

Veazie Town Council

Regular Meeting

May 6, 2013 at 6:30 PM

AGENDA

ITEM 1. Call to Order

ITEM 2. Secretary to do the Roll Call

ITEM 3. Pledge of Allegiance

ITEM 4. Consideration of the Agenda

ITEM 5. Approval of the April 22nd, 2013 and April 29th, 2013 Council Meeting Minutes

ITEM 6. Public comments

New Business:

ITEM 7. Review of the FY 13/14 Budget

Old Business:

Item 8. Manager's Report

Item 9. Comments from the Public

Item 10. Requests for information and Town Council Comments

Item 11. Review & Sign of Town Warrant Payroll #23 and AP Warrants #22

Item 12. Adjournment

Town of Veazie Town Council Meeting Minutes 04/22/2013



Members Present: Chairman Tammy Olson, Councilor Chris Bagley, Councilor Joseph Friedman, Councilor Brian Perkins, and Councilor Jonathan Parker. Interim Town Manager Mark Leonard, Secretary Julie Strout, Rec. Director Rob Young, Assessor Ben Birch and various members of the public.

Members Absent: None

Item 1: Call to Order

Chairman Tammy Olson called the meeting to order at 6:30 p.m.

Item 2: Secretary to do the roll call

All present

Item 3: Pledge of Allegiance

Item 4: Consideration of the Agenda

Chairman Tammy Olson wanted to add under new business as 9b Community Center floor and under old business as 15a a brief discussion on the budget. Manager Leonard wanted to add under old business as Item 12a speed bump update.

Item 5: Approval of the April 8th, 2013 Council Meeting Minutes

Councilor Joseph Friedman made a motion, seconded by Councilor Jonathan Parker to accept the April 8th, 2013 meeting minutes as written. No discussion. Voted 5-0-0. Motion carried.

Item 6: Public comments

Citizen Frank St. Louis shared his concerns with the Councilor's. Citizen Julia Hathaway shared her concerns with the Councilor's.

New Business:

Item 7: Kathy Bernier – Hammond Street Senior Center

This was tabled for another meeting due to no attendance.

Item 8: Approval of new members for the Board of Appeals

Councilor Chris Bagley made a motion, seconded by Councilor Joseph Friedman to appoint Lucinda Welch, Judy Horten and Bill Masters to the Towns Board of Appeals. No Discussion. Voted 5-0-0. Motion carried.

Item 9: Approval of a new member for the Budget Committee

Councilor Brian Perkins made a motion, seconded by Councilor Jonathan Parker to approve the appointment of Jeff Wheelden to the Town Budget Committee. Voted 5-0-0. Motion carried.

Item 9a: Community Center flooring

Manager Leonard was looking for guidance or just wanted to make the Council aware of the problem and try to address it. Mr. Kennedy's plan is if the town buys the glue and tile he will install the floor himself. The expense would roughly be \$2500.00. Councilor Perkins asked if this would be covered under the TIF district funding. Manager Leonard will get back to the Council with the exact cost for the project.

Item 10: Annual Sewer Assessment discussion

Councilor Jonathan Parker made a motion, seconded by Councilor Joseph Friedman to accept the reduced assessment down to \$110,000 with the agreement to pay it on September 15th, 2013 to the Veazie Sewer District. Voted 3-1-1. Councilor Brian Perkins opposed and Chairman Tammy Olson abstained.

Item 11: Veazie Sewer District Personnel sharing discussion

The Council decided that Manager Leonard should set up a meeting and talk to the Sewer District and find out what their thoughts and needs would be first then update the Council at the next meeting.

Item 12: Wood Chipper Inspection

Councilor Joseph Friedman made a motion, seconded by Councilor Brian Perkins to authorize Manager Leonard to terminate the Wood Chipper Agreement and receive back \$694.86. Voted 5-0-0. Motion carried.

Item 12a: Speed bump update on Flagg St.

Estimates came in as follows:

Lou Silver Inc. - \$1475.00 Streets Pavement & Striping - \$1450.00 Kelly & Son Escavating - \$1481.00 Veazie Public Works - \$1400.00

The Council agreed that they would like to see the budget done first and table this until around July for a better understanding of where the money will come from to cover this.

Item 13: Manager's Report

Manager Mark Leonard reviewed his report with the Councilor's. The Councilor's wanted to set up a special council meeting with the School Committee to review the FY 13/14 Budget on April 29th, 2013 at 6:30pm in the Council Chambers.

Item 14: Comments from the Public

Comment from citizen on Lou Silver. Rebuttal comment from Barney Silver on comment from citizen.

Item 15a Brief Budget discussion

Chairman Tammy Olson had a question in regards to how Manager Leonard's salary and benefits were being split. Manager Leonard's said 50/50. What encompasses the 95,000 allocated to solid waste? Manager Leonard stated it is the contract and weekly payments to PERC which is around 1,000 a week. Chairman Olson wanted to know if we should come up with a plan in regards to our roads. The consensus was to leave the road budget line at \$100,000.

Item 15: Requests for Information and Town Council Comments.

Councilor Brian Perkins wanted to notify the town's people of the reason for the reevaluation. We will look into putting this in the next newsletter.

Item 16: Review & Sign of Town Payroll Warrant #22 & AP Warrants

#21 & 21A

The warrants were circulated for signatures.

Item 16: Adjournment

Councilor Joseph Friedman motioned to adjourn. Councilor Chris Bagley seconded. No discussion. Voted 5-0-0. Motion carried. Adjourned at 7:43pm.

A True Copy Attest:

Julie L Strout

Deputy Town Clerk

Town of Veazie Special Town Council Meeting Minutes 04/29/2013

Members Present: Chairman Tammy Olson, Councilor Chris Bagley, Councilor Joseph Friedman, Councilor Brian Perkins, and Councilor Jonathan Parker. Interim Town Manager Mark Leonard, Secretary Julie Strout, School Principal Scott Nichols, School Board members Janine Raquet, Julia Hathaway and Susan MacKay and various members of the public.

Members Absent: None

Item 1: Call to Order

Chairman Tammy Olson called the meeting to order at 6:33 p.m.

Item 2: Secretary to do the roll call

All present

Item 3: Pledge of Allegiance

Item 4: Consideration of the Agenda

None

Item 5: Public comments

None

New Business:

Item 6: Discussion with the Veazie School Board in regards to the FY 13/14 Budget

The Board reviewed their budget and concerns with the Council. Councilor Joseph Friedman made a motion, seconded by Councilor Brian Perkins that the recommendation is to cut \$200,000 from the School Budget. No discussion. Vote 3-2-0. Councilor Chris Bagley and Councilor Jonathan Parker opposed. Motion carried.

Item 7: Comments from the Public

There were numerous comments on the FY 13-14 budget.

Item 8: Requests for Information and Town Council Comments.

Chairman Tammy Olson asked if there were any comments on the email that Manager Leonard provided regarding Casella. Due to just receiving the email the Council could not make a decision at this time.

Item 9: Adjournment

Councilor Jonathan Parker motioned to adjourn.
Councilor Joseph Friedman seconded. No discussion. Voted 5-0-0.
Motion carried.
Adjourned at 8:26pm.

A True Copy Attest:

Deputy Town Clerk

BUDGET COMMITTEE MINUTES- VEAZIE

Date:

April 9, 2013

Attendance:

Pat Rice, Patrick Joyce, Chuck Osgood

Absent:

Travis Noyes

Meeting called to order at 6:30pm by interim Town Manager Mark Leonard.

First order of business was to elect a chairperson. Chuck Osgood nominated Pat Rice, seconded by Patrick Joyce with unanimous vote to approve Ms. Rice as Chairman.

Second order of business to elect a secretary. Patrick Joyce nominated Chuck Osgood, seconded by Pat Rice with unanimous vote to approve Mr. Osgood as Secretary.

Next meeting scheduled for Wed. April 17th at 6:30 to review Fire, Police and Government budgets.

Also will meet on April 23 to review school budget. Meetings also scheduled May 6 and May 8, if necessary.

Mr. Leonard advised the committee that we needed to review 2 budgets from each department: the first being a "standard" budget without a reduction in revenue sharing funds, and the second a budget that takes into consideration a goal of reducing the overall Municipal budget by 20%. Items that impact the structure of individual departments will be reviewed by the Town Council and not a subject for review by the Budget Committee.

Ms. Rice applauded all Department Heads and Mr. Leonard for their thorough review of their budgets under difficult conditions.

Public Works:

Presentation made by Dennis Farnham. Proposed standard budget of \$121,313 is a reduction of \$72,097, principally due to an employee leaving this year as well as getting competitive quotes from various venders. Although the Town will benefit from a lower cost contract for salt purchases, approx. 16%, this year, Mr. Farnham suggests that we keep the same level at \$35,100, since we used all but \$3,000 this year, and this season was not severe. After review of the line items, the Committee made the following suggestions:

- 1) Utilize the Cemetery's Perpetual Care Fund, which according to Julie Reed has approximately \$40,000 in available funds net of \$20,000 owed the general fund and net of the Trust's original principal, to pay for re-sodding (due to grub damage) and deferred maintenance totaling \$5,000, with \$1,000 to continue as a Public Works expense item. Result is a \$5,000 reduction to the Public Works budget.
- 2) Eliminate \$2,000 Equipment Reserve allocation given the \$84,000 Public Works Reserve balance and no identified major capital purchases. James Parker from the audience suggested that the Public Works department share the Sewer District's 1 ton truck if needed, since Mr. Farnham mentioned the possible purchase of a 1 ton truck. Mr. Parker indicated that a formal agreement



- would have to be approved by the Sewer District's trustees. Net result is a \$2,000 reduction to the Public Works budget.
- 3) Requested that Julie Reed research the Town's options for transferring balances from the Equipment Reserve account to the general fund since the Town has reduced its need for equipment purchases. Julie indicated that she would do so before the next budget committee.
- 4) Continue to look for grants to support cemetery maintenance.
- 5) Sell excess or unused equipment estimated at \$17,700

Parks & Recreation:

Robert Young presented the proposed budget which shows a \$795 reduction from last year, with reductions to programs more than offsetting benefits increases. The Committee made the following recommendations:

- 1) Combine the Office Supplies and After School accounts and come back to the Committee with a reduced overall cost.
- 2) Adopt a \$100 fee for field rentals
- 3) Charge Orono High School \$500 for the use of the tennis courts.
- 4) Increase usage fees across the board per schedule
- 5) In lieu of eliminating the Summer Recreation Program, strive to make the program self supporting with fees offsetting cost. Consider special "cost neutral" excursions (Fun Town?) if there is an interest.

Fire Department:

Chief Gerry Martin made a general presentation about the department. A comprehensive review of the proposed "standard" budget will be made at the next Budget meeting. The Committee does recommend the following:

in conjunction with the 20% reduction request for the Fire Department, adoption of all items listed in the document titled "FY 13/14 Suggestions for Reduction, Cost Savings, or Revenue Increase to meet 20% budget request", with the exception of those items that affect personnel contracts.

A brief discussion ensued regarding the sale of Engine 191- the Committee will need additional information, specifically how the sale would impact insurance rates for the town.

The meeting was adjourned at approximately 8:30pm.

By:

C. Osgood, Secretary

BUDGET COMMITTEE MINUTES- VEAZIE

Date:

April 17, 2013

Attendance:

Pat Rice, Patrick Joyce, Chuck Osgood, Mark Leonard, Julie Reed, Dennis Farnham and

Robert Young: Mr. Farnham and Mr. Young left shortly after discussion concerning their

departments.

Absent:

Travis Noyes

Meeting called to order at 6:36 pm by Chairman Pat Rice. The minutes of the April 9 meeting were accepted with no revisions.

Old Business:

Ms. Reed reported that capital project accounts/reserves cannot be transferred unless there is a sale of the asset, in which case the funds can be transferred to a general reserve account. Therefore the excess capital reserve in the Public Works account can be transferred. The Budget Committee recommends that the Public Works reserve account be reviewed and excess funds transferred to a general reserve account.

Mr. Young indicated that he could <u>reduce the combined Office Supplies and After School accounts from \$3,500 to \$2,700</u>, which is a recommendation of the <u>Budget Committee</u>.

New Business:

Executive Office:

Mr. Leonard presented a projected *Municipal Revenue* budget. Fiscal 2014 budget is \$6,442,821, an increase in revenue of \$59,566, primarily due to an estimated increase in revenue sharing funds from \$186,275.50 to \$274,941.00, a portion, or all of which may be trimmed or eliminated. This increase is partially offset by a reduction in anticipated interest income from \$40,000 to \$10,000, which is more in line with actual revenue last year. The major income items, real estate taxes and personal property taxes, are last year's numbers and subject to revision depending on any revised assessment and change in the mill rate.

The Executive Department Expense budget shows an overall decrease of \$70,625, a 19% decrease, mostly due payroll/benefits decline, professional fees, and repair/utilities/misc reductions. No further reductions are anticipated which had been discussed for the 20% reduction budget given the 19% actual budget reduction. Other items considered primarily involve reductions in services which are beyond the scope of this committee's recommendations.

"Fixed Costs" are \$9,872 less due to a \$19.5K reduction in the solid waste contract, largely offset by a new expense for assessor's fees of \$20.6K, and a \$9K reduction in heating cost which more accurately reflects historical cost. The Committee recommends that the category "Diesel Fuel" be eliminated from Fixed Cost and more appropriately allocated as an expense item to the respective departments. The result is a \$4.5K reduction to the Fixed Cost category.

"Community Investments" shows a continuation of expenses from last year. Given the Conservation account reserve balance of \$45K and no identified major expenditures planned, to the Budget Committee's knowledge, the Budget Committee recommends no increase to the Conservation reserve account this year, which reduces Community Investment expense by \$3,000. The Budget Committee also recommends that Mr. Leonard contact the Chairman of the Planning Committee to ascertain project costs and timing for a proposed revision to the Comprehensive Plan in order to determine the necessity of increasing the reserve by \$4K as requested, given the respective reserve balance of \$32K.

There was discussion concerning the \$5.5K expense for "Economic Development" which Ms. Reed indicates was originally allocated for the Town's web site. The Committee recommends that Mr. Leonard consider web site maintenance as an operating expense and provide recommendations for the use of an economic development reserve, or eliminate the category.

The Budget Committee also requests additional detail for the proposed use, and historical usage, of the remaining categories in the Community Investment account in order to make recommendations on the appropriate funding for each line item.

"Capital Accounts" show a 5% reduction from \$128.8K to \$122.8K due to a reduction of \$6K in Public Works, a \$5K reduction in Highway, partially offset by a \$5K increase for the Fire Department. Mr. Leonard acknowledges that the Highway funding could be much higher given the condition of many of the roadways.

"Mandatory Assessments" show a 59% increase from \$268K to \$427K, or \$159K due to increases County Tax assessment of \$8.8K and the inclusion this year of the \$150K Sewer Assessment.

Police Department:

The Police budget was reduced from \$367K to \$349K, or 4.9% due mostly to the combining of the Manager/Police Chief positions which offset a \$9.9K increase in workers comp. Chief Leonard indicated that claims are being more actively managed than previously in order to reduce this expense in the future. Overtime was also notably reduced by \$3M due to better scheduling with no reduction in coverage.

Reserve accounts were discussed with no recommendations from the Committee.

As for the 20% reduction budget, the Budget Committee recommends consideration of those items detailed in the FY 13/14 Suggestions for Reduction...memo, specifically items 1, 5,6,7,8 and 9 which total \$24.5K, \$18.2M of which is already in place from combining the Police Chief and Town Manager position. A \$3M overtime reduction, out of \$6M proposed in the memo, is also currently in place. The Committee makes no recommendation for those items pertaining to personnel reductions which may result in a reduction in service/coverage.

Fire Department:

Chief Martin could not attend the meeting . The Committee asked Mr. Leonard to ask Chief Martin to revisit his line item numbers to take into consideration historical actual costs since previous year-end statements show unexpended budgeted items.

The meeting was adjourned at 9:20 PM.

Ву:

C. Osgood, Secretary

BUDGET COMMITTEE MINUTES- VEAZIE

Date: April 23, 2013

Attendance: Pat Rice, Patrick Joyce, Chuck Osgood, Travis Noyes, Jeff Wheelden, Mark Leonard

Meeting called to order at 6:33 pm by Chairman Pat Rice. The minutes of the April 17 meeting were accepted with no revisions.

Old Business:

Fire Department review will be held 4/25 at 6:30pm.

New Business:

Review of Veazie School Department budget for July 1, 2013 to June 30, 2014. Representing the Superintendant's office was Scott Nichols, Janine Raquet, Chris Dalton, and Susan MacKay.

Mr. Nichols reviewed a revised "Draft 3" budget along with a budget memo for additional background. He indicated that the budget process was difficult this year since many of the now included expenses in this budget were not included last year due to items being paid under a cost sharing plan with the RSU. As a guideline, a summary page of the Veazie School budget for 2008-2009 was presented, the last year that Veazie was a "stand alone" school, in order to compare apples to apples. This shows an increase to the total budget of 7.7% over the 5 year period, or 1.5% per year.

Mr. Nichols notes that 57% of the budget is "fixed costs" which he explained came from agreed amounts negotiated with the RSU for this transition year. Next year Veazie will provide those services directly or renegotiate costs. The remaining 43% of the budget consists primarily of wages and benefits which are insulated from review given last year's union contract which according to Nichols et al included approximately a 3% salary increase, plus increased costs for insurances. Total salary and benefits for K-8, not including Special Ed which is a contract item with the RSU, is approximately \$1,267.415, or 67% of variable cost. \$37,000 is budgeted primarily for books and supplies. Finally, the School is requesting an \$80,000 "contingency" account which will serve to fund potential new secondary education transfers and other transfer students that will impact known and projected enrollments. This number is down from an original \$100,000. Combining these figures totals \$1,384,636, or 74% of the variable cost budget. Of this amount, only the contingency fund can realistically be considered for adjustment. This leaves \$505,612 in variable cost for budget overview consideration, which is divided up as follows:

Extra Curricular and Co- curricular	\$41,382
Guidance	\$46,515
Nurse	\$27,044
Technology	\$62,081
Improvement of Instruction	\$7,869
Library	\$47,980
System Admin (Supt, Bd)	\$47,257
Principals Office	\$164,612
School Lunch	\$58,450
Total:	\$503,190

Unaccounted for difference:

\$2,422- appears to be in the Facilities Maintenance a/c

In these categories, the Budget Committee discussed the following:

- 1. Extra Curricular- \$25,680 of this amount is from a negotiated contract with the RSU. Mr. Nichols strongly supports continuation of these activities.
- 2. Nurse- represents a 1/3 time nurse whose services were strongly supported by Mr. Nichols
- 3. Technology- \$30,763 is a 2 day per week tech specialist cost previously supplied by the RSU. Another \$15,400 is for equipment replacements. Contracted services of \$4,980 and supplies of \$3,000 round out the majority of this category. Mr. Nichols felt strongly that he needed to keep equipment up to date and institute a regular replacement schedule.
- 4. System Admin is based on pre- RSU numbers
- 5. School Lunch is a constant challenge given the size of the school- this number is based largely on historical costs.

Facilities budget was also discussed, even though this was included in the "fixed cost" category at \$234,785. This category is budgeted at \$236,785 and includes utilities, custodial services, and general maintenance. The repairs and maintenance includes what appears to be a discretionary entry of \$29,500 for "gym floor resurfacing, rug replacement, painting, and window replacement". Mr. Nichols indicated that it was important to keep the facility in good condition and that deferred maintenance would cost the school more money eventually.

The Committee opened the meeting up to the public and received comments about the above maintenance costs, the cost of extracurricular and the town's rec program, the necessity of having a pre-K program and if that could be eliminated, and whether the insurance services, a major part of the budget, have been "shopped". To the last point, Mr. Noyes indicated that insurance providers have been looked at and no immediate savings were identified.

Ms. Rice questioned why the cost per pupil was so high as compared to the average for the State. The committee was advised that the costs for a small system are typically higher given mandated services whose cost aren't easily absorbed given the lack of scale. Effectively the price that is paid for having a locally controlled school in a small population area.

As for revenue, the Town's mandated allocation increases from \$1,760,625 to \$1,875,437, but the local additional "ask" is reduced from \$1,219,040 to \$1,028,644, resulting in a \$74,583 reduction from the town to support the school budget. An additional \$10,357 is saved in the Adult Ed program given the use of the school facility in lieu of a cost for the program. The total reduction of \$85,940 results in a 2.97% lower cost to the town. This includes additional costs from curtailment of funding for education of \$26,279, teacher retirement shift of \$41,627, and a one-time RSU debt service payment of \$66,340 all totaling \$134,246. This was partly offset by \$85,930 in savings with a major reduction in the Ed Tech salary (\$17,648), a \$20,000 contingency fund decrease, and the elimination of a Curriculum Coordinator saving \$25,700, whose duties will be absorbed by the Principal and teaching staff.

The Committee members agreed that we will consider recommendations at our next meeting on 4/25/13 after the Fire Dept review.

The meeting was adjourned at 9:04 PM.

Ву:

C. Osgood, Secretary

BUDGET COMMITTEE MINUTES- VEAZIE

Date:

April 25, 2013

Attendance:

Pat Rice, Patrick Joyce, Chuck Osgood, Mark Leonard

Absent:

Travis Noyes, Jeff Wheelden

Meeting called to order at 6:32pm by Ms. Rice.

Minutes for the last meeting accepted as written.

Fire Department:

The following is a copy of the April 9 minutes concerning the Fire Department:

"Chief Gerry Martin made a general presentation about the department. A comprehensive review of the proposed "standard" budget will be made at the next Budget meeting. The Committee does recommend the following:

in conjunction with the 20% reduction request for the Fire Department, adoption of all items listed in the document titled "FY 13/14 Suggestions for Reduction, Cost Savings, or Revenue Increase to meet 20% budget request", with the exception of those items that affect personnel contracts.

A brief discussion ensued regarding the sale of Engine 191- the Committee will need additional information, specifically how the sale would impact insurance rates for the town"

As indicated, Chief Martin continued his review of the Department. He advised the Committee that many of the items he had identified in the last meeting related to the 20% reductions could not be eliminated as they affected the existing contract with the fire fighters. He provided the following changes as a result:

- 1. \$750 (7.9%) reduction of the Fire Chief salary
- 2. \$5,000 (12.5%) reduction in Call Firemen costs due to training sessions going from once a week to twice per month
- 3. \$1,000 (16.7%) reduction in fuel cost
- 4. \$800 (32%) reduction to annual physicals
- 5. \$500 (20%) reduction in firefighting equipment
- 6. \$1,000 (22.2%) reduction to issued equipment

The total reduction is \$9,050, or 3.7% of the total Fire Department budget. There will likely be an additional small savings from a reduction in benefits.

Additionally, based on Chief Martin's understanding that the town's insurance rating would not be affected, the Budget Committee recommends the sale of Engine 191, which should generate between \$30,000 to \$40,000 which can be used to offset department expenses- assuming a \$35,000 sale, this has the possibility of further reducing cash outlay for the Department by 14.3%. Related maintenance

expense of \$2,600 is also saved, so combined with the above \$9,050 a 19.1% saving is produced. The Committee thanked Chief Martin for his efforts.

Veazie School Department:

Mr. Nichols was unable to attend due to illness. The School Department was represented by Janine Raquet, Chris Dalton, and Susan MacKay.

The Committee received the requested 2008-09 budget for the Veazie School in its entirety as requested in order to review line item entries in addition to the summary provided at the last meeting. Ms. Rice asked for further clarification on the increase in K-2 teachers salary, which was \$208,809 in 2008-09 compared to the current request of \$347,773, a 66.6% increase. The school representatives indicated that they would get back to us with the asked for detail as soon as possible. Mr. Osgood asked how many teachers were in place for the 2008-09 budget year, which again will be provided. Note that the Pre-K program was not in existence in 2008-09. In a subsequent e-mail from Mr. Nichols, we are advised that "the cost of Pre-K is for the teacher and supplies. That would be projected for the next year at approximately \$69,330". He further stated that the State of Maine provides \$6,715 per pupil, so the break-even enrollment is approximately 10. There are 18 eligible children but he had no way of knowing how many will be enrolled. (This can be problematic since the current policy is to split Pre-K classes as they exceed 12, which would increase costs in amounts unlikely to be offset until the second class exceeded the required breakeven threshold) Note that the Committee has previously been advised that no additional teachers had been hired for the Pre-K program.

High School tuition costs were discussed with some difficulty given the changes in expense categories. It appears that total costs for high school and special education is up \$92,000 or 9% due to substantial increases to the "Resource Room" account, reflective of higher costs in that area.

Custodial Services of \$98,000 represents an 18% increase- the school representatives were unsure if the RSU had a multi-year contract. We were advised that the same vender has been used for many years. The Committee recommends that the Custodial Service be put out to bid as soon as possible.

Ms. Rice asked if there were questions/comments from the public. A former elementary teacher indicated that her classroom always had at least 23 students, and she questioned the need for having two teachers for class splitting at the proposed levels. Also a question was asked concerning the Contingency accounts. The Contingency funding request is \$80,000 for potential high school student increases and \$54,050 for unplanned special education placements. The high school budget already builds in 3 additional students, two of which are apparently already known. The committee was advised that any unused funds for these specific contingencies would be rolled over as a general revenue source for the school next year. However, the funds couldn't be used for general purposes during the current year.

The Committee agreed that it would consider making additional recommendations for the School budget when the remaining information is received. Mr. Leonard informed the Committee that he needed final recommendations by Monday. Since we a still seeking information from the school, a Special Meeting will likely be called before the Town Council meeting Monday in order to meet the deadline, at which time we will make recommendations based on the information we have at that time.

Old Business:

Community Investment:

Mr. Leonard provided a revised budget that shows a \$7,400 reduction, or 23.9%, comprised of the following categories:

- 1. Conservation Committee: \$3,000 to -0- due to the substantial existing reserve balance and modest historical usage
- 2. Comprehensive Planning: \$4,000 to \$2,600 which combined with the existing reserve balance should cover a mandated updated Comprehensive Plan which is now due.
- 3. Community Programs: \$5,000 to \$2,300
- 4. Historical Society: \$500 to -0-
- 5. MS-4 (storm water compliance mandate): \$13,000 to \$13,100 (increase)
- 6. Economic Development: \$5,500 to \$5,600 (increase) revised town web access site

Ms. Rice asked that Mr. Leonard post the minutes of the Budget Committee to the Town's website, and also provide them to the Town Council.

Since there was no other business, the meeting was adjourned at approximately 8:20pm.

By:

C. Osgood, Secretary

Town of Veazie

Memo

To: Budget Committee

CC: Veazie Town Council

From: Mark Leonard; Town Manager

Date: April 30, 2013

Re: FY 13/14 Budget Savings

comparing FY 12/13 to FY 13/14 budget:

Account	FY 12-13	FY 13-14	Change
100 Executive	\$380,626.00	\$306,024.00	(-\$74,602.00)
200 Police	\$349,552.36	\$331,189.00	(-\$18,363.36)
300 Fire	\$235,354.00	\$234,697.00	(-\$657.00)
400 Public Works	\$193,410.46	\$126,348.00	(-\$67,062.46)
500 Recreation	\$90,918.00	\$90,124.00	(-\$794.00)
550 Comm. Invest	\$31,000.00	\$23,600.00	(-\$7,400.00)
600 Capital	\$128,750.00	\$117,750.00	(-\$11,000.00)
700 Reserves	\$80,800.00	\$73,800.00	(-\$7,000.00)
800 Fixed	\$368,215.00	\$353,843.00	(-\$14,372.00)
900 Assessments	\$267,681.00	\$386,505.00	+\$118,824.00
Total:	\$2,126,306.80	\$2,043,880.00	(-\$83,426.80)

Town of Veazie

Memo

To: Budget Committee

CC: Veazie Town Council

From: Mark Leonard; Town Manager

Date: April 30, 2013

Re: FY 13/14 Budget Savings

comparing FY 08/09 to FY 13/14 budget:

Account	FY 08/09	FY 13-14	Change
100 Executive	\$394,691.50	\$306,024.00	(-\$88,667.50)
200 Police	\$338,116.94	\$331,189.00	(-\$6,927.94)
300 Fire	\$217,940.00	\$234,697.00	+\$16,757.00
400 Public Works	\$268,163.00	\$126,348.00	(-\$141,815.00)
500 Recreation	\$87,670.00	\$90,124.00	+\$2,454.00
550 Comm. Invest	\$39,000.00	\$23,600.00	(-\$15,400.00)
600 Capital	\$99,800.00	\$117,750.00	+\$17,950.00
700 Reserves	\$88,220.00	\$73,800.00	(-\$14,420.00)
800 Fixed	\$287,981.24	\$353,843.00	+65,861.76
900 Assessments	\$376,410.00	\$386,505.00	+\$10,095.00
Total:	\$2,197,992.68	\$2,043,880.00	(-\$154,112.68)

Budget Committee Recommendations

Directive from Council: Reduce each department by 20% due to the possible reduction of state funding for revenue sharing to the towns, changes resulting from the separation from the RSU and some unfunded commitments from the previous budget in an effort not to raise taxes on the community.

To that end the budget committee has reviewed all of the departmental requests, took input from the community during our meetings and deliberated. The committee recognizes that without structural changes in the provision of services little than minor reductions can be made. Nonetheless, we are making the following recommendations for your consideration:

Municipal: Background-Staff salaries are the major component for all the departments within the municipal side of the budget. Some of the salaries are negotiated and are under contract so changes may require re-opening of negotiations. Salary reductions would most likely affect the level of services provided and the council may want to consider "What level of service is optimal?" Significant changes could only be achieved by structural reorganization such as that of the public works department during the past budget cycle. Please refer to the minutes for specific discussions and line item amounts.

- Executive Department: \$306,024 20% decrease April 17th minutes
- Fire Department: \$234,697 -0% decrease (with sale of engine 191 ~ 16.1% decrease)

Note: changes to personnel will bring this down further

Police Department: \$331,189 5% decrease proposed + plus the following reductions <u>predicated on the governor's proposed cuts being implemented</u>:
 Uniform line, 2 Cruiser repair line, 3. Training line, 4. Subscription, 5.
 Office supplies. This results in a 6.7% decrease. See <u>April 17th minutes</u>.

Notes Changes to personnel and coverage can bring this down further.

- Public Works: \$126,348 for a 35% decrease over the previous year. See also minutes of April 9th for other recommendations.
- Parks & Rec: \$90,123 proposed for a 1% decrease.... See <u>April 9th minutes</u>
 where the committee recommends charging higher fees to make most of
 the programs offered self-sustaining through fees. This is especially true for
 the summer and after school programs. <u>See April 9th minutes.</u>
- Community Investments: \$23,600 for a 25% decrease. The committee had many questions and recommendations for this category. See notes of <u>April</u> 17th page 2.
- Capital Accounts: \$117,750 for a 9% reduction.
- Mandatory Assessments: \$386,505 for a 44% increase over the previous year due to an oversight of the sewer assessment payment. <u>April 17th minutes</u>

Veazie School: Background-The committee has looked at the proposed school budget for 2013- 2014 and like the municipal side, the staff and supporting staff make up the major cost categories. The Veazie School operating costs are much higher than the State of Maine averages for the K-8 grades but in line and slight below State average for the high school grades (see attachment). This is due primarily to low teacher/pupil ratios and economies of scale. At the present time, there are 12 teachers in the school for 10 grades. The pre –K class was added in budget 2009-2010 school year and the cut off is 12 students. If pre- K enrollment goes higher than 12, a second section is added. In other grades, if the size is considered large (23 students) then the class is split. Overall, two teachers are used in a flexible way to split large class sizes at the school. From the 2008-2009 budget years to the proposed 2013-2014 school year, the salary increase for teacher salaries is 19.6%. A decrease of one F/T teacher would have savings of approximately \$69,330 and would mitigate one less "split class" teacher.

Besides staffing areas, operating costs within the Veazie Community School continue to climb. A number of these costs are discretionary and could be

postponed or reconsidered. Building cost items such as custodial and ground maintenance should be bid out or worked in conjunction with the town municipal side for the best price. See April 23 minutes

• \$4,394,547 proposed 2013-2014 with a request for town funds of \$2,904,082 for a decrease request for town funds of 2.9%. The budget committee suggests a decrease of \$100,000 to Veazie School's presented budget for a total new total of \$4,294,547. Even with this additional reduction the 2013- 2014 budget is \$213,950 above the 2008-2009 budgeted amount. We believe that the additional cut of \$100,000 would not impact the overall quality of the education provided by the Veazie Community School and would put Veazie more in line with Maine State averages for cost per student.

The budget committee would like to continue the contingency funds for the High School and Special Ed at the level presented in the budget.

Lastly, the committee feels that more cost savings could come in the 2014-2015 budget when teacher salaries/benefits are negotiated and when there are better historical numbers for the various budget lines of the Veazie Community School as a standalone school. Administration including superintendent costs could be an area for cost savings if not this year then next year.

Managers Report For May 6, 2013

This has been an extremely busy two weeks since the last regular scheduled council meeting. We have had numerous budget meetings and I have continued to rework the budget in hopes of providing you with the most accurate information that I have and that I think you may need. Besides working on these items this is the other things that I have been working on and/or doing:

- 1. Storm water Compliance meeting with Phil Ruck as we near the end of our 5 year MS4 permit. We will need to continue to work on this so we can get re licensed in June
- 2. I had a meeting with the owner of Qualey Granite who wanted to discuss the acres of commercial property that is located behind his business and if the town has any interest in use of this. I explained that this would be a better discussion when we are in a better financial position
- 3. I spoke with a member of the cable consortium reference Veazie's involvement. I have reviewed the contract and provided feedback. I would anticipate that we will be seeing a final draft for approval in the not to distant future.
- 4. I completed the application for permission to hang the flags on Bangor Hydro Poles. This has since been approved and flags will be installed soon
- 5. I have met with Dana from the Sewer District and spoke to him about his desire to hire Dennis to do work for the sewer district. Since meeting with him I have also met with Jim Parker who relayed that the Sewer District would like to share the cost of Dennis between the Town and the District. The District would pay all associated cost for the hours that he worked for them. This is something that will need to be discussed soon as they are looking to implement this by mid May if we can come to an agreement. Parker also discussed the District's desire in using front office staff in the same manner in the future to assist with billing and collection of payment. This request would not occur until after another billing cycle has occurred but again the district would pay any and all associated cost per hour for the use of the person.
- 6. I received and reviewed a complaint about the need for a stop sign in the area of Buck Hill and Jackson Drive. A review of this did not lead me to believe that an installation was necessary. I have requested that the Police Department focus on this area during different times of the day to possibly curb the complaint.
- All reports for the annual book have been completed and are in the process of being complied. We are looking for ways to produce this book at a reduced cost from previous years.

Managers Report Continued

- 8. I met with a person from a company called Medi Vision reference different options for health insurance for the Town of Veazie in hopes of savings. I need to contact the City of Old Town as they have been using this company since July of 2012. I am going to recommend a presentation at a future council meeting. From my initial meeting it appears the cost savings would be great with no reduction is coverage for the employees.
- 9. I have also met with a representative from All State on additional insurance coverage that they can provide to employees.
- 10. I contacted John Holden reference purchasing flooring to replace the damage floor at the Community Center and he relayed that this was an acceptable capital expenditure for TIF money. I am still awaiting pricing to complete the job. Once received those numbers will be shared with you for guidance.
- 11. We had a safety inspection performed by MMA. I have not received the report back at this point but I believe the report will be in our favor. Once received I will provide for review
- 12. I have met with the assessor on numerous occasions and I am trying to have realistic numbers for you're review by the council meeting outlining the projected mill rate. I am having him complete the numbers using 3 scenarios. These being; 1) flat funded 2) revenue following the law 3) with governor's proposed budget.
- 13. I met with a group that is looking to open a senior center in Orono at the old Med Now building. They are calling themselves Gateway Senior Center and I anticipate they will come before you in the future to make a presentation.
- 14. I participated in a CDBG Grant review and was able to get 2 more Veazie citizens approved for repairs to their homes.
- 15. I have begun going back over my notes from previous meetings so that I can begin working on the numerous projects that have been put on hold during the budget process. One project that we haven't discussed but should at a future meeting is looking at the Towns Comprehensive plan. This is normally done every 10 years and ours is past do. This project will be a large undertaking but needs to be completed.
- 16. Finally, I am having Staff type the Town's Charter into electronic format as this document too needs to be reviewed and updated as a complete review has not been done for an extended period of time

As you can see it has been a busy few weeks with no immediate relief insight as we continue to prepare for the town election and meeting. If I have missed something or you have a request please don't hesitate to contact me.

Mark Leonard

Agenda Items For May 6, 2013

Item 1: Tonight I will provide an overview of the FY 13/14 Budgets for all Municipal Departments.

The Departments heads will be with us to answer any questions that I am unable to provide you with.

The requested funding for the Municipal side is \$83,426.80 less the requested funding for FY 12/13.

BOARD OF APPEALS WORKSHOP

May 22, 2013 at 5:30 PM Veazie Town Hall, Conference Room

AGENDA

- 1. Introduction of Benjamin F. Birch Jr. Town of Veazie, Acting Assessor
- 2. Appointment of Officers:

17

- Chairperson
- Vice Chairperson
- 3. Discussion for Training:
 - The Appeal Process

If you are unable to attend please notify Bangor Assessing Office at 992-4209



The East Eddington Community Church

Presents

The Bill Birch Benefit Golf Tournament

Saturday, June 29th, 8:00 AM Shotgun Start
Registration 7:30-8:00
\$60.00 per player includes Greens Fee, Cart, Lunch, Door Prizes
Free Golf Club for every player!
Prizes for 1st & 2nd Gross & Net



* Hole 5 – Toyota Avalon – Downeast Toyota

*Hole 7 – Cleveland Black Pearl Irons

*Hole 12 – 8 Day trip to Hawaii

*Hole 17 – \$500 VISA Card

Also for purchase, 50/50 raffle, Mulligans, Putting Contest

THANK YOU FOR YOUR GENEROUS SUPPORT ___ \$500 Corporate Sponsor ___ \$250 Tee Sign Sponsor ___ \$ 60 Player Fee Name Handicap

		Water Control of the Control	
			1200

Make Checks Payable to **East Eddington Community Church** and Mail to...

Rocky Knoll Country Club c/o Bill Birch Tournament 94 River Road Orrington, ME 04474 Meeting of the Orono-Veazie Water District Trustees

Held at the District Office on January 8, 2013

Meeting # 411 called to order at 7:00 p.m.

Present: Trustee McCormack, Trustee King, Chairman Hall, Trustee Fortier, Trustee Borneman, and Supt. Cross

Minutes of meeting # 410 approved as written.

- Item 1. A true list of water service assessments for December 2012 in the amount of \$77,702.18 was committed to Dennis Cross, Treasure by vote of Trustees.
- Item 2. Dennis updated the Trustees on the continued Penta Corp. situation.
- Item 3. Trustees reviewed the Income & Expense Statement for December 2012.
- Item 4. Trustees reviewed the proposed Capital Budget set for 2013.
- Item 5. Dennis informed the Trustees about a joint claim against the Town of Orono and the Water District.
- Item 6. Trustees reviewed Bids for the sale of 2008 truck and authorized Dennis to accept the high bid.
- Item 7. Trustees reviewed the Districts Water Accounting Report for 2012.
- Item 8. Trustees reviewed the Personnel Policy.
- Item 9. The meeting adjourned at 8:25p.m.
- Item 10. The next meeting will be held at the District Office at 7:00 p.m. on February 12th 2013.

Respectfully submitted,

Meeting of the Orono-Veazie Water District Trustees

Held at the District Office on February 12, 2013

Meeting #412 called to order at 7:00 p.m.

Present: Trustee McCormack, Trustee King, Chairman Hall, Trustee Fortier, Trustee Borneman, and Supt. Cross

Minutes of meeting #411 approved as written.

- Item 1. A true list of water service assessments for January in the amount of \$187,813.70 was committed to Dennis Cross, Treasure by vote of Trustees.
- Item 2. Dennis updated the Trustees on the final resolution of the Penta Corp situation.
- Item 3. Trustees reviewed the Income & Expense Statement for January 2013.
- Item 4. Trustees reviewed and approved the Personnel Policy.
- Item 5. Dennis updated the Trustees on the ongoing work to address the Trihalomethanes (THM'S) disinfectant situation.
- Item 6. The meeting adjourned at 8:00 p.m.
- Item 7. The next meeting will be held at the District Office at 7:00 p.m. on March 5, 2013.

Respectfully submitted,

Meeting of the Orono-Veazie Water District Trustees

Held at the District Office on March 5, 2013

Meeting #413 called to order at 7:00 p.m.

Present: Trustee McCormack, Trustee King, Chairman Hall, Trustee Fortier, Trustee Borneman, Supt. Cross, Robert Swindlehurst, Wright Pierce- Jeff Musich, and Naleen Mayberry.

Minutes of meeting #412 approved as written.

- Item 1. A true list of water service assessments for February in the amount of \$74,950.69 was committed to Dennis Cross, Treasure by vote of Trustees.
- Item 2. Robert Swindlehurt at 9 Sunset Drive Orono believes his water bill is too high. After much discussion of his 3/5/13 letter Trustees decided to consider how to deal with this issue at future meetings.
- Item 3. Trustees had discussions with Wright-Pierce engineers regarding adjusting the Plant's operations in order to attempt to improve the Trihalomethanes (TTHM'S) situation. Trustees authorized Dennis to contract with Wright-Pierce for Step 1 services etc.
- Item 4. Trustees reviewed the Income & Expense Statement for February 2012.
- Item 5. The meeting adjourned at 8:30 p.m.
- Item 6. The next meeting will be held at the District Office at 7:00 p.m. on April 9th.

Respectfully submitted,