



# Fiscal Year 2025 Public Budget Meeting & Hearing

March 20<sup>th</sup>, 2024

6:30pm – 8:30pm

*This Meeting/Hearing is in Person and on Zoom*

# Remote Participation and Comment

Residents may participate in the meeting via:

- Teleconference by calling +1 (929) 436-2866 and enter meeting ID: 837 8064 8941 and Passcode: 582689
- Or web conference at:  
[http://us02web.zoom.us/j/83780648941?pwd==Z293encvNnBSbHI3Mm5uckNTM0RCQT09](http://us02web.zoom.us/j/83780648941?pwd=<u>=Z293encvNnBSbHI3Mm5uckNTM0RCQT09</u>)
- For More Information Visit:  
[www.readfieldmaine.org](http://www.readfieldmaine.org)

# Meeting Agenda

- Welcome & introductory comments – 10 min
- Review of budget and meeting goals – 5 min
- Presentation and discussion of summary budget information 90 min
  - DRAFT Budget review and discussion
  - DRAFT Town Meeting Warrant review and discussion
- Other Business – 5 min
- Closing comments – 10 min

# Introductory Communications

- Welcome from the Select Board Chair
- Select Board Members:
  - Kathryn Woodsum (Chair)
  - Sean Keegan (Vice-chair)
  - Carol Doorenbos
  - Steve DeAngelis
  - David Linton
- Select Board Comments

# Introductory Communications

- Welcome from the Budget Committee Chair
- Budget Committee Members:
  - Andy Tolman (Chair)
  - Marty Hanish (Vice-chair)
  - Chris Sammons
  - Ellen Schneider
  - Ed Sims
- Budget Committee Comments

# Introductory Communications

- Public Comments

# Budget Process Summary to Date

- We've had 12 public meetings and presentations to develop and discuss the budget since October
- 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 reviewed and revised the 5-year capital plan and revised accounting structure

# Public Budget Meeting Goals

- Present the 2024-2025 (FY25) Municipal Budget in summary form
- Hear and answer any questions, concerns, and comments related to the FY25 Municipal Budget
- Highlight and discuss key Warrant Articles
  - Proposed Land Use Ordinance Revisions
  - Proposed Church Road Sidewalk
  - Proposed Fairgrounds Community Park
- Provide information on the upcoming Town Meeting and Secret Ballot Vote



# Ongoing Budget Goals

- Maintain fiscal responsibility and spend conservatively
- Fund all needed and necessary expenses to maintain our Town and programs
- Minimize budget impacts to taxpayers
- Maintain a stable and sustainable level of debt
- Use fund balances responsibly
- Utilize a long-range capital planning process
- Consider the Town budget separate from the School and County budgets
- Work together toward the public good

# FY25 Budget Goals

- Prioritize investment in recreational assets and public facilities
  - Community Programming Coordinator
  - Readfield Fairgrounds Community Park
  - Church Rd. Sidewalk
- Pursue creative financing, grants, and community donations for projects
- Continue to improve communication and collaboration in the budget process
- Better define capital projects and further develop the Capital Investment Plan
- Complete the transition in accounting

# Property Values and the Mil Rate

- Assessor recommends 10% factor applied to increase residential and commercial valuations
- 4<sup>th</sup> year of factoring to match State Valuation
- For the same amount of taxes, a 10% increase in value results in a 10% decrease in the mil rate.
- The estimated municipal mil rate is 2.41 and the total mil rate is estimated at 14.84 when including the RSU and County taxes
- The combined mil rate last year was 14.16

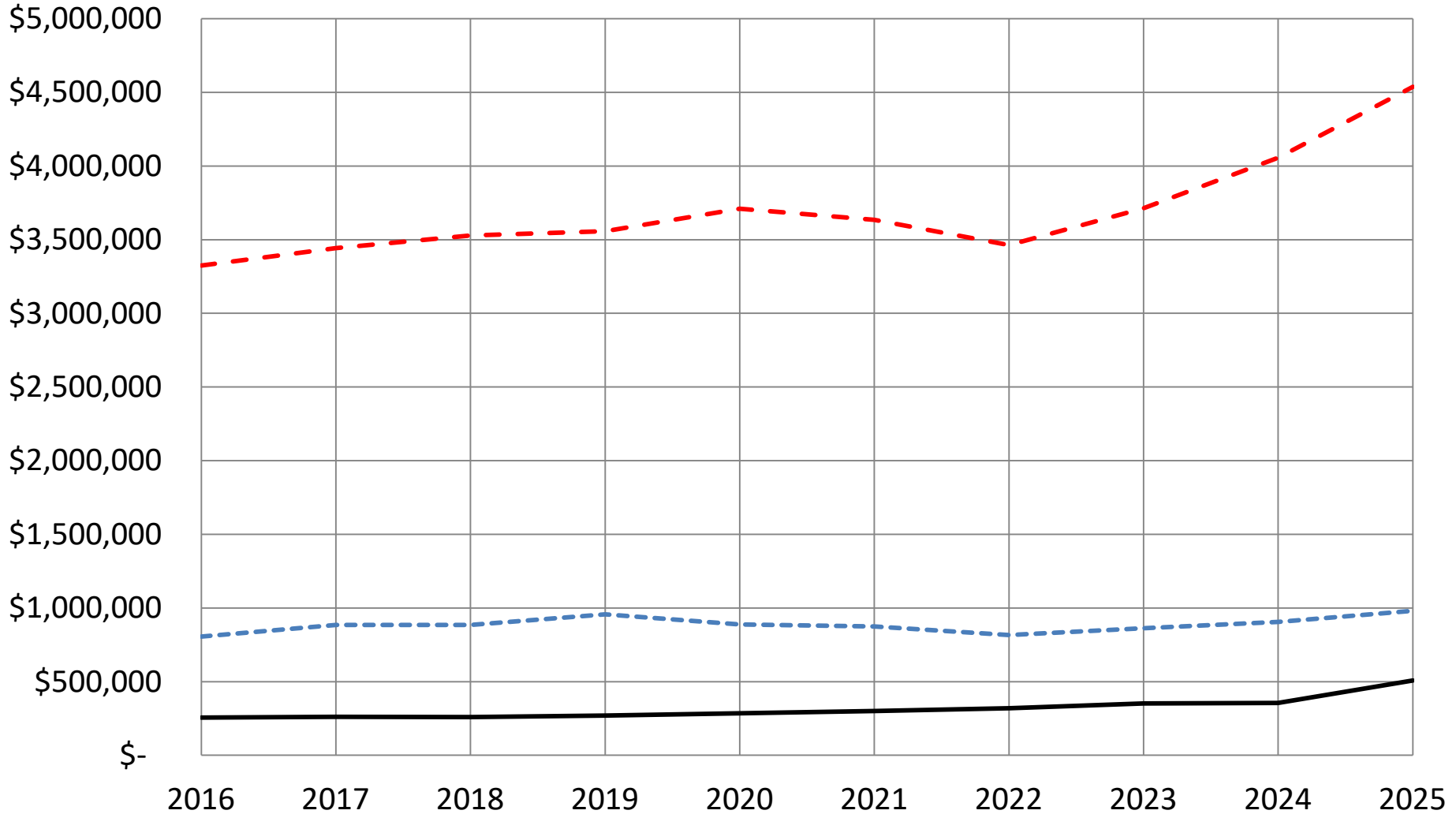
# Municipal Budget Highlights

- Labor and materials cost inflation are the main drivers for increased operating expenses
  - 5% negotiated wage increase
  - Addition of Community Programing Coordinator
- Loss of \$60,000 in State Revenue Sharing was unexpected and impactful to overall revenues
- We have a roughly \$75,000 net cost increase
- We are budgeting for a 7.5% Municipal tax increase for FY 2025 that puts us back to 2019 levels of municipal out-of-pocket tax impact

# School & County Budget Highlights

- School budget information is available on their website at [www.maranacook.org/budget](http://www.maranacook.org/budget)
- The school budget is likely to increase by about 10% - 12%, and will account for about 75% of property taxes for Readfield
- The County budget is expected to increase 43%. County tax usually accounts for about 5% of property taxes but is jumping to about 9%

# Relative Property Tax Impacts



--- Town of Readfield

— Kennebec County

--- Regional School Unit #38

# Municipal Property Tax Impact

## What do Municipal Services Cost an Average Resident Taxpayer Each Year?

### FY25 AVERAGE ASSESSED HOME VALUE

\$ 310,000 \*

\* = \$310k in 2025, \$290k in 2024, \$260k in 2023, \$240k in 2022, \$220k in 2021, base of \$200k in 2020

TAX YEAR	MUNICIPAL TAX RATE	HOMESTEAD	EST. TAX	ANNUAL DIFFERENCE	% CHANGE
2025	2.41	\$ 25,000	\$ 687	\$ 48.14	7.5%
2024	2.41	\$ 25,000	\$ 639	\$ 30.18	5.0%
2023	2.59	\$ 25,000	\$ 609	\$ 6.83	1.1%
2022	2.80	\$ 25,000	\$ 602	\$ (20.41)	-3.3%
2021	3.19	\$ 25,000	\$ 622	\$ (17.08)	-2.7%
2020	3.55	\$ 20,000	\$ 640	\$ (60.70)	-8.7%
2019	3.89	\$ 20,000	\$ 700	\$ 42.79	6.5%

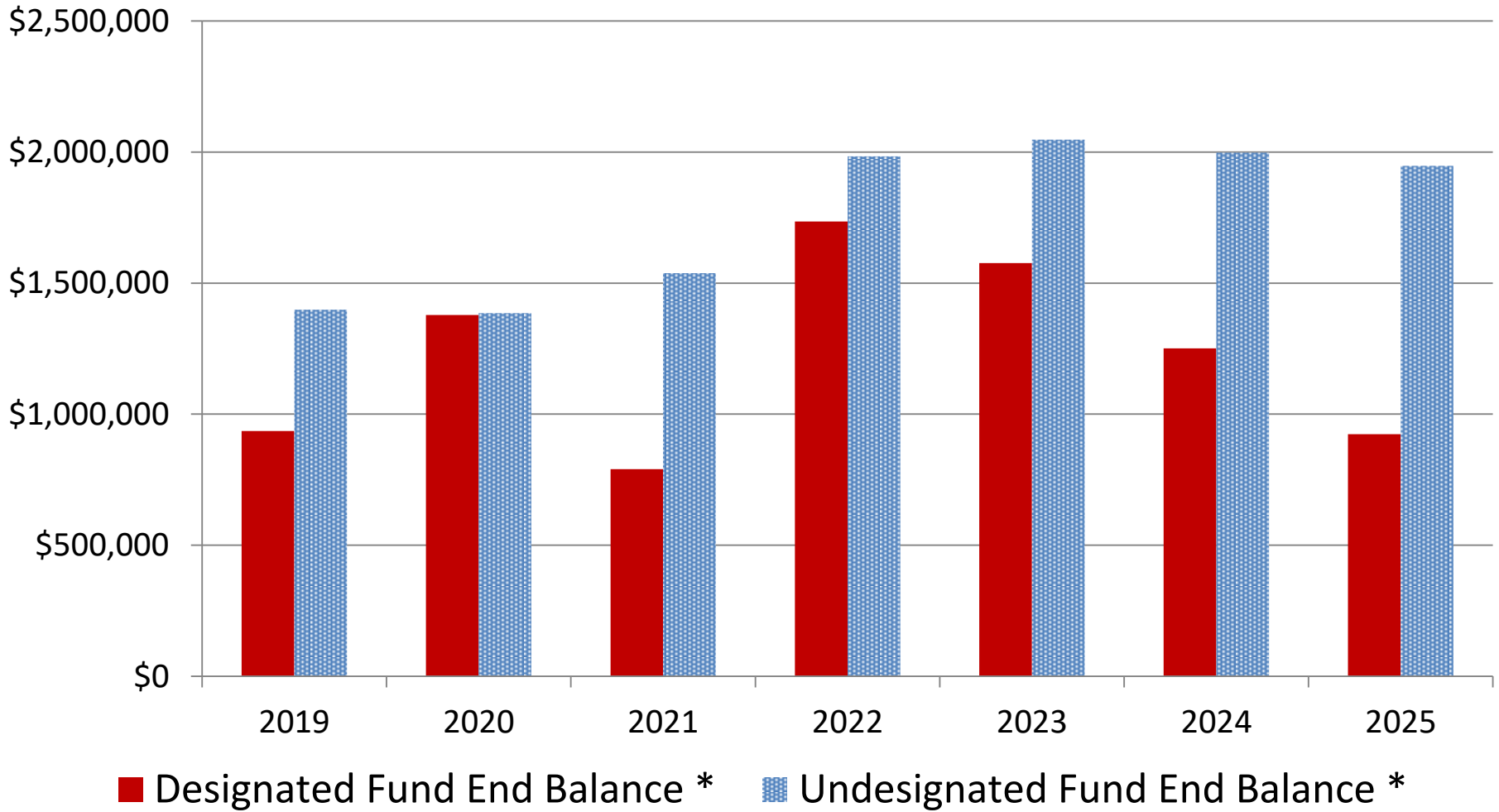
"Out of Pocket" change 2019 to 2025 -1.9%

# Fund Highlights

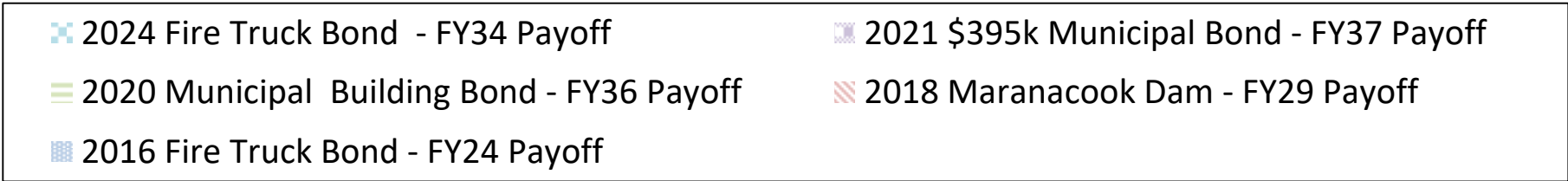
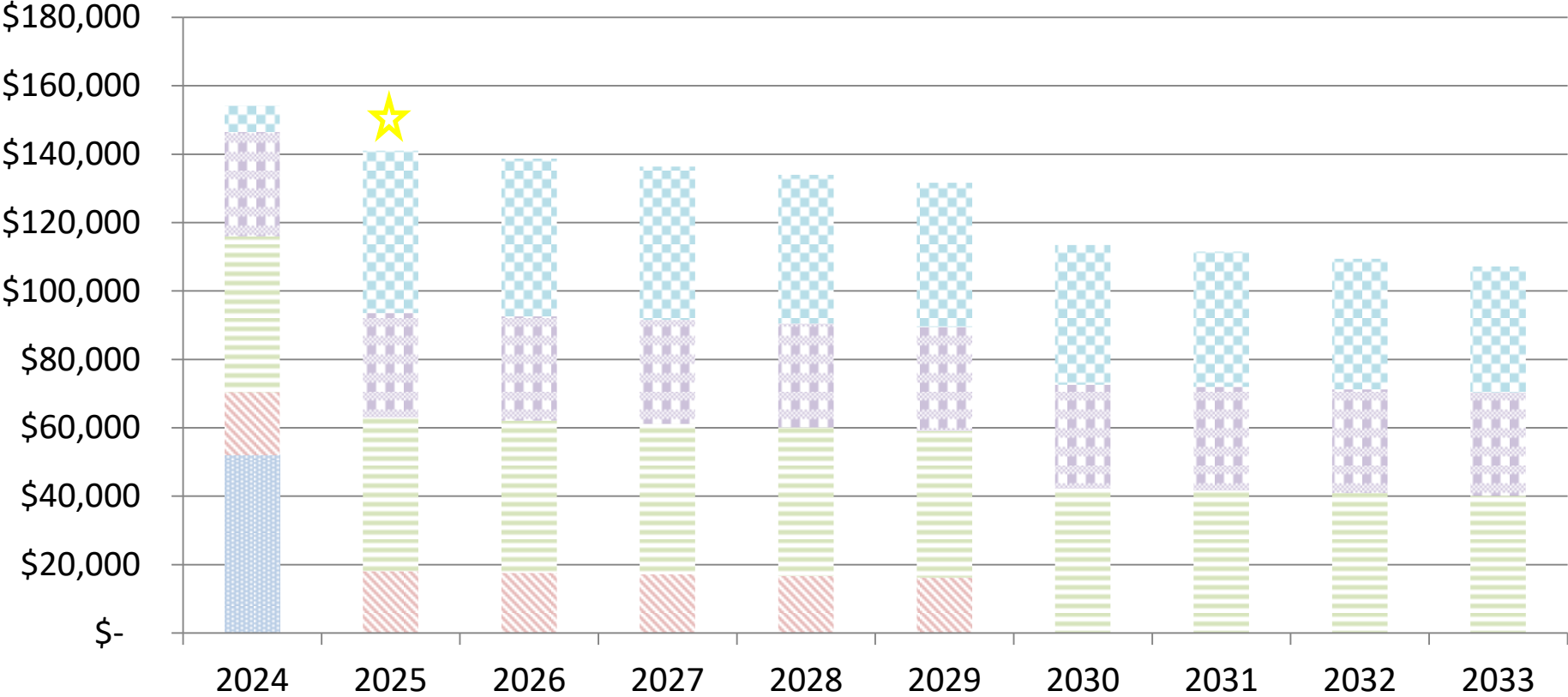
- Use of fund balance contributes to stability in tax impacts and offset some capital expenditures
- Fund balances are conservative but based on audit and reconciliation data
- Use of Designated Funds up an estimated \$100,000 due to capital project needs and use of ARPA funds
- Use of Undesignated Funds is up by \$50,000
- We have a policy that we maintain a minimum 2/12 of our total annual budgeted expenditures in our Undesignated Fund, and we expect to be about at the recommended 3/12 Undesignated Fund balance



# Fund End Balances by Fiscal Year (est. for FY25)



# Current & Budgeted Long-Term Debt Service



# Revenue Highlights

- 1.5% tax base increase for new value from growth (improvements and new construction)
- Many revenue lines appear to be down due to changes in our accounting (capital, solid waste, designated funds, interlocal CEO, unclassified)
- State Rev. Sharing estimates are down 14% from \$430,000 to \$370,000 – major loss of funds
- Investment Income is up due to more investment and relatively high yields
- Motor Vehicle revenues are up by \$25,000
- Dept. 96 Transfers includes \$22,650 in use of designated funds to offset tax impacts

# Revenue Summary – By Department

DIVISION	2024 BUDGET	2025 BUDGET	\$ CHANGE	% CHANGE
10 ADMINISTRATION	\$ 7,389,518	\$ 7,572,435	\$ 182,917	2.5%
12 MAINTENANCE	\$ -	\$ -	\$ -	-
25 COMMUNITY SERV.	\$ 36,500	\$ 34,360	\$ (2,140)	-5.9%
30 REC., PARK,& ACTIV.	\$ 21,100	\$ 21,600	\$ 500	2.4%
40 PROTECTION	\$ 3,700	\$ 2,500	\$ (1,200)	-32.4%
50 CEMETERIES	\$ -	\$ -	\$ -	-
60 ROADS & DRAINAGE	\$ 36,000	\$ 42,000	\$ 6,000	16.7%
65 CAPITAL IMPROV.	\$ 395,783	\$ -	\$ (395,783)	-100.0%
70 SOLID WASTE	\$ 260,561	\$ 35,028	\$ (225,533)	-86.6%
90 UNCLASSIFIED	\$ 24,735	\$ 19,695	\$ (5,040)	-20.4%
95 GENERAL ASSIST.	\$ 2,500	\$ 2,500	\$ -	0.0%
69 TRANSFERS	\$ -	\$ 22,650	\$ 22,650	N/A
	\$ 8,170,397	\$ 7,752,768	\$ (417,629)	-5.1%

# Expense Highlights

- Administration
  - Labor and Insurance costs are up about \$22,000
  - Assessing is up \$5,300 to cover map updates and software
  - Code Enforcement appears to be down but this is due to accounting change and is actually up in net, also due to wage increases
  - Heating Assistance was zeroed out and moved to a Special Revenue account
  - Legal fees are down \$10,000, due to the diminished risk of litigation

# Expense Highlights

- Maintenance
  - The department is up a net of \$8,970 due in large part to labor and material costs
- Community Services
  - Library is up \$3,542 mostly due to labor expenses
- Recreation, Parks, & Activities
  - Beach Expenses are down over \$6,000 due to the removal of the Beach Superintendent line
  - Recreation Programming is up about \$27,000 due to the addition of a Community Program Coordinator position

# Expense Highlights

- Protection
  - Fire Dept. is up due to wage and stipend increases
  - Ambulance budget is up an estimated 10% or \$5,607
  - Dispatching is up an estimated 5% or \$2,325
- Cemeteries
  - Budgeted for a \$2,000 decrease
- Roads & Drainage
  - Up over \$50,000 for Summer Road maintenance
  - Small decrease in Winter Roads expense due to less than expected inflation

# Expense Highlights

- Capital Improvements
  - Removed from operating budget and moved to Capital Reserves
  - Tax impacts of funding Capital Reserves are in department 96 and include the following:
    - Transfer Station \$13,838
    - Municipal Buildings \$40,000,
    - Roads \$275,000,
    - Admin. Tech (LPFM) \$5,000
    - Fire Department \$25,000
    - Maintenance \$34,177
    - Cemetery \$5,000



# Expense Highlights

- Solid Waste
  - Shows a decrease due to accounting changes but is up about 7% due to labor and contract costs
- Education Tax (not a municipal tax)
  - Budgeted 11.9% (\$480,582) increase
- County Tax (not a municipal tax)
  - Budgeted 43% (\$153,000) increase
- Debt Service
  - \$13,202 decrease due to lower payments
- Unclassified
  - Most lines moved to Special Revenue accounts and operating expenses were zeroed out

# Expense Summary – By Department

DIVISION		2024 BUDGET	2025 BUDGET	\$ CHANGE	% CHANGE
10 - Administration		\$ 697,980	\$ 695,286	\$ (2,694)	-0.4%
12 - Maintenance		\$ 176,710	\$ 185,680	\$ 8,970	5.1%
25 - Community Serv.		\$ 79,220	\$ 82,527	\$ 3,307	4.2%
30 – Rec., Parks, & Act.		\$ 49,548	\$ 72,467	\$ 22,919	46.3%
40 - Protection		\$ 184,835	\$ 195,703	\$ 10,868	5.9%
50 - Cemeteries		\$ 19,500	\$ 17,500	\$ (2,000)	-10.3%
60 - Roads & Drainage		\$ 586,750	\$ 635,500	\$ 48,750	8.3%
65 - Capital Improv.		\$ 1,197,282	\$ -	\$ (1,197,282)	-100.0%
70 - Solid Waste		\$ 390,752	\$ 173,705	\$ (217,047)	-55.5%
75 - Education		\$ 4,056,437	\$ 4,537,019	\$ 480,582	11.8%
80 - Regional Org's		\$ 47,665	\$ 46,250	\$ (1,415)	-3.0%
81 - County Tax		\$ 355,185	\$ 508,184	\$ 152,999	43.1%
85 - Debt Service		\$ 154,192	\$ 140,990	\$ (13,202)	-8.6%
90 - Unclassified		\$ 112,757	\$ 58,942	\$ (53,815)	-47.7%
95 - General Assistance		\$ 5,000	\$ 5,000	\$ -	0.0%
96 - Transfers		\$ -	\$ 398,015	\$ 398,015	-
		\$ 8,1338,13	\$ 7,752,768	\$ (361,045)	-4.4%

# Public Questions and Comments

# FY25 Warrant Highlights

## Proposed Fairgrounds Community Park

- Two warrant articles are proposed
  - Approval of Land and Water Conservation Fund Grant
  - Approval of CONCEPT project plans
- No financial warrants are proposed due to no tax impact
- Project includes:
  - Expanded multi-use field
  - Basketball / Sports Court
  - Amenities like water, electric, improved rest area, gardens
- Project cost of just under 1,000,000 to be funded through grants and donations (cash and in-kind)

# FY25 Warrant Highlights

## Proposed Church Road Sidewalk

- Multi-year federally funded bicycle and pedestrian safety project connecting high-use areas in Readfield
- 80% Federal funding, 20% Local funding
  - Approximately \$1,200,000 total project cost
  - Use of reserves for local share so no additional tax impacts
  - \$960,000 in Federal grant funds
  - Requires use of ARPA funds for road work and transfer of road funds for sidewalk project
- Includes safety and traffic calming measures, on-street parking, lighting improvements, and drainage improvements

# FY25 Warrant Highlights

## Proposed LUO Revisions

- Changes are exclusively those necessary for compliance with P.L. 2021, c. 672 (LD 2003)
- Municipalities are required to comply with the legislation through incorporation of new rules addressing affordable housing, dwelling unit density, and auxiliary dwelling units
- Planning Board has held their required hearing and will present their draft to the Select Board

# FY25 Warrant Highlights

## Other Ordinance Revisions

### Other Proposed Ordinances or Revisions

- Marijuana Establishments Ordinance
- Administrative Ordinance
- Waste Disposal and Recycling Ordinance
- Property Tax Assistance Program Ordinance
- Disposition of Tax Acquired Property Ordinance (new)

# Closing Communications

- Budget Committee and Select Bboard
- Town Staff
- Public Comments



# Important Dates:

- **April 1, 2024** – Deadline for 2023 Homestead Exemption applications
- **April 12, 2024** - Nomination papers and Warrant due to Town Clerk
- **May 10, 2024** - Absentee Municipal Ballots available, State and RSU ballots will be later
- **May 8 and 29, 2024** - Final Public Budget Meeting & Hearings
- **June 11, 2024** – Town Meeting / Secret Ballot

THANK YOU!