

Budget Committee Minutes

4:30pm Monday, February 20th, 2017, Vinalhaven Town Office

Present

Andy Dorr, Jocelyn McLean, Holly Sault, Donald Poole, Janann Sherman, Margaret Qualey, Lucy McCarthy, Gabe McPhail, Eric Davis, Delwyn Webster

Introduction

Donald Poole has been elected as selectman and will be resigning from the Budget Committee, so there will be a vacancy to be filled.

Budget Book Overview: The budget book is nearly complete, there are still a few sections to be printed off but will be ready for the next meeting. In addition to the sections, included is a timeline, budget overview sheet, budget appropriations sheet, and tax rate calculation form (this is a draft as the valuation may go up or down; the only thing known is the county tax), a Knox county tax/ valuation sheet and wage and benefits proposal sheet.

The end of March is the tentative deadline for recommendations to the board.

The agreed meeting times are Mondays 4:30-6pm.

There was clarification by Andy on the \$400,000 oversight- not enough taxes were committed for the 2015-2016 budget- the amount was taken out of appropriations and then again out of allowable deductions on the tax rate calculation form. The Board of Selectmen voted in November for it to be taken out of fund balance to make up the difference- the plan is to replenish this fund over the next 2-3 years. It is recommended that 3 of the highest monthly/annual payments should be in the municipal fund balance. A comfortable level for fund balance would be between 1.2 and 1.4 million

There was discussion on the possibility of putting the town's banking out to bid to get better interest rates.

Lucy McCarthy was elected Chair by unanimous votes.

There was an overview of the binder organization, and there was an agreement to save the last ten minutes of each meeting to plan which sections will be discussed the following week.

Section Review & Discussion

1. Selectmen

Discussion- the selectmen salaries are currently budgeted \$3,500. Delwyn made a suggestion to add a 2% raise to this total.

Motion by Lucy to recommend adding 2% to the selectmen's salary of \$3,500. Second: Janann. Vote 7-0-1, Donald Abstained. Motion passed.

2. Legal Services

Discussion- Andy's suggestion is \$15,000 which is a reduction of \$15,000 from last year's budget. We are still waiting on a judgement for a land use violation; more fees could ensue depending on that decision.

Motion by Lucy to accept \$15,000 as recommended. Second: Janann. Vote 8-0-0. Motion passed.

3. Wage & Benefits Proposal

Discussion- there has traditionally been a 2% yearly raise.

Andy proposes adding an assistant foreman to the public works crew anticipating the future retirement of the current foreman. Eric: It will be a double whammy losing both the foreman and the mechanic. Andy: The public works crew had been reduced in the past; two years ago, a third position was added. This proposed 4th position would not necessarily be a long term position- this is a planning measure to train someone for the foreman position should it need to be filled in the future.

There is a possibility of Public Works taking on cemetery maintenance/mowing in the future. Delwyn is against taking money out of the cemetery fund and putting it into public works. Andy: proposing just shifting the mowing of the cemetery to public works; already have the equipment to do it.

The only other increases besides the 2% raise and the assistant foreman position is the custodian to \$12.50/hr. from \$11.60; the Harbor Master stipend from \$4,500 to \$6,000; CEO/LPI increase to \$500/day, and Road Commissioner from \$12,500 to \$15,000.

The CEO/LPI/Assessor position is once a week plus two additional days for pre planning board and planning board meetings. A secretary has been hired for the planning board to keep detailed minutes.

Health insurance costs are expected to increase; Andy proposed an increase of 10% for health and 5% for dental. The town pays 80% of health insurance and 60% of dental insurance. No coverage is offered for spouses or dependents. An employee may elect to have a dependent on their plan but they must cover the full costs. The town contributes 6% towards retirement. Donald made a comment regarding if partial coverage for dependents would be considered in the future. It was noted that the school offers 75% coverage for dependents and that the lack of coverage deters potential employees from accepting jobs here.

The bottom line- mil rate estimation is 11.55. We are taking much less out of fund balance this year than last year. Budget change from 2.97 million last year to 2.89 million this year.

Margaret inquired as to what other large projects have been proposed aside from the playground. Andy: the public works garage with an estimated cost of between 750,000 to 1.3 million. The Carrying Place Bridge project, still waiting on solid estimates for that- could be anywhere around 400,000-600,000 or higher. Main St. sidewalks, drainage, water main- 1 million estimated cost. Andy is working on a capital improvements plan.

Lucy: questioned as to whether public works garage would be on the budget. Andy: The results of the feasibility study and next steps are being considered by the Board of Selectmen. Can ask for authorization at town meeting, and there may not be a payment until the following year. Margaret asked when the school will be paid off. Andy: not sure of the payoff date, may be 2021.

Motion by Eric to accept 2% raise for employees. Second: Donald. Vote 8-0-0. Motion passed.

4. Social Security/Medicare

Discussion: Last year Social Security was \$37,500; proposed increase \$44,500. Donald: question as to whether this is calendar year or fiscal year. Andy: July 1st- June 30th; fiscal. Social security is calendar year, like insurance. Donald: Are these quarterly or annual payments? Andy: will look into it and find out.

Motion by Margaret to approve the recommended amount of \$54,900. Second: Gabe. Vote 8-0-0. Motion passed.

5. CEO/LPI

Discussion: Proposed \$13/hr, total of \$500/year wage for new secretary to take the Planning Board minutes. The layout of budget binder is very well organized and appreciated! Proposed decrease of the lodging/meals budget to \$1,500. Margaret: does

the CEO have updated GIS mapping software? Andy: She does not. Margaret suggests to update this.

Motion by Delwyn to approve the recommended amount of \$22,845. Second: Eric. Vote 8-0-0. Motion passed.

6. Next Week's Agenda

Assessor
Washington School
Public Safety
Harbor Master
Insurance
General Assistance
Donations

7. Animal Control

Discussion: Gabe: Question about whether sending out an ACO to ticket unregistered dogs would be a feasible option to collect late dog fees. Notes that there is a problem with loose dogs on the island. Answer: Not enough of a revenue stream created by dog licensing to do this in a cost effective way.

Motion by Margaret to accept the recommended amount of \$5,350. Second: Donald. Vote 8-0-0. Motion passed.

Adjourn

Motion by Delwyn to adjourn the meeting at 6:00pm. Second: Lucy. Vote 8-0-0. Motion passed.

Next meeting will be Monday, February 27th, 4:30-6pm

Andy has offered to send a digital copy of the Knox county budget to members that request it. Margaret states she would like a copy.