

Budget Committee Minutes
March 24, 2022
Wescustogo Hall & Community Center
Merrill Room

The North Yarmouth Budget Committee was called to order at 5:47 P.M. by Chair Andy Walsh. All Committee members were present. Also, in attendance were Town Manager Diane Barnes and Assistant to the Town Manager Draven Walker who ran the audio and streaming services.

Chair Walsh reminded the members that the meetings are broadcast so please wait for the Chair to recognize you and identify yourself when speaking. Steve Palmer said he had difficulty hearing at the meeting last week due to the way the tables were set up and suggested we change to a “u” configuration. Members Palmer and Sandra Falsey then moved to tables facing the other committee members.

Chair Walsh asked members to be mindful of FOAA requirements. Three or more members cannot meet in person or communicate on email. If you have questions, he asked that they be sent directly to Diane Barnes and not to all the committee members. Barnes will then answer them at the next committee meeting.

Chair Walsh addressed the proposed staff addition to be budgeted for this year at Wescustogo Hall & Community Center. The cost is approximately \$69,000. The committee asked numerous questions about the use of the building, rental income, reducing overtime pay if this new person does some of the streaming broadcast for meetings, and whether everyone who uses the facilities pays. Linc Merrill suggested that a financial value for the Town’s use of the facilities for meetings be determined to add to the paid rental to understand the full value of the usage. Barnes said Director Lisa Thompson will report on these items at the next meeting. The Committee voted to support the additional position.

Brown Tail Moth spraying was discussed. The Committee agreed to only support spraying on Town property and not along the roads. This was also the suggestion by Maine DOT.

Diane Barnes talked about the TIF District (Tax Incremental Financing) in North Yarmouth. She has spoken with the State of Maine and has a better understanding of how our TIF district works. She gave an overview of TIFs and then talked about our specific TIF. She said we can only use TIF money to pay for things that are commercial or support commercial activity. If something is mixed residential and commercial, a pro rata amount can be used. There was a lot of additional information presented which is not captured in these minutes.

Based on this information, Barnes removed the playground from TIF funding. She added the GPCOG cost to the TIF. A portion of salaries and planning services was also adjusted for TIF funding. Upon request of the members, Barnes will check to see if any of the Fire Chief salary can come from TIF funding.

Steve Palmer questioned some additional TIF funded items in the budget. He said he believes recreational trails should be covered by TIF funds but the signs to measure and display vehicular speed

should not be paid by the TIF if they are not in the Village District. Palmer also had the original spreadsheets of the estimated TIF revenue and possible places to spend it when the TIF was approved. He questioned whether we have a plan for all this tax revenue and if we should make changes in the TIF. Bill Young, Andy Walsh, and Linc Merrill added additional comments about the TIF and developing a long-term plan for the revenue and the spending.

The Committee will recommend to the Select Board that they set up an Ad Hoc Committee to analyze the TIF and make suggestions on how it should be best configured for the benefit of residents.

Diane Barnes made remarks about the Undesignated Fund Balance. The summary of her remarks was that there is no account with any money in it called the Undesignated Fund Balance. This term can be thought of “generally” as the difference between what the Town has for money and what it has for bills. Therefore, it is a fluctuating number. It is not a specific surplus or reserve account you can draw on in tight financial times.

Barnes said that as a town we have a cash flow problem. The bulk of our revenue is received quarterly through property tax payments, but our expenses may vary from quarter to quarter. We should improve this by a combination of changing to semiannual tax payments, considering a Tax Anticipation Note, and increasing our Undesignated Funds Balance.

Our Capital Improvement Accounts are segregated money. However, we have had to borrow from them occasionally to pay bills.

Barnes said we are receiving no interest on our checking account funds held at Norway Savings Bank. She will investigate what we can do about that.

Barnes said that we will receive money from the American Rescue Plan. \$172,000 will go into the Sweetser Road culvert along with a \$125,000 grant we won from the State of Maine. This will allow Toddy Brook to flow under Sweetser Road and protect fish movement through it rather than how a traditional culvert works. The Department of Marine Resources has been involved in this project.

She also said \$200,000 of American Rescue Funds will go into improving audio video capabilities in Wescustogo Hall & Community Center.

Barnes is recommending a 5% Overlay for tax assessments this year. This is for rounding assessments and doing abatements. That will be approximately \$100,000 to \$150,000. Anything raised and not spent will go into Undesignated Funds.

Linc Merrill asked about the Senior Tax Program that reduces taxes for eligible residents. Diane Barnes is currently recommending that we not fund it this year as all the money has not been used in the past and the current balance seems adequate. There has not been enough demand to use it all. We spent \$57,000 last year and there is \$60,000 in the fund. The applicants are confidential.

Merrill asked about why the dog license and permit fees are budgeted at \$0 this year on the revenue projections versus higher numbers in the past. Diane Barnes explained that this should not have appeared on the revenue sheet in the past as it is a pass through to the State of Maine. It is no tour revenue. It will not appear in the future.

Resident Paul Napolitano asked when the Fiscal Year Audit ending June 30, 2021 will be completed. Diane Barnes said the audit firm is working on it.

Steve Palmer moved and Sandra Falsey seconded to adjourn the meeting. Chair Walsh closed the meeting at 7:35 P. M.

Respectfully submitted,

Lincoln J. Merrill, Jr., Secretary