

# **Town of Eliot**

## **Budget Committee Meeting**

### **November 12, 2019**

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**Budget Committee Members:** Donna Murphy (Chair), Jim Tessier (Vice Chair), Denny Lentz (Secretary), Brad Hughes, Janie Wang, and Diane Holt. Ed Strong not present due to medical.

**Town Staff members:** Dana Lee (Town Manager), Jordan Miles (Treasurer), Steve Robinson (DPW Director)

#### **Call to Order:**

- Meeting was called to order @ 5:00 pm by the Chair (video streaming was used).

#### **Public Comment:**

- No members of the public present.

#### **Approval of Minutes**

- Motion by Jim Tessier, second by Denny Lentz to approve the October 8, 2019 minutes as amended. Vote 6-0.

#### **CIP Funding**

- Discussed alternate process of funding CIP with the Town Manager, Treasurer, and DPW Director. Previous years have been funded using straight line accrual. The Budget Committee discussed an alternative way of funding the CIP and looking at it department by department and what is the real need? Discussed replacing items in need of repair and push off new equipment that was just purchased. View in a practical way starting with the Department of Public Works which seems to be in the most need. Goal is to save money on repairs to older items. Dana commented that this was discussed last year and he heard this. They have approached the budget this year with this process. Dana referred to the memo that he provided. The Committee review the memo. They approached the CIP with replacing most in need. Dana confirmed that the Town staff have received the memo. Dana discussed the backhoe that is unsafe. It is a few years out for funding and it is not going to make it. They use the backhoe almost every day. Jordan stated the idea for the backhoe is to take the \$30,000 from the Contingency. Should be reserve not the Contingency. Jordan stated the Salt is the Salt Reserve. Use this and then replace the reserve. Jim stated if there is some left over to put in the reserve. Budget for average rather than the worst case scenerio. Steve recommended using leftover to purchase salt at this year's prices. Jim stated when Steve presented salt budget it was a fixed price all year long. Dana stated it is bid at fixed price every year but goes up every year. Jordan stated they looked at the smaller items and when

they need it just request the money. Makes more sense than trying to budget out ten years. Stated they do not want to spend more on repairs than a vehicle is worth. Discussed that the Public Works vehicle reserve is currently \$240,000. The backhoe will use about \$30,000. Jim stated if we just use a pool we are going back. If we don't list the items and have an idea what needs to be replaced then we are going back. It will be a combination of both. Jordan discussed knowing what needs to be replaced and budget for it. \$5,000 and three-year span is current gauge. Jim talked about choosing a number and if it is this much need to spread out. Dana stated that is what they are thinking. Dana stated the memo is a draft. Bigger projects they still reserve money every year. Dana used the fire truck as an example to reserve money every year. Which trade number for backhoe is accurate? Steve stated \$25,000 is the trade in. Janie asked about the new ten-year model. Dana stated he is not settled on the numbers presented. This could change. Brad stated that Janie was working on spreadsheet. Janie will work on this with the real numbers. Brad stated the current is the best guess at what we need. Straight line is not necessarily the best way to fund. Janie stated she does not want to take it over because the Town Manager seems to be doing this. What needs to be replaced sooner. Jordan stated they have been working this for about three weeks. Diane reviewed knowing what you have and when you need to replace it. The Town voted on the reserve as a whole within each department. Discussed the backhoe. They are going to order for April or May and use the reserve and then go forward with the CIP. Steve stated the lead time is six to eight weeks to order and receive the backhoe. Jim brought up Stormwater. Dana stated he was not prepared to discuss this. Dana stated it was a big item. They are waiting for Riverview to do their work first. Dana stated they are looking at a slight reduction. Donna questioned if it was too late in the season to look at CIP for other departments. Jordan stated that Fire seemed to be okay. Dana stated that Police were all set and that DPW was the big one.

#### **Budget Committee budget request for 2020/2021.**

- Motion by Jim Tessier, second by Brad Hughes to request \$1,200 for a mailing and handout for the 2020-2021 budget year. Vote 6-0.

#### **Budget Committee members reports/comments**

- Diane Holt will see Dana for FOAA training.
- Jim provided the revised memo for what the Budget Committee would like to see for information. Discussed appropriate distribution of TIF monies to fund positions.
- Janie commented that today's meeting went well. All agreed.
- Denny asked if we received a document for the goals and objectives. Brad was going to do this.

#### **Adjournment**

- Motion by Denny Lentz, second by Jim Tessier to adjourn. Vote 6-0

Respectfully submitted,

*Donna Murphy*, Chair

*Dennis F. Lentz*, Secretary

Date Approved: January 8, 2020