

Town of Raymond
401 Webbs Mills Road
Raymond, Maine 04071

BUDGET/FINANCE COMMITTEE
MEETING

MINUTES

* Amended March 13, 2006
Thursday, March 2, 2006

Attendance: Rolf Olsen, Chairman Budget Committee; Betty McDermott, Chairman Selectmen; Lonnie Taylor, Dana Desjardins, Mike Reynolds, and Mark Gendron, Selectmen; Frank McDermott, Ralph Bartholomew, Suzie Brockelbank; Dennis Cole; Louise Murray; David Rowe; Jean Carter, Budget/Finance Committee; and Teresa Sadak; Wendy Trask, School Committee.

Staff present: Don Willard, Town Manager; Elizabeth Cummings, Finance Director; Nathan White, Public Works Director; Kevin Woodbrey, Technology Director; Laurie Forbes, Technology Chairman; Barbara Thorpe, Library Director; Josh Stevens, Assistant Code Enforcement Officer; and Denis Morse, Fire Chief.

Others: Wendy Thoren; Charles Leavitt; John Sattuck, LRDC; John and Kim Manoush, and others.

1. Call to order. Rolf Olsen opened the meeting at 7:00 pm at the Town Office.
2. To approve the minutes of:
 - a. January 31, 2006

MOTION: Frank McDermott motioned to approve the minutes as written. Seconded Dennis Cole.

VOTE: Unanimous.

3. Discussion on One Raymond Committee meetings and recommendations.
DISCUSSION: Mr. Gendron updated the One Raymond Committee's work and handed a summation/recommendation sheet. He said their idea was to utilize what Raymond already has and cooperate efforts and facilities. This will allow everyone in Raymond to benefit from the schools' facilities. There are no models in the State for this type of cooperation. Public Works will be able to broaden their responsibilities. They want more efficiency and production with what we now have. These are only recommendations and the committee will continue to study and look for new ideas. The current Public Works building will be upgraded instead of building a new building. Part of Jordan-Small Middle School will be the new town office instead of building a new facility. They will be studying remodeling and security issues in the school. All contracts will combine school and town in the future i.e. fuel purchases. They are considering a mechanic for all town vehicles which will reduce the cost of outsourcing. If there is more mechanic time available for lack of town work, it might be possible to accept work from other towns. The Finance Department will merge for town and school. March 15th the committee will host a meeting with payroll companies for the possibility of outsourcing. The One Raymond Committee recommends the move to JSMS and the town and school Finance Department's

merge. Sandra Caldwell, superintendent, says it could be done this year. They felt the *Roadrunner* could go to a bimonthly publication. They recommend adjusting GIS time to add secretarial support to the Town Manger. They felt that subcontracting assessing services would save money because the current single assessor needs some part-time help to complete this year, and our rate of housing increase shows that this trend will continue. The Finance Office change would shift positions and one person in that office now would like to go to part-time work. That person would like to be considered for the part-time position in assessing. Mrs. Brockelbank indicated that the finance office would go into the south wing on the front of JSMS. The last two classrooms, which would not require remodeling at this point, would need to have handicapped accessibility and a security wall in the hallway between the offices and the school.

Mr. Bartholomew said that conceptually he could understand these changes but didn't know whether it would save money. He had concern that we're trying to consolidate two entities and have one person who can oversee that transition. Mr. Gendron said there would be one Finance Director. Mr. Bartholomew asked to whom would he/she report. Mr. Gendron indicated that this department would handle all financial matters i.e. purchasing. He noted that they were going to visit the Winthrop Town Office which is located in part of their school. Mr. Willard answered that the financial director would report to the superintendent and the town manager depending which budget he/she would be working. Mr. Batholomew cautioned that this person would have to work for two people. Mr. Gendron said Sue Gendron, current Director of Education in Maine, tried to do it in Windham but wasn't successful because of lack of interest by the town. Mr. Willard noted that Cape Elizabeth has done it for years. Mrs. Brockelbank said that the two entities are willing to cooperate. Mr. Gendron said that LD1 is working and we will have to be creative in our ways to keep within its boundary. Mr. McDermott didn't think it would be more than balancing the books. Mr. Bartholomew asked if they might consolidate the budget. Mr. McDermott said it would be possible if the state would allow it. Mr. Willard said that if the Finance Department works, then it would be possible to combine all the administrative office space. This would allow for sharing of facilities and equipment. Mr. Gendron said that the accounting just has to keep the two entities separate, and the revenues can be commingled. Mr. McDermott felt this position would be like a comptroller position where he/she would be doing planning and financial forecasting. Mr. Willard said that the governor would approve of effort to consolidate offices.

Mr. Olsen asked what the next steps were. Mr. Gendron said they were looking for a decision that will allow the assessing changes and the merging of the Finance Department. Mr. Willard and Mrs. Caldwell would need to meet with everyone involved to see what is the best way to accomplish the move. We would also have a consultant to help us plan and show us the pitfalls. The open positions would go through the application process with current employees being considered among them. Some employees would just transition to new jobs through the shifting of offices.

Mr. Bartholomew questioned the change in assessing. Mr. Willard said that having only one assessor apparently couldn't keep up with the work without extra help. It has been assumed that outsourcing would allow for more help when it's needed. Mr. Olsen said that this would separate the revaluation year from a normal year where it

would be just ongoing new construction work. He questioned why O'Donnell Associates wanted to come back when they decided to leave before. Mr. Willard said that it was primarily because backup personnel was not supplied them as they expected. Mr. Gendron confirmed this issue. Mr. Olsen had concern that our current staff will leave, and if we loose O'Donnell, then we will be in worse shape. Mr. Willard noted that the revaluation was a definite reason why O'Donnell left in that they didn't have the staff at the time to fulfill our needs. Mr. Woodbrey added that the use of Vision was entered into, but we've had a problem integrating it with our program from Northern Data System. It is imperative that the assessor will work through these problems. Mr. Willard said that O'Donnell would use the Vision system. Mr. Reynolds questioned the budgeted hours. Mr. Willard noted that the total also includes hours for planning assistance in CPIC and the Planning Board. He also said that the added appraisal help for inspections is not in our current budget. Mr. Reynolds felt that there would have to be an RFP process for a new appraiser. Mr. Willard indicated they could design and send RFPs before the end of the fiscal year. Mr. Willard also said that the Selectmen could waive the RFP process in this instance because of O'Donnell's familiarity with Raymond from their previous years of work here.

Mr. Olsen asked if there was any ordinance work to be done with this process. Mr. Gendron didn't know about that, but he felt there might be some specific ordinances having to do with the school functions. Mr. McDermott didn't know of any ordinance conflicts within the town, and of course the state statutes would have to be met. Mr. Gendron said the Maine Department of Education didn't know of any problem. Mr. McDermott didn't think this would take any extra money to make these changes. Mr. Reynolds felt this change seemed backward to change the Finance Department because of a staff change to the assessing office. He thought that trying to set this in place by this summer, because of the personnel changes, would be difficult. He would rather trigger the Finance Department and then look at the assessing office. Mr. Gendron looked at them separately with the thought that we do have staff available from finance to go to assessing if and when it happens. Mr. McDermott wanted go with both proposals and have someone available to do the finance as soon as possible. Mr. Willard related that we now have Nancy Yates who could take on the finance duties if necessary.

Mr. Olsen thanked the One Raymond Committee for their work. Mr. McDermott mentioned that they were investigating a facilities manager for Public Works and town facilities. He needed to know the steps to go in this direction. Mr. Gendron said that Norman Justice from Scarborough would come and give information and ideas of how this can work. This will be ongoing throughout the year. Mr. McDermott asked if will it happen his year. Mr. Gendron hoped to do it without further funding. Mr. Bartholomew questioned the \$25,000 increase in assessing. Mr. Willard said it would be there whether we go to contract assessor or stay in house. Mr. Gendron mentioned the recommendation that money be put away for our next revaluation as advised which wouldn't necessarily save money but would have the money available when it's needed. He also noted some additions to building permits like inside remodeling which would bring in information to assessing which we now don't have. Mr. Reynolds noted that the amount would remain the same, and not go back to \$51,000, and the \$28,000 would remain in the budget.

Mr. Olsen advised that they would not be voting tonight because this is not a budget which has been voted on by the Selectmen. This is a workshop meeting. Mr. Willard noted that his directive was to bring a budget which could be discussed, and it would be appreciated if the Budget Committee would give some direction so we can comply.

Mr. Leavitt noted assessing had the hidden cost of employee benefits, which is notated in another part of the budget, and that can be considered a saving if we go with a contract assessor.

4. Review proposed Municipal budget requests.

DISCUSSION: Mr. Olsen entertained anyone who would like to speak. Mike McClellan, director of the Greater Bridgton Lake Region Chamber of Commerce, said that they had formed a partnership with 13 towns. They have their Information Center in Bridgton. They are asking for \$1,000 toward the Information Center which is open year-round. There are three paid staff and 15 volunteers. He informed them that besides marketing Raymond, they have been involved with the Raymond Beautification Committee which included garden signs paid for by the GBLRCC. This year they will officer two scholarships for high school students of \$1,000 each which will include BOD seats. The Chamber will mentor these students in their endeavors, and if the students fulfill their obligation to the BOD, they will be considered for a scholarship. The GBLRCC will market its towns outside Maine and will have programs in which the area people can participate. Mr. Willard concurred with the GBLRCC's help saying that they have had a lot of positive comment on the Route 302 landscaping. Mr. McClellan reported that Raymond seems to be a model for the area towns.

John Shattuck, Director of the Lake Region Development Council, requested support in the amount of \$10,000 which was their prior amount given by Raymond. He said their activities are regional in focus and they have supported elements of infrastructure along the area primary and feeder corridors. The LRDC with the Greater Portland Council Of Governments are dealing with the Lake Region corridor and promoting changes and prioritizing projects which need help through the Maine Department Of Transportation. They are also working with individual business advocacy outside of GPCOG to give some communication to our legislative delegation. We need leverage to get aid. They are helping with the Naples corridor improvements i.e. the drawbridge rebuilding. They are working on a 5-year economic development plan and looking to a countywide structure to benefit individual towns, non-profits, etc to come to the region. He said it was imperative to keep a connection between our region and the county and state. Mr. Shattuck thanked the Selectmen for appointing Chris vanHaasteren to their board of directors because he has been very helpful. Mr. Reynolds asked where these outside requests would be in the warrant. Mrs. Cummings replied in the Provider Agencies, but the LRDC amount presently isn't in the budget.

Mrs. Forbes explained that the Library asks for an increase of 6% over last year. They are now operating on a shoestring and raising 60% of their budget through events and donations.

John and Kim Manoush represented Sebago Water Safety Watch which has a presence in Sebago Lake. We have mostly donated funds along with the help of the Fire Department and Frye Island Police. He said there was a definite reduction in problems in the area between Frye Island and the Cape. He asked that the town help support this effort. He requested \$9,000 but said there wasn't any magic number for ongoing maintenance and equipment. This would be a capital reserve fund. Mr. Willard reminded them that the boat was from state surplus and the SWSW has kept it running voluntarily. The Cape residents appreciate this service and have a lot of positive comments. Mr. Manoush said that the Department of Inland Fisheries and Wildlife have been asked and will continue to be asked for coverage, but they aren't likely to increase their service in our area. Mr. Willard said that the IF&W's support is in short supply because of lack of funds and personnel. Chief Morse said that the IF&W's airboat is stored in our Public Safety Building, and we appreciate having it close for our help with emergencies. The IF&W said that if our safety boat were down, they would allow us to use their airboat with our manpower. Mr. Willard added that the boat's personnel are supplied in part by Frye Island police (20 hours a week) and Frye Island pays the insurance and some volunteers. We also have a donated dock space on Frye Island. IF&W would participate with their boat if they had housing for personnel. The IF&W came a couple of days last summer which made a conspicuous presence on the lake.

Patrick Clark, Chairman of the Planning Board, asked for more resources including professional help for the Comprehensive Plan Implementation Committee. He asked for \$6,000 for a professional's time for planning and ordinance work. This budget would be for a planner (Hugh Coxe), planning coordinator (Amanda Simpson), and secretarial help (Karen Strout). The CPIC's work is housekeeping and some small ordinance changes for this year. Hugh Coxe is very valuable as a resource, and we need more of his help with planning board applicants for pre and mid applications. The Board's time would be better used if every applicant was well prepared with which Mr. Coxe could help. Mr. Reynolds said the original request was for time for our assessor. Mr. Coxe's time will go from 2.4 hours a week to 6 hours a week. This year we only have one ordinance for town meeting because there wasn't a professional to help prepare them. It won't be possible for the CPIC to implement the Comprehensive Plan or know what loopholes in our ordinance needed to be patched without professional help. He felt that our planning documents need to be rewritten from the beginning in order to get the whole ordinance complimentary. The budget isn't set because we don't know what the full aspect will be. Development in Raymond has to be governed and help is necessary. Mr. Desjardins asked what other towns do to help with this expense. Mr. Clark said that there are several ways including funding professional help to get the job done and revenues which go directly for that purpose. The smaller towns do it any way that they can. Mr. Desjardins would like to see impact fees help this year. Mr. Clark noted that impact fees are only for those services which would be strained by the development. The revenues would have to come from fees for items like building permits. Mr. Willard noted that there might be some grants available for the CPIC. Mr. Clark asked for more of the resources we now have. There was discussion about our fee structure and possible changes. Mrs. Carter felt that we really need a grant for the CPIC.

David Rowe left at 8:37 pm

Mr. Leavitt said a policy change might be for building caps which would take off some pressure to allow time to update the ordinance.

Mr. Willard said that they began with a budget which was 11% over 2005-2006 and was over our LD1 allowable number. Our revenues are 1.25% over 2005-2006. Currently the budget is at 9.16% which is 5.39% over last year for LD1. Revenues are now down to 1.76%. The second draft shows changes through the One Raymond work and is in janitorial work which might be started earlier than the fiscal year. The school won't be paying the town for plowing and sweeping of parking lots. There is a question of whether we continue doing the pass through accounts for town and school. The National Guard work won't be done this year because of not enough planning for the project(s) this year. Public Works reduced the salary line by cutting seasonal laborers. Dispatching of school buses, which has been shown on the school's books, won't appear now. The TIF value of taxable income is \$97,000 less than last year which means that amount will have to come from the regular taxes this year. There is a request for an increase of hours for the Assistant Code Enforcement Officer. Fuel cost is increased. Medical insurance has increased with the school being at 5% and it's believed that the town will be about the same. The Networking Administrator line item has added \$10,000. The Planning services increase was discussed before. Raymond Waterways is asking for \$15,000, and the Pine Tree Waste contract has been extended for one year with a 15% increase to give time to write a new RFP and request bids. Sebago Water Safety Watch asked for \$9,000. The CIP town office windows are \$20,000, and the computer upgrade for the Northern Data System. The Fire Department reserve account would like to see \$85,000 added. Reduce the *Roadrunner* issues down to six issues annually. The Communications Coordinator at \$10,000 would be used for a website update as well as the *Roadrunner* editing and the town report preparation. The fund balance is now \$1,386,479.00 before the audit which might change. He said not to expect a big increase in the surplus next year. The auditors recommend Raymond having a surplus of \$1,800,000

Mr. Bartholomew commented that we should keep the limit of LD1 because the revaluation has been a stress on many people. He felt that 4.19% is reasonable to expect for a budget increase. The changes in the TIF are a reflection that we haven't had a regular revaluation schedule. He felt it would be possible to take the \$90,000 out of surplus to cover the TIF loss instead of from the taxpayer.

Mr. Willard noted that the fixed costs use the entire LD1 amount which comes to 4.11% leaving only \$63,000 for new spending above those fixed costs. Mr. Desjardins asked if we need to prioritize our requirements. Mr. McDermott noted that the county can ask a bigger cost increase than the state will allow us. He also said he was very concerned about the condition of our roads. He felt that possibly road expense could be presented above the LD1 as a separate article. There was discussion of past paving funding. Mr. Willard said he would only do an override for something very specific and necessary. Mr. McDermott felt the roads really needed to be addressed. Mr. Gendron contributed that special items need to stand alone in the warrant i.e. roads. Mr. Olsen said that could be counter productive because if it doesn't pass then there won't be any roadwork done at all. He continued that only through good communication would a special article pass so that the voter understands what it will do for them. Mr. Gendron felt that there had to be a considerable decision as to what we're going to do to put money away for our roads.

Mr. Reynolds asked how much 4.1% represents. Answer: \$139,000. Mr. White reported that road costs are between \$150,000 to \$200,000 per mile. He suggested that the voter be given a list and the cost of roads to be repaired for their consent. Mr. Olsen noted that with the TIF deduction, the amount available would be about \$40,000. There was discussion about our bond level. Mr. Willard said the only way to lower the budget would be to cut services. Mr. McDermott noted that cutting services would possibly cut property values.

Mr. Bartholomew said he didn't see too many additions to the budget from last year but mentioned a few totaling \$175,000. Mr. Willard reiterated that our job tonight was to find the ways the Budget Committee wants to cut accounts. Mrs. Brockelbank said that the whole budget needs to be studied from the start and not just the new items. Mr. McDermott noted that some of them are necessary for the town to function, and the Selectmen need to find the cuts which will do the least damage.

Mr. Gendron asked for Mr. Olsen's thoughts about an LD1 override article and mentioned some things which could be included in that. Mr. Olsen thought that if the town was going to vote specifically for items, it might as well do a referendum vote. Mr. McDermott questioned putting the whole CIP in an LD1 override article. Mr. Olsen didn't think that would stay within the philosophy of LD1. Chief Morse explained that the budget is stymied because of our past philosophy in budgeting. The result of keeping taxes low is cutting of services. He felt that the department heads should be presenting what they need and then let the voter decide what they want Raymond to be. Revenues should be carried to the CIP or the accounts from which they are directed. He believed that the budget should be ready to go before the people, and the department heads ready to explain their needs and what it will mean to services if it isn't passed.

Mrs. Carter said that next year she would like to see a budget of what the department heads want and also a *zero increase budget. Mr. Woodbrey said his budget was the minimum of what is necessary to provide the service.

Mr. Willard said they were fighting the history of the town and it's frugal budgets. He had fear that the pressing needs are not going to be met at the LD1 level. Mrs. Carter said that the Fire Department budget is flat because some of the purchases are in another line item. Mr. Willard acknowledged that in some cases that's true, but it remains that the budget would direct what services the taxpayers want.

Mr. Cole said that the window replacement could be withdrawn for \$20,000 because we're not going to need it for a town office if it moves to the school. There was discussion of whether the town office will be moving. Mr. Gendron noted that funding would be necessary to make this work. Mr. Olsen said that if money were necessary it would require a town meeting vote which might put the move out two years. There was discussion of using JSMS for the new Finance Department. Mr. McDermott talked about going to "pay as you go" for bulky waste. Mr. Gendron added that "pay per bag" could be considered for curbside trash pickup or give only so many trash bags per year per household.

Mr. Willard felt that the Selectmen could make the suggestions of cuts in their next workshop on March 14th. Mr. Reynolds asked if the Budget Committee was in favor of having articles for overages to LD1. Mr. Bartholomew was not in favor. Mr. Olsen agreed with the One Raymond recommendations but would be willing only to do it for roads. Mrs. Brockelbank didn't think the CIP should be touched but anything additional could be put in an override article. She thought the Planning Board request should appear a part in the budget and the rest in an override article. Some of the Provider items like the LRDC and Sebago Water Safety Watch might also be an outside article. Mr. Willard said it could be a lesser amount in the warrant for the LRDC but had an issue that Mr. Shattuck got his invitation but didn't get his request in on time. He noted that the Water Safety was a reserve account and could be dropped. Mr. Desjardins noted the Open Space Account as being higher than last year. Mr. Olsen indicated that some of that account was used this year for the Egypt Road purchase and this was putting that money back into that account. Mr. Willard felt that the Selectmen's discretionary account of \$50,000 could be used for catastrophic issues like a broken motor. Mr. Stevens said that the boat was also a fire/rescue boat for emergencies. Mr. Olsen felt that if this reserve account weren't funded, the Selectmen would find the money somewhere to repair the boat if needed. Mr. Willard felt that the Cape gets very little for their big taxes, and this account represents some good will. He added that the Cape residents also donate to the fund. Mr. Cole asked about revenue from the boat. Mr. Willard said that they haven't given tickets but could possibly next summer, however, the revenues would go to the state because we don't have an ordinance to govern this process.

Mr. Reynolds reiterated the costs associated with Planning and CIP work. Mrs. Cummings said that CPIC currently has \$9,000 in it. Mr. Reynolds said that would be used this year. Mr. Stevens discussed CEO charges. Mr. Gendron inferred that "pay as you go" might be necessary. Mr. McDermott said that he was in favor of overrides when necessary for specific reasons. Mr. Leavitt noted that the school budget shows a 3.94 increase which will require an override article. He continued that the tuition is a big issue to the state for cost and the number of places we send our high school students. Mrs. Murray felt the overrides will be a problem to pass and the taxpayers will be conservative in spending. She thought the voter should be given the option with LD override(s). Mr. Willard thought that only capital items should be an override and not operating items. Mr. Gendron said that there should be an impact statement with each article. Mrs. Carter felt that it could be done for catastrophic items only, but didn't want to do one this year. Mr. Leavitt asked if the town would meet the LD number if the CIP were an override. Mr. Willard replied within \$20,000.

5. Old Business

6. New Business

NEXT MEETING: March 20 for School Budget, Town Office, 7:00 pm.

NOTE: Mr. Olsen said that he had a request that the Budget Committee separate voting nights: one for town and one for school. It was agreed.

7. Adjourn: Mr. Olsen adjourned the meeting at 10:42 pm.

Louise H. Lester
Town Clerk