

General Government:

Readfield has operated under general statutory authority with a Select Board/Town Manager/Town Meeting form of government since 1967.

The Town Manager is employed full-time. In addition to his duties as Manager, he is the appointed Road Commissioner, Treasurer, Tax Collector, General Assistance Administrator, and Public Access Officer. Five full-time staff work at the town office along with a part-time Assessor and part-time Code Enforcement Officer.

Readfield's Select Board consists of five members elected to rotating 3-year terms. The Select Board appoints a 7-member, 3-alternate member Planning Board. Planning Board members are appointed for 5-year terms with no limit on the number of terms. The town also benefits from the services of a variety of other elected and appointed committees.

The Town of Readfield owns three principal buildings:

- Town Hall (Gile Hall) located on Old Kents Hill Road,
- Readfield Community Library on Route 17, and
- Fire Station located adjacent to Readfield Corner on Route 17.

Since the 2009 Comprehensive Plan Update the Readfield Elementary School located on South Road, along with all its associated property, was transferred in 2010 to Regional School Unit #38 through school consolidation. This was a notable change for the Town of Readfield and impacts are still felt in 2022.

Town Hall (Gile Hall):

Gile Hall was constructed in 1834 and is in good condition. The first floor underwent renovation in 1997 including the addition of handicapped access to the second floor via elevator. The second floor of the Town Hall was renovated later. The building continues to see periodic improvements to maintain its integrity and to respond to changing uses. Recent examples include the conversion of the stage area to an equipment room for Government TV broadcast and meeting recording and the installation of heat pumps on the second floor.

Community Library:

The Readfield Community Library was started in 1964 by volunteers from the Little Town Club and was incorporated in 1976 as a private nonprofit organization. The library was originally housed in a portion of the Alice Eaton Community House, which had been conveyed to the Little Town Club, and was moved in 1968 to Gile Hall. In 1989 the library was returned to its present location in the Eaton Community House.

With the move out of Gile Hall came the need for a professional librarian, more volunteers and added hours of accessibility. The library presently has one librarian working 28 hours

each week and approximately 30 active volunteers. It is open 22 hours every week. Library hours include 2 evenings:

Monday 3:00 P.M. to 7:00 P.M.

Tuesdays 10:00 A.M. to 4:00 P.M.

Wednesday 1:00 P.M. to 7:00 P.M.

Saturday 10:00 A.M. to 4:00 P.M.

With 9,700 volumes on its shelves (about three-fourths of what Public Library Standards recommend), the library currently circulates over 12,000 volumes per year. The library also offers many community-based activities such as public computer access, children's summer reading program, poetry readings and Christmas Tree Lighting. Space needs in the library are critical for the collection, display, seating, and storage.

In 1990 the town voted to form a Readfield Library Board of Trustees. The present Library Board consists of nine trustees who hold 3-year terms.

The 18th Century structure was renovated in 1989. In 2020 the entire roof of the library was replaced from the top sill up and metal roofing was installed. The second floor is in poor condition and is not handicapped accessible. Overall, extensive renovations are needed to the second floor. Parking is considered adequate, though partially on abutting property not under the town's control.

The library's main entrance was retrofitted to accommodate those with disabilities in compliance with Americans with Disabilities standards. Heat pumps were also recently installed in the library.

Town Lands:

Town-owned property includes:

- The lots on which the Town Hall, Community Library, and the fire stations are located.
- The transfer station (former landfill site now closed out).
- A small lot by the state-owned boat landing on Route 41.
- Two small lots on Main Street.
- 7 cemeteries.
- Numerous recreation and open space properties (*see Recreation chapter*).
- A fire pond on Route 41.

The lot adjacent to the boat landing is small and in an environmentally sensitive area and is therefore most suitably left undisturbed as open space. The Town Farm/Forest is a parcel of approximately 100 acres and has been under a timber management plan since 1986 and initially involved extensive thinning. Because of the lot's remote location and difficult access, recreational uses of the parcel have not been emphasized. Two cross-county ski trails were cut on the property in 1991.

There are eight principal cemeteries in Readfield. Seven cemeteries are town-owned and managed by the Cemetery Committee and Sexton. They include:

Case/Barber (Route 17)
Dudley Plain (Plains Road)
East Readfield (Plains Road)
Readfield Corner (Church Road)
Huntoons (South East Road)
Kents Hill (Route 17)
Whittier (Tallwood Road)

In 2003 a two-acre parcel was added to Readfield Corner Cemetery to meet current needs. Other cemeteries are at or near capacity. The one private cemetery is the Armstrong Burying Ground on Route 41, on land originally part of the former Martha Washington Inn property.

Public Schools:

At one time, Readfield had 14 individual schools. The elementary grades were consolidated in 1955 when the Readfield Elementary School was built. In the fall of 1976 the Maranacook Community School, serving grades 7-12 for the towns of Manchester, Mt. Vernon, Wayne, and Readfield, opened its doors. A new middle school was completed in 2001, taking grades 7 and 8 out of the Community School, and grade 6 from the Elementary Schools. At the same time, renovations and an addition were completed at the Community School.

With school consolidation, in 2010 the Town of Readfield transferred ownership and management of the last municipally owned school, Readfield Elementary School, to Regional School Unit #38 (RSU #38). While the town no longer owns or operates any of the schools within their district, they remain an integral part of Readfield's community.

School enrollments climbed in the late 1990s, stabilized, and then began a gradual decline by 2005. Table 1 shows enrollments over the past decade. The pandemic played a role in the sharp drop in enrollments from 2020 to 2021. The existing school buildings are adequate for projected future student enrollment (see *Community Profile* chapter for further information).

As a fiscal consideration for Readfield residents, there is an interest in consolidating the elementary school from member towns of RSU #38 to the middle and high school campus.

TABLE 1: RSU #38 SCHOOL ENROLLMENT BY ACADEMIC YEAR

Academic Year	Enrollment	Academic Year	Enrollment
2011-2012	1,232	2017-2018	1,220
2012-2013	1,239	2018-2019	1,227
2013-2014	1,255	2019-2020	1,209
2014-2015	1,233	2020-2021	1,089
2015-2016	1,209	2021-2022	1,185
2016-2017	1,198	-	-

Source: CSD Superintendent's Office and Maine Department of Education

Fire, Rescue, and Police Protection:

Since 1897, when the Readfield Hook and Ladder Company was established, Readfield has relied on a volunteer Fire Department. Today the Fire Department is staffed by approximately 25 members on a pay-per-call basis; it has capacity for up to 30 active members.

Readfield has been part of a 5-town mutual aid team for over 30 years. Mutual aid communities include Mount Vernon, Wayne, Vienna, and Fayette. Response times vary by town and availability of volunteers.

Winthrop provides ambulance service on an annual contract basis. There is a need for additional trained personnel. Table 2 shows ambulance call and mutual aid call volume for the last five years.

TABLE 2: EMS AMBULANCE AND MUTUAL AID CALL VOLUME

Year	Number of Ambulance Calls	Number of Mutual Aid Calls
2018	178	4
2019	184	3
2020	163	6
2021	187	7
2022	198	8
2023 YTD		4

Source: Winthrop Ambulance

Fire operations are housed in a 1978 building in Readfield Corner. The building was renovated and expanded in 2020 to include a new meeting space, additional equipment bay, kitchen, day room, two bunk rooms, an equipment room, and two full bathrooms. The station houses several vehicles and pieces of accessory equipment including a boat, trailers, and ATV. The facility is in good condition and has surplus capacity for both personnel and equipment following the expansion. A new generation of vehicles may be

larger than the current ones. If the town makes the decision to go to full-time personnel for fire or rescue services, they are prepared to do so.

The Fire Department's inventory includes several primary vehicles and several accessory vehicles and trailers:

- 1984 Chevy forestry truck
- 1988 Chevy 4x4 PU utility
- 1996 1,500-gallon tanker/pumper truck
- 2005 mini-pumper
- 2002 Rescue Truck
- 2016 Freightliner Fire Truck
- 2015 16-foot aluminum boat with motor and trailer
- Side-by-side ATV
- 2015 Command Trailer.

Other significant pieces of equipment include an ice sled, a “Jaws of Life” extrication tool and a cascade system for recharging breathing apparatus (owned jointly with other towns). The Department is also responsible for 113 dry hydrants. These hydrants provide adequate water supply for locations in the western part of town, but more supply points are needed in the east.

The town’s Insurance Safety Officer (ISO) rating is generally a “6,” which is a very good rating for a rural town. This rating is a score that encapsulates how well-equipped the community’s fire department is to put out fires. The ISO rating system ranks fire departments from one to ten, with those deemed more capable of putting out fires receiving a lower number. The ISO rating influences homeowner’s and business fire insurance rates.

Fire and other emergency calls are managed through the E-911 emergency response system with the answering point previously at the Kennebec Sheriff’s Office, but now being the Regional Command Center at the State Police Public Safety Building. Dispatches are handled by the town of Winthrop. The Fire Department is reasonably satisfied with the arrangement.

The town relies primarily on the Kennebec County Sheriff’s Office and the Maine State Police Department for police protection. The town may want to consider expanding the role of the constable in the future.

The Town of Readfield has an active Emergency Operations Plan. This plan directs public safety responders (and town government in general) in the event of natural or man-made disasters such as ice storms or chemical spills. It also identifies equipment, facilities and training needed at the local level to adequately deal with such threats. The plan is coordinated with a similar plan for Kennebec County.

The Community School and the Alfond Arena at Kents Hill School have been used in the past as emergency shelters but are not stocked with supplies. The Fire Department is well-trained in the event of a hazardous material spill or other localized catastrophe and the building can be used as a warming center.

Land Use Planning and Regulation:

Readfield is a small town with a very modest municipal budget. Except for a part-time Code Enforcement Officer (CEO), the town currently has no funds available for hiring professional community planning and economic development assistance. In recent years, the town has benefited from highly motivated and experienced volunteers on the Planning Board, as well as assistance from KVCOG and the Cobbossee Watershed District. However, the Planning Board has increasingly been occupied with reviewing development proposals, and the demands of code enforcement work on the CEO have been mounting. The CEO spends a significant amount of time on permitting leaving little time for enforcement.

Land Use Ordinances, in effect as of 2021, are listed in the *Existing Land Use* chapter. The town does not have a street tree program as part of any ordinance.

Assessing:

The Readfield Select Board appoints a 3-member Board of Assessors, which is responsible for the assessment of all properties in town. Currently three of the Selectmen hold these positions. The town contracts for the services of a part-time professional assessor who assesses new properties on an annual basis in addition to undertaking periodic reassessments of existing properties.

A town-wide revaluation was conducted in 2005 bringing the town up to 100 percent valuation. In the late 1990s rising land and housing prices challenged that nominal 100 percent category which by State law cannot fall below 70 percent of market-value appraisal without triggering another revaluation. Due to a dramatically changing real estate market the town has implemented across the board 10 percent factoring of residential property values for each of the past two years (2020 and 2021) to maintain the 100 percent certification with the State of Maine. When the real estate market stabilizes a complete revaluation is in order.

Tax assessment in Readfield appears to be adequately handled. No significant changes are recommended currently.

Solid Waste:

Readfield constructed a transfer station/recycling facility in 1992 at a cost of \$225,000. Readfield and Wayne were partners in the transfer station until 2018 when the Town of Fayette was added through an expanded interlocal agreement. The Transfer Station is located on the North Road at the site of the old landfill and is open Tuesday through

Saturday. The transfer station includes a recycling center, supported by a town recycling ordinance. Recycled items include paper, cardboard, plastic, glass, and metals. The town has also been actively encouraging residents to increase their recycling rates including the launch of a food composting program in 2021. A staff of two runs the station, with additional part-time attendants in the busy summer season. Trash collected at the transfer station is hauled to the Waste Management Disposal Services "Crossroads" site in Norridgewock. Tipping fees in 2021-22 were \$10 per ton for our single sort recycling (SSR) and \$67 per ton for Mainstream Waste (MSW) and Demolition Debris. Hauling fees were \$215 per trip for MSW and Demolition and \$175 per trip for SSR.

Wayne, Fayette, and Readfield's estimated combined 2020 population of 4,886 generated approximately 1,434 tons of MSW and 255 tons of SSR in 2021-22 and another 353 tons of demolition waste. The total operating cost of running the transfer station in 2021-22 was \$341,535. This was offset by \$103,288 in fees, grants, and recyclable material sales. That resulted in an average net cost per person of \$48.76. Net operating cost is allocated to Readfield, Fayette, and Wayne based on their most recent State property valuations.

Future improvements needed to the Transfer Station include the addition of cover for storing equipment and materials. This would minimize maintenance requirements and the cost of moving wet materials.

Septic Waste Disposal:

Since Readfield is served entirely by private septic systems, the town is not involved in the disposal process. When pumping is required, it is done through a third party, licensed contractor.

Stormwater Management:

Readfield does not have enclosed stormwater systems, rather the town relies on culverts and ditches. The culverts and ditches are maintained by the town. Winter sand is the largest problem resulting in required maintenance. Future development is not anticipated to affect the current stormwater management system in Readfield.

Public Health and General Assistance:

The town's Public Health Officer is responsible for keeping track of all communicable diseases. The Town Manager oversees public welfare (General Assistance). There are several public health concerns which have or will present significant issues to Readfield citizens including the current COVID-19 pandemic, the opioid crisis, brown tail moth, land and water contamination, climate change, radon threats, and the fire safety of structures.

Local and regional health care facilities, public health, and social service programs adequately meet the needs of the community. For convenience, town residents would like

to see a local health clinic in Readfield, however it is not practical as these needs are met in neighboring towns.

Utilities:

There are no publicly owned water or sewer facilities in Readfield (this is not the same as Public Water Sources, as defined by the Department of Human Services). In 1977 the Southern Kennebec Planning and Development Council recommended a wastewater collection and treatment system for portions of the Torsey Shores subdivision in a regional water quality study. However, no action has been taken on that recommendation.

Leaking petroleum storage tanks have contaminated wells at several Readfield Corner homes and businesses since the mid-1970s. In 1984 a private group, the Readfield Corner Water Association, was established to maintain a small water supply system to service up to 20 users in the Readfield Corner area. The system now supplies 22 homes and businesses. Expansion is limited by storage capacity and permit constraints. This may pose a problem since there may be a need for expansion of the system to serve other contaminated properties or to serve general growth in the village. The Association subcontracts with the Winthrop Water District to read meters, take water tests and service the system.

Central Maine Power Company distributes power throughout Readfield. A 25-acre solar farm is in development at the intersection of Route 17 and Plains Road and many residences now have rooftop solar arrays. Consolidated Communication provides a landline telephone service. Readfield is now fully digital with telephone switching equipment including access to DSL (high speed internet service) in many locations. Cable television and cable Internet service are available in most neighborhoods currently serviced by Spectrum. Multiple cell towers and service providers serve the Town of Readfield.

Summary of Public Services:

Apart from public water and sewer, Readfield's public facilities and services are quite satisfactory for a rural community. They range from a Town Hall with its support facilities to a Community Library, a Town Beach, a Town Farm/Forest, several cemeteries, a local elementary school, a regional middle and high school, a fire department, and a solid waste disposal system.

The effects of growth may be seen in the need for careful capital improvement planning and annual budgeting. Growth-related impacts have driven school improvements, solid waste disposal and other public facility needs, as well as general government costs. Even though taxes have been kept fairly stable over the past several years, unplanned growth may at any time trigger unexpected budgetary or capital improvement costs. Even planned growth, such as in and around the villages, must be coordinated with public service capacity. For example, Readfield Corner would have a much greater potential for growth with minimal impacts if an expanded public water supply were available.

Fiscal Capacity:

Tax Base

Any discussion about finances at the local level in Maine begins with property taxes, since this has been the primary source of municipal revenue since Maine became a state. Taxes paid by property owners are the function of two elements: the appraised value of real and personal property and the tax rate. Total taxable valuation in Readfield has changed over time with changes to the real estate market, property revaluations, and the actual amount of property on the ground. These values are reflected by Fiscal Year below:

- \$103,218,225 in 1990
- \$123,652,330 in 2000
- \$234,687,157 in 2010
- \$239,131,154 in 2020

Increases in taxable valuation (“tax base”) occur because of two factors: new construction (including renovations and additions) and appreciation in real estate values. It is critical to note that neither the taxable valuation nor the mill rate independently determine how much money residents pay in taxes. The two numbers work together and are inversely correlated - with the same level of spending an increase in the taxable valuation would result in a decrease in the mill rate, with no change to the amount of taxes paid by residents.

Readfield’s tax consists of mostly residential and seasonal properties with a small percentage of commercial and industrial properties, and a fairly substantial proportion of rural, undeveloped land. While it used to be true that the ten largest taxpayers accounted for about 10 percent of the town's tax base, it is now the case that most of the tax base is in waterfront property. At least 25 percent of Readfield’s valuation comes from waterfront properties on Maranacook Lake. Since property values are so closely tied to lake values, this emphasizes the need to keep the lakes free of pollution. Degradation of water quality has been shown to have a negative effect on property values (and a co-incident shifting of tax burden to non-lakefront properties).

Table 3 summarizes municipal valuation data for Readfield. Taxable property includes buildings, land, and personal property. In 2005 personal property was about \$3 million, mostly machinery and equipment at Saunders Midwest. Tax-exempt properties (not shown in the table) comprise a significant percentage of total property in Readfield (the difference between assessed values and taxable values). By far the largest holdings are Kents Hill School and Maranacook Community Schools.

TABLE 3: MUNICIPAL VALUATION, 2010 AND 2020

	2010	2020
Real estate valuation	\$226,032,595	\$239,131,154
Land valuation	\$75,334,096	\$77,951,200
Building valuation	\$150,698,499	\$161,179,954
Personal property valuation	\$2,557,900	\$1,663,631
Exemptions: Veterans	\$611,000	\$602,000
Homestead	\$10,240,360	\$15,207,900

Source: Readfield Municipal Valuation Returns

State law provides for forests, farms, and open space lands to be valued based on current use. The purpose of these provisions is to encourage conservation of these lands. Penalties are assessed when these lands are reclassified. The state reimburses municipalities a portion of the taxes foregone for classified Tree Growth lands, but not for Farm or Open Space lands. The Rural Economic Resources chapter lists the amount of land and valuation for these current-use classifications.

A review of taxes in Readfield suggests the following trends and issues:

- Unlike many municipalities, Readfield does not appear to be overly dependent on any one or a few industries. The largest taxpayer, Saunders Midwest., accounts for a small fraction of the total taxable assessed value. This is both a positive and a negative attribute and should not be seen as a call to change our rural residential character by promoting development.
- Single-family homes, the source of most of the growth in Readfield's valuation, historically fail to provide sufficient revenue to offset public service costs, particularly for education. The same is not true of seasonal housing, unless it becomes occupied year-round, but this is happening at an accelerated rate as people move to Maine because of the COVID-19 pandemic.
- Undeveloped land, even though it produces only a small amount of revenue, historically has balanced the drain produced by residential development because it demands fewer services than it pays for.
- Tax exempt properties in Readfield account for a large portion of the town's valuation (more than 10 percent). The responsibility of picking up taxes not paid because of these exclusions falls on the owners of taxable properties, mostly homeowners.
- Continued economic pressures are likely to force shifts in land use of high value lands, notably shorelands and pasture lands not classified under the Farm and Open Space Tax Law, to more intensive uses. Seasonal camps will be converted to, or replaced by, year-round homes, and pastures will sprout expensive houses. Over the past few years, we have seen a surge in "informal" housing such as campers and RV's and a growing interest in "tiny houses." There is strong pressure to place these low-cost dwellings on unimproved or marginally improved property or increase occupancy on already built lots. The

net result is infill that adds to the cost of providing municipal services and complicates land use while providing little if any offsetting revenue.

The extent to which investment in facility improvements is directed to growth areas is proportional. Most capital infrastructure is roads, which are throughout town. Primary public buildings such as the Town Hall, the Community Library, the Fire Station, and Readfield Beach are in or adjacent to growth areas or areas that are already developed.

Revenues:

According to the audit report for the fiscal year ending June 30, 2020, the town had total revenues of \$6,275,572. \$5,372,770 of that came in the form of taxes. \$474,340 was governmental transfer (primarily State Revenue Sharing and Homestead Reimbursements) with the remainder consisting of permit fees, service charges, interest income and miscellaneous.

In 2000 the amount raised from taxes was \$2,288,711; in 2010 it was 3,520,294; in 2020 it was \$4,675,014. Over the long term (2000-2020), property tax revenue has been increasing at just over 3 percent per year (above the rate of inflation); however, this increase has largely been driven by increases to the cost of education. In 2020-2021, the tax revenue was \$4,594,169.

Property tax revenue is collected as a percentage of property value referred to as the “mill rate.” Readfield’s mill rate as reported in 2000 was 18.6 mills, meaning \$18.60 for every \$1,000 of property value. In 2010 the mill rate was 15.4 and in 2020 it was 19.55. Readfield’s mill rate has fluctuated over the years in response to changes in revenues, expenditures, and property valuation.

TABLE 4: ACTUAL REVENUE FOR THE PAST FIVE-YEAR PERIOD:

REVENUES					
DEPARTMENT	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual
10 - Administration	\$5,919,390	\$5,671,331	\$5,832,953	\$6,023,566	\$6,232,044
12 - Maintenance	\$212	\$118	\$178	\$ -	\$ -
25 – Community Services	\$36,502	\$70,501	\$21,898	\$22,727	\$49,377
30 – Recreation, Parks, & Activities	\$20,406	\$39,500	\$19,460	\$12,054	\$21,930
40 - Protection	\$17,511	\$3,975	\$5,270	\$3,300	\$16,469
50 - Cemeteries	\$21	\$300	\$100	\$ -	\$ -
60 - Roads & Drainage	\$35,924	\$37,406	\$36,560	\$34,314	\$36,672
65 - Capital Improvements	\$18,578	\$168,841	\$594,189	\$10,484	\$39,379
70 - Solid Waste	\$194,962	\$177,742	\$206,680	\$215,934	\$234,403
90 - Unclassified	\$1,766	\$1,344	\$1,476	\$1,739	\$4,751
95 - General Assistance	\$1,316	\$478	\$132	\$ -	\$368

Source: Readfield Town Office

Table 4 breaks down the town’s revenues by department and year.

Because the value of property is changing constantly, and because each town has authority to set property values on its own (within the guidelines of the state laws), “equalized” or “full value” mill rates are established for comparison purposes. Equalized mill rates allow for a comparison of tax rates with other towns, or with the town historically.

Expenditures:

During the fiscal year ending June 30, 2020, Readfield spent a total of \$6,400,538 to operate town government, support the Regional School Unit (RSU #38) and pay its proportional share of the operation of Kennebec County. County tax was \$285,400 (4.5 percent). The cost of education was \$3,710,394 or 58 percent of total expenditures. The remainder went to operate the town. Table 5 shows Readfield’s actual expenses since 2018.

TABLE 5: ACTUAL EXPENSES FOR THE PAST FIVE-YEAR PERIOD:

EXPENSES					
DEPARTMENT	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual
10 - Administration	\$418,522	\$490,105	\$441,227	\$480,221	\$555,471
12 - Maintenance	\$116,673	\$109,238	\$120,269	\$121,264	\$143,656
25 - Community Services	\$56,058	\$76,191	\$63,332	\$64,250	\$125,865
30 - Recreation, Parks, & Activities	\$24,572	\$74,595	\$24,023	\$27,061	\$35,414
40 - Protection	\$158,545	\$149,894	\$115,529	\$119,879	\$138,765
50 - Cemeteries	\$4,735	\$10,666	\$8,402	\$16,008	\$9,732
60 - Roads & Drainage	\$285,215	\$394,571	\$327,193	\$310,175	\$398,066
65 - Capital Improvements	\$1,507	\$196,573	\$529,214	\$1,075,033	\$78,790
70 - Solid Waste	\$295,574	\$292,246	\$282,872	\$308,861	\$322,720
75 - Education	\$3,527,596	\$3,556,960	\$3,710,394	\$3,634,908	\$3,634,908
80 - Regional Organizations	\$33,660	\$46,176	\$47,593	\$47,034	\$40,574
81 - County Tax	\$259,977	\$266,694	\$285,399	\$300,846	\$319,743
85 - Debt Service	\$328,475	\$324,262	\$75,556	\$83,943	\$122,925
90 - Unclassified	\$25,237	\$18,462	\$20,222	\$40,333	\$36,336
95 - General Assistance	\$1,880	\$682	\$188	\$211	\$964

Source: Readfield Town Office

Long-Term Debt:

According to the Audit Report for the Fiscal Year ending June 30, 2020, the town had \$1,118,914 in general long-term liabilities including leases payable and general obligation bonds and other financial commitments such as the town’s partnership in First Park. The Town was liable for \$1,802,641 in overlapping debt for the RSU.

The town’s practice in the past has been to issue a bond for road improvement projects aggregating several projects to keep costs down. In recent years, the town has begun to fund paving projects through actively managed expenditures using a mix of reserve accounts and current-year tax revenue. This replaces debt payments with cash

payments, saving significant sums in interest and transaction fees. The town utilizes the practice of reserve accounts for most other capital expenditures. As improvements are made to capital planning, the town is less reliant on borrowing for all but the largest or unanticipated projects.

In accordance with 30-A MRSA, Section 5702, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. The statutory debt limit for all borrowing combined is 7.5 percent of the state valuation for the town. Readfield's state valuation in 2020 was \$282,500,000 based on the 2018-2019 municipal valuation. Readfield's combined long-term debt in 2020 of \$2,921,555 represents only about 1 percent of state valuation.

Summary of Fiscal Capacity:

The Town of Readfield has a tax base consisting of a rapidly escalating seasonal/recreational base, a modest but growing residential sector, a small commercial and industrial sector and a large amount of rural land. Tax-exempt properties equal more than 10 percent of the town's valuation. The responsibility of picking up taxes for services to these exempt properties falls on the owners of taxable properties, mostly seasonal residents, and homeowners without Homestead Exemptions.

Readfield is heavily dependent on the local property tax to finance the operation of local government. While the ability of the town to utilize other sources of revenue is constrained by state law, the possibility of increased application of user and service fees is one approach to relieving property tax burdens.

The town faces critical issues in the fiscal arena. On one hand, the demand for expanded services creates pressure for increased taxes. On the other hand, growth and expansion of the tax base will result in the demand for expanded services with additional costs. One approach to meeting the demand for services is through multi-town activities in which the costs are shared with other communities. Readfield has actively engaged in this approach.