

TOWN OF GRAY

TO: Gray Town Council/Citizens of Gray
 FROM: Town Manager
 RE: 2009 Budget
 DATE: April 1, 2008

Submitted herewith are the proposed draft municipal and special funds budgets for the Fiscal Year 2009 – July 1, 2008 to June 30, 2009. A great deal of effort has been taken in providing a responsible budget while achieving a minimal impact on the mil rate. In order to accomplish this goal, we are suggesting that monies from our healthy reserves and excess undesignated funds be utilized. The proposed increase to the municipal budget is 2.5% (or .09 mil rate increase), excluding county tax impacts and school tax impacts. This is well within compliance of the LD 1 cap recommended by the Maine Legislature.

The first bond interest payment for the Public Safety Bond project will be due this fiscal year (April 2009). The first payment and interest will be due October 2009 (FY10). October 2009 is the last interest payment to be made on the Public Safety Bond. These are the Town’s **current** outstanding loan obligations.

Overview of this Budget:

- **COLA increase for all personnel.** A 3.5% cost of living adjustment has been identified for all personnel. Two positions at the transfer station have been adjusted to more accurately reflect the current market rate. Other adjustments above the 3.5% reflect a change in job description and/or satisfactory completion of a probationary period. When we allow position compensation to fall below the competitive market we witness, among other factors, a greater disparity in what we have to pay to hire and even retain our qualified personnel.
- **The Administration Department.** This budget provides for the Town Office to be open five days a week. Hours will be increased from 35 hours to 40 hours per week. This proposal and the COLA reflect the increase in the fulltime personnel.
- **The Community Development Department.** The fulltime personnel item reflects ½ of the salary for the Community Development/Town Building Administrator and 1/3 of the salary of the administrative assistant. The administrative assistant salary was previously in the part-time line item. It is more appropriate that the salary of this portion of the full-time position be identified in the fulltime line item. (Please remember the proposal to provide town office hours five days a week.)
- **Assessing.** The fulltime personnel item reflects the salary of the Assessor and 1/3 of the salary of the fulltime administrative assistant. (Again, please remember the proposal to provide town office hours five days a week.)
- **Code Enforcement.** The fulltime personnel item reflects ½ of the salary for the Community Development/Town Building Administrator and 1/3 of the salary of the administrative assistant. We have recently experienced an increase in litigation and propose a \$2,000 increase in the legal line item. (Again, please remember the proposal to provide town office hours five days a week.)

- **General Assistance.** The cost of this service has increased substantially state-wide, as this is a demand driven service to assist the neediest of Gray's citizens. The amount requested is a realistic amount. A decision was made to reduce this budget last year, due to the budget cuts determined at the first half of our annual town meeting. Reimbursements for these funds are offset 50% by additional GA revenues.
- **Elections.** The recent charter amendment as well as the upcoming 2008 Presidential Election has driven this increase of \$3,626. The increase for part time personnel is for the additional election workers during the November election, as well as part time assistance two weeks prior to the election in order to facilitate the anticipated increase in absentee voting.
- **Debt Service.** Please see the second paragraph of this document.
- **Reserves.** This amount is proposed to be taken from the undesignated fund balance for the purpose of future public safety vehicles.
- **Capital Projects.** An overall increase of \$396,769.00 from last year. We suggest that \$639,058 be utilized from our reserves, excess undesignated funds and Northbrook TIF be utilized to offset the cost of these projects.
 - \$35,510 – Administration – to pave the town hall parking lot (\$33,200) and purchase additional voting booths (\$2,310) to comply with State of Maine Election law.
 - \$2,500 – Public Works - landing for crosswalk at Libby Hill
 - \$528,058 – Public Safety – kitchen repairs to be compliant with State Fire Marshall, communications equipment, scheduled purchase of rescue unit, equipment for engine #1, and purchase of Walker Tires for Fire Station #2.
 - \$55,000 – CDBG Grant match to be taken from Northbrook TIF.
 - \$21,000 – Library – for roof repair and computer upgrades.
 - \$25,000 – Gray Community Endowment – town contribution for grant application in order to purchase Hancock property to be part of Libby Hill Trails.
 - \$3,000 – Recreation – fencing at Wilkies Beach.
 - \$28,500- Bridges – engineering cost for Ford Bridge at Weymouth Road.
 - \$264,000 – Public Works - street construction
 - \$77,159 – Recreation – paint Newbegin (\$4,000), fields (\$4,000) and pave parking lot (\$69,159).
 - \$68,250 – Revaluation – one half of cost to do town wide revaluation as we are currently at 69%.
- **Employee Benefits.** There is a substantial decrease in the employee benefits budget due to a recent change in our health insurance policy. While the coverage is similar, the employee now has a deductible.
- **Library.** The library budget is basically maintenance. Marie Morey, has does done a tremendous job as the new head librarian. She and her staff are some of the friendliest and most helpful employees a community could obtain.
- **Parks and Recreation.** We will continue to provide the same services as the community has always enjoyed with the core staffing/building maintenance budget supported by tax dollars. The proposed increase represents full funding for the assistant director position. Expenses related to recreation activities will now be funded from the Parks and Recreation enterprise fund. Prior to this year, one half of the assistant director's salary was funded from the enterprise account. This change is fairly equivalent to previous years. I know that the programs and activities provided by these dedicated employees enhance the quality of life for many of our folks as well as residents from surrounding communities.

- **Public Safety Services.** The Public Safety Department is combined with Fire/Rescue/Communications. The volunteers have worked through the loss of our late Chief, as well as the transition of our new Fire Chief, Ricky Plummer. A great deal of time and effort has been taken to assess the needs of this department. Chief Plummer has been working closely with the Fire Chief of Raymond to ensure the health and safety of our citizens on the Raymond side of Little Sebago Lake. A part-time salary has been identified for the purpose of providing “in house” ambulance/vehicle accident billing. The amount for this service has always been in previous years’ budgets. It was deducted from a revenue account and not part of the appropriation budget. We will also provide this service to the Raymond Fire Department. The revenue from this service will be around \$260,000. The department is mostly comprised of volunteer members who train tirelessly in order to provide quality services to every citizen in every section of this community. I hope you will agree that this budget has made great progress in working towards these goals.
- **Public Works.** The public works budget has provided for the additional part-time hours needed to efficiently run the department. These employees (fondly referred to as the “road warriors”) have done an outstanding job maintaining our winter roads. Public Works Director has worked closely with the Fire Chief, the Solid Waste Director, the Town Manager, and our OEST Assoc. engineers to provide a new public works garage and an expansion to the transfer station.
- **Recycling.** There are very few changes proposed in this budget. The increases are COLA for staff, assessment fees for the Ecomaine bond and various waste hauling fees. Gray residents should be proud of the fact that we have surpassed the State’s goal of 50% of waste being recycled. The rate for our previous year was 54%, enough to keep Gray well within the top 10% of reporting communities in the State of Maine. We now have available, bright blue recycling bins with the Town of Gray logo to help residents with their sorting and recycling efforts. Hopefully, we will be able to increase our recycling percentage. Kudos to the staff of the Transfer Station.
- **Building and Grounds.** There is no significant change in this budget. The part-time personnel lines have been combined in order to facilitate the budget process. I would be remiss if I did not express my gratitude to these unsung heroes who do everything from rebuilding mail boxes destroyed during snow removal, lowering the town flag, keeping the walkways to our several buildings clear and safe, placing the flowers around the town buildings, mowing the municipal fields, keeping the town buildings cleaned inside, responding to false security alarms, maintenance painting, placing the new park benches at the monument, setting up the polling places, etc, etc, and anything else we ask them to assist with.
- **Various Boards and Committees.** There is very little change in these budget items.
- **Public Communications.** This was a new department last year. It is comprised of a part-time person who will be responsible for the administration of the Cable TV and a part-time person responsible for the Gray Website. Monies have been identified for the purposes of providing interpreting services to citizens with disabilities. Increases are for equipment and website enhancements. We hope to provide “streaming” of the various boards and committees next year as well as options to conduct citizen surveys. I am proposing that this department be funded by the reserves in the Pennable savings account.
- **Pennell Building.** The CEDC is conducting surveys to find out the Gray citizens’ desire for the recently obtained Pennell Building. We did not budget for the maintenance of this building for FY 07/08. Until the fate of this building is determined, I am proposing that the interest from the Pennell trust be used to (indirectly) pay for this budget item.

- **Community Services.** The increases proposed in this item are for maintaining the cemetery, lake water mitigation of milfoil, and the possible town match for a metro transportation project facilitated through the Greater Portland Council of Governments.

Revenues that impact the Budget:

- **State Revenue Sharing.** The current 07/08 projected amount is approximately \$414,000. Given the economic climate, we have budgeted \$400,000 for this budget.
- **CIP Reserves/UFB (Savings)/TIF.**
 - \$120,000 has been identified for the annual amount for the Public Safety Vehicle Reserve. We also hope to purchase the Walker Tire at an amount of \$260,000. It is proposed to transfer this amount from the UFB.
 - An amount of \$55,000 has been identified as the monetary match to the CDBG (\$100,000) grant that we are receiving for downtown revitalization.
 - The following amounts are proposed to be funded from the CIP Reserves
 - \$13,536 Pennell Building Maintenance
 - \$61,010 Pennable account for Public Communications Dept.
 - \$25,000 Recreation fund for Gray Community Endowment land acquisition
 - \$5,000 Library technology
 - \$28,500 Bridge account for engineer services
 - \$5,558 Public Safety communications equipment
 - \$90,000 Equipment for Engine #1
 - \$170,000 New rescue unit
- **Interest.** Revenues from investment income are subjected to the current economic climate and interest rates we hope to negotiate with our local bank.

Outstanding Issues:

The School District intends to make a formal budget presentation at the next Town Council meeting, April 15, 2008.

In closing, I wish to thank the taxpayers of Gray for their input into this budget, the town council for their wise direction and understanding of the challenges, the department heads and the staff who all helped to prepare the budget. Lastly, I would be negligent, if I did not recognize how much I appreciate the valuable employees who provide exceptional customer service at town hall. I am thankful for their sense of humor and dedication to me as well as the people of our community.