



Fiscal Year 2020 Public Budget Meeting & Hearing

March 28th, 2019
2nd floor of Gile Hall
6:30pm – 8:30pm

Meeting Agenda

- Pledge of Allegiance
- Welcome & introductions
- Review of Budget and meeting goals
- Presentation and discussion of municipal building projects
- Presentation and discussion of summary budget information
- Adjournment

Welcome & Introductions

- Welcome from the Chair of the Select Board
- Select Board Members:
 - Bruce Bourgoine (Chair)
 - Chris Sammons (Vice Chair)
 - John Parent
 - Dennis Price
 - Kathryn Woodsum

Welcome & Introductions

- Welcome from the Chair of the Budget Committee
- Budget Committee Members:
 - Andy Tolman (Chair)
 - Pete Davis (Vice Chair)
 - Ellen Schneider (Secretary)
 - Marty Hanish
 - Rebecca Lambert

Public Budget Meeting Goals

- Present the 2019-2020 (FY20) Municipal Budget
- Hear and answer (whenever possible) any questions, concerns, and comments related to the FY20 Municipal Budget
- Highlight major capital investment in municipal buildings
- Provide information on the upcoming Town Meeting and Secret Ballot Vote.

Ongoing Budget Goals

- Improve communication with the public and incorporate public feedback in the budget
- Consider the Town budget separate from the School and County budgets
- Focus on capital investment projects and utilize a long-range planning cycle
- Use designated and undesignated funds responsibly
- Work together toward the public good

Ongoing Budget Goals

- Minimize budget impacts to taxpayers
- Spend responsibly, where necessary
- Provide services the public wants
- Relate budget goals to Select Board goals
- Be creative in finding ways to reduce costs
- Streamline budgeting and accounting
- Treat similar work and services similarly
- Maintain accurate recordkeeping

NEW FY20 Budget Goals

- Make Heritage Days an annual \$5,000 event
- Find a way to make the Beach more accessible to residents and add programming
- Manage (well) the Municipal building projects
- Select Board will review budget goals annually at their planning retreat

Budget Process Summary

- We've held 12 meetings and presentations to develop and discuss the budget since 10/18.
- We've had review and comment by members of the public, Boards and Committees, the Budget Committee, and the Select Board.
- We've reviewed budget details for all departments and divisions
- We've spent a lot of time on capital projects
- **"Things are pretty much the same outside of capital improvement expenditures and revenues, and the Municipal portion of the mil rate is and going down"**

Municipal Building Projects Summary

- The Select Board has set the review and improvement of municipal buildings as a past goal and raised it to a priority this year
- Detailed building inspections were performed on both the Public Library and Fire Station
- Results were mixed - both buildings had strong points but need repair, with the Library needing major structural roof work
- The question of repairs to the Fire Station led to a revisiting of past expansion plans

Municipal Building Projects Summary

- The current and future needs of the Fire Station favor an expansion over basic repairs
- A lot of work was already put into (two) past Fire Station expansion plans, which have been reviewed and scaled down
- The Fire Station and Public Library share a septic system that is likely past replacement
- Repairs to the Library roof are planned to be supplemented with other improvements

Municipal Building Projects Summary

- We have contracted with two firms to help with project design and management
 - Dirigo (Architects and Engineers)
 - Main-Land (Development Consultants)
- Budgeted costs to complete these projects have been general, and increasing over time as the budget process has progressed
- Budgeted costs have since been reviewed by our team and deemed sufficient to begin design and planning work with confidence



Building Design Services

Town of Readfield, Maine
March 28th, 2019



Introduction

- Tom Perkins
 - President of Dirigo A/E
 - Licensed Professional Engineer (ME, CT and NH)
 - LEED Accredited Professional (LEED AP)
 - University of Maine Adjunct Faculty, College of Engineering
 - Francis Crowe Society Distinguished Maine Engineer
 - Husband and father to two daughters, 15 and 17
- Past Employments
 - Construction Manager
 - General Superintendent
 - Project Engineer
 - Construction Inspector
 - Survey Party



Introduction

- Zach Quinn
 - Project Engineer at Dirigo A/E
 - BS Construction Engineering
 - Project management specialist
 - Project coordination
 - Document control
 - Code compliance
- Past Employments
 - Project Manager
 - Estimator
 - Construction laborer



About Dirigo

- Origins
 - Founded in 2009
 - Full-service architectural engineering and construction management firm
 - Client-focused (86% of our current clients are repeat clients)
 - Based in Turner, Maine
- Our Team
 - Three full-time engineers/project managers
 - One full-time architectural designer
 - One part-time engineer/project manager
 - One full-time office and marketing assistant
 - Teamed consultants for broadened project coverage



Our Services

- Architectural Design and Engineering
 - ADA Compliance
 - All engineering disciplines (civil, structural, mechanical, etc.)
 - Building science and envelope
 - Contract administration
 - Approximately 65% of business
- Owner's Representative/Owner's Project Manager
 - Construction Management
 - Contract negotiations and administration
 - Approximately 30% of our business
- Energy Planning Services and Facilities Management Consulting
 - Approximately 5% of our business

Team Approach

- The **Key** to any successful project

We can honestly say the best projects we have been part of are not memorable as much for the particular structure that was built, but for the people that helped build it.

LEADERSHIP



About main-land

MAIN-LAND DEVELOPMENT CONSULTANTS, INC.
HELPS PEOPLE ADD VALUE TO THEIR LAND:
TO UNDERSTAND IT, DEVELOP IT, AND PROTECT IT.



PROMPT, FRIENDLY LAND CONSULTING SERVICES

Main-Land Development Consultants, Inc. is the primary land development consultant in Western Maine. Our staff is made up of qualified professionals who are well-trained and experienced in highly technical fields:

- Land Survey and GIS
- Site Evaluations
- Natural Sciences
- Soils Investigations and Mapping
- Project Visualization
- Site/Civil Engineering
- Geotechnical Engineering
- Regulatory Permitting
- Geology and Hydrogeology
- Forestry

LONG-LASTING RELATIONSHIPS WITH CLIENTS

We value each person who walks through our door. Our goal is to make every client a repeat customer, and our method is to build trust with clients, regulators, vendors, and colleagues by professional service and a personable attitude. On this basis, we build relationships that we value immensely and by which we hope to leave a lasting impression. We are your "friendly consultant"!



Highlighted Core values

- **Possession**

It's not our project, it's their project.

- **Service, Professionally**

Because service always comes first.

- **Friendly Attitude**

Because smiling is free!

- **Integrity**

We will do unto others as we would have them do to us, even when it costs us.

- **Humility**

The team/project win is more important than my win.

"OUR SUCCESS CAN ONLY BE MEASURED BY THE SUCCESS OF THOSE
WE SERVE" – DARRYL N. BROWN, FOUNDER



TEAM licensed professionals



READFIELD FIRE STATION



Municipal Building Projects Schedule

- Most design and planning will happen this fiscal year, and be completed only if these projects are approved at Town Meeting in June
- Accelerated project planning and completion (this fall) is expected for the major Library work
- The Fire Station may have some site work done this fall but would see significant completion in the spring of 2020
- Bond financing will happen in August, following project bidding

Municipal Building Projects FY19 Costs

- Available Revenues
 - Library capital reserve funds of about \$1,100
 - Library grant funds of about \$6,800 (requested initial design costs)
 - Fire Station building reserve of about \$35,500
 - TOTAL Fiscal Year 2019 revenues of about \$43,400
- Anticipated Expenses
 - Library design costs of about \$7,900 (construction administration costs in the next fiscal year)
 - Fire Station design costs of about \$35,500
 - TOTAL FY19 expenses of about \$43,400

Municipal Building Projects FY20 Costs

- Available Revenues
 - Use of Undesignated Fund of \$235,000
 - Bond proceeds of \$550,000
 - Fire Dept. donations of at least \$25,000
 - TOTAL FY20 revenues of about \$810,00
- Anticipated Expenses
 - Library construction management costs of about \$1,500
 - Library construction costs of about \$93,500
 - Library contingency of about \$5,000
 - Fire Station design and const. mgt. costs of about \$69,000
 - Fire Station construction costs of about \$596,000
 - Fire Station contingency of about \$45,000
 - TOTAL FY20 expenses of about \$810,000

Municipal Building Projects Results

- Public Library and Fire Station
 - New septic drainage field
 - Will also apply to “old bank building” and “Corner Stone Cafe” buildings
- Public Library Building
 - New or significantly rebuilt roof supports
 - New roof sheathing (as needed) and cladding
 - Second floor egress in front room
 - Heat pumps
 - Floor / ceiling reinforcement
 - cosmetic work if budget allows

Municipal Building Projects Results

- Fire Station Expansion ($\pm 3,000$ Sq.Ft.)
 - Re-use and reconfiguration of existing space
 - New bay for equipment currently stored outside and mixed in with the trucks
 - Additional meeting and training space
 - Warming center capacity
 - Full kitchen for multiple uses (including auxiliary events, emergency meals, etc.)
 - Basic quarters for Fire and EMS coverage
 - Gear washer, shower, and lavatory space

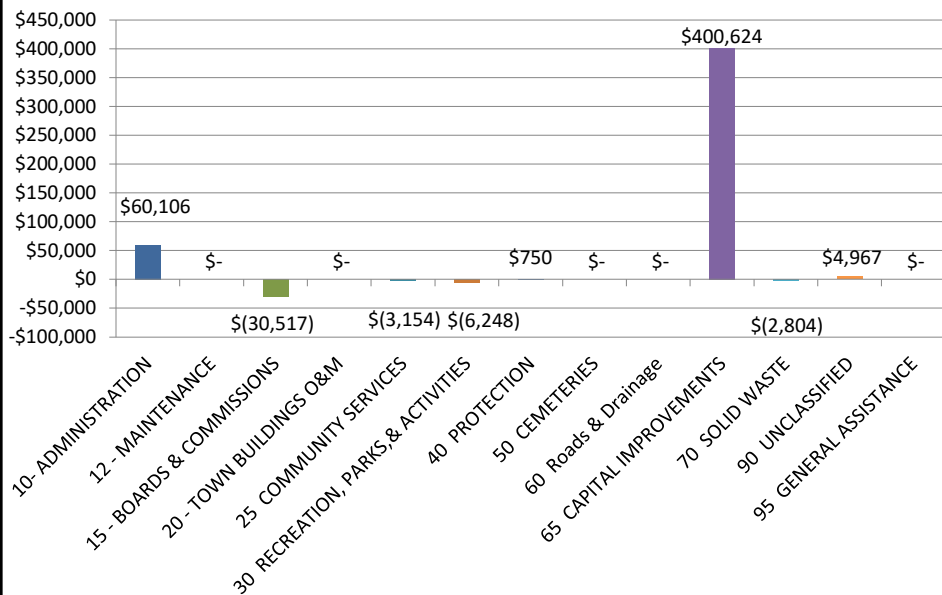
Revenue Highlights

- Conservative increase in valuation of 1% - not applied to baseline revenue estimates
- State Rev. Sharing is estimated to be up by \$23,500 and applied to reduce the mil rate
- Many revenue estimates are conservatively up, \$25,000 increase in excise tax
- Use of Designated Funds down by \$119,643
- Use of Undesignated Funds up by \$154,488
- Decrease of \$30,517 in Boards and Committees due to completion of grant funded projects
- Bond proceeds of \$550,000 for Municipal buildings

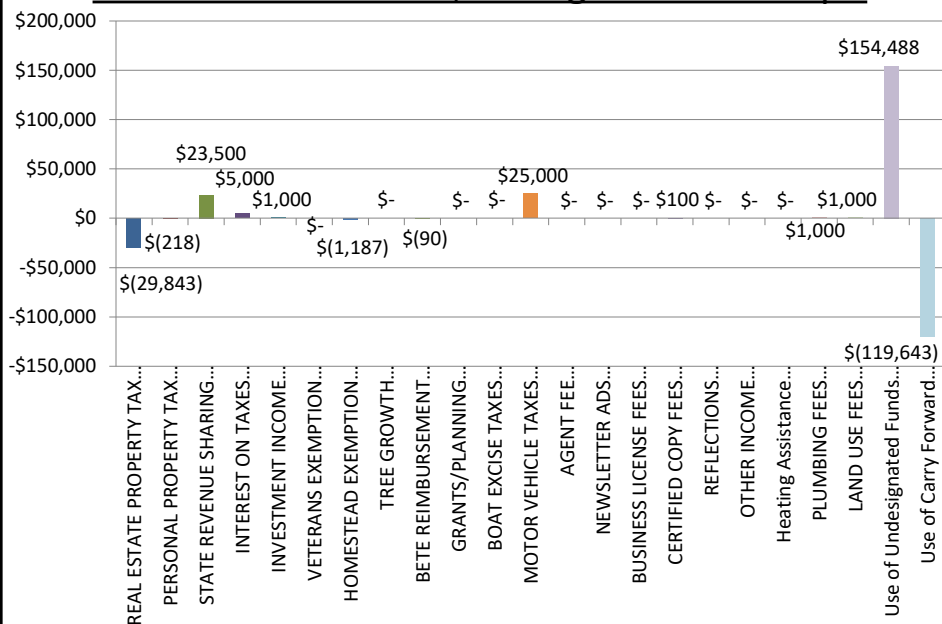
Revenue Summary – By Department

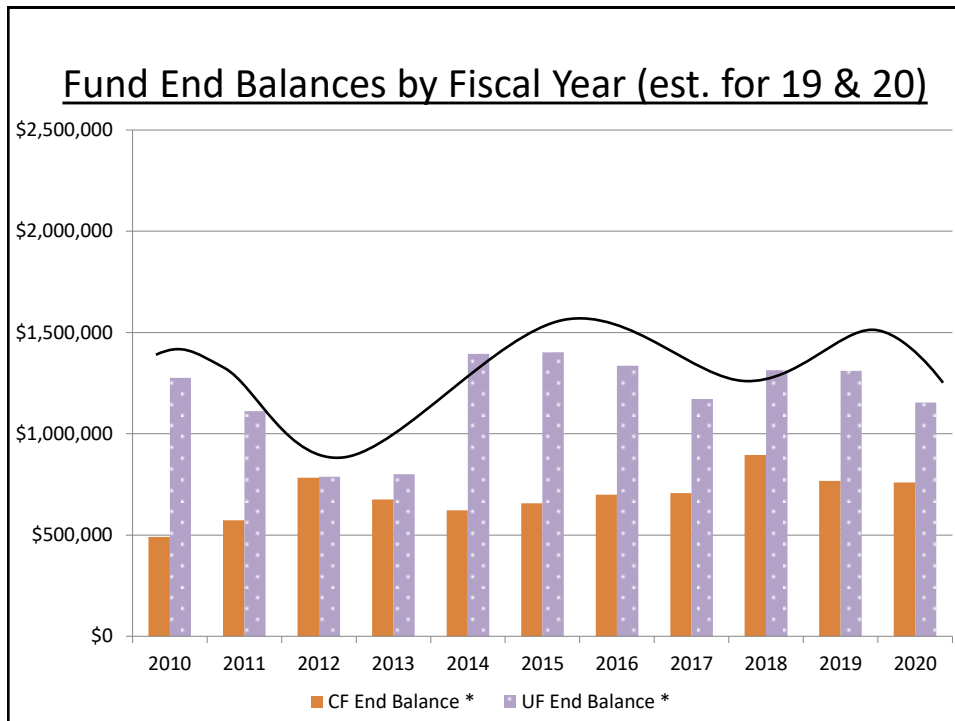
DIVISION	2019 BUDGET	2020 BUDGET	\$ CHANGE	% CHANGE
10- ADMINISTRATION	\$ 5,879,635	\$ 5,939,741	\$ 60,106	1.0%
15 - BOARDS & COMM.	\$ 30,517	-	\$ (30,517)	-
25 COMMUNITY SERV.	\$ 34,925	\$ 31,771	\$ (3,154)	-9.0%
30 REC., PARKS,& ACTIV.	\$ 27,370	\$ 21,122	\$ (6,248)	-22.8%
40 PROTECTION	\$ 2,600	\$ 3,350	\$ 750	28.8%
60 Roads & Drainage	\$ 35,000	\$ 35,000	-	0.0%
65 CAPITAL IMPROV.	\$ 186,022	\$ 586,646	\$ 400,624	215.4%
70 SOLID WASTE	\$ 193,829	\$ 191,025	\$ (2,804)	-1.4%
90 UNCLASSIFIED	\$ 11,377	\$ 16,344	\$ 4,967	43.7%
95 GENERAL ASSIST.	\$ 2,250	\$ 2,250	-	0.0%
	\$ 6,403,525	\$ 6,827,249	\$ 423,724	6.6%

2019-2020 Revenue \$ Change by Department



2018-2019 Revenue \$ Change – Admin Dept.





Fund Highlights

- We have a 2/12 policy for Undesignated Funds, but no policy for Designated Funds and expect to meet this threshold in FY20
- We expect to see variability in reserve accounts
- Use of funds contribute to stability in the mil rate
- We often see cyclical patterns in reserve accounts
- Use of Designated Funds down by \$119,643
- Use of Undesignated Funds up by \$154,488

Expense Highlights

- Administration
 - Insurance, labor, and technology costs are up
 - An additional \$8,000 has been added to Legal
- Maintenance
 - Building maintenance is up \$7,480
 - Newer equipment has led to lower annual maintenance costs (\$3,250)
- Boards & Commissions
 - Project expenses are down by over \$34,000 with the end of grant work

Expense Highlights

- Community Services
 - Library operating costs are up \$9,197, mostly as the result of increased hours (20 – 28 per week)
- Recreation, Parks, & Activities
 - Heritage Days has a \$10,000 budget but is expected to cost much less and the entire cost is offset by reserve funds
 - The Mill Stream Dam project is complete and results in an \$8,000 reduction in that line

Expense Highlights

- Protection
 - Fire Equipment and PPG reserves are being moved into Capital (\$10,000)
 - Dispatching costs are up substantially by \$6,375
- Cemeteries
 - Increased spending of \$1,300 for tree work & stone repair
 - Budget primarily covers materials and contract work

Expense Highlights

- Roads & Drainage
 - Reductions in Road Maintenance due to wrap-up of gravel work (\$42,402)
 - Increase in asphalt maintenance (crack seal, etc.)
 - Paving is happening, but under Capital Improvements
- Capital Improvements
 - Focus on capital projects with a net \$664,436 increase
 - Supported by 5-year Capital Investment Plan

Expense Highlights

- Capital Improvements (continued)
 - Inclusion of FD reserves at \$10,500
 - Paving and infrastructure work at \$230,000
 - Planned expansion of Fire Station at \$710,000
 - Planned Library work of \$100,000
 - Equipment reserves of \$15,000
 - \$5,000 reserves for Cemeteries
- Solid Waste
 - Static, with reduction to backhoe following FY19 repairs

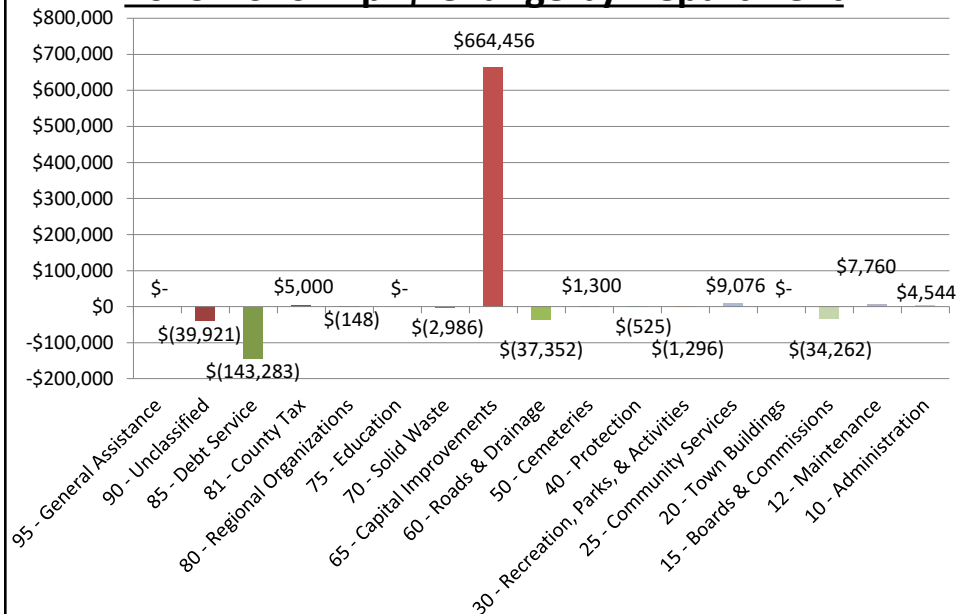
Expense Highlights

- County Tax
 - Small increase of \$5,000
- Debt Service
 - Sizable reduction (\$143,283) due to payoff of paving bond, offset in large part by increased Capital Investment spending
- Unclassified
 - Appropriation of \$10,000 for Property Tax Assistance Program (appropriated \$50,000 in the prior year to fund the program)

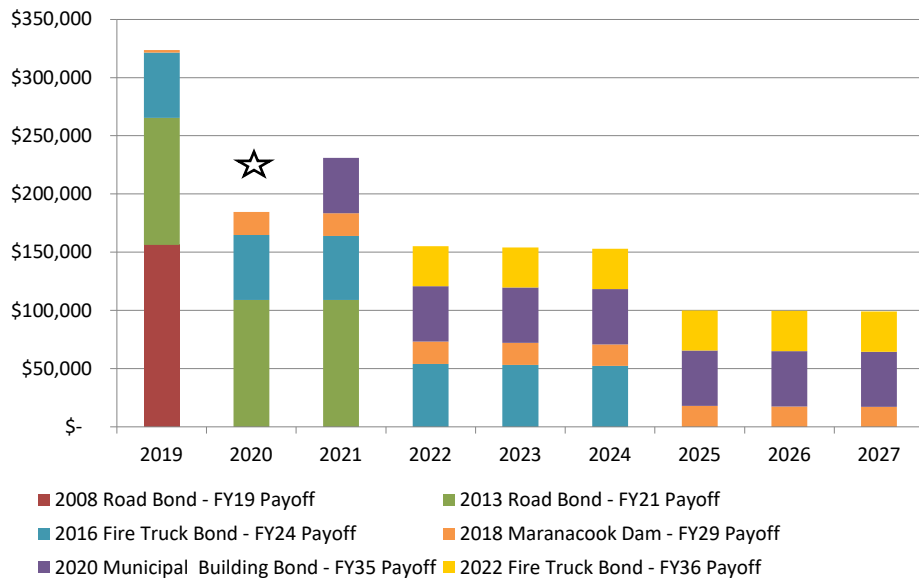
Expense Summary – By Department

DIVISION	2019 BUDGET	2020 BUDGET	\$ CHANGE	% CHANGE
10 - Administration	\$ 481,206	\$ 485,750	\$ 4,544	0.9%
12 - Maintenance	\$ 127,415	\$ 135,175	\$ 7,760	6.1%
15 - Boards & Comm.	\$ 42,112	\$ 7,850	\$ (34,262)	-81.4%
25 - Community Services	\$ 55,961	\$ 65,037	\$ 9,076	16.2%
30 - Rec., Parks, & Act.	\$ 38,708	\$ 37,412	\$ (1,296)	-3.3%
40 - Protection	\$ 132,725	\$ 132,200	\$ (525)	-0.4%
50 - Cemeteries	\$ 16,500	\$ 17,000	\$ 1,300	8.3%
60 - Roads & Drainage	\$ 407,930	\$ 370,578	\$ (37,352)	-9.2%
65 - Capital Improve.	\$ 451,614	\$ 1,116,070	\$ 664,456	147.1%
70 - Solid Waste	\$ 303,686	\$ 300,700	\$ (2,986)	-1.0%
75 - Education	\$ 3,556,960	\$ 3,556,960	-	0.0%
80 - Regional Orgs.	\$ 48,000	\$ 47,852	\$ (148)	-0.3%
81 - County Tax	\$ 270,000	\$ 275,000	\$ 5,000	1.9%
85 - Debt Service	\$ 327,956	\$ 184,673	\$ (143,283)	-43.7%
90 - Unclassified	\$ 130,413	\$ 90,492	\$ (39,921)	-30.6%
95 - General Assistance	\$ 4,500	\$ 4,500	-	0.0%
	\$ 6,394,886	\$ 6,827,249	\$ 432,363	6.8%

2019-2020 Exp. \$ Change by Department



Debt Service – Current & Projected

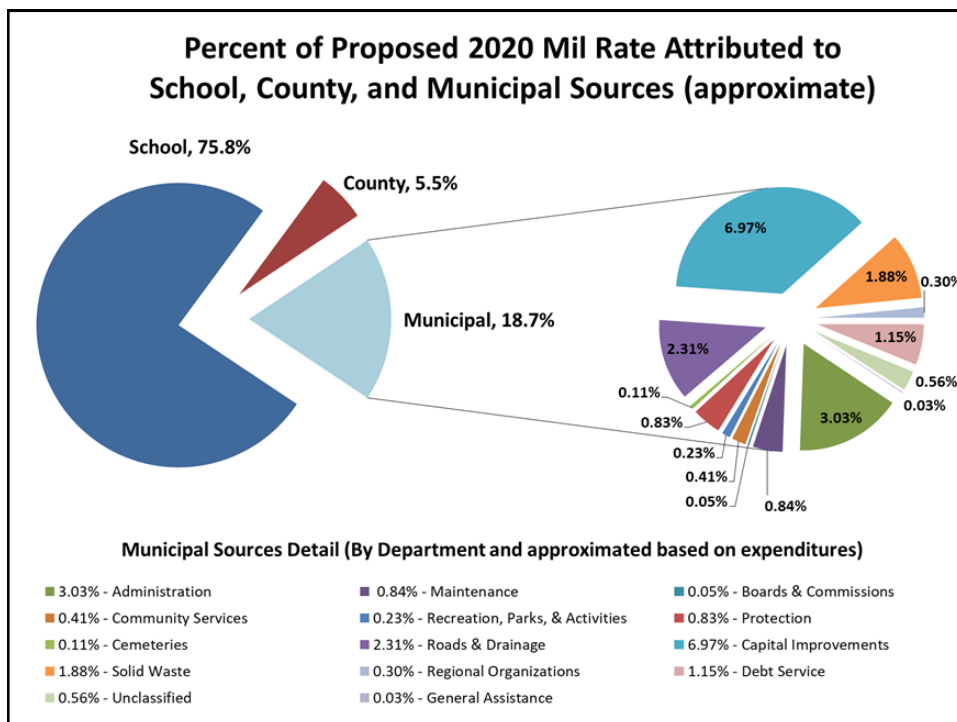


Municipal Budget Highlights

- Budgeted municipal expenses increased by \$427,363 to \$2,995,289
- Budgeted municipal revenues (outside of property tax revenues) also increased and offset expenses
- **The net municipal tax impact is anticipated to be down by \$36,339**
- **The municipal portion of the mil rate is expected to drop from 3.92 to 3.77 mils.**

School & County Budget Highlights

- School budget information is available on their website at www.maranacook.org/budget
- The school budget is projected to increase 5.87% and account for about 15.13 mils
- The county budget will likely increase slightly and account for about 1.10 mils



Important Dates:

- **April 1, 2019** – Deadline for FY20 Homestead Exemption applications
- **April 12, 2019** - Nomination papers and Warrant due to Town Clerk
- **May 10, 2019** - Absentee Municipal Ballots available
- **May 16, 2019** - Final Public Budget Meeting & Hearing
- **June 11, 2019** – Town Meeting / Secret Ballot