



Fiscal Year 2023 Budget & Warrant Public Hearing

June 2nd, 2022

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 (929) 436-2866 and entering Meeting ID: 881 4960 8367 and Passcode: 781405
- Or web conference at:
<https://us02web.zoom.us/j/88149608367?pwd=Vm10OFo0UzEwbVNnenhiYnF4bEN1Zz09>
- Backup phone # to ask questions in the event of technical difficulties is 685-1813

Meeting Agenda

- Welcome & introductions
- Project Highlights
 - Community Broadband Internet Project
 - Fairgrounds Community Park and Conservation Project
- Review of budget and meeting goals
- Presentation and discussion of summary budget information

Welcome & Introductions

- Welcome from the Chair of the Select Board
- Select Board Members:
 - Dennis Price (Chair)
 - Kathryn Woodsum (Vice Chair)
 - Carol Doorenbos
 - Ralph Eno
 - Sean Keegan

Welcome & Introductions

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

Budget Process Summary to Date

- We've had 16 public Select Board and Budget Committee meetings and presentations to develop and discuss the budget since November
- 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

Public Hearing Meeting Goals

- Highlight and discuss key projects
- Present the 2022-2023 (FY23) Municipal Budget in summary form
- Hear and answer (whenever possible) any questions, concerns, and comments related to the FY23 Municipal Budget
- 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

FY23 Budget Goals

- Prioritize investment in recreational assets and public facilities
- Provide reliable public services
 - Communication
 - Emergency Services
 - Transportation
- Minimize budget impacts to taxpayers

FY23 Project Highlights

Community Broadband Internet

- Background
 - **The goal is to provide uniform, affordable, reliable, high-speed broadband internet to everyone in town**
 - Town priority for 3-4 years with most activity last year
 - Thank you to the Select Board for their work, including a 2021 resolution on implementation
 - In November of 2021 voters authorized municipal borrowing, an RFP process, and contract negotiations
 - Thank you to the Broadband Committee for their work, including ongoing review and the selection of a preferred provider in March of 2022

FY23 Project Highlights

Community Broadband Internet

- Project Scope
 - Proposed construction of a municipally owned fiber optic network to all homes and businesses
 - Network operation provided by Axiom, selected as the preferred provider following competitive bid process and criteria based review
 - Construction Agreement and Franchise Agreement negotiations are ongoing but nearing completion
 - If approved in June connections could happen in 15-18 months (it's a big project with long leads...)

FY23 Project Highlights

Community Broadband Internet

- Potential Risks
 - There are project risks but they have been considered and addressed where possible, and found to be manageable by the Town
 - We estimate a 35% subscription rate in the 1st year, but the break-even point is well under that
 - Project costs are increasing but we will have firm pricing on most items in July and a \$200,000 contingency
 - Grants are not guaranteed but we expect to receive grant funding

FY23 Project Highlights

Community Broadband Internet

- Cost Considerations
 - Total estimated capital cost of 4.7 to 4.9 million
 - Fiber optic network and equipment (capital) paid for through property tax, similar to roads and schools, average of about \$24 per month
 - Subscription fees for service based on speeds from 100 MB/s at \$40/mo, up to 1 GB/s at \$140
 - Average total cost will be about \$60/mo for 100 MB/s service, plus optional router at \$7/mo
 - **These figures are firm for at least 2 years**

FY23 Project Highlights

Community Broadband Internet

- Other Considerations
 - 100% coverage town-wide, up to 1 GB/s
 - Advertised speeds are guaranteed not “up-to” and will be delivered to all customers consistently
 - Maine based customer support and service, and Axiom is a Maine owned company
 - Low-income assistance available – for **ALL** services
 - Community owned network with local control of service levels and pricing, and we are investing in an asset with real value

FY23 Project Highlights

Community Broadband Internet

- Welcome to Mark Oullette, owner of Axiom and our broadband consultant Brian Lippold
- We have time for several questions and comments but will need to move on to the rest of the hearing after a period of time
- We will have time for more discussion after the budget presentation
- Visit www.readfieldfiber.org for more information.

FY23 Project Highlights

Community Park and Conservation

- Background
 - **The goal is to provide more recreational opportunities for our residents and youth while maintaining a balance with conservation and other uses of the Fairgrounds property**
 - Town priority for the past few years
 - Recent activity to engage stakeholder groups and develop concept plans
 - Plan development and review with Engineer and Landscape Consultant services

FY23 Project Highlights

Community Park and Conservation

- Project Scope
 - Addition of a softball field, basketball court, kiosk, concession stand, pollinator garden, trails, and associated utilities and structures at the town Fairgrounds Property – a true community park
 - Focus on minimizing impact on natural area while delivering built facilities to support sports use
 - The plan is similar to the original project design
 - Habitat and wetland mitigation on-site and at other properties, like the old landfill site

FY23 Project Highlights

Community Park and Conservation

- Cost Considerations
 - Early projections ranged from \$300 K to \$500 K
 - The revised Engineer’s opinion of cost based on current plans and pricing is about \$675 K
 - The cost increase is mainly due to diesel prices, which are both high and volatile currently
 - We are applying for multiple grants and expect many contributions from the community
 - The cost of the \$500,000 bond will be about \$28 per year for the average homeowner.

FY23 Project Highlights

Community Park and Conservation

- Other Considerations
 - Other sport fields exist in town but access is limited and they are not practical alternatives
 - The Fairgrounds property is ideally located to support recreational infrastructure
 - The improvements are consistent with the multi-use purpose of the property
 - Adding a softball field promotes fairness
 - Environmental impacts will be mitigated
 - Construction will be dependent upon funding

FY23 Project Highlights

Community Park and Conservation

- Project Plans
 - Available at <https://www.readfieldmaine.org/>
 - Available at the Readfield Town Office
- Thank you to the Readfield Recreation Board, Conservation Commission, Historical Society, and Trails Committee for their work to develop and shape this project
- We have time for several questions and comments but will need to move on to the rest of the hearing after a period of time
- We will have time for more discussion after the budget presentation



Revenue Highlights

- 3rd year of 10% factor applied to the residential tax base to match State of Maine valuation
- 1.5% tax base increase from new home starts and renovation projects
- All revenue lines were carefully reviewed for changing COVID -19 impacts and many were increased from the prior year
- State Rev. Sharing was increased to \$400,000 to account for full “funding” at 5% of State revenue
- Motor Vehicle revenues are up by \$75,000

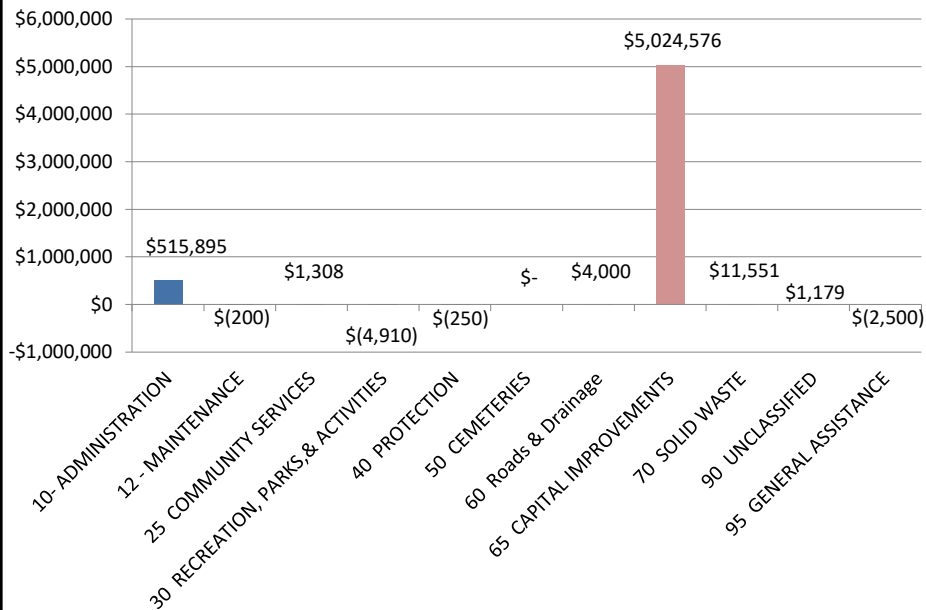
Revenue Highlights (cont'd)

- Use of Designated Funds is up by about \$74,000
- Use of Undesignated Funds is flat
- We anticipate bond proceeds of up to \$5,500,000 if the borrowing approved in November is acted upon for the Broadband Project and the Fairgrounds Project borrowing is approved
- New ARPA funds of \$135,770 are anticipated
- Total Transfer Station revenue is up over \$11,000
- FirstPark revenue is stable and once again anticipated to be revenue neutral

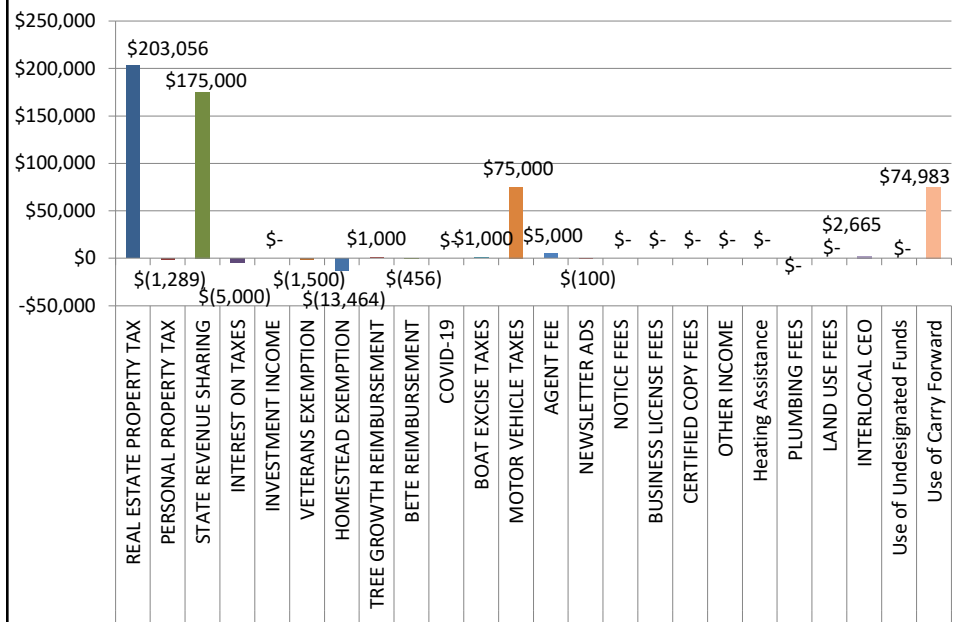
Revenue Summary – By Department

DIVISION	2022 BUDGET	2023 BUDGET	\$ CHANGE	% CHANGE
10 ADMINISTRATION	\$ 6,131,999	\$ 6,679,413	\$ 515,895	8.4%
12 MAINTENANCE	\$ 200	\$ -	\$ (200)	-
25 COMMUNITY SERV.	\$ 36,667	\$ 37,975	\$ 1,308	3.6%
30 REC., PARKS, & ACTIV.	\$ 18,210	\$ 13,300	\$ (4,910)	-27.0%
40 PROTECTION	\$ 3,450	\$ 3,200	\$ (250)	-7.2%
50 CEMETERIES	\$ -	\$ -	\$ -	-
60 ROADS & DRAINAGE	\$ 32,000	\$ 36,000	\$ 4,000	12.5%
65 CAPITAL IMPROV.	\$ 490,533	\$ 5,515,109	\$ 5,024,576	1024.3%
70 SOLID WASTE	\$ 216,838	\$ 228,389	\$ 11,551	5.3%
90 UNCLASSIFIED	\$ 28,569	\$ 29,748	\$ 1,179	4.1%
95 GENERAL ASSIST.	\$ 5,000	\$ 2,500	\$ (2,500)	-50.0%
	\$ 6,963,466	\$ 12,545,634	\$ 5,550,649	79.7%

2022-2023 Revenue \$ Change by Department



2022-2023 Revenue \$ Change Admin. By Dept.



Expense Highlights

- Administration
 - General labor and Insurance costs are up \$28,442 primarily due to pandemic related changes
 - Assessing and Code Enforcement budgets are up due to wage adjustments and increased demand
 - Legal fees are up \$25,000 , to \$50,000, due to the threat of litigation – we are prepared to protect residents’ rights
- Maintenance
 - The department is up a net of \$15,385 due in large part to the same adjustments seen in Admin.

Expense Highlights

- Community Services
 - \$4,915 reduction in ACO line due to removal of duplicative payment for wages and stipend
 - Library is up \$7,262 due to labor expenses
 - \$1,750 increase in Streetlights due to proposed installation of 5 new LED fixtures
- Recreation, Parks, & Activities
 - Increase of \$1,104 for Beach needs
 - Increase in Heritage Days, “post-pandemic” bump
 - \$2,668 Increase in trails due to no prior-year materials purchases and no reserve

Expense Highlights

- Protection
 - Ambulance budget is up \$15,290 per Winthrop
- Cemeteries
 - \$3,000 reduction
- Roads & Drainage
 - \$78,000 Winter Roads expense increase to cover a budget shortfall this year and an increase next
- Capital Improvements
 - \$9,000 to complete digital conversion for PEG
 - Up to \$5,000,000 for Broadband Internet

Expense Highlights

- Capital Improvements (continued)
 - \$10,000 increase in savings for Gile Hall
 - Up to \$500,000 for Fairgrounds Project
 - \$15,000 for Library parking lot paving
 - \$50,000 for open space fund
 - \$350,000 for paving and infrastructure
 - Ongoing lease payments and reserve at Transfer Station

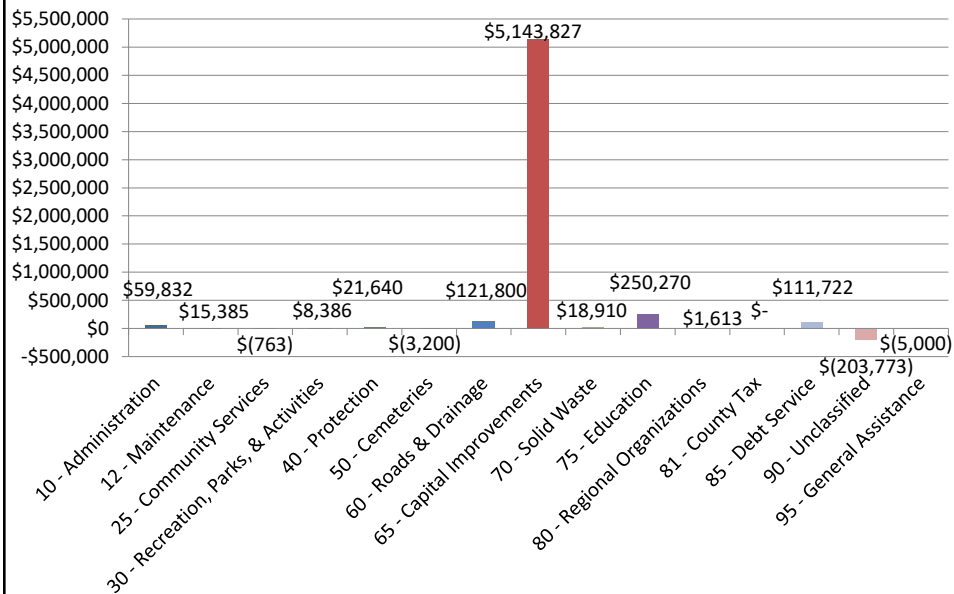
Expense Highlights

- Solid Waste
 - \$18,910 increase in Transfer Station expenses related primarily to contracted service costs
- Education
 - Estimated 7.2%, \$250,270 increase
- Debt Service
 - New municipal bond interest payments of \$88,257
- Unclassified
 - The Overlay was reduced to the normal \$25,000 level

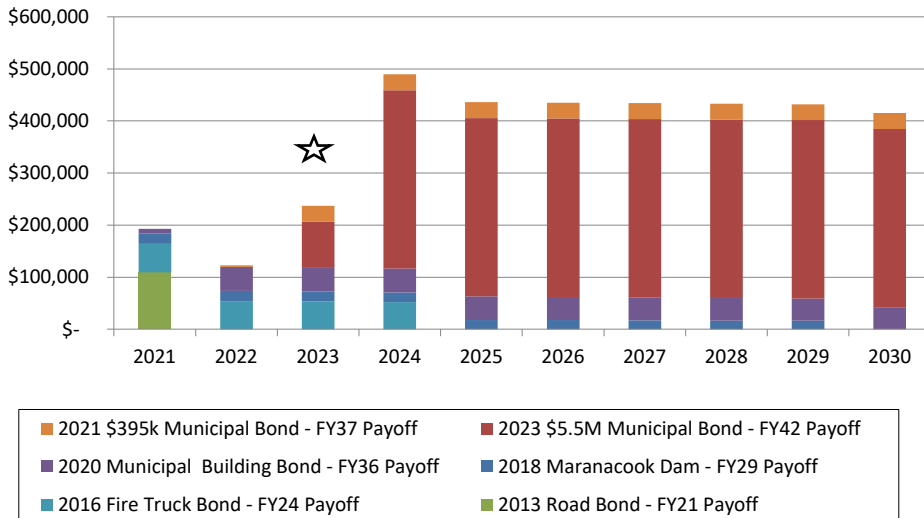
Expense Summary – By Department

DIVISION	2022 BUDGET	2023 BUDGET	\$ CHANGE	% CHANGE
10 - Administration	\$ 620,098	\$ 679,930	\$ 59,832	9.6%
12 - Maintenance	\$ 144,915	\$ 160,300	\$ 15,385	10.6%
25 - Community Serv.	\$ 75,466	\$ 74,703	\$ (763)	-1.0%
30 - Rec., Parks, & Act.	\$ 50,321	\$ 58,707	\$ 8,386	16.7%
40 - Protection	\$ 154,335	\$ 175,975	\$ 21,640	14.0%
50 - Cemeteries	\$ 22,700	\$ 19,500	\$ (3,200)	-14.1%
60 - Roads & Drainage	\$ 417,850	\$ 489,650	\$ 121,800	29.1%
65 - Capital Improv.	\$ 902,858	\$ 6,031,685	\$ 5,143,827	569.7%
70 - Solid Waste	\$ 323,665	\$ 342,575	\$ 18,910	5.8%
75 - Education	\$ 3,463,235		\$ 250,270	7.2%
80 - Regional Org's	\$ 49,000	\$ 50,613	\$ 1,613	3.3%
81 - County Tax	\$ 319,743	\$ 319,743	\$ -	0.0%
85 - Debt Service	\$ 125,224	\$ 236,946	\$ 111,722	89.2%
90 - Unclassified	\$ 294,056	\$ 90,748	\$ (203,773)	-69.3%
95 - General Assistance	\$ 10,000	\$ 5,000	\$ (5,000)	-50.0%
	\$ 6,973,466	\$ 12,545,634	\$ 5,540,649	79.5%

2022-2023 Exp. \$ Change by Department



Current & Budgeted Debt Service



Municipal Budget Highlights

- Pandemic related labor and materials costs are the main drivers for increased operating expenses
- Community investments in broadband and recreation are primarily behind capital costs and debt service increases, Outside of Capital Expenses, municipal expenses are up \$146,552
- Non-tax and non-capital Revenue are up \$239,145
- The Municipal budget accounts for about 18% of your tax bill

School & County Budget Highlights

- School budget information is available on their website at www.maranacook.org/budget
- The school budget is set to increase by 7.2% and will account for about 77% of property taxes for Readfield
- The County budget is unknown at this time but usually accounts for about 5% of property taxes and is expected to be close flat due to the significant amount of federal funds the county has at its disposal

Summary Items:

- After two years of decreases in net tax impact (combined school, county, and municipal budgets) we are budgeting for an increase in FY23
 - 4.9% above the current year budget (FY22)
 - 1.2% above pre-pandemic levels (FY20)
- June 14, 2022 – Town Meeting / Secret Ballot Vote