

1. 2021-02-08 Finance Committee Meeting Packet

Documents:

[2021-02-08 FC PACKET.PDF](#)

## **Town of Brunswick, Maine**

### **Finance Committee Meeting Monday, February 8, 2021 at 12:00 PM MEETING VIA ELECTRONIC DEVICES**

*THIS MEETING IS BEING CONDUCTED VIA ELECTRONIC DEVICES  
WITH FINANCE COMMITTEE MEMBERS PARTICIPATING FROM REMOTE LOCATIONS*

***THERE IS AN OPPORTUNITY FOR THE PUBLIC TO ATTEND THIS MEETING IN PERSON,  
ALTHOUGH WE STRONGLY ENCOURAGE PARTICIPANTS TO USE THE ZOOM PLATFORM. THE  
MEETING WILL BE LIMITED TO 20 PUBLIC PARTICIPANTS, WHO SHOULD WEAR MASKS AND  
MAINTAIN SOCIAL DISTANCING BY USING THE PROVIDED SEATING.***

*THE PUBLIC CAN VIEW OR LISTEN TO THE MEETING ON TV3 (Channel 3 on Comcast) or  
VIA LIVE STREAM FROM THE TOWN'S WEBSITE*

<http://tv3hd.brunswickme.org/CablecastPublicSite/watch/1?channel=1>

The public may send e-mail messages to Julia Henze, Finance Director at:  
[jhenze@brunswickme.org](mailto:jhenze@brunswickme.org)

#### **HOW TO SUBMIT PUBLIC COMMENT**

Public Comments must be submitted through the Zoom platform by dialing **+1 646 876 9923** and entering the Meeting ID number and the password when prompted. Please be advised message and data rates may apply. The Committee Chair will make an announcement when it is time for public comment.

#### **All Votes to be Taken Via Roll Call**

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### **Agenda**

1. Select chair and vice chair **(ACTION)**
2. Acknowledgement that meeting was properly noticed
3. Adjustments to agenda
4. Capital Improvement Program – DRAFT #3
  - a. School Dept presentation – Brunswick Junior High School projects
  - b. Engineering/Public Works presentation – Bath Rd culvert
5. Processing Facility Fees
  - a. Proposed Fees – draft memo
  - b. Fee survey

**REQUESTED ACTION – Recommendation to Town Council**

6. Approval of meeting minutes from 1/23/2020 and 2/27/2020  
**REQUESTED ACTION - Approval of minutes**
7. Review Finance Committee policy  
**POSSIBLE ACTION - Amendment of policy (none recommended)**
8. 2021 proposed calendar/schedule of work  
**REQUESTED ACTION - Approval of schedule**
9. Public Comment
10. Adjourn

# Town of Brunswick, Maine

INCORPORATED 1739


## PUBLIC WORKS DEPARTMENT

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### MEMORANDUM

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**TO:** Town Council  
John Eldridge, *Town Manager*

**FROM:** Jay Astle, Public Works Director 

**DATE:** Thursday February 4, 2021

**SUBJECT:** Proposal for Graham Road Processing Area

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The purpose of this memo is to outline the proposed operations for the processing area currently located at the Graham Road facility given the permanent closing of the landfill on April 1 of this year.

#### ACCEPTED MATERIALS

The processing area will continue to accept and process scrap metal, white goods, brush/leaves/grass, wood waste, tires, universal waste, and electronic waste. Materials that will no longer be accepted include asphalt shingles, concrete/masonry, used motor oil, and items for the re-use swap shop.

#### HOURS OF OPERATION

Currently, the entire Graham Road facility (landfill and processing area) is open five days a week, Tuesday through Saturday, from 8:00 am – 3:30 pm. Trash disposal is, by far, the most common reason for visiting the facility (56% of all trips in 2020), and with the closing of the landfill we expect a reduction in visits. Thus, the processing area will have a reduced schedule of two days a week, Friday and Saturday, 8:00 am – 3:30 pm, year-round. However, we do anticipate the need to temporarily expand the number of open days during peak weeks of brush/leaves disposal in the spring and fall.

#### FEES

Visitors to the Graham Road facility currently pay \$5 per year for a permit (residential and commercial), and then are charged a tipping fee at each visit based on the material(s) that they are dropping off. That tipping fee structure is as follows:

- \$80/ton (minimum charge is \$5.00) for trash.
- \$60/ton (min. \$3.00) for scrap metal, white goods, asphalt shingles, wood waste, and concrete/masonry.
- \$30/ton (min. \$3.00) for brush/leaves/grass for commercial only, residents pay nothing.

The existing scale at the landfill will be demolished as part of the closure process, and to simplify the payment process for visitors, the fee structure will be changed. Residents and commercial entities will still need to purchase an annual permit (\$5 for residential and \$25 for commercial) and then will pay either a size-based fee depending on their material or a unit-based fee depending on their item:

#### Residential

- Free for leaves, grass clippings, scrap metal, and universal waste.
- \$10/cubic yard for brush and wood waste.
- \$10/each for white goods.
- \$5/each for electronic waste.
- \$5/each for tires.

#### Commercial

- Free for scrap metal.
- \$30/cubic yard for brush/leaves/grass and wood waste.
- \$15/each for white goods.
- \$5/each for tires.

#### REVENUE

The annual revenue generated by the sale of annual permits is estimated to be \$12,800, and the fee revenue generated by the various materials is estimated to be \$106,800. The material revenue expected is slightly higher than previous years due to the shift from a weight-based system to a load-based system.

#### EXPENSES

The decrease in revenue is offset by the substantial reduction in personnel and operating costs compared to the current facility (landfill and processing area). Expenses drop from \$416,812 to an estimated \$137,000, and based on the estimated revenue, the fees to use the processing area should pay for the expenses to run the facility and dispose of the collected materials.

The following matrix highlights the current operations at the Graham Road facility and what is being proposed for processing-only operations beginning April 1.

	Current	Beginning April 1, 2021
<b>Accepted Materials</b>		
Trash	YES	No
Recycling	YES	No
Scrap Metal	YES	YES
White Goods	YES	YES
Brush	YES	YES
Leaves/Grass	YES	YES
Wood Waste	YES	YES
Asphalt Shingles	YES	No
Concrete/Masonry	YES	No
Tires	YES	YES
Universal Waste	YES	YES
E-Waste	YES	YES
Used Motor Oil	YES	No
Re-Use "Swap Shop"	YES	No
<b>Hours of Operation</b>	Tue-Fri, 8:00 am – 3:30 pm	Fri-Sat, 8:00 am – 3:30 pm * Possibility of adding days during peak spring and fall weeks)
<b>Fees</b>		
Permit	Annual permit \$5 Residential and commercial	Annual permit \$5 Residential / \$25 Commercial
	<b>By Weight</b> Residential    Commercial	<b>By Size (cubic yard)</b> Residential    Commercial
Brush	Free            \$30/ton	\$10/cy        \$30/cy
Wood Waste	\$60/ton        \$60/ton	\$10/cy        \$30/cy
Leaves/Grass	Free            \$30/ton	Free            \$30/cy
Scrap Metal	\$60/ton        \$60/ton	Free            Free
White Goods	\$60/ton        \$60/ton	\$10/each      \$15/each
Tires	\$2/each        \$2/each	\$5/each        \$5/each
Electronic Waste	Free            Not accepted	\$5/each        Not accepted
Universal Waste	Free            Not accepted	Free            Not accepted
		* Cubic yard = 3' x 3' x 3'
<b>Customers</b>	7,763 (2020) Peak day = 120 customers Average day = 30 customers  2,011 Residential permit-holders 112 Commercial permit-holders	6,500 (estimate) Average day = 63 customers

	Current	Beginning April 1, 2021
<b>Revenue</b>		
Permit Sales	\$ 10,615	\$ 12,800
Material Fees	\$ 100,220	\$ 106,800
Sale of Material (metal)	\$ 22,100	\$ 22,000
<i>TOTAL REVENUE</i>	<i>\$ 132,935</i>	<i>\$ 141,600</i>
<b>Projected Expenses</b>		
Material Disposal	-	\$ 50,500
Personnel	-	\$ 70,300
Operation/Maintenance	-	\$ 15,000
<i>TOTAL EXPENSES</i>	<i>-</i>	<i>\$ 135,800</i>
<b>Net Gain (Loss)</b>	<b>-</b>	<b>\$ 5,900</b>

DRAFT

**Brunswick Processing Facility  
Fee Survey  
As of January 31, 2021**

		Permits - Per vehicle									
		Residential	Commercial	Scrap metal	White goods	Brush	Leaves/Grass	Wood Waste	Tires	Universal waste	E-Waste
<b>Brunswick</b>	<b>Current Landfill/Processing Facility</b>										
	Residential	\$5		\$60/ton	\$60/ton	no fee	no fee	\$60/ton	\$2/each	no fee	no fee
	Commercial		\$5	\$60/ton	\$60/ton	\$30/ton	\$30/ton	\$60/ton	\$2/each	Not accepted	Not accepted
<b>Brunswick</b>	<b>Processing Facility</b>										
	Residential	\$5		\$10/cu. yd.	\$10/each	\$10/cu. yd.	no fee	\$10/cu. yd.	\$5/each	no fee	\$5/each
	Commercial		\$25	\$15/cu. yd.	\$15/each	\$30/cu. yd.	\$30/cu. yd.	\$30/cu. yd.	\$5/each	Not accepted	Not accepted
<b>Lisbon</b>	<b>Transfer Station</b>	\$25	\$25	no fee	\$10/each	\$5 - \$15/cu. yd.	no fee	\$5/cu. yd.	\$3/each	no fee	\$5/each
<b>Wiscasset</b>	<b>Transfer Station</b>	\$0	\$0	no fee	\$10/each	\$20/ton	no fee	\$0.07/lb - \$5 min	\$2 - \$18/each	no fee	\$5/each
<b>Topsham</b>	<b>Solid Waste Facility</b>	\$0	\$0	no fee	\$12/each	\$6/cu. yd.	no fee	\$6/cu. yd.	\$2 - \$12/each	\$1 - \$2/bag	\$6/each
<b>Freeport</b>	<b>Transfer Station</b>	\$6	n/a	\$0.03/pound	\$10 - \$20/each	\$0.05/pound	no fee	\$0.05/pound	\$5/each	no fee	\$5/each
<b>Yarmouth</b>	<b>Recycling Center</b>	\$25	n/a	no fee	\$4 - \$10/each	\$15/cu. yd.	no fee	\$15/cu. yd.	\$6 - \$25/each	no fee	no fee
<b>Sanford</b>	<b>Transfer Station</b>	\$5	\$5	no fee	up to \$20/each	\$5/cu. yd.	no fee	\$25/cu. yd.	\$5 - \$35/each	no fee	\$2 - \$25/each
<b>Richmond</b>	<b>Transfer Station</b>	\$10	\$30	no fee	\$11/each	no fee	no fee	no fee	\$3 - \$6/each	\$0.25/each-\$5/lb	\$1 - \$5/each
<b>Falmouth</b>	<b>Transfer Station</b>	\$5	n/a	no fee	\$10/each	no fee	no fee	no fee	\$5/each	\$0 - \$5/each	\$5 - \$10/each
<b>Scarborough</b>	<b>Casella Transfer Station in Westbrook</b>										
<b>Westbrook</b>	<b>Casella Transfer Station in Westbrook</b>										
<b>Gorham</b>	<b>Casella Transfer Station in Westbrook and Riverside Recycling Center in Portland</b>										

\*The average short-bed pickup can hold 1.5 cubic yards of material (loaded level full)



## **Town of Brunswick, Maine**

**Finance Committee Meeting  
Thursday, January 23, 2020  
6:30 – 8:00 PM  
85 Union Street – Council Chambers**

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### **Meeting Minutes** (DRAFT)

Elected Officials: Dan Ankeles, Stephen Walker, Dan Jenkins (absent)

Staff: John Eldridge, Julia Henze

**1. Select chair and vice chair (ACTION)**

SW nominated DA as chair. No second needed. Approved by those present.  
DA nominated SW as vice-chair. No second needed. Approved by those present.

**2. Acknowledgement that meeting was properly noticed**

JH confirmed that the meeting was properly noticed.

**3. Adjustments to agenda / Public comment**

No adjustments to the agenda & no public comment.

**4. Approval of meeting minutes from 12/19/19**

DA moved, SW abstained (not on committee in December), approved on vote of DA.

**5. Review Finance Committee policy**

JH included policy for FC members to review. This is done at least annually to confirm that the FC is completing the duties outlined in the policy. JH noted that monthly budget to actual reports are reviewed by the Town Council as a whole instead of the FC. FC agreed to continue this practice. No adjustments to the policy.

**6. 2020 proposed calendar/schedule of work**

FC agreed to the 2020 calendar as presented.

**7. Review of 2020 G.O. Bonds**

**a. Moody's and S&P ratings**

JH presented committee with Moody's and S&P ratings. JH highlighted that Moody's reported a "credit challenge" if the Town had an "increasing debt burden" beyond what is expected and presented in the CIP. Moody's considers Brunswick's formal fund balance policy (and adherence to the policy) a credit strength.

S&P highlighted strong management and liquidity as strengths to the town.

Ratings remained unchanged with Moody's assigning a rating of Aa2 and S&P assigning a AA+ rating for the Town.

**b. Bids received**

The Town received 11 bids for the 2020 GO bonds (elementary school) which is a great turnout. True Interest Costs (TIC) ranged between 2.15% and 2.31%. JH explained that TIC is used to compare bids, as by definition, true interest cost is the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of bonds.

The town's bond advisor structured the sale based upon demand in the current bond market and to obtain the best TIC for the town. All 11 bidders proposed large premiums – amounts above the par amount of the bonds. The town needs \$26.25MM in cash for the school project, so the bond advisor re-sized the bond sale such that \$24.45MM is the bond issue amount with an additional \$1.95MM in premium. The end result is that the coupon rates on the bonds are higher, but with the significant premiums provided, the TIC drops to 2.15%. The resulting \$24.45MM issued in bonds plus \$1.95MM in premium is “equivalent” to \$26.25MM in bonds at 2.15%.

**c. Amortization schedule / estimated tax rate impact**

FY 21 is the first year debt service payments will be made and amount to \$1,428,658 (principal + interest). 2020 GO Bonds debt service payments in the first year are equivalent to a 3.11% tax rate impact where 1% tax rate impact is equal to \$460,000. Previous debt service estimates and financial forecasts were presented with a 3.5% tax rate impact, so actual results were better than estimated.

**d. Debt ratios**

JH presented historic trending in debt ratios, highlighting why these ratios are of interest to the rating agencies as well as how various factors impact the ratios over time (such as a change in census-reported population and issuance of debt for HBS and the police station). The committee reviewed selected ratios such as outstanding debt per capital and debt service as a percentage of operating expenditures.

**8. Capital Improvement Program – DRAFT #2**

Second draft of CIP was presented to the FC.

JH noted that the debt calculations have been updated for the actual debt service on the 2020 Bond, and Sally Costello (Economic Development Director) presented a new project added to the CIP. This \$330,000 project is connected to the Maine DOT's Frank Wood Bridge project, and is for upgrades to Brunswick's 250<sup>th</sup>

Anniversary Park. MDOT will cover limited improvements to the park but Brunswick will need to fund enhanced or premium improvements. SC and JE explained the process that the Design Advisory Committee has undertaken to provide input to MDOT on the bridge project. Both Brunswick and Topsham have been given the opportunity to participate in upgrades to amenities on the bridge approaches.

## **9. Adjourn**

DRAFT

## **Town of Brunswick, Maine**

**Finance Committee Meeting  
Thursday, February 27, 2020  
6:30 – 7:00 PM**

**46 Federal Street – Hawthorne Conference Room**

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### **Meeting Minutes** (DRAFT)

Elected Officials: Councilors Dan Ankeles and Stephen Walker  
School Board Members Beth Bisson and Celina Harrison

Staff: John Eldridge, Julia Henze, Branden Perreault  
Paul Perzanoski, Kelly Wentworth

**1. Acknowledgement that meeting was properly noticed**

JH confirmed that the meeting was properly noticed.

**2. Adjustments to agenda / Public comment**

No adjustments to the agenda

Public comment: *Jean Powers*, 40 Redwood Lane. Commended Dan Ankeles for following up on \$104 tax relief payments from the State sent to taxpayers who receive the Homestead Exemption. Noted the challenging budget season ahead, with the start of the debt service for the Kate Furbish Elementary School, and commented on the anticipated \$1.6M increase in State Aid to Education. Hopes for flat budget from School Dept.

**3. 2018-19 Audit – Report from auditors, Runyon Kersteen Ouellette, CPAs**

Hank Farrah, partner at the firm, introduced himself, described the audit process and reviewed the documents:

**a. Comprehensive Annual Financial Report (CAFR)**

Prepared by Town management, this report is reviewed by the auditors to determine it is fairly stated in all material respects.

**b. Independent Auditors Report (pages 11-13 of the CAFR)**

The only part of the CAFR prepared by the auditor, this is a clean or 'unmodified' opinion.

**c. Letter to Finance Committee**

SAS letter – explanation of the audit process and explains management responsibilities vs auditor responsibilities. Letter also reviews any significant estimates in the financial statements (depreciation on capital assets, landfill

closure, other post-employment benefits, and pension liability), difficulties with audit process, adjusting journal entries, etc.

**d. Reports Required by *Government Auditing Standards* and the Uniform Guidance**

Two reports bound into one. First describes testing of internal controls for risk assessment – used by the auditors to focus their testing of transactions. Second is report of Federal Grants to confirm compliance with requirements, and includes a listing of federal funds received by Brunswick.

RKO reported no material weaknesses or significant deficiencies and no compliance findings.

**e. Management letter**

Describes internal control recommendations. There were no material weaknesses or deficiencies identified throughout the course of the audit. One recommendation was:

1. Student activity funds – receipts were held for a period of time in excess of a week. General guidance is to deposit within 48 hours of a receipt. Outstanding checks that are old and stale dated should be voided and reissued, or sent to the state as unclaimed property.

**4. Adjourn**

**Town of Brunswick, Maine**  
**Finance Committee**

*Purpose.* The Finance Committee is established as a sub-committee of the Town Council, intended to provide Councilors with an opportunity for in-depth review and analysis of the Town's financial matters, resulting in feedback for staff and recommendations to the Town Council. The purpose of this policy is to establish the composition and responsibilities of the Town's Finance Committee.

*Members.*

- The Finance Committee shall be a standing committee of the Town Council.
- The Committee shall be comprised of three members of the Town Council appointed by the Council Chair.
- Members shall be appointed annually at the Town Council's first meeting in January, or as soon thereafter as possible. Members shall each serve terms of one year and until a successor is appointed.
- It is recommended that councilors serve at least one year on the Committee.
- To enable as many councilors as possible to serve on the Committee, Councilors shall serve no longer than three consecutive terms. Councilors may be re-appointed to the Committee after a one year absence.
- At its first meeting, the Committee shall select its chair and vice chair.
- Should, in the opinion of the Council Chair, circumstances require the extension of the sitting Committee's term beyond the end of the year, the Chair shall announce his/her determination to the Town Council and the terms shall be temporarily extended. The succeeding Committee shall serve the remainder of the term.

*Meetings.* The Committee shall meet at least once per month. The meeting dates shall be established at the Committee's first meeting. The Committee chair shall call additional meetings as the chair deems necessary, as voted by a majority of the Committee's members, or as directed by the Town Council. The Committee shall give public notice of its meetings in accordance with Maine's Freedom of Access Act (FOAA) and rules established by the Town Council, and when possible the meetings should be held in the Council Chambers and be televised. A majority of the members appointed to the Committee shall constitute a quorum. A majority of concurring votes shall be necessary to constitute an action on any matter.

*Responsibilities.* The Finance Committee shall perform the following tasks and functions:

1. Encourage and participate in long-range financial planning.
2. Review the annual budget as recommended by the town manager and provide commentary to the Town Council.
3. Review monthly budget to actual statements as prepared by the Finance Department.
4. Review ordinances, official statements and other documents connected with the issuance of debt.
5. Review and suggest updates to the Master Schedule of Revenues, Charges, Fees and Fines, Appendix B to the Municipal Code of Ordinances.

6. Review the Town's risk management activities and insurance coverage.
7. Review, as requested by the town manager, bid specifications and requests for proposals for the purchase of goods or services.
8. In consultation with the Town's administration, assist or prepare policies and/or procedures relating to the financial affairs of the Town.
9. The Finance Committee shall assume the duties of the Capital Improvement Plan Committee.
10. The Finance Committee shall assume the duties of the Audit Committee.
11. Review and report on the Town's investments.
12. Receive and review the reports and recommendations of the Town's Trust Fund Advisory Committee.
13. Perform such other tasks and functions as may be delegated to it by the Town Council from time to time.

The Finance Committee may adopt rules of procedure, consistent with this policy, to enable it to perform its functions.

*Conflict of Interest.* Members of the Finance Committee shall adhere to the conflict of interest policy which was established by the Town Council in its Rules and Procedures.

*Administration.* The Finance Director shall be responsible to provide for the administration of the affairs of the Finance Committee, including preparing agendas and minutes, posting public hearings, handling correspondence, and maintaining all official records.

Proposed to Town Council: July 21, 2014

Adopted by Town Council: August 4, 2014

Amended by Town Council: February 16, 2016

Amended by Town Council: November 7, 2016

Amended by Town Council: June 4, 2018

**Town of Brunswick  
2021 Meeting Calendar**

<b>RESPONSIBLE</b>	<b>DATE</b>	<b>DAY</b>	<b>TIME</b>	<b>*</b>	<b>ACTION</b>	<b>COMMENTS</b>
Fin Committee	1/13/2021	Wed	6:30 PM		Finance Committee meeting	Joint meeting w/ School - Auditors presentation
Fin Committee	2/8/2021	Mon	6:30 PM	<b>CIP</b>	Finance Committee meeting	Finance Committee Policy/2021 schedule Processing Facility Fees; CIP Draft #3
Fin Committee	3/8/2021	Mon	6:30 PM		Finance Committee meeting	Review Debt Disclosure Policy & Procedures Continuing Disclosure for bonds
Fin Committee	4/12/2021	Mon	6:30 PM		Finance Committee meeting	Tax Acquired RE Policy, Review TAP properties Property Tax Assistance Program
Fin Committee	5/10/2021	Mon	6:30 PM		Finance Committee meeting	Fund Balance Policy/Review Fund Balance Long-term Financial planning
Fin Committee	6/14/2021	Mon	6:30 PM		Finance Committee meeting	Proprietary Funds
Fin Committee	7/12/2021	Mon	6:30 PM		Finance Committee meeting	Investment Policy / Review Cash & Investments Long-term Financial planning
Fin Committee	8/9/2021	Mon	6:30 PM		Finance Committee meeting	Prelim 2020-21 results
Fin Committee	9/13/2021	Mon	6:30 PM		Finance Committee meeting	2021 Tax Commitment Tax Increment Financing
Fin Committee	10/12/2021	Tue	6:30 PM		Finance Committee meeting	Review Master Fee Schedule Review Property Tax Assistance Program
Fin Committee	10/25/2021	Mon	6:30 PM	<b>CIP</b>	Finance Committee workshop	CIP Workshop - CIP Draft 1
Fin Committee	11/8/2021	Mon	6:30 PM	<b>CIP</b>	Finance Committee workshop	CIP Workshop
Fin Committee	11/22/2021	Mon	6:30 PM	<b>CIP</b>	Finance Committee workshop	CIP Workshop
Fin Committee	12/13/2021	Mon	6:30 PM	<b>CIP</b>	Finance Committee workshop	CIP Workshop