

Budget Process Notes:

1. The Budget has draft numbers for almost every line item, most have been provided by staff or committees but a few are placeholders.
2. The Budget numbers can and will change over the next few months.
3. This our first run through with the new account system.
4. The most noticeable changes to the budget process as a result of the new account system include:
 - The proper budget only considers tax impacts in most cases (non-tax impacts may appear on the Town Meeting Warrant).
 - Capital Expenditures from reserve accounts are treated as appropriations only, and the Capital Investment Plan will receive additional focus.
 - Shared services like the Transfer Station and Code Enforcement only show Readfield's share of expenses and revenues.
 - Unexpended operating funds will roll into the general fund and not "carry forward".
5. These changes help the operating budget more accurately reflect "routine" expenses and do not overstate our spending for shared services or special projects.

Budget Detail Notes:

1. We are expecting a healthy (1%) increases in property values.
2. One of our major revenue sources, Excise Tax, is flagging and we are budgeting lower than in past years.
3. We expect to be using designated reserves less extensively and general fund balance more so.
4. We are planning on 6-8% increases in the school and county budgets.
5. Municipal spending is also expected to be up, but hopefully closer to 5%.
6. Specific costs include:
 - General wage and benefit increases of 5%
 - Increased costs from third-party service providers
 - Additional staff time for Transfer Station support
 - The addition of a seasonal part-time Community Programming Coordinator position, partially offset by reductions in beach staffing
7. Significant increases in road maintenance and capital, in excess of \$100,000.