

North Berwick Board of Selectmen Minutes January 19, 2016

**NORTH BERWICK BOARD OF SELECTMEN MINUTES
JANUARY 19, 2016**

Present: Chairman Galemmo, Selectman Cowan, Selectman Hall, Selectman Johnson, Jr.

Absent: Selectman Folsom

Also Present: Dwayne Morin, William Hall, Gregg Drew, Matthew Qualls, Shirley Barto, Lorinda Hilton

Chairman Galemmo called the meeting to order at 6:30 pm.

1. **Pledge of Allegiance**
2. **Review and Approve Minutes of January 5, 2016**

Dwayne stated that on Page 11, in the last paragraph it had the number as "10 ½%" but he changed it to "10.5%". Also on Page 14 in the first sentence of the 2nd paragraph, it had the amount as "\$120,000 to \$125,000" but it should be "150,000 to \$155,000".

Selectman Cowan also stated that on Page 3 in the first paragraph under the B. Planning Board section the third sentence currently reads, "Dwayne said that he was planning...". It should read "Dwayne said that Geoffrey Aleva was planning...". Also on Page 4, the 5th sentence in the first paragraph currently reads, "Selectman Cowan asked if he was not finding...". She stated that it should read, "Selectman Cowan asked if he was finding...".

Selectman Cowan motioned to approve the minutes from January 5, 2016 as amended. Selectman Johnson, Jr. seconded the motion. VOTE: 4-0

3. **Public Input**

There was no public input at this time.

5. **New Business:**

- A. **Audit:** Review FY15 Audit with RHR Smith

Dwayne stated that Bill Hall was here from RHR Smith to give the Board an update on the audit of the financials for the end of year June 30, 2015. Mr. Hall stated that the first 3 pages of the audit are the most important. It is where they form opinions on the information that is included on the pages that follow. He stated that non-qualified, qualified and adverse opinions are the three opinions that they provide. He said that the qualified opinion would mean that there would

be some exceptions after and the adverse opinion is the worst one that you can get. He stated that we had received a non-qualified opinion which is the best opinion they give. It means that all the information preceding this and all of the test controls that they did went well. He stated that Pages 4-11 is the Management's Discussion and Analysis. It states that these numbers are actually the numbers that they do not audit. They are Government-Wide Financial Statements where they take our Fund Balance and cash and include everything that has to do with the Town such as fixed assets, debts and any long-term profit things. Mr. Hall said that if you looked at a for profit company, their numbers would look similar to what are up front here.

Mr. Hall stated that the first page that he wanted to go over was Page 15 which is Statement C. This gives him our balance sheet as of 6/30/15 which lists our assets, liabilities and equity. On June 30, 2015, we had \$3.2 million of cash in the bank. We had about \$300,000 of taxes outstanding and another \$60,000 in liens. The accounts payable was about \$179,000. We owed some other government about \$20,000. Our prepaid taxes, which are taxes that haven't been committed yet because the person paid it early, are \$19,000. Our deferred revenues were \$163,000. Mr. Hall stated that the taxes and liens listed under the assets section are about \$350,000. He stated that they take into account the 60 day collections after a year has ended which would be July and August for us. They take the taxes and liens and subtract the money that we received in July and August and this becomes the number that they would defer. In our case, they deferred about \$163,000 of the \$350,000 in taxes that are outstanding. This means that out of the \$350,000, we collected about \$250,000 of that in July and August. Our total fund balance at the end of June 30, 2015 is \$2.88 million. Of that, \$2.7 million is unassigned. He stated that \$160,695 is assigned which is for the 2016 balance forwards.

Mr. Hall stated that Page 17 of the audit lists the current year revenues and expenditures. We took in \$9.3 million in revenue of which \$7 million was from property taxes, \$689,000 was from excise taxes, \$894,000 was from intergovernmental revenue such as revenue sharing and homestead exemptions, \$549,000 was from charges for services which would be rec fees or police funds, and miscellaneous revenues of \$120,000. Our total expenditures was \$9.3 million of which education was half at \$4.7 million. Public safety was \$1.5 million and Public works was \$824,000. We had a net loss for the fiscal year of \$9,000. We also had a transfer out of \$36,550 which then gave us a net change of in our fund balance of negative \$45,000. Our fund balance went from \$2.93 million to \$2.88 million. Mr. Hall stated that we had planned to use \$204,000 in our 2015 budget but we only used \$45,000.

Mr. Hall went on to Page 19 which is our Pay-Per-Throw Trash Program. We had \$20,000 in cash and \$117,000 due from other funds. He went on to explain what Due to and Due from meant. Municipal governments use this term called Due to Due from. Instead of having a cash account for all of our programs, we consolidate all of the cash into our General fund. If we received revenue of \$20,000 from our Pay-per-throw program and deposit it into the cash account, it hits the Due to Due From and it shows a revenue on the Pay program. He stated that the Due from is the amount of money that is in our general fund that belongs to the other fund. If it was a Due to it means that it is an amount of money that is due to from the other account to the General account because it paid out more than it was paid in. Mr. Hall stated that at the end of June, 2015, our Pay program has \$137,926 in net position. On Page 20, it shows the revenues and expenses for the program. We took in \$112,000 in revenue and had expenses of \$87,000.

Our Pay program grew by \$24,000. Mr. Hall said that we have a very healthy Pay program. It is one of the healthiest that he has seen.

Mr. Hall stated that on Pages 22 thru 44 is the section that they call the Notes. These notes are put in to explain to the readers what some of the terms are in the pages before. He stated that Note 3 is a full disclosure of our Due to Due from and where the activity for it is located. He stated that Note 4 was regarding our Capital Assets. Mr. Hall told Dwayne that they need to discuss our Capital Assets because he thinks there may be some additions that they need to deal with. He said that it currently states that we have no additions or deletions but this is what he needs to discuss with Dwayne. Dwayne stated that we had no deletions but we did have about \$1 million in additions. Mr. Hall said that any changes will not affect our fund balance numbers.

Mr. Hall stated that Note 5 was regarding our long term debt. We started at \$2.5 million in bonds and we are now down to \$2.4 million. This has to do with the two bonds that we have outstanding. Our capital leases went from \$3,700 down to \$1,100. He stated that the next line titled Net pension liability was not in our prior year audits. He said that GASBE 68 which came out last year, requires municipalities now to disclose more information on their retirements. This was nowhere to be found on prior audits so this is why we see a restatement with a July, 2014 number. Mr. Hall went on to Page 36 which shows \$160,000 in assigned fund balances. This was all Board approved and was carried over into 2016. Pages 36-40 is in regards to the GASBE 68 disclosure on our pension liability with the Maine State Retirement. He said that this added between 6-18 pages to most audits and also slowed down the audit process.

Mr. Hall moved on to Page 46. This is somewhat like Statement D up in the front. This is the actual budget to actual statement. It shows that we budgeted about \$9.2 million. Our revenues came in at about \$67,000 in the positive so we collected that much more in revenue than we had budgeted. We saved about \$481,000 in our expenses. Mr. Hall stated that on Page 50, it breaks down our Revenue numbers that are on Page 46. On pages 50-53, it details the expenditures that were on Page 46.

Pages 54 and 55 is a summary of the detailed sheets that follow these two. Mr. Hall stated that Page 54 is a summary of the Capital Projects fund and our Permanent fund. It shows that we have cash in our Capital Projects of \$208,000 and \$262,000 in our Permanent funds. Our funds balance is at about \$280,000 for our Capital and \$264,000 for the Permanent funds. He stated that Pages 57 & 58 is the detail for our Capital projects. It shows our Town Hall, Equipment Fund, TIF Fund, Caleb Foundation and our Road Bonds which make up all of our Capital projects. He stated that on Pages 60 and 61, it lists our Permanent funds which include Hobbs Fund, Greenleaf Endowment, Hanson Fund, Cemetery Fund and Heating Fund. These are classified differently from our General Fund because they are not budgeted for and the money comes from a different source than the General Fund. They are funds that can be spent on a certain item or project depending on what the purpose of the fund was established for. Mr. Hall moved on to Pages 63 & 64 which are about Capital Assets. He stated that there are some additions that didn't get added to this as he mentioned before. He stated that Pages 65 and 66 are just a disclosure note because one of the bonds is tied in with the USDA. They require that some additional information be sent to them.

Mr. Hall stated that overall, our Fund balance went down \$45,000 and we have about \$2.8 million, so for a town this size, we are at a good spot. They usually recommend 90 days of what the operating budget is to be in our savings. We should be at about \$2.2 million but we have \$2.8 so we are pretty healthy. Dwayne stated that the number you really want to look at is our unassigned number. Dwayne said that if you look at Page 14, it shows our Unassigned to be \$2.7 million. We should be around the \$2.2 or \$2.3 million which is our 90 day allotment. He said that we have 3 different standards. We have the 60 day allotment, and 90 day allotment. He stated that the way our Fund policy works is that anything over 90 is dedicated towards Capital. We currently have about \$268,000 available for Capital over and above equipment fund money. Dwayne said that this is a healthy number. He stated that the unassigned had actually grown this year by about \$50,000.

4. Unfinished Business:

A. Planning Board: Review Applications from Geoff Aleva for Membership

Dwayne stated that Geoffrey Aleva was supposed to be here for his reappointment to the Planning Board. Dwayne said that Mr. Aleva's company just got the job for the new York Police Station. He is the lead engineer on the project and had to go to a meeting tonight. Mr. Aleva is planning on being here for the February 2nd meeting. Dwayne stated that Mr. Aleva apologized for having to miss again.

B. Planning Board: Zoning Changes and Bylaws/Ordinance Change

Dwayne said they just need to review the Zoning changes. He thinks we got some good news on some of the changes after doing a lot of research and review on them. He started going through each one of the Questions. Dwayne said that these are pre-attorney review but he doesn't believe there will be many changes because she wrote most of it.

Question #1 will be the change in the Electrical Ordinance. It is just updating our Ordinance so that it is consistent with the current National Electric Code.

Question #2 is regarding our Explosive Materials section of our Ordinance. It is specifically regarding propane bulk storage. Dwayne said that our bulk storage is antiquated so we are bringing it into compliance with the State of Maine Fuel Board's adopted standards and rules for Liquefied Petroleum gas and Compressed or Liquefied Natural gas.

Question #3 is a change in the Ordinance relating to our Shoreland Zone and allowing our Code Enforcement Officer to issue permits that are currently Conditional Uses. This would clean up the permitting process and make it easier for the Planning Board and Code Enforcement Officer.

Question #4 is regarding allowing a Conditional Use for drive-thrus for banks and pharmacies in the Commercial zones which are the Village Center District, Shoreland General District, Commercial District, Commercial II District and the Industrial District.

Question #5 relates to Conditional Uses for uses for a bordering town. It will allow for bordering town uses that are not allowed in our Town to be expanded into our Town. This is a request from a property owner in North Berwick and it was brought to the Planning Board. Chairman Galemmo did mention something to Dwayne today and Dwayne will send it back to the Planning Board for their review. It is a concern for the Aquifer Protection zone on the northern end of our Town. He stated that we should exempt that area out of this change because we don't want to have anything that will jeopardize our Aquifer Protection District. Dwayne stated that right now it is Residential so it wouldn't be an issue. He stated that Sanford is looking to get approved for a big recreational use to come into their town so they would probably have to change their zoning. Adding this exemption now to the proposed question would protect us if Sanford did change their zoning in the future.

Question #6 is in regards to our Demolition Permit. This went to the Planning Board and they did approve it.

Question #7 is regarding our Sign Ordinance. Dwayne said that since the last time that the Selectmen spoke about it, there has been a lot of work relating to the Sign Ordinance. Dwayne said that when they first started to make the changes to the Sign Ordinance, they thought that it would most probably be a 2-3 year process. Our attorney now thinks that if we do what is being proposed here, we should be in pretty good shape. We may have to change it again once the State makes some changes to their laws, but we were able to tackle both our permanent and our temporary signs in one fell swoop.

Dwayne stated that we are going to change 3 of the definitions. On Page 33, it shows what we are proposing to read for these changes. The first thing that we need to do is add a substitution clause. This will just basically say that the work that we have done on Sign Ordinance was not done with to impact free speech. We are going to change 3 definitions. We are changing the definition for Billboard because we did not have it as stating that it was off-premise. We have changed it so it will be in line with the State definition. We changed the definition of a Sign primarily because some of the language that was in there specifically talked about the wording of a sign. We cannot do this any longer so we had to remove the section that related to wording. The only thing that we changed for the definition of Temporary Sign is that we added that banners and feather flags were considered temporary signs. We also added a definition of Traveled Edge because we never had a definition for it before. It was always assumed and we always stated that it was the white fog line or if no fog line existed, it was the edge of pavement. We are adding it just for clarification purposes.

Dwayne stated that under 5.2 we have changed the way it looks but it basically says the same thing. We created a General conditions that states what signs are prohibited. Dwayne said that it is the same signs that they have prohibited forever. He stated that our Ordinance listed it in several places so we are just taking it all and putting it in one place. When people want to look at our Sign Ordinance it will be in one place and not multiple places within the Ordinance. The second part to the General conditions states that the sign cannot interfere with or obstruct clear and free vision.

Dwayne stated that the Permanent Signs section really didn't change. They just added the word "permanent" in front of "sign". The only exception to this is in #7. The State this year changed what they allow for off-premise signs under the Billboard law. The only thing that we used to be able to have off-premise was the directional signs. The DOT changed that this year to allow not only those signs but also what they call an "approach sign". If someone has a business that is behind other businesses or residences and they don't have a presence on the major route, the State will allow them to put a sign at their driveway. Because of the change in the State law, our attorney wanted to include it in our changes. We also used to have a section in our Sign Ordinance that was in our Shoreland Zoning section of our Ordinance. We moved all of that into this section.

Dwayne stated that there was a question that our attorney had relating to Home Occupations and if we would be able to limit the size of Home Occupations signs. It has now been determined that we can limit them. We just kept it the same as what we had in the Ordinance before at 6 square feet. Dwayne stated that one of the concurring opinions by one of the Justices was a road map as it relates to commercial speech. Under their findings, we can limit commercial speech more than we can limit non-commercial speech. He stated that this works to our advantage when we start talking about commercial signs.

The next section is where the main changes are taking place and it is regarding our Temporary signs. The Planning Board asked Dwayne to do some research and find out what kind of temporary signs and what sizes we had around town. Dwayne said that he found the sizes for political signs, the A-frame signs and any other typical signs that we would have around town. They found that the sizes in signs ranged from 3 sf to 12 sf for one sided signs. A double sided sign ranged from 6 sf to 24 sf. The Planning Board is proposing that temporary signs be allowed to be 24 sf in surface area and that the total amount of signs that you can have on your property at any one time is 50 sf. So basically you are allowed 2 signs at 24 sf on your property. Chairman Galembo asked about political signs that he puts up on his property. Dwayne stated that this did apply to what could be put on his property, however, if it was in the right of way, this wouldn't apply. He stated that there is no limit if it was in the right of way as long as they are 8 feet from the traveled edge, 5 feet beyond the sidewalk, go up 6 weeks prior, come down 1 week after and they don't obstruct vision. Dwayne stated that because we can treat commercial speech differently they can put their signs up 2 weeks before and come down 1 week after. Dwayne stated that one of the questions was regarding a real estate sign and if it was considered commercial or non-commercial speech. He stated that it was considered non-commercial speech because it is the person that is selling their house even though they have hired a real estate broker to put their sign up.

Dwayne stated that they just made Section 6.5 look better. There were no other changes. In 6.5.2 however, it has changed quite a bit. There used to be a lot of things in this section but now it is just one thing. It now just basically states that temporary signs do not need a permit. Everything that was in it previously was removed from here and put into the other Temporary sign in Section 5.2.

Question #8 is the establishment of the Planning Board Ordinance. This was approved by the Selectmen at the previous meeting.

Selectman Cowan asked what happens if the proposed Sign Ordinance is voted down. Dwayne stated that it means our current Sign Ordinance is unenforceable.

Dwayne stated that the Planning Board will be having their Public Hearing on February 11th. He said that the questions need to be to the Town Clerk by February 17th.

Reminders: Next Board of Selectmen's Meeting – Feb. 2, 20016 – 6:30 pm Municipal Building

Budget Committee Meeting – Feb. 1, 216 – 6:30 pm Municipal Building

5. New Business:

C. Stub Marsh Road: Blocking of an Abandoned Road

Dwayne stated that Stub Marsh Road was abandoned by the Town. Dwayne showed the Selectmen where it was on the map on the computer. The big thing that is on Stub Marsh Road is the gravel pit. Danny Shaw manages the gravel pit and a few years ago they had trouble with people going to shoot in the pit and also with people throwing garbage there. He lined the pit with rocks but people have been going in and removing the rocks and still going and dumping trash. Dwayne stated that Mr. Shaw decided to put some rocks across the road by the beaver bog area so people wouldn't cross it and damage the road. Some of the property owners on the road are not happy and want the rocks removed. Dwayne stated that the Town has abandoned that road three times but the one that counts is the one that was done in 1965 and the one in 1997. He said that in 1965, 1977 and in 1997, the Board of Selectmen declared that road to be abandoned. This means that we did not go through the official discontinuance process because it says that we hadn't done anything to that road in 30 years so we were giving up our rights to that road. When you give up the rights to an abandoned road, depending on when you gave up those rights, determines if there is a public easement or not. If there is a public easement, it basically means that the Town gave up our right to that road but the people can pass and repass. The Town won't put any money into the road but it still allows the public to pass. If we discontinued it prior to 1965, there would be no public easement which means that the property owners would own the road exclusively. When this was abandoned, it was determined that there was a public easement. On Page 73, you will see the Statute that is on the books. The first thing it talks about is the presumption of abandonment which is 30 consecutive years and that previous Boards of Selectmen had voted to abandon it and there is a public easement. Title 23 §3028 Section 2 reads, "The determination of the municipal officers regarding the status of a town way or public easement is binding on all persons until a final determination of that status as been made by a court, unless otherwise ordered by a court during the pendency of litigation to determine the status." Section 3 states that if somebody blocks that road, the Board of Selectmen may order the removal of the obstruction.

Selectman Johnson, Jr. asked what the reason was for people wanting the rocks removed right now. Dwayne stated that one person uses it to go home and one guy owns property where the boulders are located. Selectman Cowan asked who actually owned the pit and Dwayne stated that Justin Shaw had just recently purchased it. Dwayne said that he met with Danny and told

him that people have complained about the rocks. He informed him of what the law states. Danny stated that he has hired an attorney to review it. Dwayne said that Mr. Shaw has also contacted the wardens because people are driving through a stream that is backed up by beavers. Dwayne told Mr. Shaw that the Board of Selectmen can order him to remove the rocks and if he doesn't then they can authorize the people that have complained to remove it at no consequence to them. Mr. Shaw is asking that the Board of Selectmen hold off on a decision until he gets final word from his attorney and from the Maine Warden Association. Chairman Galemmo asked what the impact was regarding the beaver pond. He wondered if it was protected. Dwayne stated that he didn't think that it was but Mr. Shaw wants the game wardens to look into it.

Selectman Cowan asked if there was any way to block the pit without impeding on the other property owners. Dwayne said that Mr. Shaw did try just blocking the entrance to the gravel pit with the rocks but people were going up there and moving the rocks and dumping their garbage. Chairman Galemmo stated that he would probably need an actual fence to go down along a large portion of the pit to prevent people from coming in. Selectman Johnson, Jr. asked Dwayne if he thought any of the property owners on that road would have a problem with a fence with a lock on it that they would all have a key to. Dwayne stated that because it is a public easement you have to allow anyone to use it.

Selectman Cowan asked if Mr. Shaw had any idea as to when he would hear back from his attorney on the matter. Dwayne said that he hoped to have an answer before the next meeting. Chairman Galemmo suggested that they wait until the next meeting to make a decision since the road is not really passable right now due to the snow. Dwayne stated that Danny Shaw would like to be present when they discuss it as well. The Board all agreed.

Selectman Johnson, Jr. motioned to table the issue until the next meeting. Selectman Hall seconded the motion. VOTE: 4-0

D. Tax Bill: Date Mix Up Issue

Dwayne said that we always have an article at our Town Meeting that sets when we are going to take collection of the tax bill. Every year it is always the first Friday in October and the first Friday in May. Unfortunately, when we wrote the article last year, he looked at June so it was written as May 3rd and May 4th. The tax bills did go out correctly as May 6th. Dwayne needs the Board to decide what to do with the three days because it was a vote by the townspeople. Dwayne spoke with the Town attorney and said that the resolution to this is for the Board to abate all interest on all nonpaid taxes from May 3rd through May 6th. This would just show that it is transparent and would be on the record. We all make mistakes. Dwayne said that when they add it all up it would be less than \$100.

Selectman Hall motioned to abate all interest on unpaid taxes from May 3rd through May 6th due to a typographical error in our Warrant. Selectman Johnson, Jr. seconded the motion. VOTE: 4-0

E. Commitment FY17: Supplemental Tax Bill for Account 617

Dwayne stated that we have a Supplemental tax that Craig has brought forth for the Board to consider. He stated that if you have property in Tree Growth, by law you have to have a Tree Growth Plan. The Tree Growth Plan needs to be updated every 10 years. When Tree Growth Plans are due to expire, we send a letter to the property owner letting them know that they need to update it. We need to send the letter out twice. If there is no response after those letters have been sent, then we assess them with a \$500 supplemental tax. If another 120 days goes by, then we assess them another \$500 tax. If after that point they still haven't updated the Plan, then the property gets transferred to Open Space. Dwayne stated that we are now at the first \$500 supplemental tax on the Graziani Irrevocable Trust on Meeting House Road. Craig's memo states that he sent certified mail on 7/8/15 and it came back "Unclaimed" on 7/29/15. We sent it again on 8/4/15 and still have not received anything. We sent a notice of failure on 12/16/15 and still have not heard anything so we sent a notice of supplemental assessment. We still have not heard anything. Selectman Cowan asked where the person was and Dwayne said that he did not know and didn't even know who the person was. Dwayne said that they have to do this assessment by law because if we don't, it could jeopardize the Tree Growth reimbursement that we get for the town. Selectman Cowan asked if the person has paid any taxes on the property. Dwayne said that he has paid the taxes but he just hasn't updated his Tree Growth Plan.

Selectman Cowan motioned to approve the \$500 Supplemental Tax Bill for Account #617. Selectman Hall seconded the motion. VOTE: 4-0

F. Rescue: Red Light Authorization for Jacob Greenlaw

Dwayne stated that Jacob Greenlaw is on the Rescue Squad and he would like permission to operate a red light within his vehicle to respond to emergency calls. The Chief has concurred and would like to allow that to happen.

Selectman Hall motioned to approve the Red Light Permit for Jacob Greenlaw.

B. Budget FY17: Review Budget Recommendations for FY17

Dwayne stated that the first thing that the Board needs to do before they review the budget is to set the cost of living increase for our employees. He stated that the final numbers for the cost of living are actually not coming out until tomorrow but he said that they really haven't changed much. He said that it will actually be at in the minus this year and this is mostly because of energy. As of the end of November, it was a -5. Dwayne said that under the police contract, they have a ceiling and a floor. If it is below 2, we give 2% and if it is above 2 we give 2.5%. We know the Police will be at 2% and Dwayne is recommending to the Board that they do 2% for all of the employees. Selectman Johnson, Jr. asked why it was separate for the Police Department. Dwayne said that it was because they have a union contract. Dwayne said that he has built the 2% into the budget at this point.

Selectman Hall motioned to approve the cost of living increase of 2% for all of the employees. Selectman Johnson, Jr. seconded the motion. VOTE: 4-0

Dwayne said that as they review the budget further, he will discuss the possibility of increasing some of the employees pay over the cost of living increase. He said that he has done some salary reviews and there are a few departments that we need to do some changes. He doesn't think that he can get where he would like to be this year so it might be a couple year process but he thinks that it will show those employees that we appreciate them. He said that the employees that it affected were Chris, Marianne and Katie in the front office. He will recommend a 6% increase this year. Selectman Cowan asked if they were really that far behind and Dwayne said that we are definitely far behind when it comes to those positions. He stated that they are at the very bottom of everyone in their positions in all of York County. Selectman Hall asked what he would like to get them to. Dwayne said that he would like to at least tie them with the second from the bottom. Dwayne said that to get them there right now would mean about a 20% increase. Selectman Cowan asked when the last time that these salaries were reviewed. Dwayne said that the problem is that you also need to look at experience. For example, Chris is a newer Town Clerk compared to the rest of the Town Clerks in the area. However, Berwick just hired their new Town Clerk and they are paying her just about what Chris is making currently. Chris has been Town Clerk for 4 years and is making \$48,000 but she should be making about \$55,000. He would like to get her to at least \$51,000 this year. Selectman Hall asked how long she has been working for the Town. Dwayne said she has been with us for 6 years. Dwayne said if we can do more this year, he would like to do that. He feels that they deserve it. He is very happy with the quality of work that they do. The Board agreed. Dwayne said that it would be about a \$6,000 increase for all 3 of them to get them to where the need to be. He stated that they have 3 different titles but they share all of the work.

Selectman Hall asked what the reason was for increasing their pay in two increments instead of just doing it all at once. Dwayne said that he was just looking at the impact and also that people are going to ask why. He said that he thinks that it is justifiable and could argue why they deserve it. Selectman Cowan stated that she thinks it would be more palatable if they do it in 2 increments. Chairman Galemmo said that he would defend doing it all in one year. He knows that people are going to complain about it. Selectman Hall said that they can state that they did not take any raises for a couple years when the economy was really bad and we shouldn't be at the bottom of the barrel. Dwayne said that the ladies will never come forward and ask for more money. They will just continue to do their job.

Dwayne stated that the budget looks pretty good so far this year. He was able to do some things to make everything work. He said that the department heads did a really good job of keeping their budgets really flat line as much as they could. Lots of kudos to them!

Dwayne stated that he just signed a contract for our oil for next year at \$1.50 a gallon. He said that we haven't been at \$1.50 for at least 15 years. Selectman Hall asked who we contract with and Dwayne said it was with P. Gagnon & Son. He said that they try to stay local. He said that they have used other people and have done statewide bids and they always come in right at or below the lowest bid. They also give us great service.

Dwayne told the Board to look at Page 53 in their packets. At the bottom of the page you will see New Real Estate Value and New Personal Property Value. This is what he thinks we will

take in for new personal property and real estate. This will give us about \$190,000 in taxation and he uses half of that for us and half of it for the schools. He said that right now he is at about \$5,000 difference. He said that his goal was to not increase taxes by more than \$100,000 and he is right there at this point. He said that if something went wrong and none of this value came in, the average tax bill would increase by about \$18.00. The way it is structured right now, this is a no tax increase budget. It is still an overall increase in the budget at 5.4%, but when you really look at it you need to look at it from Ops versus CIP. Our Ops is under 3% and that is with the major increase to Rescue. He said that his target amounts are also listed there and he is pretty close to all of them. He is also only using \$194,000 in Surplus. He said that they have about \$268,000 that they can use but he is only allocating \$194,000.

Starting on Page 44 of the packet, Dwayne will review the actual budget with the Selectmen. Under Police, you will see a lot of 0's there because they did not go up. There were a couple of decreases which were primarily on fuel. Training and education is up 51% which is really only about \$5,000. The main reason for this is because they believe that they will have a retirement this year so they will need to send somebody to the Academy. He said that because they are not sure if he will retire, he has taken this amount out of surplus so if it happens, the money is there. If it doesn't happen, than it is no harm no foul. There is an increase of about \$300 in the Computer budget due to our software costs increasing. Evidence stayed the same. Uniforms went up by about \$300 because the costs of our bullet proof vests have increased. We get 2 new vests per year and we are very religious about it. They only have a certain life span and we make sure that they do not go beyond that life span. Supplies stayed the same. Canine stayed the same because we are still under the grants that we have been getting. There is an increase in Equipment because we have to buy some additional batteries for our flashlights. Telephone stayed the same. Regarding the fuel, Stephen had budgeted \$22,000 but Dwayne is budgeting \$18,000. Stephen had budgeted at \$2.50 per gallon and Dwayne budgeted at \$2.25. We are currently paying \$1.78. Tires stayed the same. Insurance increased and this is due to our health insurance. It is a 7.5% increase. Maine State Retirement went up as well at a 33.5% increase. Salaries are at the increase of 2% per the contract. Overtime, Salary 3 which is the crossing guard, DARE and Service stayed the same. Our SRO increased a little bit because this is the cost that we share with SAD 60. Animal Control stayed the same. Dwayne said that we still have a huge amount of money in our Animal Control so he is proposing to use that pot of money instead of using new money. This is mainly because we restructured Animal Control about 3 years ago and we have seen some cost saving out of this. Under Vehicle, he broke up the \$37,000 by having \$4,000 under Undesignated and \$33,000 under the Equipment Fund. He stated that the \$4,000 is because we need to buy a new light bar and a new radio. The total Police will be a 3.2% increase from last year.

Under Protection, Dwayne stated that the numbers pretty much stayed the same except for Dispatch. Street lights and Hydrant Rent stayed the same. Dispatch increased by 3% because we have a contract and it is contracted to go up 3%. When you look at Protection as a whole, it is a 1% increase from last year.

Under Public Works, there are a lot of 0's because we didn't increase anything. We are going to hold the line. Under our Operation costs, Supplies, Tar/Patch, Sidewalks, Parts, Gas/Oil, Electricity, Heating Oil, Water and Phone all stayed the same. However, we are budgeting Fuel

a little bit less. We budgeted \$17,500 but Dwayne bumped it down to \$13,000. Our diesel price is coming in at about \$1.80 so he can decrease this amount. The way they budget fuel is that half of it comes out of Summer highway and half comes out of Winter highway. He said that you will notice that he did not decrease our Heating oil number even though our cost went down. The hard part about Public works and heating is that when we open those garage doors, we suck the heat out of it. If it is a nice winter, heating oil is great but if it is a cold and snowy winter, we open the doors, suck out all the heat and then spend a lot of money heating it back up. He is keeping it flat with last year just to make sure we don't overrun that account. Insurance and Maine State Retirement are both increased. Regular Salary has increased by 2%. Overtime stayed the same. Roads and Bridges stayed the same. Tree work has increased by \$1,000. Dwayne stated that we have been doing a lot more tree work so he wants to make sure that if we need it done, we have the funds available. Then next three are Reconstruction, Resurface and Road Bond. They are our Capital Improvement and they total \$425,000. We have been budgeting this consistently and will continue to do so for the next 5 years. Regarding Equipment purchase, Dwayne said you will notice that the request is \$75,000 but he has \$85,000 under the Equipment Fund. He thinks that it will come in at \$75,000 but it will depend on what they will get for the trade in. Under Vehicle, the \$150,000 is our loader. Dwayne has gone out and talked to Financing and that number will come out to be about \$28,300 per year. He budgeted \$30,000 but the lease just came in at \$28,300. Buildings Purchase was a request of \$63,000 but we will do the shingling of the salt and sand shed this year and then we will look to do the addition to the garage next year. Winter Public Works was a request of \$125,000 but Dwayne is looking to budget \$100,000 this year. The goal is to have \$150,000 to \$160,000 in the Winter Highway fund when we start the winter. He said that the way things are going, he thinks that we will be bringing some over. Overall, Public Works is down 3.5%.

The Transfer Station as a whole when we budgeted was down 6.4% basically because of the way we restructured the people that we hired at the Transfer Station. We don't have to pay for health insurance for one of our employees because they get health insurance from another location. We do have some increases in Operation by about 3% which is due to our tipping fee. Our tipping fee goes up \$1.00 per year. The Maine State Retirement increased. Salary increased by 2%. For Capital Improvements we originally requested \$2,000 but Dwayne actually is budgeting \$6,000. This is because after they made the original budget submissions, they found out that the Ram on the compactor needs to be fixed and it will cost \$4,000 to do this. There is an overall increase of 1.62% for the Transfer Station.

The Town Office has a lot of 0's as well. Newsletter stayed the same at \$3,500. Training and education stayed the same at \$1,250. The Computer stayed the same at \$14,500. MMA Association fees stayed the same at \$6,100. Supplies stayed the same at \$8,000 as well as Office equipment at \$7,600. Postage stayed the same at \$12,000. There is a slight decrease in Utilities. We budgeted \$17,750 and then Dwayne further decreased it to \$15,750 because of the oil prices. Electricity stayed at \$12,300. Telephone stayed at \$6,850 and Town Reports stayed at \$5,000. Legal stayed at \$20,000. There is a large increase in Elections primarily because we have the Presidential election this year. Chris also told Dwayne that we need to buy some booths. He stated that we will have money left over in the Election budget this year because the Fall election did not cost as much as we thought it would. We need to buy 2 new sections of ballot booths. He stated that we need 5 and we have 3 newer ones. We would like to replace the 2 older

sections. He would like to buy 1 this year and 1 next year. Insurance and Maine State Retirement has increased. Regular Salary 1, 2 and 3 are the salaries for the clerks. Salary 1 is Marianne, Salary 2 is Chris and Salary 3 is Katie. He stated that he had brought them up to \$52,000, \$51,000 & \$51,000. He said that if we wanted to increase it to \$55,000 it would be \$56,000 for Salary 1 and \$55,000 for Salary 2 and 3. Dwayne figured out how the budget would be affected if they did the increases all in one year. He said that the increase would be about \$10,000 over what he had budgeted before. The increase in taxation that he had before was \$99,972 and it would bring it to \$111,000. Selectman Cowan asked what the new percentage increase would be. Dwayne said that it would be about 14% total. Chairman Galemmo stated that if they did do the increase, he didn't think that it would cause a tax increase. Dwayne didn't think that it would. Chairman Galemmo said that if we do have a tax increase, it will be due to the school budget.

Selectman Hall asked what the purview of the Budget Committee was. Dwayne stated that they are a Budget review Committee. They take the numbers that we present to them and they review and make a recommendation. Selectman Hall asked if the Selectmen get a chance to review something that the Budget Committee may have reduced the amount on prior to the Town Meeting. Dwayne said that they do. Selectman Hall and Chairman Galemmo think that they should do it in one year. Selectman Cowan agreed.

Selectman Cowan motioned to increase the salaries for Salary 1 to \$56,000, Salary 2 to \$55,000 and Salary 3 to \$55,000. Selectman Hall seconded the motion. VOTE: 4-0

Audit stayed the same because we are in our last year of our 3 year contract. Custodial services will increase due to the cost of living increase.

Health officer is incorporated with the Code Enforcement Officer position. Jim's salary is made up of 4 different things. He gets paid from the Code Enforcement Office budget, the Health Officer budget, the Planning Board budget and the Zoning Board of Appeals budget. His salary will go to around \$60,000 this year. Selectmen stayed the same as last year. Dwayne stated that Code Enforcement salary is increasing but it will not increase any costs because we didn't use the full budget this year. We hired him on probation and then he will have his 1 year period and then he will get his full value at the end of his 1 year. Dwayne stated that with the exception of the Health Insurance and Maine State Retirement increases, everything else stayed the same. It is about a 3.68% increase.

We have a contract with South Berwick regarding Tax Assessment. They are estimating that the price will go from \$50,300 to \$52,655.

Under Town Manager, Training and Education, Telephone and Travel all stayed the same. Insurance and Maine State Retirement increased. Salary increase by 2%. Dwayne also mentioned that this is the last year on his contract. Selectman Cowan asked how his salary compared with other Town Managers in the area. He was the 4th lowest in York County but he is now the 3rd lowest because South Berwick just gave their Town Manager a very large increase in pay. The Town Managers from Berwick and Arundel currently make less than he does right now. Selectman Cowan would like to inquire from the Board the possibility of increasing

Dwayne's salary by more than the 2%. Dwayne asked that they do not do that. He was going to ask that they don't give him any raise this year because once it goes over the \$100,000 mark, people will not be happy. Dwayne said that the South Berwick Town Manager is at \$106,000, Arundel is at \$90,000, Berwick is at \$90,000 and then everybody else is in the \$115,000 to \$130,000 range. Selectman Cowan said that it is definitely something that they need to review. Dwayne said that he did appreciate it and he was going to tell them not to give him an increase this year but the employees talked him out of it. Selectman Cowan said that if everyone else was getting the 2% then it was only fair that he got at least that.

General Assistance will be kept flat this year. He said that the number will not be anywhere near \$10,000. Last year, we only spent about \$4,000.

Eastern Trail has requested again this year but Dwayne did not recommend anything. He believes that it is a great idea but he doesn't agree with how the funding is required.

Cemeteries asked for \$19,053 but Dwayne just budgeted \$15,700. He said that they really only need \$13,000 because there is a significant amount of money in the Friends Cemetery Fund and in the Hillside Cemetery Fund. We budget for the cemeteries that do not have money in their funds anymore.

There is a decrease in the Fire budget across the board. There is a slight increase in Training but there were decreases in Prevention that helped offset it. He also decreased Heating Oil from \$9,000 to \$8,000 to reflect the \$1.50 price. Everything else has pretty much gone down or stayed the same. The Fire budget is decreased by 1.68%.

Rescue is where the largest increase is due to the Full time employees. He said that it was initially at a 29.22% increase but when he adjusts some of the numbers for Heating oil and some of the Utility numbers, it will come in at 28.57%. It is about a \$60,000 increase from last year.

Under Library, Dwayne did cut back. They had budgeted for another employee but Dwayne did not recommend it. He said that he has not heard their argument that they need one. Last year, the argument was that their Library Director was going to be away because she was on some committees. We instituted a per diem to come in. He has not heard if that worked or not. This is at a 3.2% increase.

Parks and Recreation is actually down a little bit. Operation is dead flat at \$18,050 and this is mostly because a lot of our Parks and Rec programs are fee driven. Selectman Hall asked how many hours per week that the full time employee is contracted to work. Dwayne said that she is contracted for 40 hours per week. Salary increased by 2%. Insurance went up. Maine State Retirement has been eliminated because she does not take the retirement. Mill Field is at \$5,000 and is for maintenance and mowing. Dwayne stated that he originally requested \$2,000 for Mill Field CIP which was to replace the rails on our fence. He stated that mowing actually costs them only about \$2,600 so there is extra money. He will take money from last year and some from this year to pay for it.

Under Community Center, Operations costs are actually down 4% and this is due to our propane costs going down. He built in \$36,000 for the walking trail, rebound wall, benches, sign and the fence at the Community Center and the \$26,800 for the Canal Street project.

Planning Board and Zoning Board of Appeals remain dead flat. Historical Society has a slight decrease of \$500.00 which has to do with how we fund the Oak Woods Meeting House.

Under Grants is a listing of outside organizations that we help fund. SMRPC is our planning commission and our dues went up 3% for an amount of \$1,758. Shipyard is for the Shipyard Association that is the lobbying arm for keeping the shipyard open. They ask each town in the Seacoast area to give them \$500 to build up a fund so that if the Shipyard gets on the BRAC list, they can fight that list. Selectman Johnson, Jr. asked how many Shipyard employees are from North Berwick. Dwayne stated that there are 151 employees. American Legion request \$2,500 per year which is for them to put on the parade and put the flags on the graves for the veterans. York County Shelters is at \$2,100 which is our contribution to help the shelters. Caring Unlimited is a domestic violence organization and they also work with our Police Department. Visiting Nurse Services ask for the money that isn't covered by all the other funding sources that they have. That number fluctuates up and down. It usually runs about \$6,500. They are the biggest social service agency that is utilized in North Berwick. This year they serviced 68 residents and did 111 days of service in North Berwick. York County Community Action provides such a wide range of services from heat, elderly services and transportation services. York County Child Abuse is to help prevent child abuse in the county and they ask for \$600. Southern Maine Agency on Aging is basically Meals on Wheels. Counseling Services is now called Maine Behavioral Services and they provide psychological counseling for people. Dwayne said that this past year they have worked with a lot of residents in our town and they are very good. Red Cross didn't ask for any money this year. Woodfords asks for \$100 for each family they support in North Berwick. They are working with 5 families so they are requesting \$500. Selectman Hall asked what Woodfords did. Dwayne stated that they provide respite care. If someone has a significantly impaired ADHD child, they will provide help so the family can get a break. Seacoast AIDS helps spread awareness about AIDS primarily in the school systems but also within the community. Dwayne said that Lifeflight had requested money. We have never funded them before. Dwayne stated that we have not funded SARSSM for about 6 years and they have asked for \$1,000. They do work a lot with our Police Department for sexual assault cases. He did not put any money into these so he can see what the Budget Committee thinks about it or unless the Board would like to add some now. The Board agreed to add \$500 to the SARSSM budget.

Conservation Commission has requested \$5,500 which includes \$500 for their operations and \$5,000 is for the Project Canopy grant.

Under Town Wide, our Insurance numbers will come in at the same amount as last year. FICA is our percentage of FICA so Dwayne is estimating a 2.71% increase. Town Office Building Fund is for our mortgage on the Town Office building which is staying the same at \$95,915. We always put \$5,000 in Unanticipated Expenses just in case something comes up. We very rarely use this. The HRA Fund is money that is set aside because we pay part of the HRA. The Mill Field Festival is budgeted for \$5,500. Dwayne said that it actually costs about \$10,000 to run the

festival. We have \$5,000 sitting in the bank so we only need \$5,500 this year. With everything that we added we are just over 3% over last year.

Dwayne stated that on Page 54, he has put together a draft Warrant. He has taken all of our Budget and he has put them into Warrant articles so the Budget Committee can at least start working on it. He kept it in the same exact order as the past several years. He added the two questions from the Conservation/Agricultural Commission regarding the designation of land to Town Forest and the Food Sovereignty Resolution as Articles 29 and 30. The Board agreed with the way the Draft Warrant is set up.

7. Review and Approve Warrants and Correspondence

Warrant:	January 12, 2016	- \$	0.00
Warrant:	January 19, 2016	- \$	595,577.84

Selectman Hall motioned to accept the Warrant of January 19, 2016 for the amount of \$595,577.84. Selectman Johnson, Jr. seconded the motion. VOTE: 4-0

6. Other Business – Executive Session – Personnel

Selectman Cowan motioned to go into Executive Session at 9:35 pm and to come out of Executive Session at 9:50 pm. Selectman Hall seconded the motion. VOTE: 4-0

8. Adjournment:

Selectman Cowan motioned to adjourn the meeting at 9:50 pm. Selectman Hall seconded the motion. VOTE: 4-0

Respectively submitted,
Susan Niehoff, Stenographer

Original to Town Clerk

Chairman: Charles Galemmo

Selectman: Wendy Cowan

Selectman: Elaine Folsom

Selectman: Michael Johnson, Jr.

Selectman: Jonathan Hall