

Waterboro Budget Explanation Memo

To: Citizens of Waterboro regarding our Proposed FY 14/15 budget

From: Town Administrator Gary Lamb

Date: May 22, 2014

This memo is meant to accompany our proposed Fiscal Year 2014-2015 budget document dated May 23, 2014, which is the final budget approved by Selectmen at their May 13, 2014 meeting. This FY 14/15 budget runs from July 1, 2014 through June 30, 2015. As you look at our proposed budget document, you will notice the row numbers on the far left of each page. This makes for quick referrals to individual accounts throughout the document.

The Waterboro Board of Selectmen wanted a flat budget so the municipal (non-school) portion of our budget would not raise taxes. We accomplished that and a bit more as our municipal budget is approximately \$46,000 less than the previous budget. Our portion of the RSU 57 budget increased by \$193,847. If Augusta revenues come in as estimated, our 1% net total budget increase of \$147,626 should result in an estimated 19 cent increase to our present \$13.64 mil rate.

Vertical column headers in the budget are explained as follows:

- Column C shows what we actually spent in FY 12/13 ending June 30, 2013
- Column D shows our present fiscal year budget July 1, 2013 to June 30, 2014 that was approved at June 2013 Town Meeting.
- Column E shows initial requests from some Departments. Not all cells are filled in with this column because I did the budget request for many single employee budget sections. Consequently, there is no final total for this column in row 635 on budget page 22.
- Column F is my recommended budget
- Column G is the Board of Selectmen's recommended budget.
- Column H is labeled BC for the Budget Committee's recommended budget. Unfortunately we never had more than two volunteers for our Budget Committee this year so the committee never became functional. Our charter calls for us to have a five member Budget Committee to help the Town Administrator early in the budget process create a budget to pass on to Selectmen. Please consider volunteering for this important committee next year. We need citizens to step forward and fill these committee slots this fall.

.....
The following points contain important information on increases and decreases in our proposed budget.

1. You will notice retirement costs have increased throughout the budget. This is because we have proposed the Town join Maine Public Employees Retirement System. This retirement package is a benefit that helps attract and retain employees. Our town contribution costs will increase from the present 3% to an IRA, to a 4.1% town contribution to Maine PERS. Presently, some employees pay 3% minimum to their IRA. Under PERS, employees who join must contribute 7% of their own money to the program. Employees have only one chance to join PERS this July, or can continue with their IRA if they so choose. The Town will contribute 4.1% to one or the other at the employee's direction.

2. Because the town's retirement contribution is increasing from 3 to 4.1%, salary lines have been adjusted down from 3% to a 2% cost of living adjustment throughout the budget.
3. You will notice some travel and training lines have increased . I want staff to be well trained and current in their job responsibilities so I encourage staff to attend the reasonably priced Maine Municipal Associations training workshops.
4. Page 1 row 35 shows an increase in our legal budget. I always try to budget for the worst case scenario and we have had considerable legal costs in recent years. I will be pleasantly surprised if we end Fiscal Year 14/15 spending much less than the proposed \$45,000.
5. On the bottom half of page 2, you will see we have not added any new debt service borrowing. Retired debt is shown in rows 69 and 70 on page 3.
6. Row 76 shows a steep increase in our Workmans Compensation insurance. This was caused by significant claims and lost time during the past three year time period.
7. Row 169 on page 6 shows a significant increase that reflects a poorly insulated and thermally inefficient town hall complex. We are working on solutions to excessive heat loss through our roof that causes major ice dams during winter months.
8. Row 232 shows an additional \$5500 for some needed repairs to our old and tired library building.
9. Row 245 increase reflects a new 20 hour per week Recreation Department administrative assistant position
10. Row 268 on page 9 and row 564 on page 19 show that unless our aging bus can be repaired, we will not have our own bus and will either discontinue such trips or have to rent a bus.
11. Row 280 shows Planning Board compensation decreasing because at \$25 per member per meeting we only need \$4200 to pay the Planning Board assuming 100% attendance.
12. Row 299 decrease shows a change in our Town Planners contract from 4 days per week to 3 days per week. With the upcoming completion of the 20/20 Committee's Comprehensive Plan Update and a continuing depressed development economy, it seems reasonable to assume we can operate with less planning staff time for now.
13. Row 372 Fire Department increases are from cost of living adjustments, per diem, possible overtime and retirement costs at the bottom of page 11, fuel costs in Row 350 and other miscellaneous increases.
14. Row 409 on page 14 shows an additional \$10,000 one-time cost to switch our Fire/EMS dispatch from Sanford to Biddeford.
15. Transfer station row 436 shows \$10,000 in paving has been removed. Row 456 has decreased by \$126,570 because the success of the EcoMaine facility has made such member town assessments unnecessary. Row 474 shows a \$10,000 decrease by cancelling the fall 2014 cleanup day and only having one free dump day in June 2015.

16. DPW budget row 480 reflects a town administrator and Board of Selectmen decision to hire a new full time worker to work with Tom Blackburn in the field, but have the new DPW Director position be more administrative and only 20 hours per week. This decision was made because of the reality that we have a great deal of road, ditching, brush and garage work that requires a second full time worker. The DPW director will concentrate on oversight for transfer station and DPW projects as well as maintenance and repairs for all town properties. This will relieve Recreation department staff and town administrator from some duties they now perform.
17. Row 510 gravel crushing was reduced by \$10,000 to help create a flat budget
18. Row 512 for \$20,000 is for survey and engineering field work prior to road reconstruction.
19. Row 545 General Assistance rent payments was reduced by \$5,000 because this past year's rental demand was less than budgeted.
20. Capital Improvement Program (CIP) in rows 560-581 has notes in the comment column on why we did or did not budget for these items. There are numerous worthwhile or necessary projects that were not funded to achieve a flat budget.
21. Row 587 Old Home Days was not funded because insufficient volunteers have stepped forward to plan and run this event. The Old Home Days Committee was down to 4 members and repeated calls for new members produced very little results. This committee needs 15 committed members to plan and work at this multi-day event. Please volunteer if you want Old Home Days to return in the future.
22. Row 595 contains a substantial increase for police protection. About \$10,000 of the increase is for a replacement cruiser which will be an SUV so our Deputy can more readily patrol all roads in town. This \$30,000 vehicle will be paid over three years.
23. Row 599 for the 20/20 committee was reduced by over \$25,000 because their work updating our comprehensive plan is nearly complete. We will hopefully vote on our new comp plan during our spring 2015 election at the latest.
24. Row 602 shows the Economic Development Committee (EDC) requested \$20,000 but was budgeted for \$5,000 as they are still in the process of increasing membership and creating a work plan.
25. Row 634 shows our municipal only (non-school) budget total of \$5,140,722, a decrease of \$46,221 over the previous budget.
26. Row 635 shows our school and municipal grand total of \$12.8 million. If projected revenues are received, this should result in an approximate 19 cent increase to our present \$13.64 per thousand property tax rate.

Please call with any questions you have. I appreciate hearing your concerns well before our June 14th town meeting. Please remember to vote at Massabesic East on June 10th and also attend the June 14 Town Meeting at 10am at the Waterboro Middle School.

