

## **Detailed Budget Memo for Fiscal Year 18/19 Budget Year Beginning July 1, 2018**

Executive Summary - The Selectmen's proposed municipal (non-school) budget is up \$482K or 8%, with major increases as follows...\$206K Capital Improvements, \$117K Public Works, \$94K health insurance and \$43K Fire Department. Normal revenue increase estimates are nearly \$190K and Selectmen decided to use up to \$800K from our healthy fund balance as revenue to offset property tax increases. (This fiscal year we used \$500K from fund balance.) Our Budget Committee met 10 times and their recommendations can also be seen on the budget spreadsheet that you will need to reference to the comments below on budget increases and decreases.

**General Government budget pages 1 and 2** - this section is up about \$12K from payroll, 2.5% COLA (cost of living adjustment) changes and retirement contributions from the Town increasing from 7 to 7.3%

- Page 2 line 36...advertising spending has nearly doubled since we have been advertising in both local papers as directed by Selectmen. We have had numerous job vacancies and public hearing notices this current year that required advertising.

### **Leases/Debt Service pages 2-3**

- This section decreased by about \$61K because we retired \$69K in paid off loans on ladder truck (\$49K) and pumper (\$20K).

### **Insurances/Benefits pages 3-4**

- We have pulled all health insurance costs out of departmental budgets and consolidated them here.
- Line 68 - When we agreed to meet employees halfway on increased health insurance costs from single employee to family plan, our costs increased \$5000 for each of six families on family coverage. We offer the cheapest health insurance plan MMA offers. When we started this plan it was mid \$500 per month....and now is well over \$700. Unless changes to the Affordable Care Act result in real changes to insurance plans, perhaps next year we should consider increasing employee contributions for new hires. Either a flat percentage of any plan the employee chooses...or ask future hires to pay more out of pocket expenses. We need Congress to change the ACA so more market based plans can be available.

**Town Clerk page 4** - Election costs up \$1000 for rank choice voting and new local referendum preparations.

**Information Technology page 5** - software costs (line 129) are up \$3K

**Municipal Buildings page 6** - line 149...Selectmen started an emergency contingency fund after this past year of generator and boiler failures

**Assessing page 6** - Selectmen recommend we continue with our two day per week Assessor plus one extra day per month for \$56K in salary line 153.

**Code Enforcement page 7** - Salary line changed per increase in CEO hours from 36 to 40 hours per week in this busier economy.

- Line 164 deputy CEO increased from CEO's request for 6 man hours additional deputy CEO time each week for Monday and Friday inspections. Budget Committee approved 3 hours per week for \$4560 (and paid only if used).
- Line 165 overtime...Budget Committee reduced this to \$1000 thinking CEO could reduce overtime if now working 40 hours per week
- Line 180...new second hand vehicle was reduced from \$6500 to zero by Budget Committee. We will hopefully get another 1-2 years out of the old cruiser sedan and then pick up a used SUV for CEO use.

**Library page 8** - Little change here since this is the second year we budgeted for a 32 hour per week professional librarian. Some travel and training expenses increased with more Library Associations and conferences as expected with a new librarian.

**Recreation page 9** - Much discussion occurred around pay for Director and Admin Assistant. A motion to reduce this salary line by \$11K was defeated by 1-2 vote in the Budget Committee's meeting.

- Line 232 travel was reduced by 4500 because PT field worker mileage was moved to DPW budget.

- Lines 244, 245 bottom page 9 and line 246 top of page 10....these expenses have moved to DPW budget **Planning Department page 11** - shows increase mostly in salary lines.

- Line 277 deleted \$35K for SMPDC Town Planner consultant work and added \$60K salary if a new Town Planner is hired for 32-40 hours per week.
- Line 277 deleted \$15K for Econ. Dev. consultant work since new town planner, if hired, will do this work
- Line 279 was added in case more Admin. Asst. time is needed for ZBA and PB meetings

**Public Safety pages 12-13** - increased a total of \$43K, mostly from salary line including increase of Admin. Asst time from 25 to 32 hours, plus cost of living adjustments for FT staff

- Per diem line 314 increased in part because our call pay hourly rates changed per minimum wage laws....and if we did not change the per diem line in similar fashion you could have an experienced call pay/volunteer firefighter making more per hour than a trained per diem paramedic.
- Line 331 contains about \$6K for winter tracks on new UTV...so we can sell the snow sled and stretcher/trailer and have only one wilderness rescue vehicle for all 12 months of the year.
- Page 14 line 364...slight dispatch cost increase. We still like the job Biddeford PD dispatch does for us.
- Page 14 Hydrant Rentals...shows 22% recently PUC approved rate increase. The Town is mandated by PUC regs to pay one third of the Water Districts annual budget and this is shown as Hydrant Rentals.

**Transfer Station page 14-15**

- Major fluctuations in both directions can be seen in waste handling lines 404 to 413
- Line 420 "free" spring cleanup costs more each year as economy improves and our population grows.

**Public Works pages 16-17** shows an increase of \$113K per the following:

- Line 429 shows \$12K part time field worker moved from Recreation department
- Line 432 decreased because Director declined any retirement program
- Page 17 Line 453...former parks maintenance line of \$7500 was moved from Recreation to DPW
- Line 456 shows additional funds for road striping and roads and bridges annual maintenance

**General Assistance page 18**...decreased w/ some clients becoming employed and others moving out of town

**Capital Improvements pages 19 and 20** - Line 511 funding of \$100,000 for water line extension to Central Fire station was reduced to zero since the new insulated roof on Central Station was approved

- Lines 512 and 513 are for new file cabinets and records storage masonry fireproof room in Town Hall since we are running out of space to put new parcel files
- Line 514 was reduced to zero for electronic sign for community information
- Line 515...Budget Committee and Selectmen recommend buying the new fire truck with 10 year funding. However, the first payment will not be needed until after July 1 2019 so no taxpayers dollars will be raised in this budget. This truck will replace a 20 year old engine.
- Page 20 Line 521 shows \$150K for an insulated metal roof for our Fire Station to stop annual ice dams and water damage to interior walls.
- Line 524 Old Alfred Road paving is estimated at \$260K with DOT paying half. The Budget Committee recommended \$140K (\$10K extra) for this just to make sure the job was done well and would last.
- Lines 525 and 526 were reduced to zero to reduce the impact to taxpayers from Old Alfred Road paving and Fire Station roof project costs.

**Unclassified pages 20 and 21**

Line 532 County taxes went down because we have now paid off our 5 year "loan" from back when the county changed from calendar to fiscal year and a six month county budget was needed

Respectfully submitted, Gary Lamb, Waterboro Town Administrator (247-6166, ext. 100)