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