Moira Paddock, Chair (present) Gayle Gallant (present) Jeff Northgraves (present)

# Donna Withington (present) Katie-Lyn Greene-Rackliff (present)

# Alan Hall (present) Camille Minikis (present) Cliff Retzlaff (present)

# Also present: Selectboard members Jan Gaudio, Walter Reitz and Cheryl Waterman (Budget Meetings are ‘joint’ meetings of the Selectboard and Budget Committee), Town Administrator Owen Casas, Ambulance Director Amy Dyer, Fire Chief Bryan Calderwood and Beverly St. Clair

# Meeting Opened at 6:00 PM.

Election of officers for 2019 (Moira Paddock elected 6 - 0 as Chair and Gayle Gallant elected 6 - 0 as Secretary).

Moira Paddock mentioned that there is a new policy on the number of budget committee members, but had not yet received a copy. Owen Casas to provide this the next time we meet.

Selectman Walter Reitz went over a summary document he had provided the budget committee which included 2020 budget submittal highlights. Please see a copy of this letter at the end of this document.

Since we have 3 new members on the budget committee, Walter Reitz also gave an overview of how the LD1 Levy Limit was determined and the process we would use during the budget review to see if we could successfully stay within that limit. Surplus projection is $590,681, which is lower than previous year, with an additional $146,242 earmarked for the transfer station expected improvements.

During the budget process Moira Paddock mentioned that as in past years, all budget approvals will be considered preliminary pending review of the entire budget.

If a reserve account is associated with a particular department, that reserve account will be reviewed immediately following the department budget review.

**Ambulance (580)**: ($213,156)

Ambulance Director Amy Dyer presented the budget. Total calls were 279, a substantial increase from the prior year. This is an updated number from the total presented in Walter’s summary letter which is attached below. Amy Dyer is now a town employee at $15,000 rather than a contracted position at $30,000. Per diem coverage in now 7 days a week from 6:00AM to 6:00PM. Rates for the various skill levels have been increased allowing the town to keep a skilled staff of 23. Ambulance Billing revenue is significantly higher with writes off much lower due to Amy Dyer’s ability to code billings correctly.

Donna Withington moved to preliminarily approve **$213,156,** Alan Hall seconded: **Motion Passed 8-0.**

**Ambulance Reserve (690)**: ($0). No Ambulance Reserve this year because monies will be used to pay for the new ambulance.

**Amb Defibulator Reserve (690)**: ($5,000)

Director Dyer reviewed the reserves.

Donna Withington moved to preliminarily approve **$5,000.** Jeff Northgraves seconded: **Motion Passed 8-0.**

**Fire Department (570)**: ($127,023)

Chief Calderwood presented the budget request. Chief Calderwood started by giving a summary of the 104 calls this past year. Staff is now at 16. Request for $7000 to begin the fire pond maintenance; beginning with the Stump Dump fire pond which is the most centrally located. Chief Calderwood suggested this could be funded from the reserve account. Also requested $6,000 for Ventilation Fan, 14,000 for 20 Portables, $3,300 for SCBA Bottles, and $4,000 for 10 new Pagers, $17,300 of this to be funded from the Fire Equipment Reserve Account.

Donna Withington moved to preliminarily approve **$127,023**, Jeff Northgraves seconded. No mention of the proposed funding in the motion as this will be taken up at the end of the budget process: **Motion Passed 7-1.**

**Reserve (690):**

Chief Calderwood presented the fire department reserves.

**50-Fire Pond Maintenance Reserve: $0**

**53-Fire Equip Reserve: $0**

**58-Fire SCBA Reserve**

Chief Calderwood requested that this be funded at $21,000 since he wants to purchase 3 sets at $7,000 each next year. Cliff Retzlaff questioned why this was a reserve account, since the discussion had pointed out that we should be replacing 1 set a year. Determined the best approach would be to fund this reserve at $7,700 this year. Added to the existing $6,318 in the reserve, this would bring the reserve up to a sufficient amount for 2 sets and starting next year it should be presented as a regular budget item with the purchase of 3 sets (2 being funded from the reserve). From that point on, funding for one set per year would be included as a regular budget item.

Jeff Northgraves moved to preliminarily approve **$7,700**, Donna Withington seconded: **Motion Passed 8-0.**

**52-Fire Truck Reserve: ($46,000)**

Chief Calderwood is requesting that we continue funding this account with a 15% annual increase. Best estimate he could get or replacement costs of a fire truck increases between 5% and 15% each year.

Donna Withington moved to preliminarily approve **$46,000,** Alan Hall seconded: **Motion Passed 8-0.**

**62-Fire Truck Repair Res: ($0)**

The reserve originally showed a request for $8,000; however, Chief Calderwood said this was a mistake. The balance in the account had reached the desired $25,000 level, so no further funding needed.

Jeff Northgraves moved to preliminarily approve **$0**, Donna Withington seconded: **Motion Passed 8-0.**

Meeting adjourned at 9:06 PM

Respectfully submitted Gayle Gallant

**Copy of Walter Reitz letter:**

 South Thomaston FY2020 Budget

 The FY2020 Budget – Notes

FY2019 Recap: in 2019 we overspent the overall budget and reporting is still being reconciled. This was a last-minute surprise leaving no time to do a transfer from the Unassigned Fund to balance the budget (I have no idea yet how I missed this before December 31). We overachieved revenues led by Excise of 381,821 v forecast of 370,000 and Ambulance Billings of 89,214 v forecast of 45,000

Unassigned Funds at YE is 590,681 a significant change from 2018’s 756,124:

 Surplus on January 2, 2019: 756,124

 Less: Applied to Budget: 141,907 (614,223)

 Less: Mill Rate Mitigation: 150,000 (464,223)

Plus: Generated by Operations: 126,458 (to be reconciled/verified)

Ending December 31, 2019 590,681

Assigned Fund Balance 146,242 (Earmarked for Transfer Station Reserve Warrant Article and to be adjusted by slight accrued interest)

Significant Revenue Events

 Ambulance billings were 89,214 v budget of 45,000

 Excise Taxes were 381,821 v budget of 370,000

Ambulance write-offs were 3,738 from 2016 and 7,369 from 2017 but they were not posted until 2020. Note that aging is being steadily reduced.

Significant Spending Events:

Down Payment on the New Ambulance: 55,305(130,059 due on delivery in April.

 Purchase of a Lift Stretcher: 9850 (funded from Ambulance Trust)

There were 254 ambulance calls, up from 182 in 2018 and 141 in 2016. This was a major contributor to both the revenue increase and compensation of 143,118 v budget of 114,786.

Disposal fees at the “stump dump” were over budget by 6,132 due to higher weights. The Board is evaluating an RFQ for additional vendors.

Tech Support was overspent. We will be doing a detailed review of the service calls with the vendor in the coming weeks.

2020 Highlights for review and consideration:

The Department Head Submittals in total add up to 1,647,145, well over any reasonable affordability case.

Wages and salaries generally in line with 2% COLA, 1% merit or equity adjustment guideline. Exception is Ambulance where EMTs are compensated at local hourly rates for each certification level. St. George management contract has been terminated and Amy Drinkwater converted to South Thomaston employee at 16,000.

The following are items which are either out of the ordinary run rate from recent years:

40,000 in Roads to perform tree work and “limbing” on Westbrook St. (should be regarded as a public safety matter).

31,000 to fully fund the Island Road Renovation. The Town must demonstrate its financial commitment in order to confirm and then to draw funds from the Northern Borders Grant (330,000). This also will require a transfer from the Paving Reserve of 45,000 and the Emergency Management Reserve of 15,000.

50,000 to pave the length of Island Road not covered by the renovation (this was in the usual paving plan of fund one year, pave the next).

35,129 first payback installment for the new Ambulance.

40,000 usual funding to the Fire Truck Reserve.

73,000 to set up Gilford Butler School for temporary occupancy as recommended by the Butler School Futures Committee.

The Fire Department proposes to draw 14,000 from the Equipment Reserve for a ventilation fan, portable radio replacement and pager upgrades.

In Recreation we have estimated 17,500 to make the tennis courts somewhat playable.

So, as a group we have a significant task ahead. Budget makers are pretty much in line with the Selectboard guidelines: Adhere to the compensation guidelines or bring forward a compelling case; preserve the Town Assets by ensuring proper maintenance and replacement practices and look to the future as well. Unfortunately, the combination of built-up run rates in recent years, some expenditure deferrals and some new requirements are presenting a major balancing challenge.

See you all Monday evening (and Tuesday, and Wednesday and Thursday)

Regards,

Walter