

Town of Eliot

Budget Committee Meeting

January 22, 2019

Budget Committee Members: Donna Murphy (Chair), Jim Tessier (Vice-Chair), Dennis Lentz (Secretary), Brad Hughes, and Janie Wang. Ed Strong excused due to travel. Noah Lemire excused due to work.

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

- Motion by Jim Tessier, second by Brad Hughes to approve the January 17, 2019 minutes as amended. Vote: 5-0

2019/2020 budget review

- Jim stated the Tab 1, under revenue on the second page, 2E, in the middle of the revenues are the TIF revenues, budget fiscal year 2020, there are no numbers there. As a result, the TIF figures were entered and those same figures were used as a revenue increase. There is actually a \$16,783 decrease in the amount. Brad stated what is disappointing is when going through the errors. This should have been cleaned up. Jim stated the amount is \$107,877 for all the TIF lines. Brad stated the Town Manager is going to go in and recalculate the TIF lines. Jim stated under Tab 4, CIP and Stormwater there is \$170,570 listed. This is also part of the figures of 1.2 million in the CIP. It is listed in both the CIP and in the Stormwater. The Town Manager is duplicating this amount. Donna addressed the mindset of the Town Manager. When errors are found that show an increase in revenue the mindset is to spend more rather than seeing a reduction to lower the tax assessment. Janie stated she did not agree. Brad stated it is fine line for what we need and watching the taxes. Jim stated over the last several years the work had been to try and balance spending. Jim stated the Budget Committee previously recommended an increase in the fire department wages. Jim stated the things that come over and over are starting to frustrate him. Denny asked what questions still needed to be answered. Jim stated the Town Manager only answered two questions. Brad stated he answered the TIF, "so to speak". Jim stated "he punted" on the CSD questions. Janie was concerned that the CSD Director said she didn't know where Brad got the numbers. Denny asked if the new program is in the budget and the

CSD director answers was no. Janie stated that for three years the CSD Director has been saying she can't get the numbers because of the program. Jim stated the Town Manager enables. Denny stated we are ready to go to the next round and we don't have the answers to the last questions. Janie stated she thinks they wanted to compile the questions. Discussed the Town Manager's page of notes from the joint meeting. The documentation that was requested for the proposed increase in the hours of the administrative position has not been produced. Denny stated that whenever he is in the building which is two or three times a week, the administrative assistant is busy. Denny does not know what each job function is. Jim stated Wendy gave more detail and if she is busy with the planning side of things. Wendy stated no time is being given to the Assessor. Brad has no recollection of the assessor being mentioned in the hiring of this position. Denny stated if they give some documentation, he will support the position. Janie stated it we want to be explicit. What functions will she be doing and how much time will she dedicate to them and how will the Town Manager oversee this. Denny asked what are we going to do with these items. Jim stated they were incomplete and the Town Manager owes us some answers. Jim thought the meeting went well. There was good discussion between the Budget Committee, the Town Manager, and the Department Heads. Jim stated the Town Manager's notes from January 17, 2019 were almost like cheat notes. Jim does not know how we go about getting the answers. Donna stated that the requests in this budget should have had justification prior to asking. Janie stated is there a form to fill out to document. Jim stated the Town Manager always wants more people because he thinks everyone is overworked with no documentation. Brad stated are you looking for a work study. Brad stated that it needs to be someone from the outside. Bob Pomerleau said he wanted to address the Town Clerk's comments and why it was necessary. The most compelling was look at York and Kittery. In all of Southern Maine the least compatible is York. Bob has the data. York has over 14,000 population, more than double Eliot's population, in excess of 4,100 households, and an evaluation of 3.7 billion dollars. All those functions produce a measurable product. Building permits, applications. It shouldn't be that difficult to look at this year's and last year's and compare them. Of course, York has more people. They have double the workload. Kittery has over 10,000 people and 4,100 households, and 1.5 billion of evaluation. Both towns have bigger commercial districts. They have more work, here is the source population, household. Show us there are more building permits, more planning board, more household assessments, if an assessor is not assessing properties what is she doing. The numbers in Eliot over the last 5 or 10 years just have gotten that much bigger. The projection is a growth of half a percent. Jim stated they ask this question every time and they never get an answer. Bob stated, you want another position, prove it and show us the data that justifies the change in the position. Denny stated he thinks they have it. They know how much. Denny stated the planner has it and Jay Meyer went back over the files and got the numbers. They were

pretty consistent and they had not changed over the years. Janie stated on the flip side they proposed fees to offset the increase. Jim stated decide if you need it first and then look at raising the revenue. Janie stated the fees should be looked at independently. Bob stated that when it came to the library look at the last vote. The Select Board and the Budget Committee recommended a lower amount. The results of the vote were that a substantial number voted no increase, a substantial voted the lower increase, and the largest number won by 2 votes. Janie stated that she didn't agree. The standard should be applied equally. Janie stated it would have to be applied across all ballot items. Bob asked is there public support for higher spending? The votes would show no and that two thirds voted for the lower amount. Janie stated the way it came down it was so close between the second or third votes. Jim read the exact numbers. Citizen's Option recommendation was \$160,000 and received 687 votes, none of the above which reverted to last year's amount of \$150,000 received 302 votes, and the Select Board and Budget Committee recommendation of \$154,500 received 685 votes. Jim stated the majority voted an increase. Bob stated the majority did not support the higher increase. A total of 989 supported the two lower amounts and 302 supported the higher amount. Jim stated he was ready to talk about the upcoming meeting. Jim stated we need to clarify the questions. Please provide sufficient data on the workload to support the new position. Jim stated somehow when we ask a question it does not seem to be answered. Jim stated we need to ask a better question. Brad formulated a question. Building permits, number of applications, inspections for the CEO. Denny stated he does not know what goes on in the Assessor's office. Brad will draft the questions and email it out. Jim stated to document the workload. Janie stated we would not be able to consider this position without the data. Denny stated there is a way to turn these questions into statements. Janie stated it should be standardized. Janie would like to ask when we can expect answers. Jim would like to know when we can expect the answers. The Charter gives him five days to answer or provide an explanation on why the answers cannot be provided.

- Police, Tab 8. Noted the many typos. Grant enforcement. They have a grant to add in \$20,000 and an increase in expense. Jim questioned why this would increase the expense. Discussed outside activity that was discussed at a Select Board meeting. The police are paid through the Town and then are reimbursed. Jim questioned the Grant Enforcement. What is increasing the cost? Janie stated both the outside activity and the grant are costing more than the revenue. It is costing \$25,000 each and the revenue is \$20,000 each. Page 2B. Page 1A, cell phones. There is an increase. Brad said it is something for the air cards. The last line the uniforms went down \$2,000 and they said it went down zero. Brad addressed the error on almost all the pages. Brad stated the Town Manager needs to sit back, take a breath, and go through it. Jim stated the Town Manager doesn't seem to appreciate this. Denny asked if the Town Manager is going to ask where are the errors. Denny questioned if that is our job to tell the Town Manager

every error. Jim stated when you look at the difference columns there are many errors. Janie noted that gasoline is consistently overbudgeted every year. Janie suggested bringing it down to \$15,000.

- Police CIP. Jim stated year after year after year we have an issue with one cruiser and one fit up. The Town Manager is recommending \$44,500. It was stated it is the same amount as last year. This is true but last years included four new computers for \$6,500. The total last year is \$38,000 for the cruiser and set up. The laptops are zero for this year. If he wants laptops they should be broken out. Last year included \$6,500 for laptops. Are more laptops needed?
- Jim had a question on 2B under Maine State Retirement. Jim stated that other departments did not increase that much. The police have a different percentage. Bob stated the police are substantially higher. Bob stated they are two or three percentages higher. The Town Manager did not address this in his notes. Jim questioned what Outside Services testing on page 3C, line XX-XX-XX-XX was. There is \$1,500 recommended. Jim stated the last three years the Town Manager has given inaccurate numbers for the police cruiser. The request this year is for \$44,500. It should be \$38,000. Last year's amount of \$44,500 included the laptops. Jim stated in the Town Manager's memo, number 9 says in the police budget we are requesting a Traffic Data Collector unit in lieu of a long-standing speed sign trailer. The Town Manger wrote that he included a flyer. Jim couldn't find the flyer. Jim stated if you look at the minor radar speed trailer, \$5,000 and a programmable radar sign. Which does he really want? Can we use the \$5,000 in the radar speed for the \$3,200 needed for the Traffic Data Collector?
- Conservation Commission. Janie stated they are asking for \$10,000 for the land bank. Last year the Select Board and Budget Committee recommended \$27,081, the Citizen's Option \$32,081 which included an additional \$5,000 for the land bank. 866 voted for the Select Board and Budget Committee recommendation of \$27,081. 480 voted for the Citizen's Option of \$32.081, 320 none of the above, and 148 blanks. Jim stated that last year by almost a 2-1 margin the voters approved the lower amount. Bob stated that he looked at the meeting minutes of the Conversation Commission and the request for this year is for forest management. For some reason they decided to put it in the Land Bank. Bob stated he asked the Town Manager what forest management has to do with Conservation Commission. Bob stated it seemed very deceptive and the Town Manager agreed. Jim stated there was a representative from the Conservation Commission that spoke at a recent Select Board meeting and presented that if the money was in the Land Bank it could be used for other things such as forest management. The perception was it was okay to think that way.
- DPW. Janie stated the first two request for an additional person and an increase in one position, we should request the same as for the other position. Jim stated the increase in the administrative position is an increase of \$42,000. Jim stated on 1A salaries and

read across they overspent the administrative position and the director by \$27,000. Brad stated the billing is sent out and we pay for that. Bob stated the data collection is done here and the billing sent out. Denny stated that the Operator I, Kevin Goodwin is the husband of the administrative assistant for the planner. Brad stated that Route 236 is scheduled to be paved in the summer of 2019 or 2020. Are we responsible for repainting? Denny questioned why catch basin is not under Stormwater. Janie had a question on 1C, supplies and materials. Why did it go up \$7,000? Janie questioned the increase of \$800 in telecommunications. Janie is not clear about the consulting survey for roadways. Denny stated that catch basin should be part of the Stormwater budget. Jim stated in the salt budget they asked for a \$15,000 increase. There was discussion last year about a way to manage it. What is the maximum amount we spent and ask for more so we don't overspend? Jim and Janie would like to see a salt reserve account. Last year we talked about budgeting \$185,000 and then rolling over the excess. Jim stated he would like to keep it at a \$185,000 or add \$5,000. It looks like there will be excess this year to roll over. Jim did not agree with budgeting for the worst possible case because it might happen. Brad stated that he doesn't disagree with Jim and Janie so we don't go over 15% allowed. Brad is not sure he would push the issue now as we have had a mild winter so far but we may have more storms. Jim stated if you go back and look at 2015/2016, we spent \$85,100. The two-year average is \$190,000. Jim would not object to \$190,000. The most we spent was \$198,000. Brad had questions about prior years. Brad stated he thought the 2017/2018 included about \$34,000 from the prior year. Brad stated we need to see the numbers in the general ledger. There seems to be an issue with inventory. One year we had a barn full of salt. We need to look at what went through that account. Brad stated he could look at it but needed last years Current Account Status. Donna will send to Brad.

- Roads and Bridges. Equipment Rental. Who are we renting from and does it go out to bid?
- Summer Maintenance. Jim noted that in salaries, OASDI, and Medicare there is a 15% increase. The master wage scale shows \$17.08 an hour. This position is non-union. Brad state that the person may have been paid \$12 an hour and may have been put into the wage scale. Brad stated he didn't know what they were being paid the prior year. The new wage scale started July 1, 2018. Equipment repair and maintenance. What is it being spent on? Will check the Current Account Status.
- Transfer Station. Jim asked if the union negotiations increased the wages by 18%. It was stated that the negotiated increase in wages for union employees is 2% for prior year, 2.5% for current year, and 2% and 2% for the upcoming years. The funds to pay for the retro 2% increase was in reserves. Brad stated that if the union had accepted the wage scale the Transfer Station people would have got a significant increase but they rejected it. There were a couple of vacancies for some time. Household Hazardous Waste. Increase to \$11,000. The revenue went down. This doesn't make sense

because the residents pay a fee. Question on repair and maintenance about new vehicles and the need to maintain the same amount for repairs and maintenance.

- Stormwater and CIP. Jim stated the \$170,000 is budgeted twice.
- CIP. International roll off. We just bought a new one and we have \$21,300 and stating we need to replace in three years in 2022. Need to correct the line item to show the new piece of equipment. Four vertical bailers. That line item is \$44,000 but we have zero. Are they in good shape and we don't need to replace? Skid Steer and it says lease payment is \$15,000 and a new one is \$60,000. Is that realistic. According to this he is leasing. Brad and Donna stated it is a lease purchase. If it is a lease purchase the lines make sense. Janie asked about 2B under boat basin there is a request for \$15,000 but numbers don't add up. The first item for the roof they are requesting \$700 but \$8,500 is requested. Brad would like to see the \$8,000 for the preemptive street lights added to this. The skate park is out.
- Revenues. Jim stated on page 1D three items related to the boat basin. The mooring fees are down \$3,000. The park fees, might be the pavilion rentals show 0, and the launch fees went down. The revenues from the boat basin went down. Jim thought they were increasing fees. Brad stated he recalled that one year there was a decrease in the number of people that were launching boats. Brad thinks the pavilion is the CSD revenue. Town parks revenue is in the CSD and Brad believes this is where you will find the pavilion rentals.

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. The budget committee did not receive all the answers to the questions submitted on January 10, 2019. Would you please provide the date we can expect the answers?
2. There are numerous errors in each Tab, especially in the difference column, throughout the budget book in each department. The difference column is being used to present various financial positions and the data is not accurate.
3. What is the Grant Enforcement for total of \$25,116? Offsetting revenue appears to be \$20,000. (10-05-01-22, 10-05-03-30, 10-05-03-35, 10-05-03-40, pages 2A & 2B & Revenue, Police Department Grants, page 1D). What is required to satisfy the Grant?
4. Water (Utility Only), The Chief asked for \$830, recommended amount is \$250. The actual for 2017/2018 is \$109.95. Please provide justification for the \$250 request. 10-05-15-04, page 3C.
5. Gasoline. Would it be more reasonable to bring the recommended gasoline amount to \$15,000 based on actuals of previous years? 10-05-20-15, page 3C.
6. Outside Services testing for \$1,500. Please provide a description. xx-xx-xx-xx, page 3C.
7. CIP. Why is the police cruiser request \$44,500 rather than \$38,000? Last year \$6,500 of the \$44,500 was for laptops.

8. CIP. Can we use the \$5,000 in the radar speed trailer for the \$3,200 needed for the Traffic Data Collector? Page 3C, minor CIP items
9. Is the Department of Public Works requesting a new position and if so where is the funding in the budget?
10. Please provide details on where the \$10,000 for guardrails is being spent? 20-01-22-75, page 1C.
11. What is the cause of the \$7,000 increase in supplies and materials? 20-01-24-05, page 1C.
12. What is the cause of the \$800 increase in telecommunications? 20-01-15-03, page 1B.
13. Consulting/Survey Roadways. What is the purpose of the survey? What actionable items will come out of it? What caused the \$4,000 increase? 20-01-05-35, page 1B.
14. What is the plan for funding the cost for Kittery for the catch basin and street sweeping?
15. Why is catch basin maintenance not part of Stormwater? 20-01-12-37, page 1B.
16. Roads and Bridges, Equipment Rental. Who are we renting the equipment from and does it go out to bid? 20-15-12-40, page 1F.
17. Summer Maintenance. What caused the 15% increase in salary, OASDI, and Medicare?
18. Why did union Transfer Station employee's salaries increase 18%?
19. Memo regarding MSW fees. We have a ten-year contract with Eco Maine. There is a 9.24% increase in the contract. Why is there an increase of 25% in the budget?
20. Why did the cost for Household Hazardous Waste expense double when we decreased the number of days to two per year? Why was the revenue reduced by 50%? 20-25-12-73, page 2B.
21. Equipment Repair/Maintenance. 2B. We purchased a brand, new roll off truck and fairly new skid steer. Why are we maintaining the same request for repair and maintenance? 20-25-24-10, page 2B.
22. Four vertical bailers. Are they in good shape and not in need of replacement?
23. Is the skid steer a lease purchase?
24. Three horizontal waste compactors. They want to replace one per year at \$60,000. Zero is requested. Is there no longer a need to replace one per year?
25. What is the total cost of the Roll-off truck shelter including materials and labour to build?
26. What is the total cost of the Covered Storage Area including materials and labour to build?
27. What does the \$15,000 recommendation under pavilion roof cover? Page 2B.
28. Where is the pavilion rental revenue shown?
29. Why are the revenues for boat basin fees decreasing?

Letter to the Town Manager: The Administrative Department budget for FY 2020 requests a change in the Land Use Administrative Assistant position from Part Time status to Full Time status. On January 10, 2019, we requested justification for this change. While Administration has provided anecdotal support for this and did underscore the value it would bring to bear, nothing has been provided to us that objectively justifies this change. We are requesting data-based evidence to support this verbal justification.

The Public Works budget requests similar treatment for the part time assistant assigned to that department. Similarly, no hard data that objectively justifies this change has been provided to the Budget Committee.

The Budget Committee respectfully requests that the Town Manager solicit affected individuals to assist him in providing hard data to the Budget Committee that supports these increases in hours (and significant cost to the taxpayers). Such data should include specific tasks to be handled by the assistant(s) and volumes of items currently handled by the affected individuals for those tasks for each of the past three full fiscal years (for example, number of building permits; number of site visits by Code Enforcement; the number of and specific scope of “additional incidental tasks Town wide”, etc.). In other words, what is the scope and volume of tasks these assistants would perform that is currently performed by another Town employee; and how does allocation of such tasks benefit the Town? What does it free the affected individual to do that the affected individual cannot do now because of this workload? These items are only examples of what data could be provided to justify the changes, and not meant to be all inclusive.

The Budget Committee will not be able to support the above referenced requests without such information. This is highly valuable information necessary to render an educated decision in each of these matters. Also, for the Budget Committee (and the Select Board) to consider matters such as this in the future, each request should include appropriate data-based justifications with the initial budget submission.

Budget Committee member reports

- None

Adjournment

Motion by Brad Hughes, second by Denny Lentz to adjourn at 9:43. Vote 5-0

Respectfully submitted,

Donna Murphy, Chair

Date Approved: February 12, 2019

Dennis F. Lentz, Secretary