. There was a brief discussion regarding the appropriateness of including this item in the capital budget, as computers of this nature may be classified as a supply and included, instead, as an operating expense.

Department 65-05, Capital Improvements/Fire Department, was next on the agenda. The proposed budget includes \$10.5k for investments in equipment repair and maintenance. While this appears to be an increase, Dyer pointed out that these line items had been “moved” to this department from other areas of the budget.

65-12 is the proposed budget for an addition to the fire station. Dyer is now estimating the cost of that project, which would be bonded, at \$500k. This project will include the addition of another bay, as well as a remodeling and expansion of the office portion of the building, adding some rooms, laundry facilities and a second bathroom. The bond issue would be part of the fall issuance from the Maine Bond Bank. Dyer expressed some reservations about the project moving ahead this year, however. The fire station, library and the café building next to the library all share the same septic system. It appears that the system may not be sized to accommodate the additional bathroom and laundry contemplated for the fire station, and it is not yet clear that there is room available to expand the current septic system to proper size. Such an expansion would require additional funding. Further, bonding of this project will need to be a standalone question on the June warrant; fire station building projects have proven to be controversial in the past. Therefore, this project is still quite up in the air.

The group then discussed capital needs at the Library (65-30), which are included in the proposed budget at \$100k. This would not be a bond project but would be funded out of the Town’s undesignated funds. Capital needs include roof repair/replacement, the installation of heat pumps and a fire escape to provide 2<sup>nd</sup> floor egress. Note that the Library Committee had previously informed the Budget Committee that they had received a grant from the King Foundation to help with some of the costs of this project. The \$100k in the capital budget would provide the rest of the funding required.

The capital budget for cemeteries (65-40) was discussed next. Dyer noted that the Town was in Year 2 of a savings plan to build a \$100k fund for repairs, particularly in case efforts to save the stone wall fail. The budget proposes expenditures of \$5k for repairs at the Readfield Corner cemetery.

Department 65-55, Salt and Sand Shed, was then reviewed. The group discussed the fact this repair project had been included in the FY19 budget but was appearing again in the FY20 budget. Dyer explained that the cost of the project had been substantially underestimated in the last budget cycle; the cost of engineering for the project alone is \$10k. In addition to the \$35k appropriated for the project last year, another \$15k is requested for FY20 to provide the balance of funds now projected to be needed for the project.

The road repair budget appears in Department 80-60. This budget includes \$5k for the repair of the Torsey Pond bridge, bringing the total appropriated for this purpose, over time, to \$15k. Dyer expects this total will now cover the expense of the repair project.

Department 80-90 is the paving budget, which includes a request for \$150k in FY20 to pave the South Road. Dyer and Davis (who is a member of the Roads Committee) noted this is the annual investment needed to adhere to a 12-year maintenance cycle. Adherence to this cycle should allow for proper maintenance of the roads and help obviate the need for any periodic, large investments in the roads.

Department 65-66 includes \$19k for leases of capital equipment including the JD mower and the Bob Cat sidewalk vehicle. This equipment was acquired last year under lease-to-own arrangements.

The FY20 budget includes \$20.5k in capital improvements at the Transfer Station (65-70). Dyer commented that several receptacles need replacement in the coming year. The funds for these replacements (the allocated \$20.5k) would be taken from the capital reserves, which are funded by all three towns that use the station.

The Maranacook Dam project (65-90) shows in the FY20 as a \$300k decrease, as the investment on this project is completed.

Dyer pointed out that, overall, the FY20 capital budget shows a year over year increase of \$400.5k, primarily driven by the fire station project.

Department 70, Transfer Station, was then reviewed. The budget reflects a slight increase associated with the cost of personnel. Dyer noted that it is desirable to have two staff persons on site at all times, which increases costs a bit. Additionally, these staff have built up considerable vacation, sick and comp time, which creates a liability that must be accounted for in the budget.

The cost of hauling (50-81) is expected to decline by almost 12% next year. Tipping fees (50-82) are also expected to decline a bit, but are still much higher than they were several years ago. Dyer pointed out, however, that it is his assessment that the Town is still better off sticking with single sort recycling not only as an ecological matter, but fiscally, too.

The costs associated with trash tipping (50-87) are also expected to fall somewhat.

Equipment maintenance at the Transfer Station (60-35) reflects a proposed budget of \$8k, which is a \$7k increase over the current fiscal year. Dyer explained that this line has been historically underbudgeted and in his judgement, needs to be adjusted to reflect need more accurately.

The Committee then reviewed the "unclassified" budget. This included the budget for the Local Tax Relief Program (90-15), which was started in FY19, with the approval of the voters. The group recalled that the original funding for this initiative derived from proceeds of the sale of a foreclosed property on Main Street. The program is meant to piggyback on the

State's Circuit Breaker program. Dyer reported that thus far, only one taxpayer had applied to the program for relief.

The FY20 budget includes no changes in any requests from the various non-profit organizations that approach the Town for support.

The last budget item discussed was First Park (90-1250). Dyer noted that the Town is getting \$5k more in revenue this year than last. That increase in revenue serves to offset losses associated with the Town's commitment to the business park, reducing them to \$10k.

Tolman informed the group that he had put a notice in the Messenger newsletter about the budget process and the goal of keeping tax increases to a minimum. He reported that he had received a note from one taxpayer, thanking him for working toward that goal.

The meeting was adjourned at 8:35 pm by unanimous consent.

Respectfully submitted,  
Ellen Schneiter