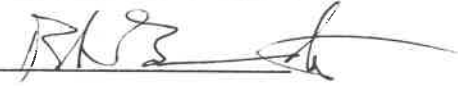


Robert Thompson



John Allen

Richard Bennett



**Budget Hearing #1  
January 23, 2018**

**Present:** Chairman Bob Thompson, Selectmen Richard Bennett and John Allen

**Visitors:** Town Administrator Julie Atwell, Town Administrative Assistant Julie Hoyt, videographer Hank Benesh, Bea Davis, Bob Davis, Marilyn Rodes, Town Clerk Karen Burton, Willis Kelley, Road Agent Patrick Kelly, Peter Benson, Kathy Dougherty, Jerry Dougherty, Joyce Allen, Linda Dresch, Hank Dresch, Roger Aubrey, Betsey Harding, Nancy Davis, Fire Chief Jay Henry, Barbara Campbell, Margie Furlong, Chief Perley

The meeting was called to order at 3:50 pm

Chairman Thompson began the meeting by explaining the budget is broken out by department and each line item within the department will show where the budget stands. If an increase is needed there will be an explanation on the side to help us better understand department needs moving forward.

Chairman Thompson began to run through the Operating Budget for the Selectmen and started by explaining the 3% increase that would be seen throughout each department.

Bea Davis inquired whether the 3% is now town wide policy. Chairman Thompson answered it is in the Employee Handbook and is commonly done in many towns. The town of Conway does have a step 3% policy in place. With a 2% cost of living increase nationwide, the Selectmen felt the 1% leftover was a reasonable merit increase for staff. The Legislative body approves the policy and anyone not in agreement is welcome to put forth an amendment stating such.

Joyce Allan stated she is not in favor of the 3% automatic increase and has spoken to a number of folks from other areas/ towns that said it is not the norm. Doesn't know why we have to do 3%.

Selectman Bennett felt the 1% on the merit side is good policy to help keep well trained employees and shows appreciation.

Barb Campbell, introduced herself as the CFO of the Echo Group, wanted to know if there is an automatic 3% or is there a discretionary factor in the policy? Felt we do not need to follow other towns and need to make judgement calls.

Chairman Thompson stated we have compared differences between private companies and municipalities. There are many different ways to account for merit and cost of living and we do not have a formal formula. Looking at the Cost of Living increase over the past few years it seems to be typically 2% which is what they then added the 1% merit increase onto.

Jerry Dougherty would like to know how the 3% increase translates to the taxpayer. Chairman Thompson stated it roughly equates to about \$9.00 per \$100,000 or \$27 per year for the owner of a \$300,000 property.

Selectman Bennett said the 3% is a starting range for budgeting purposes and that number can fluctuate either way.

Chairman Thompson mentioned the results of a study done a few years ago that showed the rate of pay for our employees was in the middle to lower range compared to other equitable towns.

Willis Kelley pointed out the #1 complaint he hears from businesses in this region is that they cannot get or keep help. He feels the town employees are dedicated and this is a small way to provide support and encouragement. He is in favor of the 3%.

Chief Perley provided some comparisons to the Conway area Police, municipal agencies, and Carroll County Sheriff's department that all use the step system for raises. He spoke to the difficulty also in getting good help and keeping them as a number of police officers swap positions to go to towns offering better salaries. Citing national statistics he mentioned 99% of companies surveyed were going to issue 3% raises to the majority of their employees and slightly more for their management.

Selectman Allen mentioned employees will take a \$350 hit for insurance increases this year and that amount basically negates 1% of their increase.

Joyce Allan wanted to be on record saying that though the \$27 per household doesn't sound like much it adds up when you include the other increases and she is not in favor of it.

Peter Benson pointed out that material items are easily replaceable but employees are your most valuable resource. This town is lucky to have a stable work force and 3% is in the range of where an increase should be.

### **Moving on to the individual budgets:**

**Town Clerk** – Jerry Dougherty inquired on the legality of having the Town Clerk, as an elected official, receiving the 3% annual increase. Julie Atwell responded that the town sought legal counsel on that issue. Karen Burton stated that warrant article #14 was approved in 2017 for this annual increase.

**Financial Administration** – Noted that the telephone expense for the Town Office building was consolidated and now can be found under the General Government Parks & Buildings budget. Julie Atwell also noted the School and Town budgets cannot be combined into one printed booklet due to differing deadlines and timing.

**Legal** – We were advised to keep legal expenses at the current budgeted level.

**General Government-** Pete Benson questioned the increase over actual budget for the Old Library. Julie Atwell responded they are looking at various options to keep costs down for the future.

**Insurance** – Barb Campbell questioned the \$50,000 increase and wanted to know how many

employees were covered. Julie Atwell responded rates have increased and that the cost varies depending on which plan folks choose. The amount the employee contributes ranges from 2 – 9.5% though the town amount doesn't change for the 10 employees that are covered.

**Chairman Thompson stated that more detailed information can be provided for the next budget hearing.**

**Police** – Chief Perley explained the increase in his department wages. Willis Kelley complimented the department on good visibility and professionalism but wanted more information regarding department coverage in the evenings. Chief Perley cited an analysis conducted by the Sheriff's Department on call volume for the past year. Based on ALL calls it showed that 98.3% of all call occurred from 6 am to midnight thus Chief assigns his staff to work during those hours. Joyce Allan wanted to know about coverage after hours whether it is 'on call' staff or the Sheriff's department who responds. Chief Perley explained the 'call tree' which starts with available Sheriffs then transfers to available State Police and then to the Jackson staff in that order. Jay Henry wanted to know how the Labor and Fair Standards Act applies to other agencies. Chief Perley responded that if the 'On Call' personnel has to be ready within standard parameters then he would be concerned about labor challenges which can go back 3 years.

**Fire** – Jay Henry spoke to the need to increase the number of special gear firefighter sets purchased to replace older gear. There are many variables in gear usage but the recommendation is to replace gear every 10 years. Peter Benson mentioned the need to outfit new members as well. Selectman Bennett questioned the \$6300 line item for Hydrant Services. Jay Henry stated that had to do with the water precinct and couldn't speak to it. Willis Kelley recalls it having to do with a major upgrade to the precinct a number of years ago. To accomplish the upgrade the town was asked to assist. Willis thought a statute was in place regarding the providing of services as additional income. **Chairman Thompson asked to have more detailed information for the next budget hearing.**

**Highway** – Patrick Kelley spoke to the request for money to purchase a mini excavator. They have been renting one annually for up to weeks at a time and over time it will prove more cost effective to purchase one. The cost on a new one is \$63,000. Selectman Bennett questioned the best way to go about this; whether by creating a bond; buying outright, or lease to own – with a bailout clause. Jerry Dougherty stated a lease to own involves financing, whereas a bond will have a lower rate, but also pointed out the monies available in the (Capital Reserve Fund?) **Chairman Thompson noted a decision will need to be made as to which way to proceed for this; whether it would be a Capital Improvement or not.**

Julie Atwell brought up an item not listed under the Highway budget; the maintenance of the Gray's Inn Garage. Selectman Bennett felt it was not worth putting any money into that building at this point to make improvements. Willis Kelley suggested the Selectmen appoint a committee to review and assess the current and future needs of town buildings. Betsey Harding mentioned the Planning Board would be willing to assist in undertaking such a project. **Chairman Thompson put out the call to find a committee willing to take a comprehensive**

**look at all facilities.**

**Solid Waste Disposal** – Groundwater monitoring on Melloon Road has been approved by the Department of Environmental Services to go to a bi annual test vs the current annual test. Funding for this line item is moving to Capital Reserve Warrant Article for \$3000 annually.

**Animal Control** – Joyce Allan inquired who the animal control officer is and Chief Perley responded the police department is currently fulfilling that role. This line item will become an expense line rather than a wage line.

**Library** – Roger Aubrey said the library had a trial period of having the library open on Sunday afternoons last summer and it was well received. They would like to continue to do this for 4 hours per afternoon on Sunday afternoons on a year round basis. Under the Utilities line item is money to power wash the windows and a position to help with accounting procedures.

**Valley Cross Rd Bridge** – Discussion ensued over the bridge after the cost estimate of a million dollars was brought up to fix it. Jerry Dougherty questioned whether the bridge could be turned into a walking bridge to save money. Linda Dresch felt that would impact the folks that lived on the Black Mountain side that utilized the bridge to access the falls, and other areas north of the bridge on Carter Notch Rd. Jay Henry stated that from a fire protection standpoint the bridge does allow access to a fire pond. **Chairman Thompson said that an engineering firm would need to conduct a feasibility study for that.**

**Recurring Articles** - Jerry Dougherty presented the suggestion to cut the dollar amount that is going into the Capital Reserve Fund in half. With the cut in half then create a bond for the other half as there is minimal difference in the rates. He felt that the Selectmen are the agents to expend the Capital Reserve Funds and since the monies are there then it eliminates the need to have the Legislative Body to have any say in how it is used. Willis Kelley argued that the need to set aside these monies in good years is critical to get a start on funds to purchase Capital equipment items that will be needed in years to come. Jay Henry commented that the dollar amounts being requested are minimal when compared to the total costs of items. The question was raised on whether the current Reserve Funds are invested or not and Julie Atwell answered the Trustees of the Trust Funds do invest. **Chairman Thompson suggested input on the investments and income revenue be available at the next meeting.**

Selectman Allen felt it wise to consider the suggestion to cut the rates set aside in half and raise a bond for the remaining amounts on a few of the larger purchases.

**Chairman Thompson suggested we look further into the options.**

**Warrant Articles:**

Jerry Dougherty asked Selectman Allen to report on the Eastern Slope Regional Airport. John stated that Mark Hounsell has reorganized the voting membership; they are trying to buy a hangar, they've done maintenance, and are looking at making improvements, etc.

Willis Kelley wanted to clarify as the Moderator what the Department of Revenue Administration requires. At Town Meeting he is able to accept amendments on individual line items only as a suggestion to the Selectmen from the townspeople as advisory. The final total budget amount will reflect the amended amounts, whether it be up or down.

Jerry Dougherty thanked the Selectmen and administrators on their breakdown and presentation of the Capital Reserve Funds information.

There being no further business, the meeting was adjourned at 5:45 pm.

*Respectfully submitted by,*

G. Hutchings