

Town of Raymond
401 Webbs Mills Road
Raymond, Maine 04071

BUDGET/FINANCE COMMITTEE
MEETING

MINUTES
Monday, December 4, 2006

Attendance: Budget Finance Committee: Rolf Olsen, Chairman; Tucker Cole; Dennis Cole; Ralph Bartholomew; Jean Carter; Sue Accardi; Jerilyn Ward; and Robert Gosselin.

Members absent: Frank McDermott

Selectmen: Joe Bruno, Dana Desjardins, and Mark Gendron.

Staff: Don Willard, Town Manager; and Nancy Yates, Finance Director.

1. Call to order. Rolf Olsen called the meeting to order at 7:00 pm at the JSMS Broadcast Studio.

2. To approve the minutes of October 2, 2006

MOTION: Robert Gosselin motioned to approve the minutes of October 2, 2006 as written.

Seconded by Dennis Cole.

VOTE: Unanimous

3. Budget Development schedule and associated materials.

DISCUSSION: Mr. Olsen asked if there were any conflicts in the schedule. Mr. Desjardins questioned if there was a conflict with school vacation in February. Mrs. Accardi thought vacation began February 15 or 16. Mr. Olsen said that the date on the schedule was a public hearing placeholder at this point but the actual date will be announced at a later date by the School Department set. Mr. Bartholomew asked for the actual dates for meetings. Mr. Olsen noted January 8, January 11, February 26, March 12, and March 19. He noted that all the other dates were for submissions or not firm dates for hearings. He said that we need to wait for the school dates which should be known very shortly when financial information comes in from the state. Mrs. Yates asked if all meetings would be at the broadcast studio. Mr. Olsen yes. Mr. Bartholomew asked that the information be mailed before the dates of submission for their review. Mr. Olsen asked that the CIP be sent by January 2. He continued that provider agency information should be sent ahead for our review. Mr. Desjardins asked that provider agencies be providing financial information as well as what their service is. Mr. Gendron said that they are asking Cumberland County to disclose funding they are spending and because of that we need to know any duplication by the providers. Mr. Willard said that a questionnaire is always sent to the agencies for information requested. Mr. Desjardins wanted to know what other funding they are getting from other sources. Mr. Olsen said that they are also trying to understand how many Raymond residents are getting services from these agencies. Mr. Willard said that he could provide the committees a copy of the town's form in order to get feedback for any other questions. Mr. Olsen asked how many members don't have email and asked those people to stop at the town office to pick up that questionnaire. He asked that responses be returned by this Wednesday. Mr. Bruno and Mr. Gendron have a conflict March 13-19. Mr. Bruno will return on March 22nd. Mr. Olsen said

that March 19 is a catchall meeting for things not ready for the town report. He asked that the Selectmen set their date for March and then the Budget Committee will set theirs. Mr. Bartholomew asked if there were any changes in the budget format. Mr. Willard felt it would be the same as the last couple of years. Mr. Desjardins asked for a line item budget especially in some departments to be able to see where they're using their funds. Mr. Willard said that dispatch and fire department could be separated as it was years ago. Mr. Desjardins felt, for example, he would like to know exactly what dispatch is budgeted for. He felt it was necessary in order to make a decision about the future of our local dispatch. Mr. Willard said that it was a little difficult for some line items because both entities use the same facility i.e. utilities. Mrs. Carter felt that the building would be there whether the money is being used for dispatch or not. She didn't feel separation of those expenditures was necessary.

Mr. Olsen asked what other items would make it easier to review the budget. Mr. Gosselin asked if there were a way that we can have a footprint or baseline of how the budget was submitted in previous years. He would like this for comparison. Mr. Bartholomew noted that some of the budget format has changed over the years. Mr. Olsen said that the information from previous years is available from previous members and the town office. Mr. Willard said they could produce copies but possibly the easiest way would be to take the whole book from last year to study. He continued that in some cases where the item lines changed it could be done on a spreadsheet. Mrs. Yates noted that some items have changed, but she could give them that information i.e. last year the TIF couldn't pay for GIS which then became it's own item line. Mrs. Ward asked what the Selectmen would like to see from the Budget Finance Committee. Mr. Gendron said that the Selectmen expect to give a dollar amount to Mr. Willard and then he would create the budget from that amount. He felt that the school should be following the EPS amount. He noted that Jim Ryer, Department of Education, explained why the school was over for this year but that he didn't feel that should happen again. Mr. Olsen asked if they had corrected the differences in the high school tuitions. Mr. Gendron said that he studied why it was off and felt there was more work to be done. He said that we would get the funding back on the following year. He felt that the rate of tuition should be the same for all schools. Mr. Olsen concurred that only the contract school tuition should be paid to all schools. Mr. Gendron said that any budget aborations should be explained. He added that the school currently has a surplus to dispense because they're not supposed to hold more than a 2% surplus. Mr. Bruno said that the Budget Finance Committee is the overseer of the school budget because the Selectmen have no control of that budget. He hoped that it's the job of the Budget Finance Committee to hold the school to the EPS level or less. He felt that with a drop in population in the schools, their budget should not be that high. He was in favor of education but the town should be holding the line to the LD number which appears to be a 3.47% increase this year.

Mr. Bruno said that there was a question as to whether the override last year was added in for this year's EPS base amount. Mr. Olsen said that anything over the EPS must come as a separate article at town meeting. On the town side the overage would be included in the base this year. Mr. Bruno said there was no reason to have independent administration functions when they could be consolidated. Mr. Olsen asked about One Raymond's plan. Mr. Gendron said the current problem is having room enough for consolidation. Mr. Willard reported that the financial offices need to be where the money is and the town office building doesn't have enough room to hold those offices. Mrs. Ward asked if the staff is in place but waiting for the office space. Mr. Willard replied yes that the personnel shifting is waiting for staff changes and organization of space. He hoped that the finance office would be moving toward more financial forecasting when the change occurs. Mr. Gendron suggested that the possibility of outsourcing payroll was being studied. Mr. Willard said that One Raymond

could look at it again. Mr. Olsen said that this must be well thought through so that it will work when activated. Dennis Cole felt that the meeting room in the town office could become office space and the other buildings in Raymond could be used for meeting space i.e. public safety building and the schools. Mr. Willard cautioned that the town office would need significant repairs/remodeling to accommodate this type of change. Mr. Bartholomew felt that the school and town are independent functions with two different heads. He asked who would instigate these combined changes. Mr. Willard said that there is much interest in these ideas, and there is cooperation through the One Raymond Committee. He noted that the computer system has been working cooperatively for a number of years very successfully. Tucker Cole said that logistics was the problem in having personnel moving from one building to another, and it would be difficult for the public to find the employee they needed. Mr. Bruno said that the people involved had to be of a mind to make it happen. Mr. Willard said that a recommendation, if cost effective, would be presented and discussed. Mrs. Ward felt that the job descriptions and work to be done needed to be identified before these decisions are to be made.

Mrs. Ward asked what the format was for the budget. Mr. Olsen said that the department heads would submit their budgets, and the budgets would come to the town manager, the Selectmen, and then the Budget Finance Committee. This year the Selectmen will give a directive on the amount and then the town manager has to work with the department heads to keep it at that level. Mr. Bartholomew said that most of the information gathering budget meetings are held collectively, Selectmen and the Budget Finance Committee i.e. department heads. Mr. Olsen concurred but said that deliberations would be done independently. Mrs. Carter asked to see a zero increase budget unless something absolutely necessary is needed. She didn't want to see a budget with an established increase to begin with. Mr. Olsen felt that automatic increases would have to be covered by decreases in some other area of the budget if that were the scenario. Mrs. Carter felt it could be done that way. Mr. Willard explained that with the increases for necessary items like utilities, the allowed increase might cover but certainly nothing new.

Mr. Willard said the levy limit for LD1 is 3.47% which is a \$50-\$60,000 increase. This is possibly less than what last year's budget was with this year's service cost increases. Mr. Bruno said that every increase would have to be documented. Mr. Gendron didn't want to micromanage the budget but deliberation could be conducted on certain aspects of the budget. Mr. Bruno explained that with this small amount of increase, there would have to be cuts somewhere with just the growth increases over the year. Mr. Willard defended the town office budget as being less than other towns of our size in Cumberland County. Mr. Olsen noted that with the increase in the county budget our allowed increase is probably less than what will be needed. Mr. Desjardins said that the state's increased value of the town as a part of the formula would skew our number more. Mr. Bartholomew asked about the TIF level. Mr. Willard didn't feel that it has changed from last year because its value has not increased. Mrs. Ward questioned the town's budget piece as 18% of the whole. Mr. Willard replied yes, that the town is running at a low level now. Mr. Desjardins wanted to keep the same mil rate which would allow for a little increase. Mr. Olsen said as long as we're under the LD level the mil rate shouldn't see an increase. Mr. Willard noted one item for change and reallocation is the restructure of dispatch. Changes in the trash system could save money but cautioned against several changes of this type all at once. He felt that money into infrastructure and especially roads is necessary. Mr. Bruno said this approach will allow Mr. Willard to set priorities. He was not in favor of going backwards because you will have to make the changes eventually and it can be a shock if it's done all at once. Tucker Cole asked about a comparison with other towns and felt that information would be helpful. Mr. Willard

said that it was hard to make this type of comparison because each town is individual. Mr. T. Cole asked to track 5 towns. Mr. Willard replied the differences in town policy, location, and valuation makes this type of comparison less than accurate. Mrs. Carter asked about the use of the Public Safety Building. Mr. Willard said that because of the gift restrictions it is for public safety only.

Mrs. Ward asked about the provider services. Mr. Olsen replied that they were funded through out budget. Information would be coming through the town manager to the Selectmen and the Budget Finance Committee. There was discussion about our membership in MMA being necessary if we purchase independent insurance coverage.

It was decided that discussion of a budget level will come under Other Business at the Selectmen's meeting tomorrow night. Mr. Olsen said he would talk with Superintendent Caldwell about their first meeting with the Budget Finance Committee.

NEXT MEETING: December 13, 2006 7:00 pm at the Broadcast Studio unless changed by the School Department.

ADJOURNMENT: Rolf Olsen adjourned the meeting at 8:31 pm.

Louise H. Lester
Town Clerk