

Selectmen Budget Meeting Minutes

Monday, January 5, 2015 @ 5:30 PM

Southwest Harbor Town Office

I. Call to Order/Roll Call

The meeting was opened by Chairman Norwood at 5:30PM. In attendance with Chairman included George Jellison, Thomas Benson, David Minctons, Lydia Goetze, finance director Tabbetha Newenham and Town Manager Don Lagrange. Members of the audience included members of the warrant committee, the conservation committee and representatives of the SWH Library.

II. Budget discussions included the following:

a. Revenue from sources other than taxes is projected to increase by \$2,600 for a total of \$727,600. Major increases include cable franchise fees by \$5,000 based on previous receipts. Other projected increases included but not limited, from delinquent tax interest and fees; moorings, mooring rentals and ramp fees. Significant reductions in revenue are anticipated from municipal revenue sharing (\$4,000); interest income (\$1,000); Perc rebate (\$2,000); parking violations (\$1,000).

b. Administrative expenses had an increase of \$2,293(1%) for a total \$244,730. Primary increase from municipal audit- \$500; health insurance - \$1,656; elections and town meetings - \$1,000. There was a slight decrease in payroll, IT services and holiday celebrations.

c. Administrative Capital Improvement Plan (CIP) increased \$1,300 due to additional reserves needed for computers and cable access for a total of 8,050. Municipal CIP had a proposal to add \$15,000 for public bathrooms. Current balance is \$15,181 and it was suggested when bathrooms were to be built, additional funds should be taken from surplus if voters agreed. The Selectmen suggested to scratch the proposed \$15,000 from this budget and will be further discussed during final recap.

d. Municipal debt service includes Main Street Construction, Fire Station, Ferrero Fire Truck, Wesley-Mansell road project and water tank. Principle and interest payments is expected to be \$4,964 less for a total budgeted debt service of \$419,470.

e. Contract services will increase by \$31,900 (5%) due to taking assessing costs (\$34,900) out of the CEO/LPI/Planning budget and putting into the Contract services budget. This will provide a clearer picture of the CEO/LPI/Planning budget and it is a contract with RJD Appraisals. Other items in contract services include Emera for street lights, water hydrant rental, recycling, and transfer station, Acadia Disposal District for the annual hazardous waste collection and Perc/MRC.

f. The reserve account includes: Wage and benefit; Tax Abatement; Legal and accounting; Professional development; Comprehensive Plan; Unemployment and Mapping update. There was an increase in the wage/benefit line item by \$7,000 due to benefits payout however no increase in the unemployment reserve and comp plan due to sufficient funds available. Also, due to a stable property tax base, there was a consensus to remove a proposed \$3,200 from Tax Abatement line item since there are sufficient funds for future needs. If approved in final re-

cap, the Reserve Account budget will have a decrease of 15.6%, from \$38,000 to \$32,060.

g. Representatives of the public library discussed their budget and facility. There was no increase in the request from last year which is \$55,000.

h. Municipal Building expenses increased from \$23,780 to \$25,990 primarily due to additional funds placed in this budget for week end maintenance of bathrooms and trash removal, which was previously paid out of the highway budget. The other major increase is anticipated electricity rate increase projected at \$2,000. A decrease of \$1,500 for fuel oil based on pricing and decreased consumption.

i. The General Assistance budget will be eliminated and placed into a reserve since each year, \$5,000 is budgeted however only a portion is generally required. In a reserve, taxes would only be increased after this budget by the amount used and not the entire \$5,000. Estimated future budget requirements will be \$1,600 to \$2,000 annually.

j. Insurance budget is expected to increase by \$1,750 (5%) for a total of \$35,700. Items include Auto, Fidelity, Property and Liability and public officials.

k. The last item discussed was Boards and Committees with a 9% decrease to a total budget request of \$5,000. However, the primary discussion included members of the conservation committee regarding the Charlotte Rhodes park. Historically, the committee has been maintaining the park however with the removal of rental income, SWH has the obligation to include the upkeep and maintenance of this municipal property in the budget. Additional discussions required. A suggested budget was provided estimating town share of expenses at \$5,500.

A motion to adjourn at 7:40 PM was made by George Jellison. Seconded by Dave Minctons and voted in favor 5/0/0.