

Town of Brunswick, Maine

Finance Committee Meeting

Wednesday, May 6, 2015

3:30 – 5:00 PM

85 Union Street – Conference room #206

Meeting Minutes (Approved 6/18/15)

Committee Members: Sarah Brayman, Jane Millet, John Richardson
Staff: Julie Henze, John Eldridge
Others: Bernie Breitbart, Richard Fisco, Ethan Minton (MCHPP)

1. Acknowledgement that Meeting was Properly Noticed

JH confirmed that the meeting was on the Town Calendar

2. Committee approved 3/12/15 Minutes

3. Adjustments to agenda / Public comment

No adjustments to the agenda.

Public comments – later in meeting.

4. Outstanding items

a. Governor's budget – JH presented chart of the parts of the Governor's budget proposal. Discussion of the parts, and when each was proposed to take effect. Currently the Appropriations Committee is recommending only the Telecommunications tax change. JR – anticipates the State budget won't be done until late June. *Committee would like to see the changes in state revenues over time – for both revenue sharing and state aid for education, with debt service component broken out.*

b. 9 Dunning St – court action filed, against both LLC and Pass personally. Defendant now in bankruptcy proceedings, with the notice expected this week. Hearing was postponed.

c. Follow-up items – normally would be discussed at the end of the meeting. Though this wasn't done at the last meeting, JH created a list (with due dates) at the end of the minutes. Items will stay on the list until complete or discussed again and removed by the committee. --Salary survey discussed as a longer term project, not an urgent to-do item. JR recommends using W2 income for true comparison. Look at Freeport and Saco. *Committee would like to see a cost of salaries and benefits graph.*

When committee members would like an item added to the agenda, notify JE or JH; will be reviewed by SB in the agenda meeting.

5. Financial update

April Financials – no outstanding issues or significant variances. Committee took opportunity to discuss certain lines that look unusual in the report:

Tax revenue – full tax commitment is booked as revenue when tax bills go out.

Deferred tax – budgeted as negative revenue, this is an allowance for the amount of outstanding bills as of the end of August 2015. Accounting rules dictate that these unpaid taxes may not be counted as revenue in the fiscal year.

Abatements – budgeted as negative revenue, an allowance for abatements granted during the year. *Committee would like to see a list of potential abatements.*

BETE (Business Equipment Tax Exemption) – accounts for State reimbursement of 50% of the tax on exempt equipment. 2014-15 actual is much higher than budgeted due to Molnlycke's equipment.

Public comments: Richard Fisco raised the question about a “statistical reval”.

JE discussed this as a method where neighborhoods/areas are sampled and then adjusted by a factor. For Brunswick, this might help with the leveling issue, but doesn't address the problem that most of the properties have not had a physical inspection for over 15 years.

JM – most towns have assessment online; will this happen for Brunswick when the reval is complete?

JE – this is a goal for Brunswick and the reval would include it. Currently, the assessing records are in a variety of formats and we don't want to put messy data online. Historically there have also been privacy concerns with putting info online.

SB – Understands the privacy concerns and feels it should be a Council-level discussion

6. Funding of social service organizations

In 2008 the Town stopped funding social services organizations by policy. Because of requests for funding in the 2015-16 budget, the Town Council sent the question to the Finance Committee.

- SB – Would like committee to recommend not adding anything for the 15-16 budget, but to create a task force to establish policy and procedures for the annual consideration of funding requests. Feels that the requests this year are not representative of the field.
- JM – Agrees not to add for 15-16; want to limit increases for other outside entities. (5 River Arts – still 501c3? *JH to call them and ask.*)
- JE – Clarified that there is funding for no new entities in the Manager's 15-16 budget. Though the three largest outside entities (Library, People Plus, BDA) asked for more, the budget includes a 3% increase, and they know they may be asked for additional cuts.
- SB – Noted that funding to Coastal Trans should increase because Town made a commitment to help as outside funding (Fed & State) decreases. *Would like to see ridership numbers.*
- JR – would like the item to stay in Finance Committee – so many committees already. Does not want to wait until 16-17 budget to open the funding to social service organizations. Not trying to increase the 15-16 total to be distributed, but also doesn't feel bound by previous policy.
- SB – assumes that Councilors have the right to bring individual items to the budget discussion, but disagrees that the Finance Committee should bring this particular request to the Council.
- JM – feels that groups' needs have merit, but wants to wait until 16-17 to add organizations to the mix. Not comfortable with 3% increase – in favor of fees.
- JR – wants to look at the available funds and decide how to divvy it up. Evaluate leveraging possibilities – what is multiplier effect of giving \$?
- Ethan Minton – appreciates tough choices before the Council. MCHPP request is \$40K, the amount of the increase proposed for the library. MCHPP provides most basic human need – food. Great leveraging possibilities for funds with the Good Shepherd Food Bank. Anticipating 10-15% increase in need over the next year, based on changes in SNAP and other State benefits. Has had no Town financing over the years, but would like to be included in the pie.
- JR – feels strongly about the issue and will take the MCHPP request to the Council. Feels that if the Town were to flat-fund all outside entities it would be okay to not fund MCHPP.
- JE – would like to know what the “pie” is...? Historically, the Town has treated three organizations differently than others because of relationships with each of them. Reviewed Promotion & Development lines, which include BDA.

Committee position is to recommend that the Town Council set up a policy task force.

JR will bring the MCHPP request to the Council.

The “pie” is CML, People Plus/Teen Ctr and all Promotion and Development.

(JR left the meeting at this point)

7. 2015-16 Budget

a. Review Schedule

- i. Thursday, 5/7 – Planning, PD, PW
- ii. Monday, 5/11 – BDA, Library, People Plus, School Dept
- iii. Thursday, 5/14 – Public Hearing
- iv. Thursday, 5/21 – TC budget workshop
- v. Monday, 5/26 – TC budget workshop – TC should settle on a budget at this time so that the budget can be formatted and printed for 5/28
- vi. Thursday, 5/28 – TC budget adoption

JM question about when the School budget will be available. Process is different than the Town's with the compilation at the end, after the School Board has voted on it.

SB question about cost of the new buildings in comparison to the old. JE and JH explained the challenge of quantifying the changes because of timing of the moves, and because the Rec Center at 30 Federal St was not accounted for separately in the past.

JH will work on this and bring to the Finance Committee for review and suggestions.

- b. Additional FC meeting in May – Tuesday, 5/12 or Wednesday, 5/13
SB will send out query about availability.

8. Suggestion to record Finance Committee meetings

Not discussed.

9. Additional item – Paving bid

JE told the committee that the Town participated in GPCOG's paving bid, but he is recommending rejecting all the offers and accepting Crooker's proposal to roll over this year's prices to next year. Spreadsheet from John Foster indicates that Crooker's offer is \$102,528 less than the lowest bid received by GPCOG.

Committee agrees - Manager to reject bids and accept Crooker's offer.

Follow-up items - reviewed at end of meeting with Sarah & Jane

1. Complete a salary survey – not urgent
2. Revenue ordinance – complete by summer
3. Graph of changes in state aid to education – for next meeting
4. Graph of salaries and benefits costs – for next meeting
5. List of abatement appeals – for next meeting
6. Status of 5 River Arts – for next meeting
7. Coastal Trans ridership numbers – for next meeting
8. List of social service organization which requested funds in 2015-16 – for next meeting
9. Other sources of funds for the Memorial Day Committee – for next meeting
10. Analysis of cost of new buildings – for next meeting

Meeting adjourned.