

Town of Eliot Budget Committee Meeting

January 23, 2018 Meeting

Members Present: Donna Murphy (Chair), Jim Tessier (Vice-Chair), Dennis Lentz (Secretary), Steve Furbish, Noah Lemire, Ed Strong, and Janie Wang.

Call to Order:

- Meeting was called to order @ 6:00 pm by the Chair (video streaming was used)

Public Comment:

- No members of the public were present.

Review and Approval of Minutes:

- January 9, 2018 minutes were reviewed and approved as written. Motion by Denny Lentz, 2nd by Ed Strong to approve the minutes as amended. Vote 7/0 in the affirmative.

Review of Town Manager's proposed budget for FY 2018-2019. Police, DPW.

- Discussed order of departments for discussion. Noah suggested DPW. Jim stated in addition would like to discuss Library, Social Services, and Storm Water. Also, have not discussed Town Committees and Conservation Commission. Agreed to begin discussion with the DPW.

DPW

Denny started the discussion with Page 1, 20-01-01-05, the new foreman is in the total. Questioned why. Ed stated the current foreman is not going to retire within this fiscal year. Noah stated it seems reasonable to have someone come in and shadow him. Noah stated that no one in the department has the breadth of knowledge that the current foreman has. Noah stated we should clarify that is why the money is there. Jim stated it is money well spent. Noah stated he (the department head) probably came up with that amount for the number of months he wants. Ed stated it was never mentioned why this was requested. Denny noted that it is on the Master Wage sheet. Training for the new foreman is included in OASDI, Medicare, MPERS. Ed questioned why they are budgeting in this year. Noah stated it made sense to put it in this year. Noah noted there was an increase in employee expense/training 20-01-03-05 increased. Denny noted that they have changed the names on some of the accounts. Consulted the Current Account Status to see what is charged to this account. Noah stated they have reduced training by bringing it in house. Ed asked why they need to purchase all the new cones. Noah stated it is for safety. They get damaged. Donna read off items in the account. Ed stated that there is a lot in the explanation that because they have expended more than one third within the first four months of the fiscal year that we have to adjust it for next year. Ed

stated this is the craziest budgeting philosophy he has ever heard of. Denny noted that many of the accounts as of the first of January have a healthy balance. Ed stated if you look on the expenditure sheet most of the big stuff they buy they do at the start of the budget year. Just because you purchased it last year does not mean you will purchase it this year. There is no explanation of why it went up. Noah stated there are dramatic increases in utilities, telecommunications by \$1,300. In one department's budget the telecommunications went down. Jim stated that all the other departments stayed the same or went down but DPW went up and it doesn't make any sense. Ed stated that DPW only has one telephone line. Jim stated that he is misinterpreting the data. He is confusing a third and a quarter. Telecommunications is for landline, internet, and cable. The current spending is approximately \$250 a month. It is a huge increase. Jim stated look at what he spent for telecommunications and you multiply it by three you get \$2,200. The math is wrong. Noah stated he was over the past two years but not by \$1,500. Jim stated he will be close to his budgeted amount if he keeps spending what he is spending. Noah stated the water is going up by 50%. Donna questioned why drinking water is purchased at the Town Hall and the Police Station. Both buildings are on town water. Current spending at \$731 times 3 is \$2,193, why are you budgeting a \$1,500 increase? Questioned the utilities account. The monthly charges vary considerably each month. Denny stated there is \$1,200 left to spend as of January. Ed felt that this was expensive for a bundle. They are spending almost \$250 a month. Read the amounts from the Current Account Status. Denny questioned the survey for the road study. Denny stated it is a new account. Ed stated the Road Study was just done two years ago. Donna stated there was some discussion at a Select Board meeting some time ago. The Road Study was good for five years but there was a request to update every two years. Questioned this. Donna will check the years from the original Road Study. Noah stated there was a dramatic increase for road striping. Donna stated there is an increased amount every other year. Denny questioned if they get estimates. Ed and Donna stated he uses the same vendor but there have been estimates. Janie questioned if they could even fund it. Discussed placing in a reserve account but could not start this until the 2018/2019 as striping is scheduled for this year for the increased amount. Noah stated that gravel material is offset by crushing. They crush every other year. It is flat funded. Discussed tree clearing. As of January 2018, only \$7,000 has been spent. Ten days a year are budgeted for stump removal. Questioned if catch basin cleaning and repair should be in CIP? Agreed this is maintenance. Office supplies went up \$1,100, 55%. Janie questioned vehicle repair. What vehicles are getting the most repairs? Push that vehicle to the top to replace. Under CIP the oldest vehicle is rotated first when this is not necessarily the one that needs to be replaced. Question the signs 20-02-24-56 and reviewed current account status. Ed stated that just because you spent the money last year doesn't mean you need the signs this year. Electricity. We are buying the panels back from Revision and we don't get the full amount. We get a reduced rate until we own them. Account 20-01-15-02. We budget \$7,000 a year in CIP. We pay Revision rather than CMP. The savings is small. The first six years they make their profit. They sell it for the current value at retail rate. They just put a tariff rate on solar panels of 30% on panels from China. It will add to the cost of install but the cost of panels is decreasing. Bottom line increase, \$36,374.55, 4.12% increase instead of 8%.

Winter Roads

This account can be overspent by 15%. Spending \$185,000 on salt and \$1,500 on sand. Jim questioned and stated that it appeared that it was pure salt on the roads. Could we save by mixing salt and sand? Jim spoke to tons used and cost of salt. Jim stated it would be worth having a discussion about reducing expenses.

Summer Maintenance

(6:55) Last year we agreed to give him a part time summer position for July through September. It is shown through November. He kept the summer maintenance position longer than he was approved. The budget is for a full-time person. He is budgeting \$40,000 for one position. Discussion on creating positions. The Select Board has the authority to create the position. The funding request goes to the voters. Ed requested a breakdown of the people hired and the positions. The number of people and who they are. Donna expressed concern that part-time positions are extended and becoming full-time positions. This creates a situation where benefits will need to be given. Jim stated this was a good point. Ed stated we should have a breakdown of hours, who is working, how much we are paying them. Ed questioned why we don't contract the mowing. The summer position is a seasonal position and information was received that it was extended past the time it was approved. Under CSD there is no position. Items were moved to DPW. Jim read the salaries from the Master Wage, the line says it is 40 hours for 30 weeks. He is budgeting for 46 weeks. He is budgeting \$40,992 for the one position. Noah stated it should be half that based on 30 weeks for 40 hours, \$20,496. Noah questioned if there was a typo. Jim stated on the Master Wage scale it includes the OASDI and Medicare. You are cutting this almost in half and you will save on these too. Noah stated it is budgeted for 60 weeks. Cemetery maintenance. Denny stated the Historical Society is not aware of any cemeteries that have received maintenance from the Town. Denny asked the toilets and dump and wasn't there money allocated last year for repair. This is for cleaning. Denny questioned the gas account. It is a duplicate amount under DPW and Summer Maintenance. Checked Current Account Status, cemetery was reclassified from Summer Maintenance. No further explanation. Ed stated they have to mow the cemeteries. Ed questioned DPW sidewalks, budget \$5,000. Ed stated they redid them all last year. Projected increase in asphalt prices. Ed questioned what they are going to repair?

Roads and Bridges

No comments.

Transfer Station

Special waste, page 1, has offsetting revenue. One third of the year is \$11,000, times 3 is 33,000 and is under budget amount. Dana brought it down. Page 2 supplies, pay for throw for 0 because the Town doesn't pay for those. The Town is buying the compost bags but there is no line item for cost. repairs and maintenance, line 20-25-24-10, YTD 2400 times three is \$7,200.

Same volume making less trips. The charge is per ton. Discussed the effect that the high numbers of accidents have on the insurance. A DPW truck was damaged, the roll off container was damaged, the roll off truck was damaged. Office supplies are high. Reviewed the current account status. Water utility, increase. What is it used for? Cleaning equipment, spraying down equipment. Reviewed current account status. Charges are to Poland Springs.

20-25-20-10. Diesel is increased by \$500. They have a fuel overage account. Jim, stated the revenue side, significant variation for the materials. He would like to see the volumes they have collected over the past two years and the revenue. Jim used corrugated cardboard for an example. Jim, Year after year probably collecting the same amount. Some cases the revenue is lower than what should be there. It doesn't make sense.

Police

The reserve officer is in the budget. One officer was out last year. The union allowed the Chief to use a part-time officer rather than pay overtime. It did save the Town money. They are short an officer now. Is the union going to allow this? Ed stated the union allowed this one time. If an officer refuses then the reserve officer can fill it. You can't assign them a shift. If an individual is sick using sick leave they are getting paid. They are paying someone time and a half. The Chief to ask each time an officer is out if someone wants the shift. Electricity increased \$1600. Vehicle repair and maintenance. Can we reduce the vehicle repair and maintenance based on a newer fleet? Police bottom line increased \$11,034.64

Public Safety

Did we get the amount of revenue for fees last year? Jim, we should consider increasing mooring fees to cover costs. Ed asked where launching fees go. The mooring fees should offset Harbourmaster. The launch fees and pavilion fees should go to a reserve to pave and maintain the bathrooms. The Town Manager randomly proposed that a discount be given to military and senior citizen. This reduced the revenue. Jim doesn't think \$85 is too much to charge. The people who are mooring should be paying for the Harbourmaster. The new ordinance took out the fee structure. Jim stated that the fire hydrant account increase. Street lights increased \$7250, reserves were increased \$7000 and the Town Manager said they could cut one out. Janie stated it would be best in reserve. The Town Manager stated it would be better in reserve for when needed. If in the budget they can use as a slush fund and move it around. Would rather see it in reserve. Ed the PSAP will increase. Ed read in today's paper that York is increasing the fee. This area is in York for 911. One of 16 in the State. This is by law. Bottom line increase is \$12,126.

CIP

Janie stated it should be ranked by need for repair not age. Most efficient is to know what is eating up most of the repairs? Jim agreed it was the right way to think but this year is a change from last year. Last year they had a lump sum and we want to add another lump. This is big step

in the right direction. Next step for recommendation is to budget by need. Think we ought to have a philosophy of what should be in there. Some is nickel and dime. One big thing is to take the top line item, the loader, 60,000 in reserve, 120,000 is total, replace in 2022. Every column is one year less than what is needed. The amount you raise per year will decrease. You don't want more than you need because it is just sitting there. We should recommend that we add a year to each one. They agreed to buy one new cruiser a year. Put it into the budget each year. It makes more work and raises more than is needed. Includes the five cruisers and laptops. They should buy one new cruiser and one new laptop. The cruiser reserve and laptop have \$45,650. Jim questioned where some of the numbers came from that don't add up. Reserve account balance doesn't match the CIP.

William Fogg Library

Discussed increase of \$10,000 request. Discussed history of requests and questions asked about charging residents fees. The answer was that it needed to be free to residents. Ed stated that taxes are paying for this and residents are being charged.

Conservation Commission and Land Bank, Solar Reserve, further comments on CIP

The current account is approximately \$32,500. They requested \$25,000 and the Town Manager is recommending \$5,000. Discussed history of funding. Noah asked why would we take money from a department to put money in a reserve account. Steve stated it would be at the Citizen's Option and the townspeople will decide. Jim stated he would agree with the Town Manager. Solar reserve buyout. We have been adding \$7,000 a year to this and there is no balance showing. Jim spoke to no reserve in Solar Reserve Buyout. Jim questioned the cost of the upfitting the cruiser. Jim would like a copy of the invoice for upfitting. Jim stated they should be buying a new one every year. He should be getting the best cost for both. They seem inflated. Ed spoke about cost of cruisers and upfitting. Janie asked about the thought process of what was selected to fund and not fund. Ideally you would have a long-term projection like five years. They are asking for a lot up front. It is a good start but vague of the net impact long term. Jim explained the effort to breakdown. Ed felt some items should be placed in the operating budgets.

Proposed letter to the School Board regarding their budget

- No changes. Correction for two typos. The Chair will email revised letter to the Town Manager.

Budget Committee Member Reports/Comments:

- Ed will not be at the next meeting. He will be travelling to Florida and will be back the end of the second week of April. Janie does not understand why we are sending the letter to the School Board. Explained that it becomes a public record and people will see it. It is attempting to send a message to the School Board that there are concerns in

the increases. Jim stated he initiated and doesn't feel it will have any effect. In the past the School Board rubber stamps what Superintendent wants.

- Jim talked about list of potential savings. The Town Manager agreed to some of the cuts. These cuts show a decrease \$205,000

Questions to send to the Town Manager

1. Please clarify the purpose \$4,276.80 for the new foreman. What is the projected exit date of the current foreman, 20-01-01-05
2. What is the benefit of revising the five-year road survey after two years? 20-01-05-35
3. Can striping be put in reserves to even out the budget? Start in FY2019/2020. 20-01-12-32
4. When snowstorms occur during regular business hours, are salaries expensed against DPW or Winter Roads?
5. Could sand be mixed with salt to reduce costs? 20-05-22-25
6. Please provide a breakdown of positions and hours for Summer Maintenance employees.
7. Would it be cost effective to contract the summer maintenance position?
8. Does the new budget reflect the summer maintenance position as two part-time or one full-time position?
9. Where does the compostable bag expense show in the budget?
10. The revenues obtained for various materials vary from year to year. Please provide the weights for each recycled material over the past two years and the revenues obtained. We would like to see these numbers by February 23, 2018.
11. Does the Chief have an agreement with the union to use reserve officer and under what circumstances?
12. What is the security alarm, new account?
13. What caused the increase in Electricity 10-05-15-02
14. Why is bottled water purchased for the police and admin when they have Town water. Would a filter be more cost effective?
15. Can we reduce the vehicle repair and maintenance based on a newer fleet?
16. Recommend increasing the mooring fees to cover the cost of the Harbourmaster. Approximately \$85 per mooring.
17. Recommend pavilion and launch fees be placed in a reserve account to maintain the boat basin.
18. Recommended adding a year to each item in CIP.
19. Why is both a radar speed trailer, and a programmable radar sign needed?
20. Please provide a copy of the trust document for the William Fogg Library.
21. Please provide a more detailed copy of expenses for the William Fogg Library.
22. CIP. Solar Reserve Buyout. Why is there no balance listed?

Adjournment:

- Chair called for a motion to adjourn. Motion by Noah Lemire, 2nd by Steve Furbish. Vote in affirmative 7/0.

Next meeting date: January 30, 2018 at 5:30, Joint meeting with Town Manager, Select Board, and Department Heads.

Respectfully submitted,

Dennis F. Lentz, Secretary

Date Approved: February 6, 2018

Donna Murphy, Chair