

# Town of Eliot

## Budget Committee Meeting

### January 8 Meeting

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**Budget Committee Members:** Donna Murphy (Chair), Jim Tessier (Vice-Chair), Dennis Lentz (Secretary), Ed Strong, and Janie Wang. Noah Lemire excused due to work. Brad Hughes excused due to illness. Denny Lentz excused at 6:40 to attend Planning Board meeting that was moved due to the New Year holiday.

**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 present.

**Approval of Minutes**

- No minutes.

**2019/2020 budget review**

- All members present confirmed they received a copy of Brad's questions/comments. Janie questioned the goal of the meeting. Preparing questions for the joint meetings. Jim spoke to the increase in his property taxes. Discussion on the explanation given for the increase in the mil rate for the current budget. The Town Manager stated that there was a decrease in the real estate tax assessment and yet this budget indicates an increase. January 17, 2019 at 5:30 there is a joint meeting with the Budget Committee, Select Board, Town Manager, Fire Department, CSD, and Administration. Jim expressed that last year the Administration budget was broken out in groups and this year they are in one. It appears that it is being moved around to be more challenging to see what is going on. Ed stated the medical increase is outrageous. Janie thought it was only a 4% increase. Ed stated that is the Teamsters only. MMA is up to \$33,218 for a family plan. Ed stated the Town Manager was supposed to see if the Town Employees could be covered under the Teamsters. Ed stated that 20% paid by the employee is the average for southern Maine towns. Fire Department had a modest increase due to wages and the addition of the emergency generator maintenance. Some numbers are up by a small amount and some are down by a small amount. Jim asked about wage comparison between union and non-union. Ed stated that no one on the negotiating team but Ed wanted to fight for the pay plan. Ed stated that once they had the election the new members wanted to just give them what they wanted. Police had a 3% increase for the next three years but they went three years with only a 1% increase a year. No one at the police has taken the agility test. They are not required to do this once they are out of the academy. The Public Works did not use the pay scale. If they had continued on the path when Bob and Rebecca were on the negotiating team, they would have forced the pay scale. The attorney was ready for the fight. The current

contract allows a 2% increase. Ed stated that each job has a value in the current pay scale. Discussed the increase using COLA and 1.5% step increase. Ed stated that they shouldn't get a 4% increase. The steps are 1.5% and the wage study should be done every five years. With the COLA it should be a 1.3% increase and then the step increase on the anniversary date. Denny questioned how they pro rate the salaries for the Town Manager and Public Works direction. Ed stated it should be based on how much time is spent on TIF work. Denny stated that it should be rated against the benefits too. It is way to reduce the amount raised by revenue. Denny asked who got the stipends. The Chief, the Assistant Chief, and the Deputy Chief. The increase is less than \$3,000. Janie had a question that some departments have worker's compensation rates that are going down and some are up. Ed stated that it goes by claims. \$29,000 to \$32,000. The Assistant and Deputy went from \$3857 to \$3,926 and the Chief went from \$39,000 to \$41,000. The call figures increased from \$18,200 to \$19,000. Jim stated the Fire Chief's salary went up 10%. The total salary amount comes out to \$100,981.06. (Denny Lentz excused himself from the meeting at 6:40 to attend the Planning Board meeting.) Jim is using the March 23, 2018 sheets. It is more than 2.6%. Jim stated that the total salaries last year was \$95,153.58. That is the exact number that is on the budget sheet from March 23, 2018. This number is for the 2017/2018 budget year. The current year is \$98,575. Jim stated he put numbers in from both years in error. Jim stated the \$98,575 is correct. Janie asked about the CIP for the Fire Department. Janie had questions. Janie likes that the smaller items were taken out. Janie stated there are things being put away for the far future that doesn't really need to be done. Jim has not done a detailed review of the CIP. Page 1A under Public Works and it say Stormwater construction. The Stormwater tab, tab 12 and there is \$200,000 listed there. Jim needs to go through again and it may be entered twice. Janie stated they need to replace the engine. Instead of \$53,000 and \$60,000 for the next three items. Put the \$60,000 for the engine and allocate the other three items next year. Ed stated it not scheduled to be replaced until 2020/2021. The Town Manager knocked it down. Janie did not see the Crown Castle Tower on page 2b. They need \$35,000. Janie expressed this was confusing. The remainder needed is \$9,000. Jim commented on the amount requested for the police vehicle. Jim stated last year the total was \$38,000 and this year the request is for \$44,000. Janie stated it includes the outfitting costs. Jim disagreed stating the total for the cruiser and the outfitting was \$38,000. Agreed it would make sense to ask about CIP at the joint meeting. Janie stated it was item 5 on page 5 of the notes for the Crown Castle Tower. Ed questioned the repeater in the Fire Department. He believes it is in the Police Department. Jim doesn't believe the \$35,000 is correct. There was talk at the last Select Board meeting that there would be no cost to mount the equipment on the tower. Jim cited 2b on CIP for Police. Ed stated that they reuse the equipment and don't need new equipment. All members expressed they had completed comments and questions on the Fire Department including the CIP. Administrative budget was discussed. Discussed the request to increase the Land Use Administrative Assistant position to full-time. The Budget Committee is requesting documentation and justification. The note cites an increase in building permits. Jim noted that in the past there have been 40 permits issued and now it is 20. Reduction in Administrative is due to a reduction in legal and insurance. Janie stated aside from the salaries she didn't see anything. Jim stated a need to justify the full-time positions. Jim stated under Tab 1 in the revenue sheets. Over the last three years \$2,704,601, \$2,602,634, \$2,667,082, and

this year is \$2,958,995. The Excise tax increase is approximately \$125,000. The increase is the TIF reserves on 2e at about \$110,000 and there is an \$85,000 increase in Kid's Play. TIF is not in the previous year budget. There are budget amounts but not actual amounts. Jim stated this is a projection on what they are spending next year. TIF revenue for the Town Manager's amount in 2017 was \$14,479. Sounds like they spent \$40,000 more than they budgeted. Would like an explanation on how the Town Manager is managing the TIF revenue. How did they come up with the \$85,000 increase in the Kid's Play and the decrease in Community Service Department programs? The revenues are shown but not the expenses for comparison. There was talk of increasing the fees at the Boat Basin. They want to increase from \$20 to \$50. Doesn't differentiate between the Boat Basin and Frost Tufts. It is difficult to assess because it is half data. It is an increase from \$40 a day to \$50 a day. Last year there was a difference in cost for residents and non-residents. The Budget Committee members agreed there should be a resident and non-resident rate. Questioned the rate not being high enough. Example being a wedding and family party. In addition to the pavilion, there are trails, and the water area. Jim suggested raising the rates in conjunction with improvements at the pavilion. Janie questioned, where are they losing money? Jim felt the director did not have a good handle on the finances. Jim stated it was about time the Community Service Department got up to speed with the other departments. As a committee we are tired of getting half-baked numbers. Janie is curious about the software the Community Service Department was getting as of October 2018. This should be reflected by now. Jim stated that with increases at the boat basin there may not be a need for an increase in children's programs. (Ed Strong exited the room temporarily leaving only 3 members. Discussion ceased until his return.) Discussed Skatepark. Would like to see documentation to back up the statements made by the Town Manger regarding the skate park. What do they need to do for the skate park? The skatepark is closed. All agreed to request documentation from the Town Manager. Ed Strong exited the meeting at 7:35.

**Adjournment:**

- Meeting adjourned at 7:35 due to lack of a quorum.

**Questions presented to the Town Manager for the department heads, for answers prior to or at the joint meeting scheduled for January 17, 2019.**

1. Please provide documentation on how the TIF Revenue allocation to Salary is calculated, and why on the Revenue sheet there are budgeted amounts but not actual figures. Are benefits included in the calculated amount and if not, can they be allocated to the TIF?
2. Admin. Please provide written justification for the requested increase in hours for the Land Use Administrative Assistant position.
3. CSD. The BC hopes to develop a more detailed understanding of the overall financial status of the Community Service Department. However, much of the data as presented in Tab 5 is not of sufficient detail to help the BC to make informed decisions. Concerns include:
  - Projected Kids Play revenue increase of \$85,000 while other CSD revenues decrease by \$18,000
  - Tab 5, page 1, tables not complete so difficult to evaluate
  - Tab 5, pages 2-5, show several programs with increasing program losses.

- Tab 5, page 6, Information as presented shows a lack of understanding of where revenues are generated and increases in fees do not cover a significant percentage of operating costs.
- 4. CIP. Please provide the documentation that supports the statement, “The State is requiring the rehabilitation of the park”.
- 5. CIP. Please provide the documentation that supports the statement, “The lack of funding for the skate park will adversely affect any additional state funds in other town park facilities”.
- 6. Fire Department. The Repeater shows a request of \$35,000 but CIP shows a total cost of \$24,000 with \$15,000 already reserved. Why is the request \$35,000 instead of \$9,000?

Respectfully submitted,

*Donna Murphy*, Chair

Date Approved: January 17, 2019

*Dennis F. Lentz*, Secretary