



## Budget-Finance Committee Agenda

February 21, 2017

Broadcast Studio

423 Webbs Mills Road

Committee Members Present: Brian Walker, Nicholas Pitarys, Brien Richards, Marshall Bullock, Robert Gosselin, Diana Picavet, Barry Moores

Committee Members Absent: Stephen Crocket, Debra Duchaine

Selectmen Present: Samuel Gifford, Joe Bruno, Rolf Olsen

Town Staff Present:

Don Willard, Town Manager

Cathy Ricker, Finance Director

Chris Hanson, Code Enforcement Officer

Sue Look, Town Clerk

Bruce Tupper, Fire Chief

Cathy Gosselin, Deputy Fire Chief

1. Called to order at 6:30pm by Chairman Bullock
  
2. Approval of Minutes
  - a) January 7, 2017  
**Motion** to approve by Mr Gosselin. Seconded by Mr Walker.  
**Unanimously approved.**
  
3. Open Meeting to Comments/Questions from Selectmen
  
4. Department Presentations
  - a) Revenues

Finance Director Ricker - \$270,000 from Fund Balance, \$70,000 increase in Excise Tax. General Assistance has been in Miscellaneous, but I am moving to its own separate revenue line, General Assistance. \$85,000 for Planning Board fees. Public Safety is for Frye Island EMS and fire support. Homestead Exemption will go from \$15,000 to \$20,000. I have been comparing actuals to try to true up the budget

numbers. I did not feel comfortable increasing the numbers for the trust funds.

Mr Walker – Business Equipment Tax Exemption?

Finance Director Ricker – That is where we get monies back from the State on business equipment like the homestead. The equipment depreciates each year and we have businesses each year that goes out of business. We get this once per year.

Mr Walker – Municipal fees we are not far off.

Finance Director Ricker – That is car registration agent fees, etc.

Mr Richards – Lien fees seem to go up and down?

Finance Director Ricker – Once people pay off the liens we get the fees back and it has stayed consistently near \$11,000.

Select Chair Bruno – We had a lot of fund balance a few years ago, and spent it on roads. This raised our budget to that level, so the large surplus to LD-1 is somewhat misleading.

b) \* TIF

Town Manager Willard – I would like to introduce and welcome Cathy Ricker as the Finance Director. Cathy is a triple threat and a financial wizard, she comes with municipal, non-profit, and private sector experience. We are very pleased and happy to have her on board. She has done a great job at putting this budget together.

This budget lowers the municipal portion of the mill rate from \$2.80 per \$1,000 in valuation to \$2.71. We did this by using \$270,000 of undesignated fund balance. The undesignated fund balance as of June 30, 2016, exceeded our budget policy goals by \$561,104. There will be \$216,104 after all allocations are removed. Next year our debt service will be significantly down. The economy continues to be strong in the town, revenues are up. The town is in a good position. I put in the packet a comparison of mill rates for the towns in the labor study and it shows that we are achieving very high municipal services for a very low mill rate. The town has strong department heads and employees and is well managed from the Elected Officials on down.

This year we were invited to submit budget requests that were no necessarily trying to maintain a flat budget, but instead budgeting for what the departments would like to see happen. I am looking forward to a lively and spirited debate.

This proposal is below the LD1 statutory limits. Our town has never gone backwards, even in recession years. We will be getting new tax revenue from all the new construction. We have debt retiring.

Finance Director Ricker – In anticipation of the debt service payments being over, we need to look at what will the TIF pay for in the future. To begin this process, we moved the Street Light category into the TIF. According to Contract Assessor Curt Lebel, we are about half way through a 30 year TIF. We added \$5,000 for Vitalization as a starting point for discussion purposes. I am new so I am going to look at everything with different eyes.

- Hydrant Rental is very straightforward.
- 2017-2018 will be the last payments of the debt.
- 302 Corridor is a matter of maintenance, lights, por-ta-potties, and mowing
- GPCOG dues are not going up
- Final year for GIS with Sebago Technics

Neil & Peggy Jensen – Raymond Waterways. Regarding invasive plant removal efforts (variable milfoil): Last year our 30-year-old outboard died and can not be fixed, also last year we tried rolled burlap but there is an increase in the initial expense. We have been operating in 5 areas in town, 3 are in maintenance condition. The Jordan River we are working on and once we clear an area upstream it does not come back. There are several years more work here. We have very little mailing costs, we send out electronically whenever we can. Divers will go to maintenance areas to remove all that they find. Turtle Cove was down to .3% by last Fall. Mason Cove was down to .4% by last Fall. Port Harbor is down to 1%. To keep this level, we need to go back 2 or 3 times in a season. There was good progress in the canals as well. We are starting to see the results of many years of hard work.

Mr Gosselin – You have 2 boats on the water?

Mrs Jensen – We do use 2 boats. 1 boat is set up with a sluice way the other has a hose that goes into a dense mesh and the weed goes into another basket. We only have 1 crew so we only use 1 boat at a time.

Town Manager Willard – More than half of the towns property is on the water and we want to keep them desirable. I have access to surplus equipment and would be willing to help to try to source equipment. Also, we can advertise your needs on the Town website.

Mrs Jensen – Thank you to Public Works for their help.

Chairman Bullock – How well do other towns help?

Mr Jensen – There have been attempts to cooperate with the surrounding towns and most have fallen through.

Mr Walker – Raymond Casco Historical Society – I went to a tour of their facilities and was impressed with their collection and their volunteers. It is a phenomenal resource for Casco and Raymond.

Chairman Bullock – Vitalization Committee is very interested in bringing high speed internet to Raymond and we are working with Windham. We are asking for \$5,000 for seed money to get this decision made for the region. We have a number of home business who would benefit from this, as would telecommuters.

Town Manager Willard – Tom Bartell called and would like another meeting with Standish, Windham, Gray and Raymond.

Mr Walker – How would the high speed be delivered?

Chairman Bullock – Fiber optic new cables.

Town Manager Willard – Initially it would be in the commercial zone, with expansions.

Select Chair Bruno – Why would we be members of Sebago at \$250 and Bridgton at \$1,000 (Chamber of Commerce)? Is this coming out of the \$5,000 requested by the Vitalization Committee?

Chairman Bullock – No. It is a separate budget request. The \$5,000 is solely for broadband? It would sit there until needed?

Town Manager Willard – It would remain in the control of the Town and the Vitalization Committee would need to request an expenditure.

Select Chair Bruno – Don't we have Sebago Technics for Economic Development?

Town Manager Willard – No.

Selectman Olsen – Why are the dues for Chamber of Commerce not under Economic Development.

Mr Moores – What do we get for the GPCOG membership?

Town Manager Willard – We have met with them and asked them the same question. I think we should give them a year with a new administrator.

Town Clerk Look – We do get some discounts for office supplies.

Select Chair Bruno – Not all of us want to be a member of GPCOG.

Mr Walker – Are most towns in the area members?

Town Manager Willard – They are, but some are in the same mind set as we are.

Select Chair Bruno – I think it is either GPCOG or MMA, though I would say neither.

#### c) County Tax

Mr Walker – I think it is time that there is a bit of a jaw drop when we see the year-over-year budget increases from the County. The jail is half empty, we have a lot of issues and there are many things in their budget that we get very little benefit from. I think we should have representatives from the County Commissioner here to address these issues. When they do not hear from us they may think that anyone past Windham does not care.

Chairman Bullock – If I understand the County Budget correctly, there are 2 things that impacted us. 1. We had very healthy growth – up \$46,000,000 in our assessed value. 2. The jail had a \$1,600,000 swing in profitability.

Town Manager Willard – I think the thing to do is have the County Commissioner, Susan Witonis, here for a discussion. We do get very good service from the Cumberland County Sheriff's Office.

Select Chair Bruno – The County always has an excuse for why the budget goes up. A few years ago, it was the Civic Center, this year it is the County Jail. When you look

at the salaries paid to County employees...

Mr Walker – Roughly \$170 for every man, woman and child in Raymond goes to the County. That is a significant part of our budget. The County Budget is out of step with the way we work. I think we have to somehow communicate that.

Town Manager Willard – We did at one time suggest succession from the County.

Chairman Bullock – I would be open to having County Commissioner Witonis here for the March 28<sup>th</sup> meeting. If Holly Hancock would like to come too that is OK. We want Susan or no one. It is a big expense to the Town and is worthy of question.

d) Administration

Finance Director Ricker – Requesting 6 hours on front counter, change from NDS to TRIO software, proposing to add MMA dues, decrease in Election costs.

Mr Richards – Whoever put this together did a lot of work to explain the system changes. Therefore, we are going to save time on the front desk. Why are we increasing hours on the front desk? With merit based performance that will reduce

Town Clerk Look – Part of it is the whole Human Resource is new. It is not merit pay only, it is mandatory trainings, helping the department heads with the appraisal process. There are a number of trainings that Rita is going to. We have found that we need more coverage at the counter during the time when Rita gets a number of questions about payroll.

Town Manager Willard – We went from a fairly simple process to one that is more complex. I am very proud of the Personnel Policy and to keep compliant is a big job.

Mr Richards – Is there a backup system if she gets sick?

Town Clerk Look – That is the next step.

Town Manager Willard – That is the challenge. We want to be cheap, but great.

Select Chair Bruno – The conversion to TRIO is being done solely for HR purposes?

Town Manager Willard – No. We are trying to explain what is effecting staffing levels outside of office traffic. We are doing this HR function with an existing employee who is a Front Office Clerk.

Select Chair Bruno – Have you looked at your payroll company for HR functions?

Finance Director Ricker – No, we use Paychex for some of the HR functions.

Town Manager Willard – We bought Northern Data (NDS) which was the least expensive out there. They have not developed or moved forward to keep up with the times. I have never been a big Northern Data fan, I am not a big TRIO fan either, but our staff tells me that is the one that will do what we need it to do at a price point we can accept.

Select Chair Bruno – Has anyone used TRIO before?

Town Clerk Look and Finance Director Ricker both have.

Selectman Olsen – Has Kevin taken the new TRIO and tried it on any of the machines? I have never heard of an implementation where there are not hardware issues. If I don't see a real seal of approval from Kevin, I will not be real happy.

Town Clerk Look – Kevin is currently maintaining TRIO in Naples and we do have the "new version" of TRIO currently. We have all the infrastructure in place. We will be purchasing additional modules. Kevin said we did not need any hardware.

Mr Moores – My understanding of TRIO is it has to be programmed for payroll.

Finance Director Ricker – Paychex does all of our payroll. We will not be getting the TRIO component of payroll. There are so few users of NDS that I am concerned that NDS will stop doing their municipal side.

Town Manager Willard – There was a survey a number of years ago, and MUNIS was the top and the most expensive. TRIO was the next and then NDS. We went with NDS and the time is running out for them.

Finance Director Ricker – Many towns that use MUNIS also have TRIO for motor vehicle because it is top of the line.

#### e) Insurance

Finance Director Ricker – Rescue billing is now in this section and it will not be next year. We looked at our regular lines of insurance and asked MMA to give us quotes. Health was a lot more expensive. We want to go to a calendar year for health insurance instead of a fiscal year. For budgetary purposes I, have factored in an 11% increase based on research I did, plus 2 additional employees in Public Safety. Dental and Life I assumed a 5% increase each, Workman's Comp a 2% increase. ICMA should be in employee benefits and the increase will not be large. The rest of the insurances cost plus the MMA dues is cheaper by \$2,000 through MMA than the same coverage through Cross Insurance.

Select Chair Bruno – Are we really paying \$17,518 per employee for health insurance?

Finance Director Ricker – That includes family plans. I will call the provider and see what else can be done.

Mr Pitarys – What kind of a plan is this?

Finance Director Ricker – It is a high deductible plan. When you cost this out do you include 100% of the HRA or do you include some utilization rate?

Select Chair Bruno – You have to assume full utilization.

Finance Director Ricker – I did, too. Our utilization rate for 2015 was 55%. I do not have the participant count, but I will get this.

NOTE: Selectman Olsen had several comments in this section that were not audible on the recording.

Select Chair Bruno – A family plan runs about \$12,500 per year and a single plan around \$7,200 per year. Married with spouse is about \$10,800 per year.

Finance Director Ricker – Married with spouse us much more than \$900 per month. This includes dental.

Mrs Picavet – Does it include the Wellness Card?

Finance Director Ricker – Yes.

Select Chair Bruno – The Wellness Card helps employees with the high deductible.

Selectman Olsen – I can get with you on the Healthcare piece.

Chairman Bullock – How long have we been Cross Insurance? Has it been sent out for proposals?

Town Manager Willard – A number of years. We have had different plans over the years and have always found them competitive. Cross has been very good about giving us our options and we review these each budget season.

Mr Richards – As I see it you have requested 5% for merit pay and the only people who will get it are those who merit an increase. What happens in 4 or 5 years when we need about a 10% increase across the board to adjust for inflation? Will there be some of this 5% held in reserve to defray this?

Town Manager Willard – The consultant said that we would need to look at the structure and some raises would be due to merit and at other times it would be due to a structure change as we continue to keep salaries current. We will need to design a system so that we don't need to come back in 10 years and say we need a major increase across the board. The 5% is a discussion number. The proposal is to have an ongoing fund. Increases will be based on performance.

Mr Richards – It is my experience that you will find that everyone will get an increase because you will say that you have very few marginal performers.

Town Manager Willard – I don't think that is how it will work out.

f) Assessing

Town Manager Willard – Kaela passed her certification test on the second try, congratulations Kaela!

Finance Director Ricker – There is an increase in maintenance.

g) Code Enforcement

Chris Hanson – Code Enforcement Officer. I asked for 6 hours per week for my administrative assistant. I increased training due to the transition from 2009 codes to 2015 and I will need to update all of the code books. Permits are within \$1,000 of last year now with 4 more months to go in the fiscal year. This year we have done 32 new homes. There have not been as many tear-down and rebuilds on the lake as in the past. Fees are based on square footage and there are many million dollar houses that are not high in square footage.

Mr Moores – What is the increase for Community Development? Do you have a gold-plated telephone for \$1,400?

CEO Hanson – My assistant is paid for some time out of Community Development. I am asking for 6 additional hours per week. That is the cost of my SmartPhone and I have an air card for my tablet. To expedite my paperwork, I have a mobile office in my car so I do not need to take notes and then enter them into the computer when I am back in the office. I am asking for more hours because by being lean some things have not gotten done and it is time to catch up. My new assistant, Mary, is doing a great job. She is very organized, and she is organizing and correcting things that have been done in the past (because we were short staffed).

Town Manager Willard – I think you would be hard pressed to find a town that is operating at the sophistication level that we are at for the cost we have.

CEO Hanson – We have filled up Paris Farmer's. There is more activity in the commercial area. There are still a couple of vacancies. I am working with WEBCO for possible economic development.

Chairman Bullock – We have less than 12 vacancies now.

CEO Hanson – The development on the lake is very healthy. One of the reasons they come is the mill rate.

#### h) Community Development

CEO Hanson – Stayed basically the same for budget requests.

Town Manager Willard – We put in the agency request for the bus.

Finance Director Ricker – We had 3 requests from agencies: Flags for veterans, Chamber of Commerce, and the Community Calendar.

Town Manager Willard – We have simply done it for the past couple of years and decided to add it as a budget item.

Selectman Olsen – Is this the monthly calendar that is printed in the paper?

Town Clerk Look – No, it is a 12-month calendar with little squares that will say, for example, that there is a Selectmen's meeting. It is your guess whose Selectmen's meeting. It will say that there is a RSU meeting and not say where the meeting is. I am not a fan.

Selectman Olsen – I think it is the same one that is printed in the paper.

i) \* Public Safety

Bruce Tupper – Fire Chief. It is good to be here! Most departments are experiencing deficits and you will see an increase in staffing. \$267,000 in grants in the past few years. In the past medical supplies were given to us, but that has ended. We have looked at regional approaches by buying in bulk and selling to Public Safety departments in other towns. To fill 1 drug box in an ambulance is \$300 and some of the drugs expire in 6 months. Eppi pen and narcan are both very high priced. We have been creative in adjusting our staff to fill the gaps. Our “call member” staff all have other jobs and during the day we can not count on them. We are running a lot of double calls (2 or 3 calls at a time). Call volume is up about 10% over last year. We are in a busy time right now.

Mr Walker – How many calls in a year?

Chief Tupper – 830. An EMS call is about 3 hours for 3 people, so 9 man hours. The driver does not need to be an EMT, but it is desirable.

Town Manager Willard – We had to call a neighboring town to transport one of our own members because we were already involved in multiple calls.

Mr Gosselin – People will go to the scene in their private vehicles too.

Mr Richards – What is the impact of separating fire from EMS?

Deputy Chief Gosselin – This was for us for budgeting purposes because we are having to buy our own medical supplies and drugs. We have added about \$7,000 in supplies and \$7,000 in drugs.

Chairman Bullock – Is EMS a separate cost center?

Finance Director Ricker – It will be.

Diana Picavet – Does the Town insurance not cover the members for flu shots?

Deputy Chief Gosselin – Some get it through their insurance.

Chief Tupper – It is considered a hazard since they will be exposed to the flu at some point.

Mr Moores – Do you bill for services?

Deputy Chief Gosselin – Yes, we bill at 3 different levels based on the drugs/services that are used. We did do a study of our rates and found that some of our rates are slightly below surrounding areas.

Selectman Olsen – On the income side we have only increased \$3,000. There should be a way to recapture the cost of the drugs.

Deputy Chief Gosselin – We did not want to buy our own supplies and drugs, but ME Med realized that they could save \$80,000 and Mercy and CMMC followed suit.

Mr Pitarys – Do we bill other towns?

Chief Tupper – Yes, and they bill us. If we transport for mutual aid, we charge the patient.

Mr Richards – Do you see that the types of services are geared toward Medicaid due to the aging of our population?

Chief Tupper – That is fair to say. 62 is our average patient age. Frye Island is 45.

Mr Walker – City of Portland has to pay for drugs and supplies too?

Chief Tupper – City of Portland changed some time ago so they could have more control.

Deputy Chief Gosselin – As of July 1<sup>st</sup> we can purchase our own, or through a medical supply company, or from the hospital. We will need to keep a locked box for these. The difficulty with buying drugs from various sources is that the packaging is different for the same drug and this makes it hard when you are in a situation to be sure what you have. We will be managing the expiration dates with the hospital.

Select Chair Bruno – Your \$10,000 for shots are not just flu shots.

Chief Tupper – Immunizations are about \$300 per year per person. We all have to go through fit test and this is expensive.

Select Chair Bruno – Have you applied for the Federal Grants for Narcan? They give them to municipalities. If you give me a list of drugs I can keep people honest for you. The nasal narcan is 10% of the cost of the shot.

j) \* Raymond Village Library

Sheila Bourque, President of the Library Board. Thank you for letting us go first. We submitted our budget packet in December. We had asked for a \$4,000 increase for an accessible bathroom, but we will now only need only \$1,000 due to fund raising. We have reduced expenses across the board. We have been reaching out to the community for donations and the community has been responding. The Library will be taking on Everyone Loves Raymond. Our current operating budget is \$91,000. \$12,000 is to do all other programs. We are asking that the \$3,000 originally requested for the bathroom to be used for STEM programs. This would be for computer software programming, microscopes, etc. We are working as hard as we can to grow our income streams. Leigh Walker, our Treasurer is here as well.

Mr Richards – STEM do you have someone to lead this?

Ms Bourque – Our Library Director has this background.

Mr Richards – ADA compliance?

Ms Bourque – On our future list of improvements we want to rework the front entrance and for now we have added a door bell to the back door for ADA compliance.

Mr Walker – Are any of the Library budget funds going to the office renovations?

Ms Bourque – No, it is all from donations.

Mr Moores – Increase in salary, is that a new person?

Mrs Walker – The increase in minimal.

Mr Moores – I see an increase of \$8,000.

Mrs Walker – What you are seeing is the original request last year. This year is very small.

Select Chair Bruno – So you want an additional \$3,000?

Ms Bourque – We need \$1,000. We are asking you to consider how much we are working to bring in more money and would like to also have the \$3,000.

Select Chair Bruno – Annual appeal has increased from \$23,000 to \$29,000. The Library has never been able to bring in that much.

Mrs Walker – The \$5,000 grant monies were a part of the budget and it has been reallocated, so the annual appeal budget line is \$24,000, an increase of \$1,000.

Select Chair Bruno – Is the STEM a new mission of the Library? Are you taking over for the school?

Ms Bourque – Our numbers show that we serve very young and older, but are missing the middle age groups of children. We are hoping that this tool will open the door to the children to want to learn and read more. Online and downloaded books are increasing. Adult book circulation is increasing. We are drawing more children into the Library.

Select Chair Bruno – How many individual donors do you have?

Ms Bourque – We will get that number to you.

Chairman Bullock – Thank you for revising your 3-year history. Total income & cost of goods sold?

Ms Bourque – It is an accounting trick. We are revamping our books in an attempt to be transparent. Transfer accounts for equity used the Cost of

Goods for this.

Chairman Bullock – Why is there unrealized on a cash statement?

Mrs Walker – It is the difference between price and sold and will not be reported that way in the future. I would like to have a conversation with you about how we should report these.

Chairman Bullock – The total request is \$60,000.

Select Chair Bruno – You have had a CD that floated around \$100,000, is it still out there?

Ms Bourque – Losses were drawn down and that is why our investment income is diminishing. \$144,000 total cash on hand today

5. Public Comment

6. Adjournment

**Motion** to adjourn at 9:22pm by Mr Gosselin. Seconded by Mrs Picavet.  
**Unanimously approved.**

Respectfully Submitted,

Susan L Look  
Town Clerk