

North Yarmouth Maine Budget Committee  
Meeting of April 11, 2024

The meeting of the Budget Committee was called to order at 6:30 p.m. by the Secretary Lincoln Merrill, Jr. Also present were committee members Steve Palmer, Sandra Falsey, Jay Fulton, Darla Hamlin, and Jeff Candura. Others present were the Town Manager Diane Barnes, the Assistant Town Manager Deb Grover, and residents Rich Parenteau and Michael Sweatt.

Merrill called for a motion to select a Chair protempore to serve until the expected arrival of Chair Andy Walsh. Hamlin moved and Fulton seconded that Palmer serve as Acting Chair. The affirmative vote was unanimous.

Palmer called upon Barnes to present the 2025 Fiscal Year Budget. Barnes presented a Power Point that outlined the highlights of her budget proposal. It includes an additional Public Works employee and an additional fulltime fire/rescue employee. When capital expenditures, payroll, overlay, debt service, and all the other changes are included, the municipal budget will increase an estimated \$464,117 or 10% above the 2024 Fiscal Year.

This is estimated to increase the mil rate by 39 cents or just over 2%. Barnes said the Cumberland County assessment will increase 9 cents or just under .5% on the mile rate and the MSAD 51 proposed budget increase is 59 cents over just over 3% on the mil rate. In total, the proposed mil rate increase would be \$1.07 or about 5.58%. This estimated mil rate does not include factoring in any increases in the town's property valuation that will come from the Assessor, contains an estimate of reduced revenue sharing from the State of Maine, and assumes automobile excise tax collections will increase.

Barnes said she is targeting \$146,900 in Overlay this year.

Barnes reviewed the Managers Requests. Maine Municipal Association dues are up. Print costs are up as there is a Presidential Election this year so there are more ballots to prepare. Health Insurance for the first six months of the budget will continue at the current cost but an increase is expected for the second six months. There is also an assumption that all new hires will select full health benefits as they replace employees who did not purchase health insurance through their job.

Barnes said most employees took MainePers for their retirement now that it is available. She estimated in the 2024 Fiscal Year as to how many would switch. She has the actual numbers now. The new Family Medical Leave Act in Maine requires employers to pay a 1/2% payroll tax on all employees and to withhold another 1/2% from each of their paychecks. The Town share is in the budget.

The Unemployment Insurance and Workers Compensation experience modifications each improved this year which decreased the Town's cost.

Barnes addressed the Certified Ratio for North Yarmouth which is decreasing this year to about 64%. It was 99% two years ago and is 87% this year. The Certified Ratio is how much North Yarmouth assesses properties for compared to what they sell for. North Yarmouth is assessing for tax purposes about 64% of sale price.

A discussion took place between the committee members and Barnes on the valuation. The Town Manager does not want to do a total revaluation at this time because she believes property values will come down and does not want to lock them in at this high valuation. She is proposing that the Town hire a vendor to do a Statistical Review which involves a physical visit to each property but does not include an interior inspection. The vendor would be looking for things that are not on the tax records which likely means they were built without a permit issued by the Code Enforcement Officer. Barnes stated that doing this could get our valuation up to 70%.

The Homestead Exemption and the Veterans Exemption will drop again as our Certified Ratio drops so residents will not get the full tax reduction amount.

Barnes said Central Maine Power will pay \$64,000 less in taxes than they did this year. This year is a similar reduction to what happened last year. Merrill asked how this is determined if there is no revaluation being done. Barnes said she is unsure but that is what the Assessor said. She will check into this.

Candura asked if the Personal Property valuation is dropped, too. The answer was that it is.

Fulton asked if the vendor in the Statistical Review will go down long driveways like where he lives. He was told they will do that. Candura asked if \$54,000 is the cost of the Statistical Review and that was confirmed. Merrill asked if we were required to do a revaluation when we dropped below 70%. Barnes said no. Merrill asked what was impacted if we dropped below 70% and Barnes said the only impact was to the Tree Growth reimbursement from the State of Maine. Merrill said we have very little of that in North Yarmouth.

Account 5316-00 was discussed. Hamlin asked what the software expense was for. Grover said it was for taking and storing images of the Town website in the event they were needed to prove what was on the site. It is a new item, and it is an annual cost. Hamlin said that will go up each year.

Barnes said she is budgeting \$50,000 for Legal expenses. She said we have nearly spent that amount this year. She said that with the Deacon Hayes project we had to hire other legal counsel because of conflicts of interest that prevented us from using our regular counsel.

In Account 110-03 item 5512-00 Pest Control, Barnes said most of this cost is transferred to Wescustogo Hall & Community Center as that is where most of the work takes place.

At 7 p.m. Chair Walsh arrived and assumed oversight of the meeting from Palmer.

5900-00 Capital Projects was discussed. There is a large increase. Grover and Barnes explained that this is to side the Town Office with vinyl, take off the current entrance and make it handicapped accessible, and add gutters to the roof. The drainage around the building has already been completed. There is mold on the outside of the building. The roof repair seems to be working. Falsey asked about the insulation of the building. Grover says it is very good. Palmer asked that questions be directed through the Chair.

Candura asked if there is a long-term plan for building repair. Barnes said the roof is next. Grover said they need more space at Town Office. Barnes agreed and said there was brought a plan done in the past to build an addition to the Town Office.

Select Board liaison Andrea Berry arrived at 7:07 p.m.

Palmer said that we have tried to address the issues at Town Office, and it takes time to get them all done. He said correcting the issues deserves a longer and deeper discussion. Walsh said the Town Office issues were brought up at the same time as building Wescustogo Hall & Community Center and the residents had no stomach for it.

Barnes said there will be a substantial reduction in cost in the CEO area. She will advise us on that in a few weeks as she is working on it now. She also said that the interest earned on the bank accounts will pay the interest on the fire truck bond.

Regarding the Cumberland County costs, Barnes said we are in the second payment of a five year no interest plan to them based on the County changing their fiscal year. Our County tax bill is \$490,000 and this payment represents \$36,103 of that amount. Our County assessment is based on our valuation, which went up 27% this year. Barnes said when we adjusted our TIF district (Yorks Ridge for instance) and made it smaller last year, some valuation came out of that, and it increased our valuation for the County tax calculation.

Account 120-04 General Assistance. We get 70% reimbursed from the State of Maine. There is a small increase in this line.

Account 120-05 Are the Social Service accounts. No change per Barnes. Walsh asked if Barnes agreed with their requests. She affirmed that she did. Many have been the same for years. Barnes said that with the continued closing of nursing homes in Maine, she expects 120-05, Department 5604-00 MHHS to go up as they provide in home care. The people from the nursing homes will have to go somewhere so she thinks this may have increase spending to care for them in their homes.

Fulton asked if Opportunity Alliance is also billing the County. Barnes said she was going to check but had not gotten to it yet.

The Chair asked the committee members for questions. Walsh asked if the foyer on Town Office could be postponed and not done this year. Grover advocated that it needed to be done for

handicapped residents and said that it did not make sense to put up vinyl siding and then tear the foyer off and reside it.

Palmer asked if Barnes could go through the sheets and bring items together so we could see the overall costs. In particular, he mentioned utilities, phones, security, cleaning, floormats, and pest control. He asked for the current fiscal year and the one we are budgeting for. He would like it before the next meeting. Palmer then added 2023 would be nice to have as well.

Merrill asked about the total payroll being proposed. Barnes explained that everyone gets a 4% increase, and some salary adjustments are made in Public Works and the Town Office based on market. Barnes did not know the total percentage change but thought it was under 5% overall. Merrill suggested that pay could be more merit based rather than everyone getting the same. Candura confirmed that the Budget Committee is not telling the Town Manager how to handle the pay.

Walsh inquired as to whether and residents had questions. There were none.

At 7:35 p.m. Palmer moved we adjourn. Fulton seconded. It was voted unanimously to adjourn.

Respectfully submitted,

Lincoln J. Merrill, Jr.  
Secretary