



Town of South Thomaston, Maine
125 Spruce Head RD
P.O. Box 147
South Thomaston, ME 04858-0147

Budget Committee Meeting
April 9, 2024

Attendees:

Budget Committee

Walter Reitz (Chair)
Sondra Wallace (Secretary)
Bob Baines
Katie-Lyn Greene-Rackliff
Linda Maltais
Pennie Alley

Select Board

John Spear
Jeff Northgraves
Sue Snow

Town Office

Terri Baines, Town Administrator
Hannah Moholland

Select Board Meeting called to order at 4:00 pm.

Election of Budget Committee officers for 2024:

Walter Reitz was elected as Chair (S. Wallace moved, L. Maltais seconded; **In favor 5-0**).

Sondra Wallace was elected as Secretary (K. Greene-Rackliff moved, W. Reitz seconded; **in favor 5-0**).

Chair W. Reitz called the Budget Committee meeting to order at 4:03 pm.

Approval of prior meeting minutes

P. Alley moved to approve the minutes from April 26, 2023; L. Maltais seconded.
Motion Passed 5-0.

NOTE: R. Baines arrived after the above votes were taken.



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BUDGET OVERVIEW

J. Northgraves gave the overview. Salaries reflect an across-the-board 3.2% raise, equal to the Federal CPI/COLA, except for the Ambulance Service; they have a grant that will cover the larger increase.

The budget notably reflects catch-up on road repair and paving, because money and contractors are available. A lot was done this year, and this budget funds more work next year.

Town Office and CEO: Effective July 1, H. Moholland will become Town Administrator, while T. Baines becomes nearly full-time CEO, still working about 15 hours in the front office. (So in the Administration budget, Town Administrator = H. Moholland, Assistant to Administrator = Phil Verrill, and Asst. Deputy/Deputy Clerk = T. Baines.) Legal expenses are increased, in part because we expect more CEO activity.

The total budget is about 8% over last year. One issue: The 2023-24 budget, following the 18-month 2022-23 year, got about \$400K from the way the State calculates its contribution, substantially more than we'll get based on the current 12-month FY. An ongoing challenge with the change to a July-June FY is that we have to budget using only estimates for the last months of the FY.

Budget surplus: J. Northgraves estimates a significant addition to surplus based on spending under budget and revenues greater than forecast in some categories. His preliminary plan is to apply about \$90K to surplus to bring the required appropriation spending below the LD1 limit, and about another \$100K at commitment to reduce the tax burden. The actual surplus will not be known until at or about the time that the commitment and mil rates are set. Some or all of the \$67K we spent to buy the Smith and Cline land may return to surplus, if we get the LMF grant we've applied for.

BUDGET REVIEW

Administration (510) (\$280,026)

T. Baines presented the budget. P. Alley moved to preliminarily approve **\$280,026**. L. Maltais seconded: **Motion passed 6-0.**

Revaluation Reserve (Line 1161) (\$20,000)

Discussion: Per J. Northgraves and J. Spear: The \$20K for FY 2024-25 is double what we've put in in previous years. Some year soon we'll have to do a revaluation (last done in 2006). If our property valuations diverge too far from its calculations (based on 3 prior years of sales) the State may require revaluation; an immediate consequence is that tax exemptions (like homestead) must be reduced by the percentage that we're outside the permitted range. For FY 2023-24, to get our valuations within the



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State's permitted range, we raised everyone's assessment 15%; we may do that again for FY 2024-25. But that can't be done long term, as individual property values change at different rates, and fairness becomes an issue.

The SB is considering conducting a revaluation possibly in 2027. By then the Reserve would have enough (estimated \$150K), revaluation contractors would be available (all are fully booked until at least 2026), and there would be time to prepare/inform/educate the community. And hopefully current market volatility would have settled.

S.Wallace moved to preliminarily approve **\$20,000**. R.Baines seconded: **Motion passed 6-0**.

Buildings & Grounds (540) (\$93,126)

T. Baines presented the budget.

Change: Mowing: The mowing contractor quit mid-contract; the only bid received in response to our call was for a higher amount.

Discussion: New Fire Alarm System: Proposed budget \$19K. SB thinks this is high, for a more sophisticated system than we need, but the only bid received so far. Decision: keep it at \$19K for now; SB will know more by Town Meeting, and a floor amendment could be made.

P.Alley moved to preliminarily approve **\$94,626**. L. Maltais seconded: **Motion passed 6-0**.

Building Reserve (Line 1229) (\$0)

K.Greene-Rackliff moved to preliminarily approve **\$0**. R.Baines seconded: **Motion passed 6-0**.

Town Roads (610) (\$382,797)

J. Spear presented the budget. Culverts and ditches: Many clogged, some culverts damaged. A culvert inventory (which we have not had) is being developed. There is a State grant program for [repair/replacement] of large culverts.

Paving: Planning to pave Wesbrook Road this fall; Grierson Road also should be paved, if funds were available.

January storm damage, including to Spruce Head Island bridge: Some Federal disaster relief funds might be available for repairs.

S.Wallace moved to preliminarily approve **\$382,797**. K.Greene-Rackliff seconded: **Motion passed 6-0**.

Paving Reserve (Line 1167) (\$0)

P.Alley moved to preliminarily approve **\$0**. R.Baines seconded: **Motion passed 6-0**.



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Assessors (520) (\$35,909)

T. Baines presented the budget. K.Greene-Rackliff moved to preliminarily approve **\$35,909**. L.Maltais seconded: **Motion passed 6-0.**

CEO & Plumbing Inspector (560) (\$59,626)

T. Baines presented the budget.

Per J.Northgraves: Changes to our land use ordinance (required by new State law on expanding housing opportunities) will give the CEO new responsibilities: Housing permits will have to be issued by the CEO. Any additional building will have to demonstrate availability of potable water (previously only needed to demonstrate sewer (septic) capacity. Deeds for new affordable housing units must restrict renting or sale only to a particular income level for 30 years.

The Town's 2010 Comprehensive Plan named preserving the natural environment and increasing affordable housing as top priorities. These two are in tension.

K.Greene-Rackliff moved to preliminarily approve **\$59,626**. L.Maltais seconded. **Motion passed 6-0.**

Planning & Appeals Boards (530) (\$2,718)

T. Baines presented the budget. R.Baines moved to preliminarily approve **\$2,718**. K.Greene-Rackliff seconded: **Motion passed 6-0.**

Street Lights (600) (\$3,500)

T. Baines presented the budget. S.Wallace moved to preliminarily approve **\$3,500**. P.Alley seconded: **Motion passed 6-0.**

Town Landing (550) (\$5,763)

J. Spear presented the budget. P.Alley moved to preliminarily approve **\$5,763**. L.Maltais seconded: **Motion passed 6-0.**

Town Landing Reserve (line 1166) (\$237: Correction: should be \$2,000)

NOTE: Funding comes from boat excise taxes; it is not subject to Budget Committee vote.

Without objection, Chair W.Reitz adjourned the Budget Committee meeting at 6:08 PM.

Respectfully submitted by Sondra Wallace

These minutes were approved by the Budget Committee on 4/11/2024.