

Budget Committee
Meeting Minutes
Wednesday, January 3, 2018

Members Present: Ron Schneider, Jr; Bill Wade; Bruce Bjork; Bob Subilia; Marisa Caputo; Brian Toomey and Richard DeBold

Staff Present: Town Manger Jon Carter, Finance Director Jodie Sanborn, Accountant Casey Welch, Police Chief Jo-Ann Putnam and Fire Chief Wayne Vetre

Excused: Russ Markgren and James Gaylord

The meeting was called to order at 5:30 PM.

Election of Chair

Jon informed the Committee that a Chair would need to be elected to replace prior Chair, Luke Guerrette whose resignation was accepted by the Board of Selectmen at their December 19, 2017 meeting. Nominations were sought. *Motion by Bob, seconded by Brian, to elect Ron as Chair. Passed unanimously.*

Election of Vice Chair

Nominations were sought to replace prior Vice Chair Ron Schneider, Jr. *Motion by Bob, seconded by Brian, to elect Bruce as Vice Chair. Passed unanimously.*

Assignment of Budget Committee Members to Departments for Reviewing

Ron asked for Committee Members to volunteer to review Departments. Bob requested that members review different departments than in the past. Committee assignments for department review are:

Bob was assigned to:

- Harbor
- Information Center
- Town Clerk
- Parks and Recreation
- Wells Activity Center

Bruce was assigned to:

- Human Resources
- Employee Benefits
- Property & Liability

Bill was assigned to:

- Assessing

Ron was assigned to:

- Transportation Center

Marisa was assigned to:

- Library

Marisa and Russ were assigned to:

- WEMS

Brian and Ron were assigned to:

- Fire
- EMA

Brian was assigned to:

- Town Manager

Richard and Bill were assigned to:

- Code Enforcement
- Planning

Richard and Russ were assigned to:

- Highway/Public Works
- Transfer Station

Marisa and Bill were assigned to:

- Conservation Commission

FY 19 Budget Overview Presented by Town Manager

Jon gave the Committee an overview of the FY 19 Budget and reviewing timeline. He referenced the December 19th presentation to the Board of Selectmen which is the first 8 pages in the Budget Book. Jon explained to the Committee that due to changes at the State level the complete budget needed to be signed by the Board of Selectmen on April 3.

Many of the Committee members asked about the 7.33% increase in the salaries. Jon explained that not every employee has gotten a 7% raise. Jon talked about the four contracts that were settled recently. He shared how there were salary adjustments done in the General Government contract after changes were agreed upon for job classification and the pay scale. The addition of the Transfer Station wages back into taxation also accounted for 4.7% of the salary increase.

Discussion regarding the proposed FY 19 tax rate led to the Committee inquiring what the current tax rates were for area communities. Jodie provided the members with a handout showing the 12 area communities.

Budgets and CIP to Review

a) Administration

Jodie explained the Administration operation request. She explained that only two line items had increases for FY 19. The increase in the telephone line is \$27.00 which is to cover the 12 phone and fax lines that this budget covers. The increase in the agreement/contracts line is a result of the addition of the Unifirst contract of \$1,200 for the rugs and cleaning service in the Finance

Office, addition of \$500 for Billtrust to retain 7 years of PDF storage of Tax Bills, and \$1325 for the increase in the Old Orchard Beach Agreement for the General Assistance (Welfare) employee that they allow the Town of Wells to have for 20 hours per week. Ron asked if the postage or training line items could be reduced. Jodie explained that the postage line was used for the mailing of all tax bills, certified mail notices prior to lien, certified mail noticed of impending foreclosure, all account payable checks, courtesy reminder tax notices, and all general correspondence from the office. With the uncertainty in the number of certified notices that will need to be mailed and any postage increase Jodie asked to maintain the funding at the current year level. Jodie explained that the training line was being requested at the current year level. The department has two new employees that will be attending numerous trainings to obtain their Tax Collector Certificates. In addition current staff is working on renewing their certifications and require additional trainings. Jon explained that he and Jodie have an agreement for her to attend trainings and conferences for the GFOA (Government Finance Officers Association) and the MEGFOA (Maine Chapter of the Organization). ***Motion by Richard, seconded by Bruce, to approve the operating budget of \$80,572 as presented. Passed unanimously.***

b) Cable TV

Jon explained that the \$18,000 was used to pay for equipment and service calls on the equipment. Jon told the Committee that the Town receives money quarterly from the cable company for franchise fees. Those fees are receipted in the Administration budget. ***Motion by Bill, seconded by Marisa, to approve the operating budget of \$18,000 as presented. Passed unanimously.***

c) General Government

Jon explained that this budget is used primarily for Town Hall, however; it also has line items for stuff that is town-wide. The electricity line is for Town Hall and the street lights in Town. The hydrant rental line is for the all the hydrants in Town. The ground and building budget are for Town Hall. ***Motion by Bob, seconded by Bruce, to approve the operating budget of \$367,327 as presented. Passed unanimously.***

d) IT Infrastructure

Jodie referred the Committee to pages 177-178. Those pages show the breakdown for licensing for software used by Finance (MUNIS, General Assistance, and Beachpasses), Assessing (Vision), Code Enforcement (Urban), Public Works (Pubworks), Town Hall Departments (Treeno and Copsync) and the Town Website (CivicPlus). The budget also includes Winxnet proposed budget for Fortigate, Monthly Back-ups, Video Surveillance, Malware Protection, Anti-Virus Protection, Monthly Span filtering, Licensing for Archived E-mails and the Email software, their monthly service fee, recurring fiber fees, and any unforeseen IT expense or project labor that is not budgeted. Jon explained that the decrease in the managed services line was due to a reduction in the number of days that a representative from Winxnet is on site in Wells. ***Motion by Bob, seconded by Brian to approve the operating budget of \$258,211 as presented. Passed unanimously.***

e) IT Capital Expenses

Jon explained that the request this year from Winxnet was for \$12,000 to be used for refresh computers in the upcoming year. The amount is to replace 6 workstations in FY 2019. Each workstation averages about \$2,000 between equipment and installation. ***Motion by Richard, seconded by Marisa to add \$12,000 to fund 0740 and to spend \$12,000 from fund 0740. Passed unanimously.***

f) Technology Committee

Jodie explained that this was a CIP request from the Technology Committee. The detail of the request on pages 181-182 were discussed. Brian mentioned that many of the items included in the request were not Capital purchases. Town staff was asked if the operating items could be removed from the CIP request and then included in the operations budget. Staff did not have an issue with moving operation expenses to the IT Infrastructure Operating Budget. ***Motion by Brian, seconded by Marisa to add \$29,100 of the Technology Committee request to operations in the IT Infrastructure budget and to add \$12,500 to fund 0830 and to spend \$12,500 from fund 0830 for the Treeno Project and Library Computer Replacement Project. Passed unanimously.***

g) Fixed Charges

Jodie explained the Principal and Interest for the three bonds the Town has. The FY 19 budget has principal payments for the Sea Wall Repair Bond and the 2013 Road Bond. The budget also includes interest on the Sea Wall Repair Bond, 2013 Road Bond and the first interest payment on the 2017 Public Safety Facilities Bond. The interest payment on the new bond is causing the increase in the operating budget for FY 19. ***Motion by Brian, seconded by Marisa to approve the operating budget of \$1,262,081 as presented. Passed unanimously.***

h) Police Department

Chief Putnam explained the big changes to vehicle replacement and agreements/contracts in the Police Budget. The vehicle replacement line is being funded at \$5,000 higher than the current year original budget. The department requested to carry forward the funds from FY 17 to purchase the vehicles that were ordered at the end of FY 17 but did not arrive until FY 18. The Chief also explained that over the past several years the service agreements for many of their software programs had increased and that the department was using funds from other lines to cover the expenses over the budget in the agreement/contract line. She told the Committee that in the past the department has held off on equipment purchases because they used the funds to cover items that should have been paid for out of the agreement/contract line. Budget Committee members asked the Chief why she did not show a reduction in the other operating lines that she previously was using to pay for agreements/contracts. The Chief emphasized that when the department used other lines to pay for agreements/contracts that they were forced to delay other purchases of necessary equipment and supplies. ***Motion by Bruce, seconded by Marisa to approve the operating budget of \$494,100 as presented. Passed unanimously.***

i) Police Radio Towers

Chief Putnam explained that the CIP request was to purchase two towers and to lease UHF repeaters. Chief told the Committee that the towers are needed to help get rid of the dead spaces in Town where radio and cell communications don't work. Chief explained that in the FY 18

budget a study was done to determine what areas in Town need to have Towers to get better communication reception. Chief told the Committee that she would really like to get this project done within the next few years. Many Committee members felt that the poor communication reception needed to be addressed. Jon informed the Committee that even if the project was fully funded in FY 19 that it would take several years to implement. Land for the towers may have to be found and purchased, the Towers constructed, and then put into service. The Committee brought up the idea of not voting on CIP requests until at the end of the review process. Committee members felt that by voting on each project as they were discussed with the Department Head may lead to issues with funding projects that the Committee deemed more important than others to fund. Staff agreed that the proposed budget schedule could accommodate voting on all CIP request at the end of the reviewing schedule. It was decided that Department Heads would discuss their requests on the nights they presented their operating budgets.

j) Dispatch

Chief Putnam explained the biggest increase in the budget in the agreement/contract line. The increase again is for software licensing increases that are used by Dispatch. Chief Putnam acknowledged the reduction in the line item by the Town Manager and was in agreement with his figure. The increase in the training line is a result of the additional dispatcher that was approved in the FY 18 budget. ***Motion by Bob, seconded by Richard to approve the operating budget of \$126,780 as presented. Passed unanimously.***

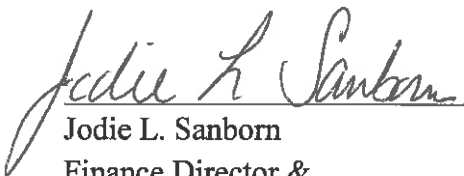
k) Animal Control

Chief Putnam explained that the budget increase is in the Animal Shelter agreement. ***Motion by Brian, seconded by Bill to approve the operating budget of \$16,150 as presented. Passed unanimously.***

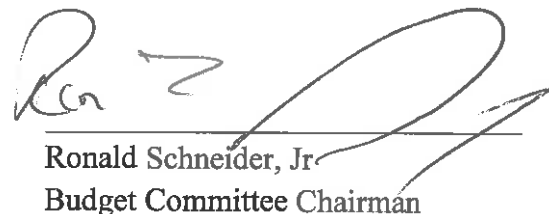
Meeting adjourned at 7:55PM. ***Motion by Brian, seconded by Bob. Passed unanimously.***

Respectfully submitted by,

Approved by,


Jodie L. Sanborn

Finance Director &
Budget Committee Recording Secretary


Ronald Schneider, Jr.
Budget Committee Chairman

History of Tax Rate for Wells

1989-9.10@96% Reval	02-03 10.78@100%-Reval
1990-8.80	03-04 10.75@100%
1991-9.10	04-05 10.48@85%
1992-4.34 6Mths FY Chg	05-06 7.89@100%-Reval
92-93 9.04@110%	06-07 7.95@100%
92-94 9.31@110%	07-08 7.95@100%
94-95 9.28@110%	08-09 8.22@100%
95-96 9.50@110%	09-10 8.33@100%
96-97 9.58@110%	10-11 8.43@100%
97-98 9.82@110%	11-12 8.63@104%
98-99 10.20@110%	12-13 8.63@110%
99-00 10.50@110%	13-14 9.12 @100%-Reval
00-01 11.40@95%	14-15 9.50 @100%
01-02 11.87@84%	15-16 9.95 @100%
	16-17 10.06 @ 100 %

Real Estate and PP for Top 10 Tax Payers

COMPANY	REAL ESTATE	PERSONAL PROPERTY	TOTAL ASSESSED VALUE
SHAW'S REALTY CO	\$ 20,754,160	\$ -	
SHAW'S SUPERMARKET INC	\$ -	\$ 234,518	
TOTAL OF ALL SHAW'S TAXES			\$ 20,988,678
CENTRAL ME POWER	\$ 939,410	\$ 19,144,820	\$ 20,084,230
LAFAYETTE WELLS INC	\$ 17,670,500	\$ 113,595	\$ 17,784,095
JRS REALTY TRUST OF MAINE	\$ 11,527,750		\$ 11,527,750
MARITIMES + NORTHEAST PIPELINE	\$ 8,286,940		\$ 8,286,940
PIKE INDUSTRIES	\$ 8,179,460	\$ 1,256,657	\$ 9,436,117
WELLS HOTEL LLC	\$ 6,137,720	\$ 184,200	\$ 6,321,920
EAGLE DEVELOPMENT	\$ 5,254,570	\$ 16,440	\$ 5,271,010
GERALD JEAN	\$ 4,942,590	\$ 14,230	\$ 4,956,820
BATCOMB PLANT	\$ 4,615,100	\$ 122,057	\$ 4,737,157

Top Ten Employers and Contacts

EMPLOYER	# OF EMPL	CONTACT PERSON	PHONE #
YCCC	201	ELLEN HARFORD	646-5282 or 216-4435
SHAW'S DIST CENTER	323	LAURA BODIN	646-9616 X 87803
TOWN OF WELLS	305	DORI RANDALL	646-5113
WOCSD #18	249	DIANE NORTON	646-8331
HANNAFORD	120	CHRIS SMITH	646-4111
LAFAYETTE PROPERTIES	125	KATIE KELLY	646-2831
MIKE'S CLAMSHACK	107	CANDY	646-5999
VARANO'S PROPERTIES	105	DICK OR SHERIE VARANO	646-7558
UPS	97	GREG KIMBALL	756-7113 646- 6099
WASCO PRODUCTS	85	DOREEN WILLIS	324-8060

Tree Growth Values
@100%

WOOD TYPE	VALUE
SOFT WOOD	430
MIXED WOOD	424
HARD WOOD	314

Farmland Values @100%

TYPE	VALUE
PASTURE	702
BLUEBERRY	1068
BOG/WASTE	475
TILLAGE (CROP)	802
ORCHARD	1400
HORTICULTURAL (EDIBLE)	869
HORTICULTURAL (ORNAMENTAL)	1137

Surrounding Town Tax Rates

TOWN	TAX RATE	RATIO	PHONE #
WELLS	\$10.06	100	646-6081
ARUNDEL	\$15.12	95	985-4201
BIDDEFORD	\$19.86	100	284-9003
KENNEBUNK	\$15.90	90	985-2102
KENNEBUNKPORT	\$8.28	100	967-4243
KITTERY	\$16.05	92	439-0452
NORTH BERWICK	\$12.60	100	676-3353
O.O.B	\$15.46	100	934-5714
OGUNQUIT	\$8.09	100	646-5140
SANFORD	\$22.74	100	324-9115
SOUTH BERWICK	\$18.30	100	384-3300
WATERBORO	\$15.24	110	247-6166
YORK	\$11.15	100	363-1005