

TOWN OF CHEBEAGUE ISLAND
BOARD OF SELECTMEN
Minutes

Wednesday, January 23, 2008 (ISLAND HALL)

In attendance: Mark Dyer, Herb Maine, Chris Rich, Leon Hamilton, Donna Damon

Meeting called to order: 6:10PM

Old Business:

1. To see if the Selectmen will establish basic fiscal goals and policies for the 2008-2009 budget process.

- 1.1. Fiscal Policy

- Mark Dyer asked for discussion of 1.1.*

- 1.1.1. To consider maintaining a fund balance.

- Herb Maine stated that this is basically to help the Town move into the new fiscal year. Have Ron Grenier review memo of Dec 10th, 2007. We need to adopt a fund balance policy.*

- Ron Grenier discussed surplus information. Herb Maine asked if we were discussing a separate account for fund balance accounts. Ron Grenier advised no. Herb Maine asked how we will know what amount we will end up with. Ron Grenier stated its what is left in cash reserve. Donna Damon stated that the end of the fiscal year any reserve could be put in a surplus fund or into a fund for a special need such as equipment. Donna Damon also stated that we need to set goals and remember that they may not work as set up. Leon Hamilton discussed the effect on tax rate. Donna Damon stated there can also be an unrestricted account.*

Mark Dyer stated that the Town needs to make if a goal to set fund balance. Ron Grenier asked what do the Selectmen want it to be and discussed options. David Hill discussed that the Transition Team considered a fund balance. The conclusion was that we would not know until 2008. David Hill stated that within two or three fiscal years we will have a better understanding of our financial condition and then it will be easier to establish a fund balance. We will work towards fund reserve in future. Jeff Putnam asked is this comes to the voters. Ron Grenier discussed how voters would be advised. Mark Dyer asked how this is decided. Donna Damon advised the decision on an overlay is made when commitment is made. Herb Maine advised that there is an accounting to the Town. There will be a town meeting. Donna Damon advised that recommendations will be made and it will go to town meeting to determine how the overlay/fund balance/restricted funds would be applied.

Herb Maine – MOTION:

Have a Task Force with Town Administrator and David Hill to draft a fund balance policy.

Chris Rich seconded.

Donna Damon discussed the need to know distinctions of unrestricted and undesignated. Leon Hamilton asked to add John Wilsons and Herb Maine to motion. Herb Maine added he was willing, but did not want to offer John Wilsons services.

Leon Hamilton agreed.

Mark Dyer asked for further discussion. Seeing and hearing none closed discussions.

VOTE: Unanimous.

1.1.2. To establish basic budgetary authorities.

Mark Dyer asked for discussion of 1.1.2

Mark Dyer discussed the need of policies to be place and on how to manage budget and how dispensed. Herb Maine discussed purpose and us of a budget as a tool. We need to come to some understanding of how a budget works. Ron Grenier advised that he does not want something to appear as a deficit. The first budget was done by the Transition Team and now we know more of how we intend to run. Agreed to let things run in the negative, so Selectmen can see it as long as we understand why. David Hill discussed running things in the negative so we will have more understanding of under budgeting. Herb Maine talked about allowing budgetary movements with the budget. David Hill advised not to do that and to stay within budget lines. Mark Dyer advised he would like to see expenditures. Ron Grenier discussed moving money around and would not ask for transfer. Mark Dyer asked Ron Grenier how he would pay for gasoline and out of what account. Ron Grenier stated he did not know what account would be use. The system takes out of an account under Department of Public Works. Mark Dyer asked Town Administrator to alert Selectmen of over run. Ron Grenier stated that the warrant will show if we are paying for something and if it is running in a deficit. Mark Dyer discussed that Town Administrator should come to Selectmen to move monies. Donna Damon discussed that no money should be shifted around because it will be difficult to budget for the next year.

We need to see where we have overages and where we were short. Mark Dyer and Herb Maine stated that no monies will be shifted unless Selectmen are advised.

Mark Dyer asked for further discussion. Seeing and hearing none closed discussions.

1.1.3. To consider a recommended maximum debt service.

Mark Dyer asked for discussion on 1.1.3

Ron Grenier read an email from John Wilson stating we are at 20% . Mark Dyer discussed what percentage amount that we are willing to carry. Jeff Putnam asked if we are anticipating going further into debt. Mark Dyer no, we do not anticipate going any more debt. David Hill advised that the policy and recommendations limit the debt we have now, unless you go to the Town Meeting. Donna Damon advised that the debt service is up to the people. Herb Maine discussed the fiscal responsibility.

Mark Dyer asked for further discussion. Seeing and hearing none closed discussions.

1.1.4. To consider other fiscal policies.

Mark Dyer asked any discussion on 1.1.4 as we actually covered it in 1.1.3. Everyone agreed to move on to 1.2 Fiscal Goals.

1.2. Fiscal Goals

1.2.1. To consider tax rate goals.

Herb Maine advised that Long Island keeps mil rate the same. What are the bench marks to hold tax rate. Donna Damon advised it is holding the bottom line. Mark Dyer asked if this means no increases in the operational budget, only realignment. Donna Damon agreed that it means realignment, but it is also affected by increased revenues. The Town can increase its spending in proportion to its increased revenues (eg a new house being built results in increased revenues). Thus spending may increase, but the tax rate can stay the same. Herb Maine advised that's not what he meant. We need a joint meeting of Selectmen and School Board. Discuss what's right for community. He also stated that if we hold tax rate as is that may affect school. Mark Dyer asked to get with School Board and discuss goals. David Hill said that if we want to keep the mil rate the same we should ask the School Board to do the same. Leon Hamilton discussed providing services. David Hill stated people should receive what we are providing now. Beverly Johnson discussed school long term capital expenses, road work and wonders if people are happy with what's going on. Beverly Johnson also stated the school board has have not discussed any budget, but a have meeting January 29th. Ron Grenier stated he is working with department heads on the next budget. Donna Colbeth stated that cut are inevitable, we can't have everything. Herb Maine stated the goal should be to hold the mil rate where it is now. Leon Hamilton discussed the goal is to keep the mil rate the same, but also take care of the employees. David Hill said that the mil rate was set by the debt service

Herb Maine – MOTION:

Establish goal to keep same mil rate in 08-09 as 07-08. Which is \$20.49 per \$1,000.

Leon Hamilton requested an amendment that not only will the goal be to keep same mil rate, but add the possibility of lowering it. Herb Maine in agreement. Donna Damon asked if an adjustment was made for debt service as we voted down overlay. Leon Hamilton stated that this is a goal to give to the towns people, it may not work. Donna Damon stated that she agreed with Ron Grenier that all department heads should be involved in creating the budget. Mark Dyer stated that department heads should cut their own budgets. Mark Dyer asked for any further discussion. Seeing and hearing none closed discussions.

VOTE: Unanimous.

Mark Dyer asked that we move onto new business as we have already covered the following budget, fund balance and fiscal goals in previous discussions. All in agreement and moved on to New Business.

New Business.

1. To see if the Selectmen will designate some possible dates to meet jointly with the school committee to discuss fiscal goals.

Beverly Johnson advised that she has dates for all up coming School Board Budget Committee meetings. They are every Tuesday at 6PM.

Donna Damon – MOTION:

That the Selectmen meet with School Board on January 29th location the Island Hall at 6:30PM.

Herb Maine stated he would not be available. Mark Dyer stated he thought it was a little premature, that we do not have other

department information in. Ron Grenier stated no we haven't, but it is a starting point. Donna Damon asked Ron Grenier when he thought we would meet with department heads. Leon Hamilton asked Ron Grenier if he could get them the current most accurate expenditures possible. Ron Grenier stated, yes. Donna Damon asked who will set the agenda. Ron Grenier advised that he and Mr. Hadley will set the agenda. Mark Dyer asked for further discussion. Seeing and hearing none closed discussions.

VOTE: Unanimous.

2. To see if the Selectmen will establish the interview protocol and interview questions for the Assessor position.

Mark Dyer stated that the Assessor interviews will be February 10th and we have three individuals. He also asked about these individuals being picked up at ferry. Donna Damon stated that during the interviews that everyone take their own notes and compare them in executive session. She also asked that the questions be less technical and make them more open ended. She and Ron Grenier will work on questions.

3. To see if the Selectmen will set the date for the 2008 annual town meeting.

Board of Selectmen discussed May 31st and June 7th.

Herb Maine – MOTION:

To set Town Meeting Date June 7th at 9AM at the Chebeague Recreation Center.

Donna Damon seconded.

VOTE: Unanimous.

Donna Damon asked for a workshop meeting February 6th and the Board set the regular monthly meeting for the 20th. The Selectmen discussed the workshop date to work on the Personnel Policy and set it for Sunday, January 27th at the Recreation Center at 8:30AM. The next regular monthly meeting is February 20th.

Donna Damon – MOTION:

That the agenda will only have one item the personnel policy.

Mark Dyer asked to hold meeting to two (2) hours.

Leon Hamilton seconded.

VOTE: Unanimous.

***Mark Dyer – MOTION – To adjourn meeting.
Donna Damon seconded.
Vote – Unanimous.
Meeting adjourned at 9:04PM
Respectfully submitted by Susan Campbell, Town Clerk.***