

Town of Raymond
401 Webbs Mills Road
Raymond, Maine 04071

BUDGET/FINANCE COMMITTEE and SELECTMEN'S MEETING

Broadcast Studio
423 Webbs Mills Road

Monday, March 25, 2013

MINUTES

ATTENDANCE: Budget/Finance Committee: Rolf Olsen, Chairman; Steve Linne; Dana Desjardins; Brian Walker; Peter Dunn; Bob Gosselin; Marshall Bullock; and Steve Crockett. Selectmen: Sam Gifford, Chairman; Joe Bruno, Charles Leavitt, and Mike Reynolds.

Also: Nancy Yates, Finance Director; Nathan White, Public Works Director; Bruce Tupper, Fire Chief; Cathy Gosselin, EMS Director; Chris Hanson, Code Enforcement Officer; Betty Williams, Raymond Waterways Director; Sally Holt, Library Director; and Marie Connolly, Library Treasurer.

ABSENT: Tacy Hartley, Budget/Finance Committee and Lonnie Taylor, Selectman.

1. Call to order. Sam Gifford called the meeting to order at 7:00 pm at the Broadcast Studio saying that this would be a work session on the budget. Because of this there would be no public comment from the audience unless a board member asked a question of them. He said that he had asked Joe Bruno to chair the meeting because of his experience with conducting budget discussions.

Mr. Desjardins asked for a point of order because he felt that this was a budget meeting and that Rolf Olsen, chairman, should run the meeting. Mr. Olsen returned that since this meeting was now a Selectmen's workshop the Selectmen should be running this meeting. Mr. Desjardins asked who the Budget/Finance Committee co-chair was. Mr. Olsen said there wasn't one. Mr. Desjardins asked if this meeting was posted as a Budget/Finance meeting. Mr. Willard explained that Mr. Olsen had agreed to the change in format. Mr. Bruno noted that a chairman can appoint a chairman pro-tem at any time. Mr. Leavitt asked if this meeting was properly posted but he did want to move forward with the budget discussion. He felt that there are different rules about the conduct of business at a workshop or a regular meeting. Mr. Walker asked that they work together and get the budget finished.

Mr. Olsen opened the meeting at 7:10 pm and turned it over to the Selectmen. Mr. Gifford said that he was yielding his seat to Mr. Bruno to run the meeting. Discussion noted that they had 3 options to look at since the last meeting. The third option is Mr. Leavitt's solution. The town, with town meeting approval, will sell the Patricia Avenue tower lot for \$900,000. There is also a bond proposal to consider and/or budget cuts to cover the overage for LD1 compliance. It was noted that Raymond has had 6 years of no municipal budget increase, and that a member felt the voters should have a chance to make the decision as to whether Raymond stays under LD1 or approves an increase or override. It was noted that the voters could only reduce the amount of an article and not increase

it. Therefore, a voters' choice would come by the amount offered in the warrant article. Voter input would come through the public hearing such as the meeting tonight. The concept that if the petitioner's request was not noted but a lower number offered, the voter wouldn't have the opportunity to make his/her decision on the original amount. That this budget would only be a 20 cent increase was minor compared to the proposed school budget increase. There was opinion that Raymond should wait to pay off a bond before we go into a new one or use part of the \$900,000 from the land sale instead of a bond.

Some felt that road work was imperative and using \$225,000 from the land sale plus the \$250,000 from the CIP was possible. They felt the low interest rates for bonds was inviting to allow improvement of our roads and vehicles for Public Safety. Bonding wouldn't be available for this construction season but could be entertained for the future. The time needed for issuance was questioned, possibly 1 year but the allowed time for use was 3 years. Mr. Willard would check with the town attorney. There was thought that town monetary assets should be used for current roads and Public Safety purchase. Since the last bond for \$2 million was defeated at a town referendum, would the town vote for one now. With our current healthy economic status getting a bond should not be a problem. The land sale and the vote at town meeting to allow it would be on June 4, 2013. However, a reminder was that at the sale Raymond wouldn't be receiving the lease payment of \$43,000 annually. The first current bond retirement will be in 2015-2016. Bond logistics were discussed with the knowledge that there will probably be a debt incurred by MMWAC sometime in the future for that facility maintenance. The need for a 4 year CIP for Public Works and Public Safety was noted and the desire to blend creative and prudent purchasing. The need for this to be entirely a maintenance bond was necessary. Question as to whether the entire \$900,000 should be used for this or a \$2 million bond plus an annual \$250,000 Public Works CIP. The timing of having funds available determined that this year there wasn't time left in the construction season to use even \$1million.

It would appear that the Town of Gray doesn't want to work with Raymond for Public Safety. Frye Island will remain the same with \$15,000 annually for fire, rescue, and emergency transport. Their contract is the first year into a 3 year contract. It was felt that Gray's response time would be a lot more for service to their west side of Little Sebago Lake. If an arrangement could be made with Gray their response time to North Raymond Rd would be 6-8 minutes while it might take Raymond 15-20 minutes. If Gray needs Raymond's assistance the service is billed through Gray.

The cost of a new ambulance would be about \$180,000 but Raymond is involved with a regional municipal purchase arrangement where the years after the first year would have a trade-in vehicle and save money plus have a vehicle warranty.

Staff health and dental insurance was discussed with the note that presently the total budget is \$161,000 over. A 2% staff increase represents less than \$40,000. It was felt that without good benefits Raymond might lose employees. A 1% increase and a \$500 deductible were offered noting that Windham is offering their Public Works a 1% increase. There was a question as to whether the two boards planned on being LD1 compliant or use it as a guideline because some felt Raymond wouldn't be able to keep the budget compliant forever. LD1 compliancy would require budget cuts or use undesignated surplus. It was noted that in order to stay compliant we would need to be \$175,000 over last year. There was a difference between exceeding LD1 and increasing LD1. Exceeding would mean a one time increase over LD1 and increasing would mean the total for LD1

would increase for future year's budgets. It was felt that the voter should be asked whether they desired a "hard" ceiling number. Mr. Olsen, Bullock, and Dunn were not opposed to exceeding LD1 for this year. Mr. Leavitt was not adverse to exceed LD1 if cuts were made.

There was a question about the RSU increase of \$880,000 over last year of which Raymond would pay 1/3. That number was not specific but there was concern that more roadwork would be delayed because of the school budget.

The Library and the Raymond Waterways request was answered with the opinion that they need to be more self sufficient. They felt the 14.5% increase was a lot. A comment was made that the voter should decide. An alternate opinion was that the job of the Selectmen and Budget Finance Committee was to bring the most acceptable budget to the voter.

The \$7,000 budget item for Economic Development was not felt to be necessary because our private sector is doing a very good job already. Others felt that Raymond needed a body to organize and promote our commercial area. One felt that the brochure published last summer was good but incomplete, but it was noted that the brochure was for tourism promotion and not a complete list of Raymond businesses.

Discussion of Alternate Plan #2. It was felt that P&K might spread out their proposed 5% increase over the 3 years instead of just the second year.

There was a review of the list of reductions considered. It was suggested that part of the \$900,000 from the land sale be used to fund CIP expenses. Others felt a bond was the best way. Someone asked that the paving expense be addressed separately.

It was suggested that the excise revenue could be raised from \$5,000 to \$10,000. An Code Enforcement Office electric permit fee was discussed in order to increase revenue and also provide a level of security to homes.

There was discussion about asking the library to charge for library memberships but others felt that libraries should remain a free benefit to the town. There was opinion that Raymond Waterways should not get an increase this year. However, it was felt that if the RWPA doesn't stay ahead of the milfoil, it will gain ground over the eradication they have already achieved. It was also noted that the RWPA budget was under the TIF so it didn't fall under the LD1 total. It was felt that the second boat was necessary and that comprehensive lake checks are needed in all areas in addition to more erosion control projects. It was mentioned that the library costs the town far less than if it was a town run facility. A thought was that each organization be reduced to \$2,500 each.

A straw ballot showed there was 5 for and 5 against putting staff benefits at 1% pay increase and the current deductible.

Alternative #3

All travel and training department lines are to be kept the same because it was necessary to have our employees informed for changes in the law etc.

There was some discussion about what Raymond needs for GIS services. It was noted that tax maps had to be kept current with land sales and subdivision creation and the increase in the

broadcasting budget and comment was made that because of the number of meetings it would be necessary plus the added responsibilities for this position.

Road maintenance at \$500,000 gave lead time to a future bond by adding \$225,000 from the land sale \$900,000 to the CIP \$275,000. The bond would be \$2 million for the following 3 years. The legal fees for the land sale would come out of the \$900,000 total leaving approximately \$850,000. It was mentioned to use \$80,000 for the Public Works CIP. Whatever was not used would go into undersigned fund balance or used against the total budget to come in under the LD1 requirement.

NEXT MEETING: Selectmen April 2, 2013 7:00 pm Broadcast Studio
Budget/Finance Committee April 22, 2013 7:00 pm Broadcast Studio.

ADJOURNED: Rolf Olsen adjourned the meeting at 10:35 pm.

Louise H. Lester
Town Clerk