



**Budget-Finance Committee
Minutes**

March 27, 2018 at 6:30pm

Broadcast Studio

423 Webbs Mills Road

Committee Members Present: Marshall Bullock, Robert Gosselin, Brian Walker, Brien Richards, Debra Duchaine, Dana DesJardins

Committee Members Absent: Barry Moores, Diana Picavet

Board of Selectmen Present: Teresa Sadak, Rolf Olsen, Joe Bruno

Board of Selectmen Absent: Lonnie Taylor, Sam Gifford

Town Staff Present:

Don Willard – Town Manager
Cathy Ricker – Finance Director
Nathan White – Public Works Director
Bruce Tupper – Fire Chief
Cathy Gosselin – Deputy Fire Chief
Sue Look – Town Clerk

Other Presenter(s):

Leigh Walker – Treasurer of Raymond Village Library

- 1) Called to order at 6:30 by Chairman Bullock
- 2) Approval of Minutes
 - a) **February 27, 2018**
Motion to approve as amended by Mr Walker. Seconded by Gosselin.
Unanimously approved.
 - b) **March 12, 2018**
Motion to approve as amended by Mr Gosselin. Seconded by Mr Walker.
Unanimously approved.

Joint Workshop with Select Board for Budget Review:

- 3) Budget Review
 - a) **Public Safety (with Presentation from Chief Tupper re: Personnel changes).**

Fire Chief Tupper – We are requesting a pay wage adjustment for our on-call members to closer align us to our neighbors and to retain/attract new members. The volunteer

became paid decades ago in New England. No longer are people allowed to leave their place of work to fight a fire. We are asking \$2 per hour for the part-time members. We have 24 on-call members who fill in 420 hours per week on average. Aging communities as Raymond is, our average age of membership is 44. Other communities have more affordable housing which attracts younger families. We take in 3 to 5 new members per year. The risks have changed. The demands of training and certifications is large. Our pay when compared to others is not quite there. We are competing for the same labor pool. 4 of our 24 people also work for Windham FD and if they have a choice they go to Windham where they are paid more. This does not affect our union members, nor our full time, nor per diem. We have made 1 or 2 pay adjustments since I have been here, but we haven't kept up. We have 3 union members, 3 full-time members and the rest are on-call.

Selectman Sadak – Uniforms/radios, do you buy them? Do they keep them when they leave?

Fire Chief Tupper – We get them back. Radios need to be repaired and replaced constantly. The gear is made to fit them and has a 10-year shelf life.

Mr Gosselin – They turn back in their gear when they leave.

Selectman Sadak – So, you have 3 sets of raises: merit, certifications, and now the \$2 raise?

Fire Chief Tupper – I wouldn't say that. \$2 would be across the board. At some point Falmouth pays more to get people, and then Yarmouth, and then Gray, and so forth.

Chairman Bullock – You submitted a budget of \$770,000. What is the budget total now?

Fire Chief Tupper – \$13,800 in addition to the original budget.

Mr DesJardins – Why wasn't this in the original budget?

Town Manager Willard – I made the decision to add this as a separate issue for discussion instead of adding it to the budget.

Mr DesJardins – Fire departments are in competition for staff. It is in how you treat them. There was a fire department recently who was stopped from going on calls because the equipment was too old, but there was nothing wrong with it.

Ms Duchaine – How much are they making an hour?

Fire Chief Tupper – On average \$12.70 per hour when they go out on a call, for licensed, certified, well trained...

Chairman Bullock – So the bottom line on this is \$790,310.

Selectman Bruno – I am supportive of this and next year you need to come in with a different plan. We will have a hard time ever competing with towns like Yarmouth, Windham and Falmouth. We need to come up with a retention plan. Maybe have a \$500 bonus.

Fire Chief Tupper – One of the ideas we have had is contributing to retirement in the future.

Selectman Sadak – How does it work?

Selectman Bruno – It depends on how the plan is set up.

Selectman Olsen – I hate band-aids. I am alright with doing a band-aid today as long as we have commitment to look at the thing and come up with an overall plan, otherwise we are shoveling against the tide.

Town Manager Willard – In the old days you did it because it was your home town. The pool of people who have the qualifications to do it are narrow and the towns are in competition with each other and the people are going to go where they get the best deal.

Mr DesJardins – The requirements were not as stringent.

Mr Richards – Have you had a meeting with the surrounding towns to discuss this issue?

Selectman Sadak – Can you make gear contingent

Fire Chief Tupper – They are expected to do a minimum of 3 shifts a month and 24 hours of training per year.

Deputy Fire Chief Gosselin – We have some 70-year old members. We are looking to keep our 20, and 30, and 40 year olds, those are the ones who are going to other towns because the pay is more. Maine EMS came out with a study that said within the next 10 years we need 30% more EMTs than we have right now and currently we have a shortage.

Town Manager Willard – All towns are doing the same thing. They are all trying to not hire more full time people.

b) Raymond Village Library

Selectman Sadak – For a couple of years we have been trying to get a handle on the RVL budget. Last year they took \$35,000 and put it in their savings account to build it up because the committees want this to happen. I would say that either the \$60,000 could be lower or that some of the \$35,000 could come back to the Town. I understand what you are doing, but to me it is not ok.

Chairman Bullock – It was \$15,000.

Selectman Bruno – Leigh, I need to understand how this happened.

Mrs Walker – In the letter I submitted I explained why this happened. Part of the reason why is that the overage gave us enough cash flow at the end of June 2017 to be able to put \$15,000 back into investments and then our investments and appeals have done well. Our budget is pretty tight. We are living to that budget. We were able to catch up on some things. The investment account has done well. Our aim is to keep 1 year of our operating budget in the investments. We were there, it got spent down, now we have brought it back up.

Selectman Olsen – The way I look at it is the last couple of years we have been fairly critical because you have been spending into those reserves. It was not a sustainable model. In my opinion we are in good shape to let it ride this year with the hope that the fund raising continues to go well. Possibly in a year or two they can reduce what they are asking for.

Mrs Walker – Is that the goal of these committees for us to be fully self-sustaining and that the Town does not want to support a Public Library? That is what I am hearing.

Selectman Bruno – That is not true at all.

Selectman Olsen – Not at all.

Selectman Sadak – It is just that each year it keeps going up.

Mrs Walker – We are not interested in using Town money to fill up an investment account. If we want to increase that account, we will go to a campaign to fund raise for an endowment. We are trying to meet the needs of that building. It would be impossible for us to operate with less than the \$60,000 we requested.

Chairman Bullock – I am in agreement with Rolf. We have been pounding on them to get some decent numbers for years. We finally have decent numbers. We also are seeing the Library stabilize their expenditures. If I were the Library, I would seriously consider not taking the 4th payment next year if you don't absolutely need it. Are these investments locked at all?

Mrs Walker – It is in a balance fund.

Chairman Bullock – Are they designated funds?

Mrs Walker – No.

Selectman Bruno – I am thinking of it a little differently. I think give is another year. I am happy that they did not ask for more this year. We are funding half their budget and I am good with that. I think they should take all \$60,000.

c) Code Enforcement

No comments

d) Community Development

Finance Director Ricker – Everything was moved from Community Development to the TIF except for the bus, it was the best fit.

Selectman Sadak – I say pass on the Lake Region Bus and would like to give \$1,000 to Southern Maine Agency on Aging. We have been watching this for the last 4 years. I still have a problem with the flat \$3 rate. We have brought this up each year and no change.

Finance Director Ricker – They requested \$9,600 and we agreed to \$7,000.

Town Manager Willard – They requested \$9,600 and we have always given less than that. They would appreciate whatever we give them.

Selectman Bruno – I am willing to give the bus \$1,000. I do not see the benefit of it.

Mr Gosselin – I found it interesting that in their presentation that Naples considered it an economic boom when Naples did not approve the support of the bus.

Mr Walker – The bus gets down to it will never work if we do a cost analysis per rider, it is public transportation. I think it comes down to are we going to be a part of the Lakes Region, number one. Number two, there are a lot of people who ride the bus. I ride it from time to time and I talk to people who would be in dire-straits if they did not have it. I think they need to think about having a staggered fee structure. I think they need to bring up their pricing. I would suggest \$5,000. Part of their funding is to show support on the part of the communities. I do believe that it supplies a role for the Lakes Region.

Selectman Olsen – We are an aging community and I think we need to be mindful of transportation needs of the aging group. I do not like their budget or total set up, but I do see benefit to the citizens. I think that we want to encourage the thought, but they still have some work to do. There will be more requirements as we go forward. Maybe we could give \$5,000.

Chairman Bullock – I would agree with you if it stopped at the elderly places.

Mr Gosselin – Last year there was a grant that provided passes for the bus. Has there been demand for these?

Town Manager Willard – I think there were tickets provided for General Assistance and we will find out about the response.

Mr Richards – I think the bus has value and we need to support it.

Selectman Bruno – We are subsidizing it for all the surrounding towns when you look at ridership. It is a bad investment. Even \$5,000 to me is too much. Until it is managed properly I do not think we should support this totally.

Selectman Sadak – I want to withdraw my request for money for Everybody Loves Raymond. The Library is not going to do it this year.

e) Assessing

Mr DesJardins – We pay Curt a contract. Cumberland County has assessing. We are paying for assessing twice.

Town Manager Willard – It would be marginally lower with Cumberland County, and I think we are better off having local control. Some towns do go with them.

Selectman Bruno – I am very pleased with Curt as our assessor. I hate to lose him.

f) Administration

Selectman Bruno – Is there enough in the budget for Ranked Choice Voting?

Town Clerk Look – Ranked Choice Voting will be for the next election. The cost to the Town will not be more. What will be more is the time it takes to cast your ballots. No longer can we have 1 machine that 2 ballots go into. The State ballot will go in 1 box and the Town ballots will go in another box. From what I have been told so far it is very likely that the programming to account for Ranked Choice Voting will take some time. People will have to put the State ballot in, let it do its calculations and then put their Town and RSU ballots in the next machine. So, the whole reason I put a second machine in the budget is gone, though had we not gotten the second machine we would be hand counting the Town ballots.

g) T I F

Finance Director Ricker – Things shifted to the TIF were: salaries, ordinance update, planning services, supplies, some of the paving, some playground improvements. We did this because we paid off 2 bonds that freed up about \$100,000.

Mr DesJardins – What is going on with playground improvements.

Public Works Director White – We reset the old equipment with concrete. We mulch each year. We are going to add a small unit and change the swing set.

Mr DesJardins – Is there a fence going around the basketball court? There are so many drug deals and vandalism that goes down there.

Public Works Director White – Yes. This Spring. We need to keep vehicles, etc. off there. I have talked to Kevin about cameras but there is no internet connection down there. We have caught a few, but they do not get prosecuted.

Selectman Sadak – Can we multi-purpose the court for both tennis and basketball?

Public Works Director White – Who is going to take the net down? I think that would invite more problems.

Chairman Bullock – What size fence?

Public Works Director White – Regulation height (8' or 12') for basketball.

Mr DesJardins – Didn't you get some of that donated?

Public Works Director White – Yes, enough to do the back and one side.

h) Insurance

No comments

i) County Tax

Finance Director Ricker – \$741,881

j) Revenues

Selectman Bruno – Undesignated fund balance?

Finance Director Ricker - \$2.6 million. My estimate for June 30, 2018, is \$2.8 million.

Chairman Bullock – Last year we had \$200,000 taken out and put into this.

Finance Director Ricker - \$270,000, the \$2.6 million is after the \$270,000.

Selectman Bruno – Our local rule was 15%. I don't like to have this huge savings account of tax payer money. We already have a buffer of the 15% rule. We have \$800,000 to play with.

Finance Director Ricker – We were over goal almost \$500,000 at the end of last year.

Chairman Bullock – We have a AAA rating and the rating agency recommended so much in cash.

Selectman Bruno – We developed that rule as a Select Board, but the rating agency liked that rule and said if you can stick to that rule you will be in good shape.

Town Manager Willard – What gives you the AAA rating is to have the requisite financial policies and to implement them effectively. The only caution I have if you are talking about infusing the tax rate when it is in a down position is you may artificially depress that for a year or two and then you will have an issue after that if you don't see a steady growth in the surplus. What I have always said is use the surplus for major non-recurring capital expenditures.

Selectman Bruno – We are talking about plow trucks rather than bonding them. The school has the impact on the mill rate at 83% of the budget. Our little part of the budget does not have a huge impact the mill rate.

Selectman Olsen – If we can avoid bonding them then we keep some free board in other things and we have 1 more bond that is up next year.

Selectman Bruno – We haven't see the school budget yet and I would not be surprised if they come in at a 6% increase.

Finance Director Ricker – They are on version 4 and last year they went up to 8 versions.

k) Parks

No comment

l) Raymond Recreation

Mr DesJardins – Do we have to give the Raymond Rattlers anything? Their club is non-existent. I have not seen much action from them on grooming the trails in Raymond. I have ridden the trails and have not seen 1 groomed trail this year. I know it is all volunteer and they collect dues. I wish we could designate that money somewhere else.

Chairman Bullock – It is my understanding that the money we give the Rattlers is a wash.

Mr DesJardins – It doesn't have to be.

Mr Walker – There was a warrant article that was created last year, but that was the first time it was created as an official wash. Before it was just an allocation.

Selectman Bruno – It has always been registration fees.

Mr Walker – Last year there was a warrant article that specifically said Raymond Rattlers.

Selectman Sadak – It has been in the budget every year. They have a Facebook page and have quite a few members. They do have meetings. Their next meeting is at Camp Hinds. They also have a lot of sponsors for their trails.

Selectman Olsen – Their membership goes up and down depending on the winter.

Mr DesJardins – Do they get any money from the State?

Selectman Bruno – No.

Selectman Olsen – The money they get from the State is this money from registrations.

Selectman Bruno – They pay the State to be a recognized club.

Town Clerk Look – The only reason that warrant article was added last year was that I found at a training class that we should have had such an article all along. We had been doing that but had not put it officially in the warrant.

Mr DesJardins – We give them money each year and do not hold them accountable. I rider the trails and am here representing the trail riders.

Selectman Sadak – We have not heard of any issues before.

Mr Walker – They did give us what their revenues are, but not their expenses nor current balance. We have no understanding where their money comes from.

Chairman Bullock – If they are a 5013C you can find their tax returns on the web.

m) Provider Agencies

Chairman Bullock – One suggestion for tonight may be to take Southern Maine Agency on Aging (SMAA) for \$1,000 and put it in the budget.

Mr Richards – If they did not do it you will get more requests on General Assistance. Medicare application assistance is very valuable. I think it is a worthy cause for \$1,000.

Selectman Bruno – They get State and Federal funding to do this. They pay their executive director \$200,000 per year, they own a \$1,000,000 building in Scarborough. Plus, they do other things that they have contracts with the State on. They are not just some benevolent organization. There are 7 Agencies on Aging in the State of Maine and SMAA is the biggest one.

Chairman Bullock – And the most wealthy. Not all of their services are free.

Mr Richards – Thanks for that enlightenment. I am outraged.

Mr Walker – I will check and make sure what the executive director is paid. I would hope that we would at least look at the services that they provide to the citizens of Raymond. Right now, as I understand it, there are more people who need meals on wheels than they can currently fund. A lot of those people can not get out to get their food. A lot of towns see value in what they do. Their request is a modest one.

n) Public Works (Operating budget – C I P – Mechanics and plowing proposals)

Mr DesJardins – P&K's total contract amount? I like the service they give us and it was a good deal when they supplied the sand.

Public Works Director White - \$179,200 this year, next year it will be \$184,000, which is \$56 or \$54 per mile. Our in-house per mile cost is considerably lower than that. We get 4 trucks and a loader from them. It is common that the Town supplies the sand.

Selectman Bruno - \$320,000 total for paving next year? How many miles will that get you?

Public Works Director White – I don't know, I haven't seen the pricing this year yet. We are scheduled this year to do Brown Road (complete rebuild), Patricia Avenue (surface only) and Canal Road (complete rebuild).

Chairman Bullock – Now you need to buy some plows?

Public Works Director White – I need some direction on this. We are still under contract with P&K for 1 more season for plowing. There are a couple of options there that are all tied in with the mechanic. We could take back a couple of miles to offset the cost of the mechanic. If you don't do the mechanic and we don't get the 550, then we will not take back any plowing. If we hire a mechanic I am going to take back about 6.5 miles of plowing. If we go into all out plowing, I would not recommend all brand-new trucks. I would buy a couple of new ones to start off with and a couple of used ones, develop a CIP replacement schedule for those trucks, run them out 10-12 years and see what they do. I wouldn't do it this coming winter. I would do it after the contract is done. We have 1 more full winter with P&K. I would draw up a plan and implement it at the end of the contract. It takes about 8 to 10 months to get a truck, so we should start soon if we are going to. Used ones you need to get them when you see them.

Selectman Bruno – Is the plan to phase out P&K or simply start plowing when the contract is over?

Public Works Director White – I think you would see a considerable increase per mile if we phase them out. I don't want to talk with them until I have direction from the Town. If they would do it, I would recommend phasing it in over a couple of years. I asked P&K to lower the contract if we take back 6.5 miles by \$35,000 and they came back with \$20,000. We are still talking.

Town Manager Willard – What we are talking about is get the mechanic, get the 550, pick up the 6.5 miles and over the next year or so look to get a couple of used trucks as they become available and have the new trucks ready to go by the time we are ready to get into this and phase them out.

Public Works Director White – Yes. I believe we should have a plan in place. If we are going to phase them out we should have a plan in place that works for both parties and be honest all the way through. They need to replace a truck for next season as things are now. If we do this, they will not necessarily need to do this.

Selectman Sadak – I think with the mechanic we would have another person who could plow, and we would be keeping more work in-house.

Public Works Director White – You will have initial set-up costs because you are adding an employee. In the long run we will see a savings for PM (*preventive maintenance*) services, we will have someone to work with the crew and where ever we need him.

Selectman Sadak – Sometimes I feel like we are putting out fires and this mechanic will help us get on a regular plan.

Chairman Bullock – Can we look at these as a separate issue? Hiring the mechanic is not contingent on anything else.

Public Works Director White – Well it is. If we don't hire the mechanic, I am not going to take on any more plowing. If you create the mechanic's position, I need the plowing. We hire the mechanic and buy the F550 and that will be his plow truck. We could get the mechanic, the F550 and take back 6.5 miles of plowing and that is it.

Chairman Bullock – So the mechanic and the F550 is one issue and now we can deal with the plowing separately. They are using trucks with 3 axels, aren't they?

Public Works Director White – The plow trucks are all wheelers (*trucks with 2 rear axels with 4 tires each making a total of 10 wheels*). The only single axel truck (*1 rear axle*) we have is used on Route 121. Tri-axel are too hard to get around with and create a bigger problem.

Chairman Bullock – What would be the impact to the budget for a mechanic and a truck?

Public Works Director White - \$60,000 to \$70,000 including benefits and \$60,000 for the truck from CIP.

Chairman Bullock – So now we are talking about the 4 trucks for plowing.

Mr DesJardins – So if you don't get the mechanic you don't need the 550. I would get a new truck and get rid of it in 5 years.

Public Works Director White – We still need to upgrade one of our trucks this year. If we don't do the plowing I would look for a F350.

Town Manager Willard – That is how the more suburban Public Works departments do it. We have made good use of surplus and due to Nathan's extra good care of the equipment we get a longer time out of our town trucks. We are not there yet. We have been buying trucks, using them for a few years, and then selling them for more than we paid for them.

Chairman Bullock – Cathy, are you depreciating the 10-wheel trucks over 5 years?

Finance Director Ricker – I would look to Nathan for that. When we buy it we expense it all?

Public Works Director White – Most towns are doing 10 years.

Selectman Olsen – Are we looking to use surplus to minimize the impact in the first 2 years?

Chairman Bullock – The \$880,000 is 4 trucks and to that we add the cost of 4 employees?

Public Works Director White – The \$880,000 is for 4 new trucks (worst case scenario) and I would advocate for using part-time help for the plowing. I think it can be done. There are some contractors in town who do not work during storms.

Chairman Bullock – I am looking for the total cost.

Public Works Director White – I did it with the personnel all part-time hired by the hour per storm. \$35,000 for labor and full-time would be \$252,000 if we went that way.

Selectman Olsen – If we are looking at a phased in approach and the purchase cycle on a new vehicle is 10 months, you almost have to order 1 this year at \$220,000 and then allocate \$110,000 for used out of surplus.

Selectman Bruno – I would go for 3. 1 new and 2 used. I am thinking more like \$500,000.

Chairman Bullock – P&K is going to say goodbye.

Public Works Director White – You can buy a decent used truck for \$50,000. New Hampshire, Vermont, New York are on 5 to 8-year rotations.

Town Manager Willard – We would look for one of the trucks from a town that replaces every 5 years and it would be ready to go as equipped.

Selectman Olsen – If we took \$400,000 out of surplus for equipment, then we could pick the labor up in the budget.

o) Infrastructure

No comments

p) Solid Waste

No comments

q) Cemeteries

Chairman Bullock – I was just surprise for the request to clean stones because they are privately owned, but as time goes by there is no one to take care of them.

Mr Walker – Could we ask the Veterans about volunteering to help clean the stones. I know we have talked about rejuvenating the committee. I will volunteer to put in 2 days of my time if a group is formed.

Town Manager Willard – Most veterans groups are older guys.

r) Technology

No comments

s) Town Hall

Town Manager Willard – The tower is down. The building is repaired. The flag pole and wire both need to be repaired.

Public Works Director White – The anchor was pulled out of the building for the wire and will be fixed this Spring. The flag pole will be done at the same time once the ground if thawed. We have a Boy Scout group who wants to fix the dugout on Mill Street. It was turned over in the October wind storm.

t) Animal Control

Mr Walker – It costs \$214.68 per animal and it would be \$10 per person for Agency on Aging. By the way, CEO of SMAA is paid \$120,598 which is 1.8% of their revenue.

Selectman Bruno – That does not include his benefits, nor retirement.

u) General Assistance

Chairman Bullock - Did we run a deficit on this last year? How many people are served so we can get a per capita?

Finance Director Ricker – We did this year and last year. I do not know how many people.

Town Manager Willard – The cost of rent is the increase. Rents are not widely available in Raymond.

v) Debt Service

No comments

w) CIP

No comments

4) Budget-Finance Committee Comment

Ms Duchaine – I think we should give \$1,000 to the Agency on Aging instead of giving money to the Hawthorne House.

Selectman Olsen – Just keep in mind that it costs about \$8,000 to paint that building and that is what they are saving for.

5) * TAKEN 1st OUT OF ORDER – Select Board Comment

Selectman Sadak – I want to update everybody on something that is going on. As you know, the Town of Windham and RSU 14 voted to do a facilities maintenance garage. Raymond as part of the RSU has no vote on that garage, but they are expecting us to pay for some of that garage. The agreements are still in the works. Our Select Board has asked for and received information from the Town of Windham and RSU 14 about agreements, have they checked into anything cheaper, etc. At one of the public meetings Marshall and Don Willard attended the question was raised whether they had looked at any other facility and the response was why would they? When we need to pay \$1.2 million for a facility that we are not going to use I have a problem with that. We have a cost sharing agreement with the Town of Windham (RSU 14):

Voted on March 25, 2015, and passed with a vote of 167 to 22:

Each member municipality shall be responsible for its percentage share of additional local funds and adult education costs raised by the RSU, and shall receive the benefit of any balance forward from the prior year applies to the RSU's annual budget, calculated on the basis of each member municipality's valuation over the past three years (i.e., fiscal capacity, as currently provided annually to RSU 14 on the Maine Department of Education's Form ED 279); provided, however, that this cost sharing method shall be phased in over a three year period by providing that all such costs shall be allocated to each member municipality for FY 2016, FY 2017, and FY 2018 as follows:

	<u>2016</u>	<u>2017</u>	<u>2018</u>
Raymond	42%	39%	36%
Windham	58%	61%	64%

This local cost sharing formula applies only to the amount, if any, of additional local funds and adult education costs raised by the RSU. It does not apply to the required local contributions raised by each municipality pursuant to 20-A MRSA § 15688.

The Town of Raymond will contribute to the debt service for Windham High School issued prior to the formation of the RSU, pro-rata, based on the prior 2-year average enrollment of students from Raymond in Windham High School. Otherwise, the bonds, notes and lease-purchase agreements

issued by the Raymond and Windham SAUs before the operative date shall not be assumed by the RSU.

All future local-only debt service for major capital costs shall be allocated to the member municipality in which the school facilities for which the obligation is incurred are located, provided, however that a pro-rata adjustment shall be made based on the prior 2-year average enrollment of students from the other member municipality attending the school at which the school facilities for which the obligation is incurred are located.

Additionally, notwithstanding the foregoing, expenditures for major capital costs, not funded by issuance of RSU debt, shall be allocated as costs to the member municipality in which the school facilities are located, in the same manner as local only debt service, with the same pro-rata adjustment.

We got the information and asked for an informal meeting between the Town of Windham, RSU 14, and Raymond, and the RSU Board members have said no, they do not want to talk to us. Their comment was that the RSU does not see a need; no purpose for this meeting; they do not see a problem with the current arrangement. So here we are scrutinizing a very small portion of what our Town bill is (*the Town portion of the budget*) and we have a really big school budget. I am bringing this up because I think something has to change.

Selectman Olsen – The only comment I would add at this point is that it is very important for the people in this Town to make themselves aware of the school budget and how that is going through and to attend the review meetings that are coming up. It is really the only time you can give input to the process. We have the referendum vote (*Yes or No to the whole RSU budget voted via secret ballot on June 12, 2018*), but that is late in the game. When you look at your tax bills that just came out look at the percentage of how much is going to the school vs the percentage going to the Town and going to the County, and you will see where it is going. It is on an upward trend that we have no control over.

Selectman Sadak – In the interest of full disclosure, we asked them to come to a Select Board meeting and they gave us updates. Diana Froisland brought it up and invited questions, and we asked. They did not have any information to give us, they said that they could have brought the whole committee, they were having an open meeting the next night for anyone to ask questions, which was a little late in the game. They were a little upset because they felt we questioned too hard on that. As Raymond representatives we told them that they need to have answers for Raymond when you have that big of a budget and we are asked to pay for and not have a vote or a say.

Chairman Bullock – I wonder if I could just take a minute and put some numbers on this? I think the building cost a little bit better than \$9 million dollars (*not to exceed \$9,300,000 on Windham's Special Town Meeting Warrant for November 7, 2017*). The RSU is being asked to pay 25% of the total and the Town of Raymond is being asked to pay 36% of the RSU share. The net cost to the Town of Raymond would be about 9% of the total cost. The building they are putting up costs out at about \$305 per square foot, which is part of our problem. We think that the School Committee could have done a lot better than \$300 per square foot. The proposed building is classed for nuclear facility in Windham that far exceeds any requirement that the school would have for basic bus maintenance. My issue with it is I don't think the school board did their due diligence to find out if there were competitive costs.

Selectman Sadak – They didn't. They said that at the public meeting.

Chairman Bullock – Sandy Prince admitted to us that they did not do any competitive market. Enterprise Drive, for example, has buildings that are heated and fully capable of running bus maintenance and whatever maintenance at \$80 per square foot. My opinion is that the

School Board did not do their due diligence in the process here and are subject to exposure for that.

Selectman Sadak – No matter if we are the Budget-Finance Committee of the Select Board, we are also citizens of the Town of Raymond and taxpayers, so they owe us answers. That is why we tried to meet off the record, so it wasn't felt that there was any kind of attack. We try to get as much information as we can through the Town and through the school and since we can't get that meeting we thought it was time to pull you into this because you are Budget-Finance and you review the budgets, and this is something that is big. We keep controlling our debt and the school just keeps piling it on top.

Mr Gosselin – I went to one of the reveal meetings in Windham and when asked why this size of building, the reasoning was that whenever there is a storm they can park all their Public Works vehicles in there. There was nothing to do with schools or parking school busses in there. There will be a wash bay and a mechanics bay, but that's it.

Selectman Teresa – Let me give you a little history just from watching the meeting on that. The way they have it set up right now is they want to be able to have their vehicles warm and have them ready to go. We have a bay and a half in the new garage, and some lockers and some office space. The Town (*of Windham*) turned it down either 2 or 3 times already, so they decided to bring the school in and then they started to make it more of a school issue. What they are selling in the letters they have sent is you get the busses washed then you save \$90,000 because the busses last longer. They also said that it is safer for the bus drivers because they were parking behind the busses and there have been incidents of the drivers falling and getting hurt in the parking lot. I think that would be a big embarrassment to have the Public Works parking lot not sanded. This was not about the kids, but they brought in the "kid factor" to help sell that. Now that things are starting to come out, the people in Windham are responding that they did not know that Raymond did not have a vote in this, they would not have voted for it. To me we are an open checkbook right now and I have a problem with that. I asked Marshall if I could have a few minutes to give you an update on this. We are trying to get some open communication going with them.

Chairman Bullock – It is my understanding that the Town of Windham has not finally approved this building, the Council.

Selectman Sadak – No, at last Wednesday's Town Council meeting Tony Plante (*Windham Town Manager*) said that they are looking to do an agreement by May. Tony Plante also told me that they were trying to go out to bond in May. It is still in the works. I think we need to start watching, questioning, send letters.

Chairman Bullock – Is litigation appropriate based on the lack of due diligence or fiduciary responsibilities? Are we looking at that?

Selectman Sadak – We are not there yet. Do not know yet.

Mr Richards – I didn't quite understand, with the 25 March 2015 agreement it there is any new construction, who are the parties of that agreement?

Selectman Sadak – RSU 14 and the Towns of Raymond and Windham. We have a Middle School and we have an Elementary School. Windham would like to build a new Middle School. We said, wait a minute. We have 2 schools up here that are not filled and only partially used, bus them up here and use this. There were some heated debates about no, we are not going to cross the line, you are Raymond. We petitioned for RSU withdrawal based on they are moving forward with a new building, so we are going to withdraw from the

RSU. We started that process and were able to come to an agreement and we got a new cost sharing formula. We said in that new cost sharing that we were paying 45% and Windham was paying 55%, and we asked for that to be changed. We only have so many kids in the school. We got that dropped over 3 years. This is the 3rd year and we are down to 36% and Windham is at 64%. This is more fair to Raymond. Then we talked about if Windham wants to build a new school we do not want to pay for it. What we did agree to is if we sent a student down there from Raymond we would pay the tuition for that. Then we discussed how to split up capital costs and what defines a capital cost. It was decided that any new footprint would be bourn by the Town who took it out. Operations and repairs we help pay for, but if they build a new building or a new wing on a building then they are responsible.

Mr Richards – I am confused then. Why is this maintenance facility not theirs? Just tell them we are not going to pay, we are not a party to that agreement.

Selectman Bruno – Good deducting.

Selectman Sadak – One of the things that the RSU said when they were here talking is that it is our bus garage. Joe mentioned that we have a bus garage here that we owe no money on and you are more than welcome to use it, we have used it as a bus garage, and at that meeting Mike Kelley said, “Why would we ever do that, bring busses up here to have them fixed?” We are saying that we have an agreement and that is why we are questioning.

Selectman Bruno – Brien, what you need to know is the Town of Windham, not the school district, is going to own the building. So, it is kind of an “end run”, the RSU is going to lease space from the Town and say it is not a school building so you need to share the cost of it.

Selectman Sadak – So we are paying for a building that is the Town of Windham’s building.

Mr Richards – I don’t see how we can pay for something that we are not a party to. They are making decisions for us and that is wrong.

Selectman Sadak – The 3 representatives from the Town of Raymond are not questioning this. I don’t know if they don’t fully understand the agreement that we have...

Mr Richards – I have been watching a story where in another town 3 school board members are being removed due to incompetency.

Selectman Sadak – I have been watching that too. I think that our representatives have a responsibility to answer questions from tax payers, whether they agree with it or not.

Mr Richards – This is a long-term cost.

Selectman Bruno – It is probably a 15 or 20-year bond.

Mr DesJardins – The citizens of Raymond voted pretty overwhelmingly for the RSU. We have what 4 or 5 busses?

Chairman Bullock – Here you go Bus Driver.

Ms Duchaine – I need my job, thank you.

Mr DesJardins – What if we pay them to service our busses?

Selectman Sadak – That is something we could offer up if they would sit down and talk with us.

Mr DesJardins – Nathan is not going to give back that space.

Selectman Sadak – He offered it.

Public Works Director White – In my budget request for a mechanic I had approached Mike Kelley to service the busses that are out of this end of the district, the minibuses and busses. The response was, “That won’t work.” Mike Kelley is Transportation Director for the Windham School Department.

Chairman Bullock – I asked the same question and the response was that because for them it is a union job they could not do that.

Selectman Sadak – In that same conversation he said that they contract out busses all the time because they can not do the lift. Completely contradicted in a public meeting that is out on Windham’s website.

Mr DesJardins – So they are using non-union, public transportation.

Public Works Director White – Their mechanics are union, I do not know which union.

Selectman Sadak – We wanted to let you know that this was going on and that we have run into a bit of a stone wall.

Mr DesJardins – Can we not send them the check?

Selectman Olsen – Once the budget referendum is passed you then have no avenue like that.

Mr DesJardins – They are not following the rules.

Selectman Olsen – We are working on trying to make them adhere to the rules. The whole point is to make sure people are aware of what is going on, so they will have input.

Selectman Bruno – One of the reasons we feel we have a case is that when they voted on this building they said that the school committee will be paying part of the cost of the building. So right there it is a commitment. If you go out to a bond house and say Raymond is not going to pay its share, the bond house might say no. That is why we say that we have a valid case that they are trying to do an “end run” around our agreement.

Selectman Sadak – They are also looking at it their way and we are looking at it our way. In that meeting the Business Manager said that any new footprint, and this is a new footprint.

Mr DesJardins – Who paid for the roof up here?

Selectman Sadak – We split it because it is a part of maintenance. It did not extend the footprint.

Mr Walker – What is the incremental cost of this? So, there is a garage that is being used for the busses currently that is no longer going to be used? Is the 9% of the \$9 million the

incremental amount?

Chairman Bullock – When you look at the budget, it is in addition to the budget. We are not currently paying for a building now.

Selectman Sadak – The \$9.3 million is only for the building, then there are operating costs.

Selectman Bruno – I think you are seeing this all across the state where school boards are asking for these large increases and I think people are getting tired of it. They are blaming the State for less funding when the State gave \$162 million more. People need to keep an eye on their budget and I don't think the school board is keeping an eye on their budget.

6) Public Comment

None

7) Adjournment

Motion to adjourn at 8:54pm by Mr DesJardins. Seconded by Ms Duchaine.
Unanimously approved.

Respectfully submitted,

Susan L Look, Town Clerk