



Fiscal Year 2024 Public Budget Meeting & Hearing

March 22nd, 2023

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>
- For More Information Visit:

www.readfieldmaine.org

Meeting Agenda

- Welcome & introductions – 5 min
- Review of budget and meeting goals – 5 min
- Presentation and discussion of summary budget information 80 min
- Town Meeting Warrant Discussion – 30 min
 - Proposed Land Use Ordinance revisions
 - Proposed Beach Ordinance
 - Proposed Comprehensive Plan Update

Welcome & Introductions

- Welcome from the Chair of the Select Board
- Select Board Members:
 - Kathryn Woodsum (Vice Chair)
 - Carol Doorenbos
 - Sean Keegan
 - Steve DeAngelis (*excused*)
 - Dennis Price (Chair – *excused*)

Welcome & Introductions

- Welcome from the Chair of the Budget Committee
- Budget Committee Members:
 - Andy Tolman (Chair)
 - Marty Hanish
 - Chris Sammons
 - Ed Sims
 - Ellen Schneiter (excused)

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

Public Budget Meeting Goals

- Present the 2023-2024 (FY24) Municipal Budget in summary form
- Hear and answer any questions, concerns, and comments related to the FY24 Municipal Budget
- Highlight and discuss key Warrant Articles
 - Proposed Land Use Ordinance Revisions
 - Proposed Beach Ordinance
 - Proposed Comprehensive Plan Update
- 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

FY24 Budget Goals

- Minimize budget impacts to taxpayers
- Consider reducing, or postponing, wanted future projects not yet in progress
- Fund all needed and necessary expenses to maintain our Town and programs
- Maintain fiscal responsibility and spend conservatively
- Maintain a stable level of debt
- Pursue creative financing, grants, and community donations for projects
- Prioritize investment in recreational assets and public facilities

Revenue Highlights

- 1/2% tax base increase for new value from growth (improvements and new construction)
- COVID -19 impacts were considered and are less than in prior years, but still evident
- State Rev. Sharing estimates are up about 7.5% from \$400,000 to \$430,000
- Investment Income is up over \$30,000 due to a new investment program for reserve balances
 - Laddered investing in CDs or similar, up to \$1,000,000
- Motor Vehicle revenues are down by \$50,000

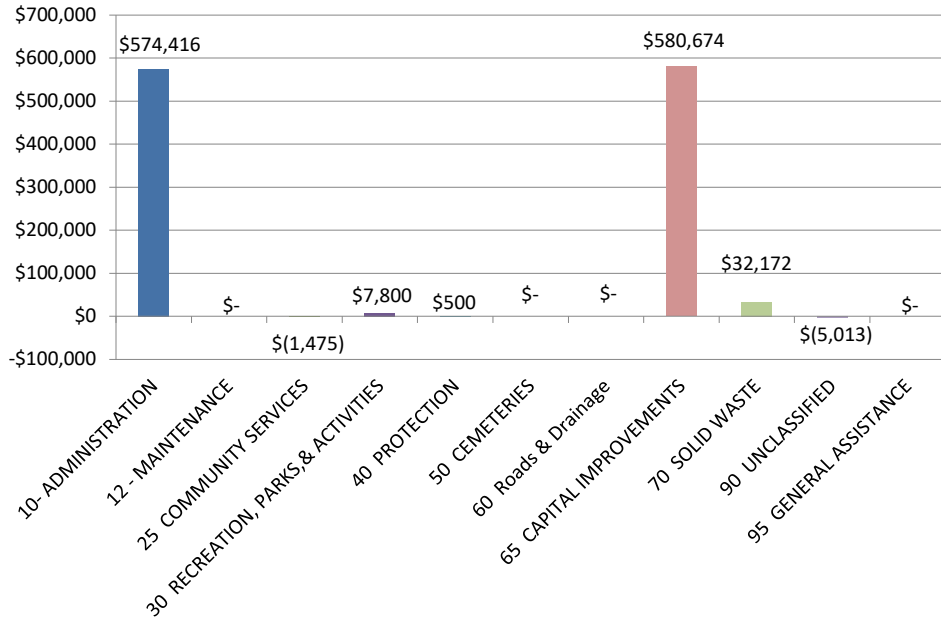
Revenue Highlights (cont'd)

- Use of Designated Funds is up by about \$75,000
- Use of Undesignated Funds is up by \$50,000
- Recreation revenues are up in almost every program area due to increased participation
- Bond proceeds of \$548,057 for the Fire Truck
- Federal Grant revenue of \$30,000 for the Sidewalk Project
- Total Transfer Station revenue is up over \$32,000
- FirstPark revenue is once again anticipated to be equal to or exceed expenses

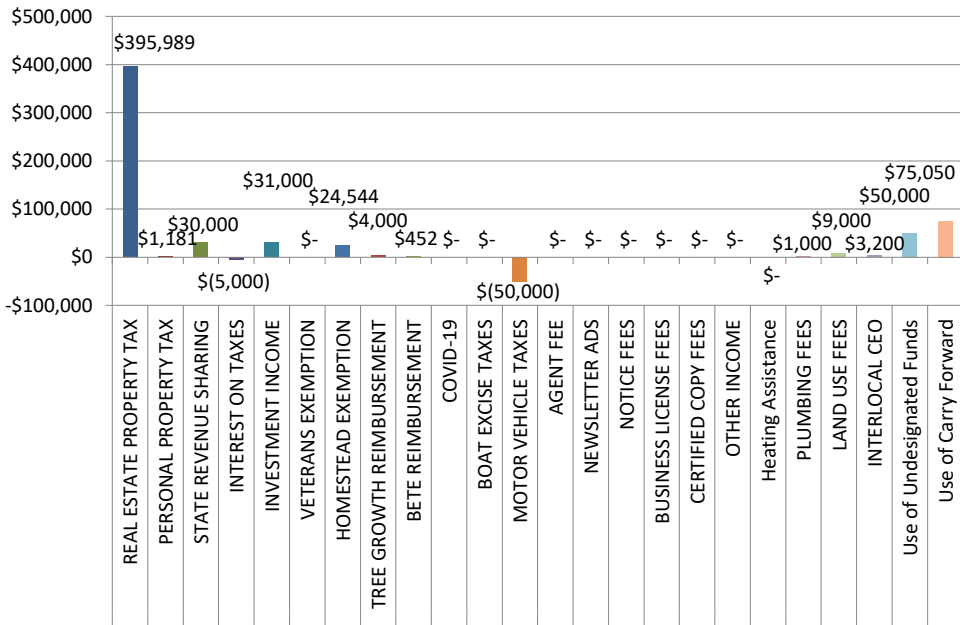
Revenue Summary – By Department

| DIVISION | 2023 BUDGET | 2024 BUDGET | \$ CHANGE | % CHANGE |
|-------------------------|--------------|--------------|--------------|----------|
| 10 ADMINISTRATION | \$ 6,590,479 | \$ 7,164,895 | \$ 574,416 | 8.7% |
| 12 MAINTENANCE | \$ - | \$ - | \$ - | - |
| 25 COMMUNITY SERV. | \$ 37,975 | \$ 36,500 | \$ (1,475) | -3.9% |
| 30 REC., PARKS,& ACTIV. | \$ 13,300 | \$ 21,100 | \$ 7,800 | 58.6% |
| 40 PROTECTION | \$ 3,200 | \$ 3,700 | \$ 500 | 15.6% |
| 50 CEMETERIES | \$ - | \$ - | \$ - | - |
| 60 ROADS & DRAINAGE | \$ 36,000 | \$ 36,000 | \$ - | 0.0% |
| 65 CAPITAL IMPROV. | \$ 15,109 | \$ 595,783 | \$ 580,674 | 3843.2% |
| 70 SOLID WASTE | \$ 228,389 | \$ 260,561 | \$ 32,172 | 14.1% |
| 90 UNCLASSIFIED | \$ 29,748 | \$ 24,735 | \$ (5,013) | -16.9% |
| 95 GENERAL ASSIST. | \$ 2,500 | \$ 2,500 | \$ - | 0.0% |
| | \$ 6,956,700 | \$ 8,145,774 | \$ 1,189,074 | 17.1% |

2023-2024 Revenue \$ Change by Department



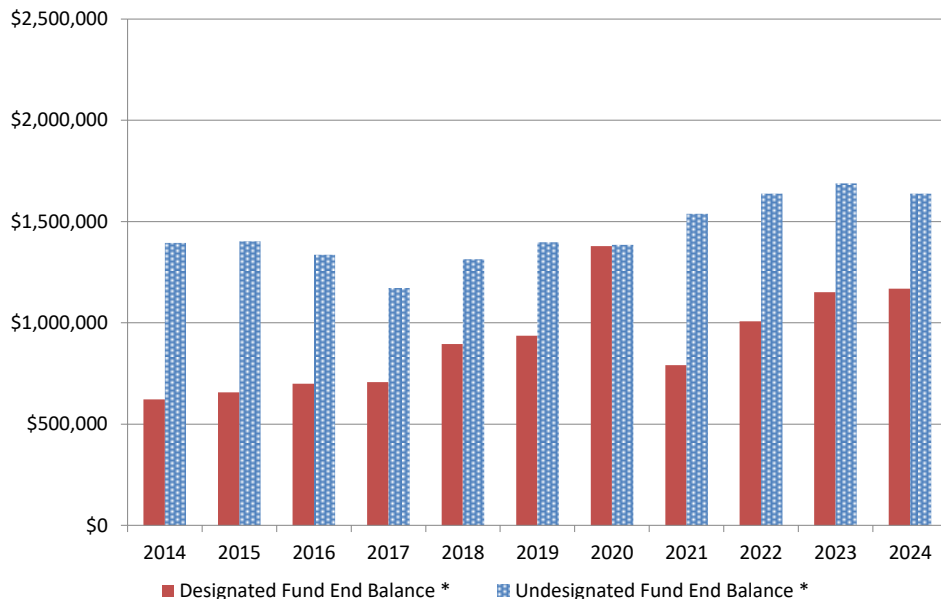
2023-2024 Revenue \$ Change Admin. By Dept.



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 by \$75,050
- Use of Undesignated Funds is up by \$50,000
- We have a policy that recommends we maintain 2/12 of our total annual budgeted expenditures in our Undesignated Fund
- Expect to be about 20% above this minimum Undesignated Fund balance threshold in FY24

Fund End Balances by Fiscal Year (est. for FY24)



Expense Highlights

- Administration
 - Labor and Insurance costs are up about \$30,000
 - Office Equipment appears to be up almost \$26,000 but this is due to a \$24,000 transfer from Contract Svc.
 - Assessing is down and Code Enforcement is up, nearly offsetting each other
 - Grant writing and Planning services are up \$3,000
 - Legal fees are down \$25,000, due to the establishment of our legal reserve, however, there is an ongoing threat of litigation
- Maintenance
 - The department is up a net of \$16,410 due in large part to labor and material costs

Expense Highlights

- Community Services
 - \$1,515 increase in ACO line
 - Library is up \$4,997 mostly due to labor expenses
 - \$4,250 decrease in Streetlights due to no new fixtures and realized cost savings
- Recreation, Parks, & Activities
 - Expenses are down or flat for all divisions
 - Swim lessons are not able to be offered this year, which is an unfortunate cost savings

Expense Highlights

- Protection
 - Ambulance budget is up a modest \$2,670
 - Dispatching costs are up by \$6,500
- Cemeteries
 - Budgeted flat
- Roads & Drainage
 - Essentially flat on Summer Road maintenance
 - \$48,100 Winter Roads expense increase to cover cost increases (again labor and materials)

Expense Highlights

- Capital Improvements
 - \$623,057 for the purchase of a new Fire Truck
 - Offsetting revenue from a bond and \$75,000 reserve
 - \$10,000 decrease in savings for Gile Hall
 - \$10,000 decrease in Library Building reserve
 - \$50,000 flat budget for open space fund
 - \$392,000 for paving and infrastructure
 - \$325,000 for paving and reserve
 - \$67,500 for Church Rd. Sidewalk (with 80% offsetting revenue from Federal Transportation Grant)
 - Ongoing lease payments and reserve at Transfer Station

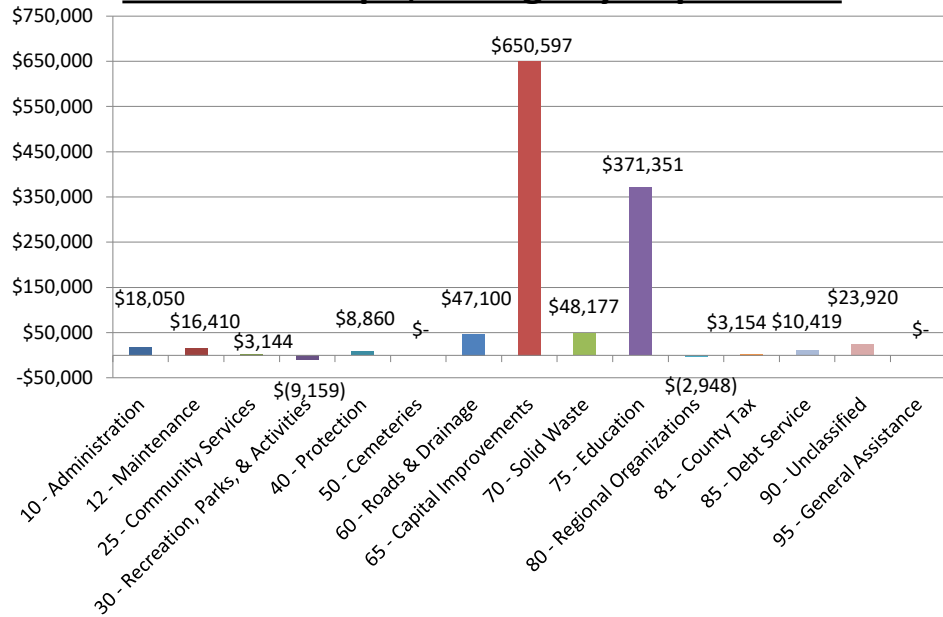
Expense Highlights

- Solid Waste
 - \$48,177 increase in Transfer Station expenses related primarily to contract & labor costs
- Education
 - Estimated 10% (\$371,351) increase
- Debt Service
 - New Fire Truck Bond payment of \$10,419
- Unclassified
 - Revaluation expense was increased to \$25,000 to cover the first year of a four year revaluation plan (fully offset by reserves)

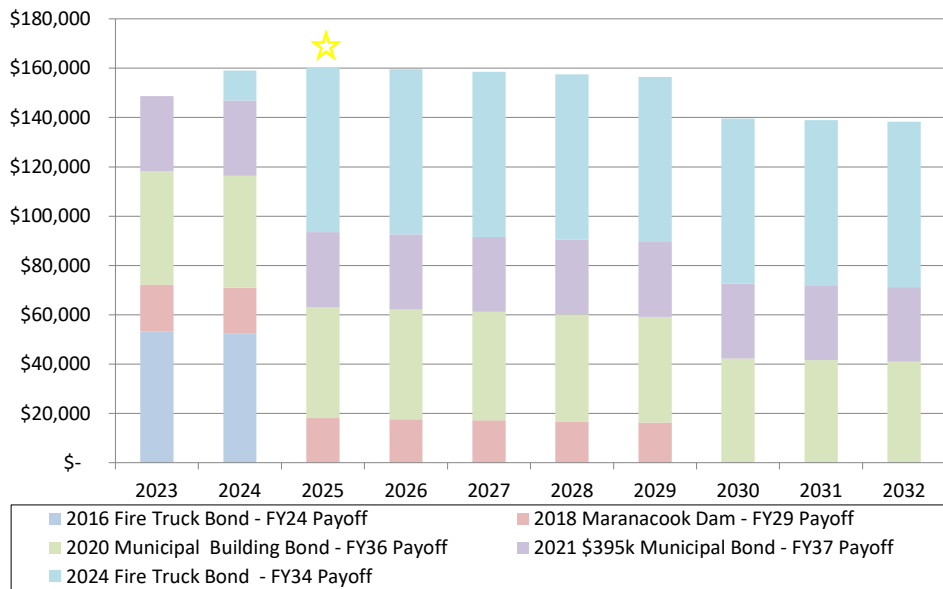
Expense Summary – By Department

| DIVISION | 2023 BUDGET | 2024 BUDGET | \$ CHANGE | % CHANGE |
|--------------------------|--------------|--------------|--------------|----------|
| 10 - Administration | \$ 679,930 | \$ 697,980 | \$ 18,050 | 2.7% |
| 12 - Maintenance | \$ 160,300 | \$ 176,710 | \$ 16,410 | 10.2% |
| 25 - Community Serv. | \$ 74,703 | \$ 77,847 | \$ 3,144 | 4.2% |
| 30 – Rec., Parks, & Act. | \$ 58,707 | \$ 49,548 | \$ (9,159) | -15.6% |
| 40 - Protection | \$ 175,975 | \$ 184,835 | \$ 8,860 | 5.0% |
| 50 - Cemeteries | \$ 19,500 | \$ 19,500 | \$ - | 0.0% |
| 60 - Roads & Drainage | \$ 539,650 | \$ 586,750 | \$ 47,100 | 8.7% |
| 65 - Capital Improv. | \$ 546,685 | \$ 1,197,282 | \$ 650,597 | 119.0% |
| 70 - Solid Waste | \$ 342,575 | \$ 390,752 | \$ 48,177 | 14.1% |
| 75 - Education | \$ 3,713,505 | \$ 4,084,856 | \$ 371,351 | 10.0% |
| 80 - Regional Org's | \$ 50,613 | \$ 47,665 | \$ (2,948) | -5.8% |
| 81 - County Tax | \$ 352,031 | \$ 355,185 | \$ 3,154 | 0.9% |
| 85 - Debt Service | \$ 148,689 | \$ 159,108 | \$ 10,419 | 7.0% |
| 90 - Unclassified | \$ 88,837 | \$ 112,757 | \$ 23,920 | 26.9% |
| 95 - General Assistance | \$ 5,000 | \$ 5,000 | \$ - | 0.0% |
| | | | | |
| | \$ 6,956,700 | \$ 8,145,775 | \$ 1,189,074 | 17.1% |

2023-2024 Exp. \$ Change by Department



Current & Budgeted Long-Term Debt Service



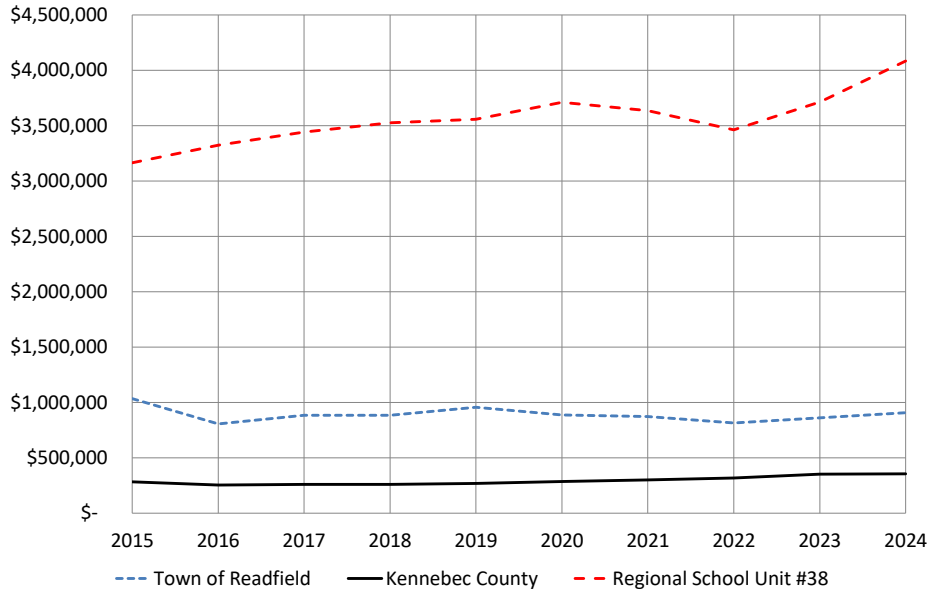
Municipal Budget Highlights

- Competing budget goals were considered
- Labor and materials cost inflation are the main drivers for increased operating expenses
- Community investment in a new Fire Truck is the primary cause of capital and debt service increases
- Municipal expenses and non-tax revenues are up, but we have a roughly \$46,000 net cost increase
- **After a pandemic dip we are budgeting for a 4.4% Municipal tax increase in FY 2024 that puts us back to 2020 levels of municipal tax impact**

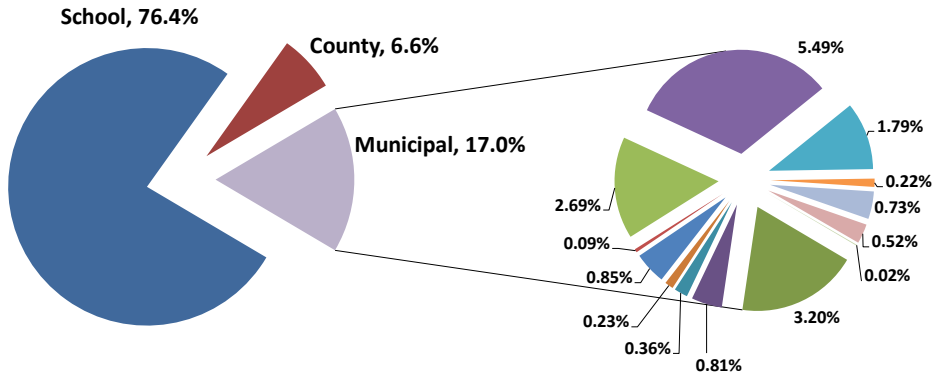
Property Values and the Mil Rate

- Assessor recommends 15% factor applied to increase residential and commercial valuations
- 3rd year of factoring to match State valuation
- For the same amount of taxes, a 15% increase in value results in a 15% decrease in the mil rate.
- Factoring has not been applied, but will not substantively change the amount of taxes residents pay
- The estimated mil rate (on all taxes) is 15.92 and is expected to be around 14 after factoring

Relative Property Tax Impacts



Percent of Proposed 2024 Property Taxes Attributed to School, County, and Municipal Sources (approximate)



Municipal Sources Detail (By Department and approximated based on expenditures)

- 3.20% - Administration
- 0.23% - Recreation, Parks, & Activities
- 2.69% - Roads & Drainage
- 0.22% - Regional Organizations
- 0.02% - General Assistance
- 0.81% - Maintenance
- 0.85% - Protection
- 5.49% - Capital Improvements
- 0.73% - Debt Service
- 0.36% - Community Services
- 0.09% - Cemeteries
- 1.79% - Solid Waste
- 0.52% - Unclassified

Municipal Property Tax Impact

What do Municipal Services Cost an Average Resident Taxpayer?

FY24 AVERAGE ASSESSED HOME VALUE
 \$ 260,000 *

* = \$260,000 in 2023, \$240,000 in 2022, \$220,000 in 2021 and \$200,000 in 2020

| TAX YEAR | MUNICIPAL TAX RATE | HOMESTEAD | EST. TAX | ANNUAL DIFFERENCE? | % Change |
|----------|--------------------|-----------|----------|--------------------|----------|
| 2024 | 2.71 | \$ 25,000 | \$ 636 | \$ 26.92 | 4.4% |
| 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% |
| 2018 | 3.65 | \$ 20,000 | \$ 657 | \$ (18.04) | -2.7% |

"Out of Pocket" change
 2020 to 2024 -0.6%

School & County Budget Highlights

- School budget information is available on their website at www.maranacook.org/budget
- The school budget is likely to increase by about 10%, and will account for about 78% of property taxes for Readfield
- The County budget is expected to increase 5%, with the net impact on Readfield at about 1%. County tax usually accounts for about 5% of property taxes

Public Questions and Comments

FY24 Warrant Highlights Proposed LUO Revisions

Summary of Proposed Land Use Ordinance (LUO) Changes

- Changes are primarily for clarification of current LUO
- Non-conforming structures. Article 3, Section 4.
- Allowing electronic submissions in lieu of paper submissions. Article 6, Section 3
- Screening of non-agricultural commercial, institutional and industrial storage and warehouses. Article 8, Section 16
- Limits on more than one dock. Article 8, Section 19 E

FY24 Warrant Highlights Proposed Beach Ordinance

The purpose the proposed administrative ordinance is to “provide for the enjoyment, health, welfare and safety of all persons using the Town Beach; to provide a means of maintenance, operation and protection of the Town Beach; and to provide a family-oriented atmosphere for lawful users of the Town Beach. The Town of Readfield is further committed to maintaining accepted environmental standards to preserve the ecological quality of the Town Beach and waterways for future generations.”

Visit www.readfieldmaine.org for details

FY24 Warrant Highlights Proposed Comprehensive Plan Update

Summary of Comprehensive Plan (Comp Plan) Update:

- A town's Comp Plan takes stock of where it is and then sets goals for where the town's residents want it to be in the future.
- The Comp Plan is a non-binding guide (not a budget)
- The Comp Plan is updated every 10-12 years
- This is Readfield’s second Comp Plan Update, which began in 2020 and proceeded through COVID
- There is a lot of information and data on the town website Comp Plan page www.readfieldmaine.org

FY24 Warrant Highlights

Proposed Comprehensive Plan Update

- Stakeholder and public involvement are key
- Town committees have been actively involved
- We received over 235 survey responses
- Generally, residents are happy with their community and want to see small changes, if any
- Focus areas include:
 - Ensuring we have sufficient affordable housing
 - Preserving natural and recreational resources
 - Promoting livability for all of our residents
 - Supporting small, primarily local business

Important Dates:

- **April 1, 2023** – Deadline for 2023 Homestead Exemption applications
- **April 14 , 2023** - Nomination papers and Warrant due to Town Clerk
- **May 12, 2023** - Absentee Municipal Ballots available, State and RSU ballots will be later
- **May 31, 2023** - Final Public Budget Meeting & Hearing
- **June 13, 2023** – Town Meeting / Secret Ballot

THANK YOU!