**BUDGET COMMITTEE MEETING MINUTES FOR 2-8-17**

**ROLL CALL/SIGN-IN:**

|  |  |  |
| --- | --- | --- |
| PRESENT: |  |  |
| Bettie Harris-Howard | Laura Bragg | Sean Bright |
| Deborah Wilson | Skip Wood | Rebecca Beal |
| Corinna Cole (alt) | Jeri Basko | Judy Churchard |
| ABSENT: |  |  |
| Becky Batchelder |  |  |
| SELECTMEN: |  |  |
| Royce Heath | Paul Nadeau |  |
| PUBLIC: |  |  |
| Dana Coull | Chip Harlow | Ben Thompson |

 **MINUTES:**

Minutes for the 2-1-17 Budget Committee Meeting were read and approved with corrections. Bettie motioned. Jeri seconded.

Bettie was concerned about the lack of budget work done this week by the BOS. There are no budgets ready for us to review. She suggested that we could do a few that are likely to be without controversy. She asked how we would like to use our time. Rebecca Beal talked about some work she had done to revamp the organization of the Highways Budget. She looked at the budget and pulled out supplies and made suggestions for making the budget easier to understand.

**OLD BUSINESS:**

* **Conservation Commission Scholarship:** Selectmen confirmed that legal suggests that the Scholarship money should not be in the budget because we would be budgeting taxpayer money for private use. The money should be in a warrant article subject to approval of voters. Therefore, we recommend decreasing the Conservation Commission budget by $150.
* **FICA** rates are wrong on many budgets. It has been calculated at 8% for most budgets. The Town Treasurer has said that he will correct it to the current rate of 7.65%. CEO, Transfer. Fire & EMS, Recreation, Library, and Highway budgets need to be corrected. Sean estimated that this should result in real savings on the overall Town budget.
* Chip Harlow clarified the Budget Committee Column on the Budget sheets that caused the disagreement at the BOS meeting on Monday**.** Since we don’t need all years’ numbers to discuss a proposed budget, we are provided with 3 years. The budget sheet is incorrect. The “years” header at the top need to be corrected. It should read as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| FY 2014or 2013-14 | FY 2015or 2014-15 | FY 2016 or 2015-16 | FY 2017or 2016-17 | FY 2018or 2017-18 | FY 2018 or 2017-18 | FY 2018 or 2017-18 |
| ActualExpended | ActualExpended | Actual Expended | Budget Approved | Dept. Head Request | Bud. Comm. Rec. | BOS rec. and Approved |

The confusion was attributed to the rapid turn-over in the Town Treasurer’s office and lack of available training for the new Treasurer. The process the Treasurer is using is to enter data into Excel and then transfer it to Trio. Chip mentioned that the process used to be that the Chiefs do the budget and bring it to the Budget Committee. Then it went to the BOS. He asked when that changed. Nobody knew.

* **Revisit the Highway Dept Budget**:
	+ Laura presented a copy of **invoice #10165** for work by Tom Torno, which was paid with check #25199. It explains that his 1-ton was paid for one patching 10-hour day (9-2-16) and 2 excavation 10-hour days (9-27 and 9-28-2016). For a total of $1560. A 10-hour day with a 1-ton is paid at $52/hr or $520 total. Confusion remains because this is paid to his business which has the same vendor number he uses as Road Commissioner. Deb mentioned that this was discussed at the BOS meeting. They talked with the Treasurer and he said it can’t be changed. Our suggestions were to List “Tom Torno, R.C.” and “Tom Torno, 1-ton”, or to give his business a different vendor number. For clarification, Tommy has 2 trucks. The pick-up truck is used in his official role as Road Commissioner and he receives a weekly reimbursement of $50 in lieu of mileage. The 1-ton is his business.
	+ There was discussion of the work Rebecca Beal had done to clarify the budget. Rebecca Beal reported that she had done some work on the budget print-out we were given. When all the supplies are pulled out of the budget lines, this is the result:
		- * Office supplies $573.14
			* Safety Supplies $2526.26
			* Tools $695.84
			* Miscellaneous supplies $184.87

She reported that she is not an accountant, but if these figures are close to correct, the total for supplies is $3980.11, not $500. When asked, Ben said that a lot of work had been done on this budget when he was Selectman, but it has reverted to the lack of detail in the budget we were given.

* Chip reminded us that as Budget Committee, there is nothing we can do. This is a Board of Selectmen issue. We can make recommendations to BOS. Our vote on the Budget is our only power.
* Bettie voiced frustration about how to deal with this.
* Deb commented that the BOS won’t work with us. We can make recommendations, but they don’t act on them. We ask questions and don’t get answers.
* Jeri also voiced frustration about the lack of details in the **hours billed** on various lines of the Highway budget.
	+ Excavating---375 hours in 4 months. That’s a lot of truck time.
	+ Ditching--265.6 hours billed in July, August, and November. There is no accountability in the budget. We do not need to repeat ditching.
	+ Signs—32.8 hours. It is in the wrong category.
	+ Shoulders—198 hours, mostly July, August, and Oct.
	+ Brush cutting—18 hours
	+ Culverts—52.1 hours, lots more to do.
	+ Paving--94.33 hours.
	+ Tree cutting-- 528 hours, including Abbot Tree.
	+ Grading—41 hours
	+ Cold patching--240 hours on one line and 43 on another.
* Royce added that more holes are filled in warm weather than cold.
* Judy mentioned that detailing which roads the cold patch was applied to and when might indicate which road are in need of paving.
* Laura mentioned that the BOS controls the money in the budget.
* Corinna suggested that we should create a Highway subcommittee to go over the budget. The subcommittee would work with the Road Commissioner to create a multi-year plan.
* Sean said that there were a lot of good ideas being tossed around. He agreed that what it would take is a subcommittee to provide oversight on the budget.
* Chip said that one number is voted on and the Road Commissioner can spend it as he wishes. Royce said that the line item budget is not voted on by the voters. Transfers between lines are done by paperwork submitted and a vote of BOS.
* Sean estimated that in 2015-16 the Highway budget ended with $61,000 unexpended. That doesn’t mean they don’t need the money as plowing and sanding are unpredictable lines.
* Corinna asked why there are no longer “Highways in Summer” and “Highways in Winter” budgets. Sean wanted to know when that changed. Paul said the Accounting firm advised the change.
* Ben mentioned that according to GASBY 34, municipalities are required to keep track of assets in the town. It was supposed to make reports easier to understand. Road are the best asset in Lebanon.
* Ben agreed that Tommy should come in and discuss a plan for next year with the BOS.
* CIP (Capital Improvement Projects) is in the General Fund and is not spent unless it goes toward specified fund. Royce reported that nothing has been recently approved.

**NEW BUSINESS:**

* **Discussion followed about going over small budgets** not previously discussed by the BOS. Royce felt it may be an illegal meeting for us to go over budgets that the BOS hasn’t already discussed.
* Bettie suggested we proceed. Deb motioned. Judy seconded. All agreed.
* Bettie asked how long we felt our meetings should be. Sean said that if we have questions, there will be questions. Therefore, we should continue until we are done. We should keep the side conversations to a minimum. We may have some long meetings. Everyone was in agreement. Bettie motioned that we continue the meetings until the business is done as long as we have a quorum (6 members). All in favor.
* Judy mentioned that waiting for copies to be made, distributed, and hole-punched is taking too much time away from the meeting. She suggested that we could start at 6:00 getting the paperwork ready and put the paperwork in piles at seats. Bettie motioned and Judy seconded. The meeting will not officially start until 6:30 as some members cannot come early.
* We discussed what to do about the budgets that don’t make sense due to missing details of how the money is spent. Judy mentioned that the larger budgets are the problem. Corinna repeated the suggestion that we form small subcommittees to go over the budgets and make suggestions; especially EMS, CEO, Highway, Transfer, and General Government. Bettie commented that in her heart of hearts, she cannot let the budget go this year. Sean said that pushing things aside means we will have the same predicament year after year. Bettie motioned that we pull in outside expertise to help us on the subcommittees and that the department heads should be invited. Deb seconded. All in favor. Bettie motioned that we create subcommittees for this purpose. Sean seconded. All in favor.
* Subcommittees were formed.
	+ CEO—Deb, Laura, Corinna
	+ Highway—Laura, Skip, Jeri, Judy, and Becky Beal
	+ Fire and EMS—Sean and Becky Beal with Skip as an advisor
	+ Transfer—Deb, Laura, Judy, Sean
	+ General Government---TBA
* Bettie motioned that we should not invite the Selectmen to the subcommittee meetings because the Town has to pay them for their time and we are already asking a lot of them. They are welcome to attend as a private citizen. Deb seconded the motion. Approved 5 for: 4 against.
* Discussion followed on ways to make it easier for the Secretary to do the minutes. Dragon Software is a good option but would involve some cost. Chip mentioned that a digital recorder is another option. Dana Coull who was video-taping the meeting said that as an observer it would be helpful if only one person was talking at a time. Multiple conversations make it hard to understand the video tape. It was agreed that we are a passionate group of people who care deeply about our job and want to understand. We agreed to try harder.

**NO-SPRAY BUDGET:**

 This contract is paid once a year in October. The amount of the contract is $22,199. No one had any issues with that budget.

**RELIEF AGENCIES BUDGET:**

It was discussed that these agencies always request money and sometimes ask for more. Deb asked what the Southern Maine Agency on Aging does and why Lebanon no longer receives Meals on Wheels. Judy asked Royce to provide us with copies of the letter the agencies send detailing how many households in Lebanon benefit from their services. Deb suggested that we table the Relief Agencies budget until we get more information. All agreed.

**HYDRANTS BUDGET:**

This is a 99 year contract so it never changes. All agreed it was a good deal at $1680.

**MAPPING BUDGET:**

Mapping involves recording Real Estate transfers over the year and changing boundary lines as needed. Bettie said she felt that $7000 should be enough since there was an unexpended balance of $1403. We decided to leave this budget alone as there are several new subdivisions in process.

**DISPATCH BUDGET:**

 Bettie said that we can predict that this budget may increase 3% which is the current rate of inflation. That would be a $1400 increase in the fee for dispatch. Tower will stay the same because it is a contract. The new total for this budget would be $58,493. It was thought that would be a reasonable increase.

**OTHER BUSINESS:**

* Deb asked about the Historical Society’s upcoming 250th celebration. Royce said that the BOS would write the warrant for that which will be checked by legal.
* Bettie asked who types the warrant budget paper. Royce said it is the Town Clerk.

**PUBLIC PARTICIPATION:**

Chip Harlow has some questions and comments about the CEO Budget.

* Dues and subscriptions: Why have they gone up from $250 to $450? The answer given is that it is only $350. This is because he needs a membership to ICC which will provide him with new code books and up-to-date codes which will prevent possible legal action against the town. Therefore, money saved!
* Line Item Accountability: money has been moved around.
* Maine has adopted the 2009 codes. What does he gain from ICC membership? The answer given is that he gets new code books which can be shared with other Town departments and committees. Also, the membership provides updates to regulations.
* A question about payroll taxes: the answer is that the Treasurer is aware of the issue with FICA payments and will be correcting it.
* He asked a question about why both the CEO and the Deputy CEO were paid on the same date. The answer is that the Deputy covered the office while the CEO was at class.
* He asked about a fuel reimbursement on 8-1-16 and was told it should have been listed as mileage.
* He asked why the payroll taxes vary when the check amount is the same. No one knew the answer to that question, but it will likely be corrected when FICA is fixed on budgets.
* He asked about an item “Shirts for CEO” for $168 under books. Shirts are not books. Do we pay for uniforms? It was mentioned that Fire & EMS get 1 hoodie and 1 tee-shirt. If they want more, they are free to buy them personally. Something for the subcommittee to look into.
* He asked about books again. The CEO is ordering books for current regulations. The membership in ICC provides him with updates. Ordering on-line does not. Bettie mentioned that she has the current book from a class she went to. The CEO has to call her to find out what the regulation is in her book.
* He asked about the door magnets listed under “printing”. The answer was that the magnets are printed for his vehicle so people know who is driving in their driveway.
* There is some confusion about one +$5000 and two -$5000 lines on the budget for photocopying. Something for the subcommittee to look into.
* He mentioned about some confusion on the Transfer Station budget. Waste Management was paid twice in July, 2016. One of those payments should have been under the previous year’s budget. The result is that 2016 had an extra payment, so it looks higher than it really was. Something for the Transfer subcommittee to look into.

Corinna invited Chip to work with the CEO Subcommittee, but he declined.

**NEXT MEETING:**

The Next Budget Committee meeting will be Feb. 15, 2017 at 6:30 pm in the Selectmen’s office.

**AGENDA:**

**Old Business:**

* Budget Committee Subcommittees—How will they work? Where will they meet? How to contact Department Heads for invitations to attend? What subcommittee/s does Becky Batchelder want to be on? What about Bettie? Should she float between subcommittees?
* Relief Agency Budget—we need the letter from the agencies detailing how the money was used in Lebanon.
* Questions for Selectmen about Transfer Station.

**New Business:**

* Reports from subcommittees
	+ Highway
	+ Fire
	+ Transfer
	+ CEO
* New Budgets

Jeri motioned to adjourn the meeting at 8:55 p.m. Judy seconded. All in favor.

Respectfully Submitted,

Rebecca W. Beal