

BRUNSWICK TOWN COUNCIL MINUTES

JUNE 10, 2002

MUNICIPAL MEETING FACILITY

7:35 P.M. Chairman Priest called the meeting to Order and asked for the Pledge to the Flag.

Councilors Present: W. David Watson, Jacqueline A. Sartoris, Robert A. Galloupe, Douglas A. Rice, Charles R. Priest, Nancy E. Randolph, Thomas E. Crimmins and Stephen H. McCausland.

Councilors Absent: Forrest Lowe

Others Present: Donald H. Gerrish, Town Manager; Patricia Harrington, Assistant Town Manager; Mary Tilas Cronk, Executive Administrative Assistant; James L. Ashe, Superintendent of Schools; P. Dennis Lucas, Jr., School Board Chair; John Eldridge, Finance Director; Cathleen Donovan, Assessor; various Town Department Heads; several citizens; members of the press and the Cable 7 video crew.

Chairman Priest briefly reviewed the Agenda and explained the process that the Council would be using in conducting the business of the evening. He stated that the Council would not be hearing comments from the general public at the meeting, but would be receiving feedback from the Town Manager and the School Department relative to questions raised at the Budget Public Hearing held on June 6, 2002.

Councilor Priest stated that many questions had been raised at the Public Hearing regarding the labor contract recently signed with the teachers' union. He asked the Chair of the School Board to explain the process used during recent collective bargaining negotiations with schoolteachers. **Mr. Dennis Lucas, Jr.** explained that the School Board is required by law to have negotiated agreements with the teachers. The current agreement expires August 31, 2001. The negotiating committee began work on the new contract in October of 2001. Mr. Lucas felt it was extremely important that any misunderstandings about the process should be cleared up. He stressed two points: 1) the teachers never made any threats to strike during the contract negotiations and 2) the negotiating committee did not accept the first offer placed on the table. Mr. Lucas explained that there were several offers and counteroffers made during the negotiating sessions, and that the full School Board was kept apprised of the contract negotiations on a monthly basis throughout the process. Although the actual negotiating was not done publicly (by law it must be private unless agreed to in advance by both negotiating parties), the vote on the contract was done in a public forum.

During the negotiating phase, the school board was focused on the goal of increasing the starting salaries to \$25,000 in order to be competitive in the region. The 3.83% increase attributed to the contract is not an “across the board” adjustment – it is the increase in the total salary line.

Councilor Priest asked for an explanation of why the School Board chose to negotiate for a three-year contract. Mr. Lucas explained that there are two reasons: it is easier to manage long term planning with this contract in place, and negotiations are usually a very expensive process. Typically the School Board retains counsel to assist in the negotiations.

Councilor Sartoris asked how the teacher salaries compare to other communities. Mr. Lucas stated that the average teacher salary is higher, due to the fact that Brunswick has many teachers who are at the upper end of the pay scale. He also stated that the entry-level salary for a teacher was one of the lowest in the state. The new contract increases that starting salary so that Brunswick can be competitive with other towns in the region.

Councilor Randolph stated that she wanted to hear specific numbers regarding salaries, as opposed to “lower” or “average”. **School Superintendent Jim Ashe** responded to her request, sharing the following starting salaries within the region:

	Current Year	New Contract
Brunswick	23,908	25,000 (4.5% inc)
Auburn	24,021	
Durham	24,500	
Bath	25,000	
SAD 75	25,045	
Lewiston	25,261	
Freeport	26,456	

There are many teachers at the top of the scale in Brunswick, but the School Department is just starting to see retirements now – there were seven this year. School Board needs to be able to attract quality applicants to fill any openings that come now or in the future. Individual increases within the contract vary from a low of 1.38% to a high of 4.5%. Superintendent Ashe was very distressed by comments made at the Budget Public Hearing that the School Board had operated “in the dark” during contract negotiations. Every School Board meeting agenda from October to April had an Executive Session so that all Board members were involved throughout the process.

Mr. Ashe also stated that a comment had been made regarding Administrators’ salaries. He wanted to make it clear that the Administrators have only three steps in the salary scale. The average increase for Administrators in this budget is just over 2%. The lowest increase is 1.62% and one individual who is changing steps will be getting a 6.5% increase.

Councilor Crimmins asked for verification of the yearly teacher contract increases. Mr. Ashe explained that first year was 3.8%, second year 3.9% and third year 4.1%. These figures are based on the current staffing, and would be subject to change if there were more retirements.

Councilor Galloupe asked for verification that the increase figures were for the overall salary line and not for individuals. Mr. Ashe stated that this was so.

Councilor Sartoris asked if the process used in the teacher contract negotiations was similar to the process used with the Town's other unions. **Town Manager Don Gerrish** stated that there are 5 unions on the municipal side, all of which will expire 6/30/03. Negotiations will all the unions will start in January 2003, with a process similar to the one used by the School Board.

Councilor Sartoris then asked if the Council could set a budget rate prior to negotiations, and then negotiate that rate with the unions. Mr. Gerrish stated that in any negotiated contract there is language that states if there is not enough funding available to honor the contract, then decisions would be made on how to reduce costs. There is an understanding with the unions that there could be personnel reductions if that happens. However, by law the Town must negotiate in good faith and cannot enter negotiations saying, "This is it". Mr. Gerrish explained that the unions do not always negotiate for higher wages. He stated that a few years ago the unions settled for an adjustment to the retirement plan to allow for COLA increase in retirement benefits in the future in lieu of salary adjustments.

Councilor Priest asked Town Manager Don Gerrish to make comments on some of the issues raised at the Budget Public Hearing. Mr. Gerrish asked **Finance Director John Eldridge** to give an overview of the tax rate history for the past ten years. Mr. Eldridge made a presentation on the ten-year tax rates – a copy of his charts will be attached to the minutes. The average tax increase over the past ten years has been in a range of 4.18% to 4.31% per year, depending on how the revaluation figures are interpreted, and how the value of the Androscoggin River dam is calculated.

Mr. Eldridge also pointed out years that had significant increases and offered an explanation for each one. In 1992/93, the increase was 5.06%, due to reductions in revenues from the state, during their budget crisis. In 1994/95 the Town started paying the cost of the financing for the new high school (6.73% increase). In 1998/99, the capital costs for the library were added into the budget, resulting in a 4 ½% increase in the tax rate. In 2001/02 there was a 9.04% increase in the tax rate: there were flat revenues, employee benefit costs were up and the Town took on the operating costs of the Old High School, which added a significant cost to the tax rate.

Mr. Eldridge stated that the revaluation resulted in significant increases in property values, particularly for waterfront and rural land, which in turn raised taxes on those properties beyond the percentage increase in the mil rate. The Town has seen a shift in

the property tax burden from commercial properties to residential properties; this has been happening in many coastal communities over the past few years.

Town Assessor Cathy Donovan explained that the revaluation process is used to equalize the values that exist in town – some properties are selling for more than they are assessed for, and therefore the ratio of assessed value to market value is changing. Values that are set by a revaluation are determined by sales. Commercial properties are valued on an income approach. There was a substantial decrease in the value of the Androscoggin Dam, which played a significant part in the burden of taxes being shifted to residential properties from commercial properties.

Councilor Rice asked if some people did actually see a decrease in their taxes. Ms. Donovan responded that if the average property increased 50% in value, and an individual property went up by 50%, there would probably be no difference in the tax bill. However, under that scenario of a property that only went up 30% there would actually be a decrease in property taxes. Ms. Donovan stated that statistically when a revaluation is done approximately 1/3 of the values go down, 1/3 stay the same, and 1/3 go up.

Councilor Sartoris raised the question of what property tax relief programs might be available from the state for Brunswick residents. Ms. Donovan explained there is a “Tax and Rent Refund Program” run by the state. Forms will be available in August, and will be available at the Assessor’s Office. Staff is available to assist anyone who may need help in completing the form. There are income guidelines to qualify, and the applicant must be paying more than 4% of total income on property tax.

Don Gerrish responded to questions raised at the Budget Public Hearing regarding the Town’s audits. **Finance Director John Eldridge** explained that an audit is done each year, as required by State Law and the Town Charter. Audits for the last three years are posted on the Town website. For the last three years, the Town of Brunswick has been awarded a Certificate of Achievement for Excellence in Financial Reporting from the National Association of Government Finance Officers, and only seven towns in Maine have been recognized for this achievement this year.

Mr. Gerrish also responded to concerns raised at the Budget Public Hearing regarding the Human Services Department. Two people have staffed this department for a number of years. In the year 2001, they had 257 individual cases – some are seen more than once and some are seen at least once a month. The department is audited every year by the State for compliance with the State’s General Assistance regulations.

Town administration is currently looking at options for relocating this department to a Town owned building. There is no space available at the Town office, but other locations are being reviewed.

Mr. Gerrish also stated that requests from social service agencies were put in the budget with a recommendation from the Manager that funding levels be held to the same rate and the same recipients as were budgeted last year.

In response to a directive from the Council to take a look at sidewalks, the plan at this point in time is to do the sidewalk on Baribeau Drive using as much in-house staff as possible, although there will have to be some outside contractual work on the project. Any remaining balance from the budgeted \$40,000 will be used to do some sidewalk work on Federal Street and in other areas that need repair.

In regards to the Economic Development position, the Brunswick Development Corporation will fund the additional \$15,000 needed to get this line item to the \$50,000 that the Manager feels is necessary.

There was much discussion at the Budget Public Hearing about changes to the Community Policing Officer responsibilities. The original plan was to have the Community Policing officer cover an open position for a patrolman until September. It was not ever planned to eliminate the position, but in response to the concerns raised at the Budget Public Hearing, the Community Policing officer will not be used to cover that position for the three-month period from July to September. A new patrolman will be hired in July and the additional \$8,000 to fund that position will come from money in the proposed budget.

The Capital Improvement Program will be presented to the Council in a timelier manner in the future.

108. The Town Council will consider adopting the 2002-03 Budget Resolution for the Town and will take any appropriate action.

A motion was made by Councilor Galloupe and seconded by Councilor Sartoris to adopt the 2002/2003 Budget Resolution for the Town.

Councilor McCausland complimented everyone on their work during this year's budget deliberations. Mr. McCausland feels the Council should be responsive to the many concerns raised by citizens at the Budget Public Hearing. He was particularly concerned with comments he heard regarding tax caps – he feels it is bad government and ties the hands of those elected to conduct the Town's business. However, he understands and respects the position of those citizens who are suggesting that it would be a way to control the escalating tax rates. Mr. McCausland went on to state that he felt the Council should demonstrate their responsiveness to the community by enacting further reductions in the budget.

A motion was made by Councilor McCausland and seconded by Councilor Crimmins to amend the Budget Resolution for the Town by reducing the budget by \$55,440.00 (1/4%), to get to a tax rate increase of 2.68%.

Councilor Randolph stated that she felt going down to the 2.68% rate would take more money away from the Economic Development position, which she feels is vital to the fiscal health of the community. She would not support the amended resolution.

Councilor Galloupe responded to several comments made at the Budget Public Hearing that “there is nothing that cannot be controlled”. Mr. Galloupe stated there are several things in the budget that cannot be controlled: the County Tax and the Hydrant Rentals increase are two specific examples, which equal about 1% of the total increase. The additional ¼% percent suggested for cuts would be a lot of maintenance items which, if they are not done now will cost more in the long run. Mr. Galloupe is against any further reduction in the budget.

Councilor Sartoris agreed with Mr. Galloupe’s comments about the proposed amendment to the resolution. She also raised the point that during the ten-year period that was covered in the review of the tax rates, real personal income in Cumberland County increased at an average annual rate of 4.4%. Ms. Sartoris stated she felt the Economic Development position was vital and therefore she could not support the proposed amendment.

Councilor Rice stated he too is troubled by the tax increase, but feels the answer is to have the Council work diligently over the coming year to balance the shift of the tax burden to residential properties by increasing the commercial value of the Town through economic development. Councilor Rice supports the budget as proposed with a 2.93% tax increase.

Town Manager Don Gerrish wanted to take a moment to recognize Mr. Gilmore in the audience for his suggestions for ways the Town could increase revenue in alternate means from the property tax, and to let him know that steps will be taken to find other sources of revenue for the Town.

Councilor Watson stated he was very impressed with the comments made by residents who came out to the Budget Public Hearing. Mr. Watson stated that personally he would like to see a 0% increase in the tax rate, but knows it is not feasible. He said he was also concerned about further reductions having an effect on the maintenance of the Town’s buildings, so he supports the budget proposed with a 2.93% tax increase.

Chairman Priest explained that he was very concerned about another \$55,000 decrease in the budget, particularly as it may affect the Economic Development position and the sidewalk program. He stated that he strongly supports the development of an additional business park to attract more commercial endeavors into the Town, and therefore he cannot support the amendment to reduce the budget.

Vote on the proposed amendment to the Budget Resolution – in favor: McCausland. Opposed: Watson, Sartoris, Galloupe, Rice, Priest, Randolph, Crimmins.

Upon a request from Mr. Gerrish, John Eldridge reviewed the wording of the Budget Resolution packet for the Town with the Council before their vote.

Councilor Randolph stated that she would like to see a provision for personal property tax payments to be divided into two payments. She would like to have this on the table for discussion next year.

Vote on main motion to adopt the Budget Resolution for the Town: In favor: Watson, Sartoris, Galloupe, Rice, Priest, Randolph and Crimmins. Opposed: McCausland.

109. The Town Council will consider adopting the 2002-03 Budget Resolution for the Schools and will take any appropriate action.

Upon a request from the Town Manager, Finance Director John Eldridge reviewed the Resolution packet for the Schools with the members of the Council.

A motion was made by Councilor Randolph and seconded by Councilor Sartoris to adopt the 2002/2003 Budget Resolution for the Schools. In favor: Watson, Sartoris, Galloupe, Rice, Priest, Randolph and Crimmins. Opposed: McCausland.

With no further business before the Council a motion was made by Councilor Randolph and seconded by Councilor Sartoris to adjourn. The motion carried with eight (8) yeas.

The meeting adjourned at 9:00 p.m.

PLEASE NOTE: THESE MINUTES ARE NOT VERBATIM. A TAPE RECORDING OF THE MEETING IS AVAILABLE AT THE TOWN CLERK'S OFFICE DURING REGULAR BUSINESS HOURS.

*Mary Tilas Cronk
Executive Administrative Assistant
June 11, 2002*

Date of Approval

Council Chair

