

Town of Eliot

Joint Budget Committee/Select Board Meeting

January 17, 2019 Meeting

Budget Committee Members: Donna Murphy (Chair), Jim Tessier (Vice-Chair), Dennis Lentz (Secretary), Ed Strong, Janie Wang, and Brad Hughes. Ed Strong excused at 7:35.

Select Board: Jack Murphy (Chair), Phil Lytle (Vice-Chair), Richard Donhauser, Robert McPherson, and Alex Orestis.

Town Manager: Dana Lee

Department Heads: Chief Jay Muzeroll (Fire Department), Heather Muzeroll-Roy (Community Service Department), and Wendy Rawski (Town Clerk).

Treasurer: Jordan Miles

Historical Society: Rosanne Adams

William Fogg Library: Lydia Goodwin (Director), Karen Ordway (Human Service/Bookkeeper), Megan Weeks-Zotara (President Friends of the Library), Larry Zotara (Vice-president Friends of the Library), Peter Dennett (Trustee), Steve Beckert (Trustee).

Call to Order:

- Meeting was called to order @ 5:30 pm (video streaming was used).

Public Comment:

- No public comment.

Budget Presentations/Q&A

Historical Society

- Rosanne Adams represented the Historical Society. Paul Johnson could not be present. The Historical Society is seeking \$5,000 for software to develop a database of all cemeteries and burials. Rosanne stated they have taken pictures of all stones in the private and public cemeteries. They felt they had what they needed to push forward. It would be helpful for the DPW to keep track of the cemeteries. Pull down boxes to keep track of crews doing work. Provides those capabilities. It helps the code officer. It keeps track of whose land it is on. It has many uses for the public but mainly for the Town of Eliot. The Town has access to do their work in it. The Historical Society would keep it updated. Dana noted he did recommend it in his budget. Janie asked if the \$5,000 was for 2 licenses. There is a \$2,000 commitment for the Town. Paul talked to the company and it would take two months to develop. The Budget Committee requested three bids. Paul did get three bids. The first was \$13,000. This less expensive one does what the other does. Jim stated the annual figure was much higher than the first proposal. The Town could figure out a way to come out of the DPW

budget. Dana supports the ongoing cost of \$2,000 per year. Brad asked what the ongoing income the Historical Society has? Rosanne stated they have fundraisers. Brad asked what they had on hand for resources? Rosanne stated they have \$10,000 in general account and \$40,000 in the building account. Richard asked about the ownership of the cemeteries. Public and private cemeteries are being tracked. There are only two public cemeteries. The two public cemeteries are privately owned. Rosanne stated they keep track of their own cemeteries and they do not need this. Janie asked the name of the software. Rosanne stated it was Grave Discovery. The software will allow you to pinpoint where the cemetery is. Ed stated are you planning on taking the name off the stone and inputting it. The database would allow you to pull up all the cemeteries on River Road. It can pull up on the cemeteries with Frosts in them. Brad asked where it would reside and who would maintain it. Rosanne did not know. Paul Johnson talked about it being on the Town server and the public would have access to it. Rosanne stated it was in the Cloud. Jim stated Paul was talking about another program. Brad doesn't understand the answer to his question. Dana stated he didn't ask this question. Brad asked if there was an ongoing fee for this. It is part of the \$2,000. Rosanne stated the Town has control over who has access to it. The administrators would have access to manipulate it. Rosanne stated the Town would be a licensed user and the Historical Society would be the other licensed user. Wendy stated the Town has this information now. They have the lists and get inquiries. Wendy stated it would be a good tool for the Town and the library when people are doing research.

William Fogg Library

- Lydia Goodwin presented and stated she was there to answer questions. Dana stated the library asked for \$20,000 but because they were over LD1, Dana recommended \$10,000. Dana stated he cut things out of his own budget. Lydia stated she was going to make a pitch that the recent custodian for the Town is starting out more than her assistant director. Lydia stated there is a limited amount of resources in this Town. Lydia stated since she submitted this, she has had to hire a new person. They do not get benefits. Lydia looked at South Berwick, Kittery, York, and North Berwick. Lydia has the information she can leave. The Trust cannot support the increase. Most local libraries are funded by the Town. They do look for funding. Lydia is completing the Kennebunk Savings Bank application for \$100,000 for the capital campaign. They lease the copier and charge the public for copies. \$607 was the net cost. They get a new machine every five years. Brad asked the current balance in the trust? Peter stated it is \$957,000. They took a hit in December of \$100,000 due to the market. Jim asked about the revenue on the first page. It totals \$237,020 and includes the \$60,000 from the trust. Next to last page the actual expenses are \$247,239. Do you need to take another \$10,000 out of the trust? The answer is yes. Janie asked about the equity of the pay scale of the library compared to the Town. Dana stated they have a manual used to

score the job positions. Lydia would take the opportunity to look at it. Megan stated Dana would need to look at increasing the \$10,000. Megan as President of the Friends of the Library and as a taxpayer has been working tirelessly to raise funds. Megan has recruited people from young to old in their eighties. It is a volunteer position. Megan invests her time. Megan does it for two reasons, she loves the library and it is a community center. Lydia stated that York and Kittery are similar to Eliot. They are run by a Board of Trustees. Lydia stated that the two Boards need to talk.

Fire Department

- Chief Jay Muzeroll presented. Noah asked about the increase in the heating number. Jay stated that the price fluctuates. Jay stated his request for money last year was significantly less and they ran over. The degree days were different last year. We may expect rising fuel costs. CIP was reviewed. Jay stated he only caught a portion of the Budget Committee meeting last week. Jay stated before he gets into communications, he would address the questions. Jay asked if they wanted to go line by line. Funding for Freightliner replacement for 2021. They have been able to get information from manufacturers about price increases. Long term items are usually a guess to begin with and as they get closer, they either have enough or are scrambling for money. Looking to go out to bid sometime in 2021. They may have a short or long turnaround depending on the manufacturer. They will have about a \$106,000 shortfall based on what they have been putting in the fund. They agreed to \$53,000 from the request of \$58,000. They are looking at replacement cost of \$350,000. Chief expects it to be \$375,000 later. Why do they pick 25 years for the replacement of the fire truck? Years ago, it was 30 years. The big problem now is chassis rot. This shortened the life of the truck. They are looking at 4% increase for the trucks. The trend in the purchasing is costing more for requesting the chassis is that they have no foreign steel. It adds about 8% to the cost. It may add a few years to the life of the truck. The 1996 is the first one to replace then the 2002. Pickup truck they have now is a 2013 and has 13,000 miles on it. Replacement and long-term they said 2028 and it will be 25 years old. The International is the newest at 2011. They are selling the van to roll into a fund to reduce their capital request next year. Bunk room. The last time the station had anything major done to it is 1995/1996. They are moving toward having people in the station longer than now. The bunk room and ready room, they have costs for that now. Jim asked stated it you go to the existing reserves \$7,500 is in reserves, need is \$7,500 why are we requesting \$7,000 more? Dana stated most of the discussion was painting the building. They discussed building the bunk room. It was in last year's budget. Jay stated it is correct they have enough for the bunk room. Ed stated the request should be moved to the painting. Jay stated he doesn't understand moving the money. Jim stated the line items say they don't need money but are requesting. Dana stated it should be moved up a line. It is an error. Jay reviewed last year's request of \$12,000 which was reduced to \$7,500. Dana stated the adjusted costs need to be updated. No

money is being requested for the furnace. Jay stated there was heating change at the Town Hall. The Fire Department's furnace is newer. Jay suggested scratching "with the Town Hall". Jim asked about the top of page 2B Route 236 Repeater equipment. Requesting \$35,000. Jay stated that he sees the confusion. It is two different items. In past years he has been asking for \$10,000 for radio equipment upgrade. The first page has the \$10,000. It is a different issue. They are looking to upgrade the Repeater equipment with the Police. They have been fighting with the cell tower. In discussion with Dana they agreed to split over a few years. The \$35,000 is what this is for a total cost of \$70,000. The Repeater request is a new item. The anticipated cost should be \$70,000 not \$34,000. Jay anticipated there was a \$9,000 shortfall for the radio equipment. In the interest of keeping costs down he requested \$7,500 and will make it work. It will bring it to \$22,500. Jay stated it is a combination of they have the right information but on the wrong line. Jim asked about SCBA. Asked if the reduction is a safety issue. Jay stated no. Jay is going to start replacing this year with the money he has. This is a three or four-year project. The bottles have a fifteen-year lifespan whether it is used or not. The Scott air packs is dependent on the upgrades. Over the next two or three years anything that has to be modified will be replaced. Jay will get the update for the actual reserve. Dana introduced Jordan Miles, the new treasurer who came from Lebanon, Maine. Janie stated her only concern is the truck that is to be replaced in seventeen years. Janie asked about a cap until it hits a target. Janie stated that there are people who are asking for a dollar raise and it doesn't make sense to put aside \$20,000 for a truck. Jay disagreed and stated if they don't start funding until the fifteen-year mark they are going to have to make up for the ten years they didn't save. Brad stated when we fund these reserves, are they in funds that are earning money? The interest is allocated among the reserve funds. Each fund is sub accounted and the interest goes into each fund. Jay stated it was discussed a few years ago about what they were doing with the interest rate and how can they predict the interest. Brad stated it is an accounting exercise that may have value sometime. Jay stated he had a comment from a page out of the Town Report about the reserves. \$34,100 was transferred out. Some needs to be put back. Ed stated it makes it easier to see what is in the existing reserves. Jay stated he and Jordan have talked about identifying the shortfalls and then make the changes after the discussion tonight. Jay stated they raised the money for the Thermal Imaging Camera. They have purchased it and will have a media blitz soon. Jay spoke about the Pre-emptive controlled traffic signals. Jay stated there are only two lights on 236 but it is busy at 3:30 in the afternoon. It is for the Fire Department, Police, EMS, and mutual aid. The cost is for the set up. Janie asked if other communities gave access to Eliot to their lights? Jay stated they could have it so they work in each community. Jay stated it is as much as they would like it to be. Dana stated either the fire or police could have asked. It is a CIP for all the safety. Dana stated in exit interviews it is mentioned by those leaving that it is scary when they are out there and they can't get a signal. Jay stated that one of the reasons he wanted

to talk about this is that Dana is requesting zero money for this. Jay stated he felt that it was more important to put money toward the cell tower. Jay stated if they found \$8,000 to please put it in there. Ed asked for what the \$8,000 covers and the ongoing costs. Jay stated he would provide this. Noah asked about the thought of shifting the money from the truck. Jay stated he did not want to set a precedent. Brad spoke in support of what Jay is saying. We have asked for a CIP and know what we need. Jay stated in answer it is a reasonable question and needs to be addressed. Janie disagreed that while it is fantastic to have the CIP but the straight-line accrual is not the best way. It is more efficient to start low and increase at the end. Jay stated that it may be double but the amount that it is going to be without other funding, you may be in trouble. Dana stated that the minor items that are \$2,000 and are a long way off they will bring back into the plan as they get closer. If it was many years out and not a high figure it went into the sub group. Denny stated they need to look at the fire furnace and that it needs to be replaced in one or two years. Ed asked about taking \$3,000 out of the Fire, Police, and Public Works and fund the traffic signal. Jay is not aware of any Public Works Department that uses it. Ed stated that snowplows use it. Jay would like it for emergency services only.

Community Service Department

- Heather Muzeroll-Roy presented. Dana stated that he handed a few sheets prior to the start of the meeting. The questions from the Budget Committee were about not being able to understand the revenues. Dana stated these sheets should assist with this. Dana provided a letter from Doug Beck stating the skate park needed to be rehabilitated and that they Town would not be eligible for funds until this was completed. Janie asked if there were projects in the works. Heather is looking at a private grant for a playground. Dana stated they had some ice damage at the docks. A resident fixed it for them. Dana has asked Doug who informed they were not compliant. Noah asked about the priority. Dana stated they are obligated to get it running again. Noah asked the plan going forward. Dana stated they can use the site for anything recreational. They could repurpose and use for pickle ball. The State has to approve. Heather stated they will have to go through a Town vote as it was a warrant article in 2002. Dana did not know how they came to the \$7,000 amount. Heather stated the skate park is sinking. The fence needs to be removed but is in good shape. Janie stated wouldn't it make more sense to have a plan then allocate the money. Dana stated yes. Dana stated they could tear down the fence with local talent. Noah addressed the revenue. The rates seem high. Resident versus non-resident fees. \$100 for the pavilion seems high and Noah stated he wouldn't pay that. Heather spoke to the fees she researched. New Castle has a resident and non-resident. Kittery changed their fees this week based on numbers. Wells does resident and non-resident. There are some that don't have different rates. These fees are not set in stone. Ed stated the \$100 fee is reasonable. Jim referenced the article on Fort Foster. Janie stated going back to the budget and

asked about the \$85,000 increase in Kid's Play and where is it coming from. They won't go into effect until next year and won't generate for the full year. Dana stated they were his projections. Dana stated the Spring flier this year that effective July 1, 2019. Heather is telling people they are going up effective March 1, 2019. Dana stated it needs to come before the Select Board to get it into the Spring flier. Dana stated he looked at the percentage fees and applied it to the revenue that came in. Dana is open to ideas if this is not realistic. Jim talked about comparing expense and revenue. Jim spoke to the information that Brad Hughes provided a year ago. How do we set fees to cover costs? Jim stated that first page shows revenues and no expenses. The next pages have the same information Brad put together last year. It is not updated. Then shows the revenue from the Boat Basin and Frost Tufts but doesn't differentiate. It is frustrating to the Budget Committee to make recommendations when the information is not there. Dana stated he didn't have a treasurer to assist him. Dana has to make his best guess because he didn't have good data. Jim stated he is not throwing stones he needs to have all get information to make good decision. It is important and a big piece of the budget. Maybe we charge more at the Boat Basin so we don't have to increase fees. Dana stated he wasn't comfortable with the two numbers. Denny spoke about the software and the reasons in the past that the software would not allow the ability to differentiate. The contract ends on April 1, 2019. Heather stated by next budget year there should be a better presentation. Dana stated that he, Jordan, and Heather can take a better look. Dana stated this is an area where he struggles. Denny stated it is different than municipal as he sees it as a business. Brad stated historically that Heather codes the revenues and expenses to the programs she believed they belonged to. Brad discussed at length with Becky who stated that she can't say it is accurate. Brad stated they have the ability to generate from the general ledger. All the expenses are CSD. We know the total revenue and expense. The gap is between \$100,000-\$150,000. How do we close that gap? Brad stated we need to bridge the gap. Heather stated it is hard to talk about the numbers because she doesn't know where the numbers came from. Brad stated the numbers came out of the general ledger. Brad stated it is relatively simple. Richard asked if the accounts receivable is in the revenue. Heather didn't know. Richard stated if it is, they are always behind. Richard suggested looking at the receivables and how quickly you are looking at them. Receivables should be less than thirty days. Heather stated the new software is My Rec. Jim asked a question on the CIP. Jim stated on tab 4 there are two sections. The first three pages are detailed and page four and five are a summary of each department. The overview has \$37,500 on page 4D. Jim doesn't see CSD listed in the detailed sheets. Jim can't find the \$37,500. Dana will check into it.

Administration

- Dana stated he would start by saying that he wrote a summary and that Wendy and Jordan are present to answer questions. Dana stated he will let the Committees ask

questions. Noah asked about the TIF revenues against the salaries. Dana referred to the sheet he handed out. Jordan stated he took the numbers from last year and added 2.8%. Dana stated that TIF has been a big part of the elections and the clerks have spent a great amount of time on it. Denny asked if benefits are added in the amount. Jordan stated that it is only the wages. Dana stated that he thinks it is a good idea to do this. This will provide more money and added to the \$7,000 we are getting closer to the CIP items. Jim stated that it was split into three sections and now it is shifted back to one. Jim stated it is frustrating when trying to compare. Why is it shifted back? Dana stated he tried to explain. Jim asked, can we limit the items that are changed each year. Dana referred to increase in postage that was split three ways and now is one. Jim stated he is trying to minimize changes. Dana stated he doesn't think it will change anymore. Wendy stated reports can be generated from the postage machines. They recoup money from fees like liens. The cost is assessed to the property. Wendy stated you can see the usage and the refund. Janie had questions on 2D and 2E about revenues. How confident are we about the excise revenue increase and the TIF revenue? Why are we showing an increase when the last year's numbers are zero? Jordan stated that when they do payroll is put right to TIF. Janie stated it is not an actual revenue. Jordan stated it is because it comes from the TIF. Janie stated she is talking about consistency. In past years it shows zeros. Jordan stated it is a revenue. Dana stated they will take another look at that. Donna questioned the Use of Sewer Fees for Bond showing zero. Last year's projection was \$98,511. Where is the offsetting revenue showing for the bond payment? Dana could not locate it and will check it out. Wendy talked about the excise tax refund program for large vehicles. They charge on the MSRP rather than the actual. You are giving the businesses a break. They keep track of what they charged and then submit this to the State. They have been doing this a few years and wanted to bring it to the attention of the Select Board. Brad questioned budgeting 8% for excise tax when historically it has been budgeted for 6%. Wendy agreed that 6% was more realistic. Dana stated he didn't put anything in writing for the requested increase in the Planning Board administrative assistant. In the time she has been there she hasn't been able to help Martine. When people come in then others have to assist. If you look at the revenue taken in, it warrants it. Dana would like to have her on full-time. Wendy stated she can't say enough about what that position has brought to the office. Martine is not seeing a benefit yet. Just to have someone to greet when people come in the office. If that person is not there they come to others. It is huge and needed for a long time. Wendy stated that she feels the prior problems were that they didn't have enough time to do their work. Wendy stated have to look at other towns around us, York, Kittery, South Berwick, they have more than one person in these positions. Wendy advocated for the position and stated the public is happier. Wendy stated it is extremely important to have this position full-time. Noah questioned this stating that Eliot does not have the business district that Kittery has. Dana stated to remember when he came here four and half years ago, they were saving up for the re-evaluation and at that time he said to

the assessor that she can do it in house. It was spread over four years and through self-disclosure. It saved a lot of money. She does 800 properties a year. Martine was promised an assistant. Denny stated he would speak in support of the position going full-time. Denny stated she has become busier and need to look on the horizon at fees. Jim asked if there was a way to look at adjusting the fees to offset the cost of the position. Dana does not know the last time they adjusted fees. Wendy stated they are looking at raising sewer and betterment fees. Wendy stated they just increased mooring fees. Wendy stated that you can't go on demographics. The towns she cited are similar to Eliot and do the same jobs. They are bigger. Dana stated he had the information in his head. Noah asked about the differences with Kittery and Eliot. Janie asked if the person became full-time how could they ensure she was helping Martine? Dana stated he would allocate the hours, ten for Martine. Jim stated that last year they worked together to keep costs down. Jim stated he was surprised how much his taxes went up. Some was due to mil rate and some from assessment. Jim stated if it is 5% each year his taxes are going up. We need to be cognizant of those on fixed income. Dana pointed out the assessment as one of the increasing and that if people put on an addition then the assessment would go up. Jim stated that he didn't make any changes to his house it has just increased in value.

Select Board adjourned at 8:01.

Budget Committee approval of minutes

- December 11, 2018 minutes. Motion by Denny Lentz to approve as amended, 2nd by Brad Hughes. Vote 5-0. Noah Lemire abstained.
- January 8, 2019 minutes. Motion by Jim Tessier to approve as amended, 2nd by Brad Hughes. Vote 5-0. Noah Lemire abstained.

Adjournment:

- Motion by Noah Lemire, 2nd by Brad Hughes to adjourn at 8:08.

Respectfully submitted,

Donna Murphy, Chair

Dennis F. Lentz, Secretary

Date Approved: January 22, 2019