



MINUTES FINANCE COMMITTEE AUGUST 2, 2021

Heather Ward - member 2021
Curtis Lunt - member 2023
Dan Leeman - 2022
Jesse Zack - 2023
Noly Lopez - 2022
Kayla Tierney
Haley McCrater
Diane Barnes
Richard Green
Norm Albert
Tracy Austin

1. **CALL TO ORDER:** The Chair, Heather Ward called the meeting to order at 5:00 PM.
2. **ROLL CALL:** Regular members present were Dan Leeman, Heather Ward, Jesse Zack and Curt Lunt. Finance Director, Kayla Tierney and Town Manager, Diane Barnes were also present. In addition, Tracy Austin and Norm Albert were also present. Regular member Noly Lopez was excused.

3. WRITTEN COMMUNICATINS

Minutes of the May 24, 2021 meeting were distributed to all of the members. The Chair asked if there were any corrections or additions; hearing none, a vote was made to accept the meeting minutes.

VOTE (2021-7) Curt Lunt made the motion to approve the May 24, 2021 minutes as presented; Dan Leeman seconded the motion.

VOTE 4-0 Carried.

4. NEW BUSINESS

a. JUNE PUBLIC HEARING

Introduction: Council Liaison, Norm Albert, gave the highlights on the June Council public hearing in the context of the transfer station discussion topic. Richard Plummer had attended and spoke at the June Council public hearing. Richard Plummer has been operating his own business for over 40 years. He explained that there are three main clients that he assists with trash removal: (1) those that don't have time; (2) those that don't want to; and (3) seniors. Richard Plummer talked historically about the transfer station stickers and how it was never intended to generate revenue to offset costs. If all of the commercial haulers were to stop, it would lead to long lines at the Transfer Station.

b. FERRY ROAD RECONSTRUCTION WARRANT FOR NOVEMBER ELECTION

Introduction: Diane Barnes, Town Manager presented the Warrant Article for the Ferry Road Reconstruction for the November Election. She went over the current condition of the road and the recommendation from the Town Engineer for reconstruction of the road. She further went over the two estimated amortization schedules that were obtained from the Maine Municipal Bond Bank for the spring bond application; the two amortization schedules presented were for a 10 year and a 20 year bond. The current recommendation is the 20 year bond as the 10 year bond would be on average \$300,000 to be budgeted for payment.

Committee Comments:

Curt Lunt asked about the traffic flow on Ferry Road. Discussion began about the current condition of the road. Diane Barnes responded that the last time Ferry Road was really worked on was when it was created nearly 50 years ago.

Chair Ward asked about the depreciation on the roads; what is the useful life of the roads in town? Kayla Tierney responded that she can look it up but thought it was 30-40 years.

Discussion opened within the committee about having the bond not exceed the useful life of the road. A recommendation was made to inquire to the bond bank about a 15 year bond.

VOTE (2021-8) Curt Lunt made the motion to recommend Question 1 on the Warrant Article for \$2.8 million to the Council with no more than a 15 year bond with the Maine Municipal Bond Bank. Dan Leeman seconded the motion.

VOTE: 4-0 Carried.

c. AUDIT UPDATE

Introduction: Kayla Tierney, Finance Director gave an update on the FY21 Audit; the FY21 audit is scheduled for the week of September 20th for three days. The auditors will not be on site but will be working with the Finance Director remotely. The Finance Director stated that she has a previous year's audit checklist that she has started to put documents aside for the FY21 audit.

Committee comments: Chair Ward asked when the School audit is scheduled for. Kayla Tierney said that she did not know the date that the Business Manager for the School Department scheduled the School Audit for. Later in the meeting, School Committee liaison gave an update that the School audit is scheduled for September 7th-9th.

d. REQUEST FOR CHAIR

Introduction: Chair Ward had explained that she would like to continue on the committee for the next three years but is looking for a chair replacement. It was opened back up to the committee for nominations.

Committee comments: Dan Leeman and Jesse Zack nominated Curt Lunt. VOTE (2021-9) motion to accept nomination of Curt Lunt for Chair; Jesse Zack seconded.

VOTE 4-0 Carried.

Heather Ward nominated Dan Leeman for Vice-Chair and Curt Lunt seconded. VOTE (2021-10) motion to accept nomination of Dan Leeman for Vice-Chair.

VOTE 4-0 Carried.

5. OTHER BUSINESS

a. TRANSFER STATION

Introduction: Finance Director went over a chart of discussion topics that includes pros, cons and financial impact. First discussion topic was curbside pickup; this topic had a high financial impact with the purchase of a truck and the Town paying all tipping fees. The second topic was the use of scales. With the current layout of the transfer station being a one way traffic flow, it would be very challenging to put this together. However, with the use of scales, we could know exact weight of trash disposal in Town. The third topic is Pay-per-Bag. The financial impact would close the gap between revenues and expenses. The data from Waste Zero is based on 3,500 households in Town, whereas the household would pay per bag for disposal of household trash.

Committee Comments: Curt Lunt had commented that the discussion of Current Operations was not listed as it was heavily discussed. Dan Leeman had commented that the cons seem to outweigh the pros in each of these discussion topics.

Curt Lunt had liked the concept of detailing out all of the discussion topics. He also asked if the Town can weigh in to AVCOG to assist in writing a report to the Council. Curt worries that there isn't enough staff or time for it to be written out.

Date Approved: 8/30/21

Chair Ward went over another one of the agenda items that the Finance Director provided: a 10 fiscal year comparison of revenues to expenses. The chart breaks down expenses between personnel and operations. It further includes percentages of revenues to expenses.

Chair Ward had commented that when the landfill/transfer station was first established it was based on a certain population in Town that has since grown exponentially. What does this mean? It could lead us to look at the possibility of a new transfer station. A new transfer station could be item #5 on our list of discussion topics to provide to the Council.

Finance Director went over the data of the 10 year financial comparison. In FY21 revenues over expenses was at 29%. Would we be looking as a percentage as a goal? If so, what would that percentage be? Kayla Tierney, Finance Director had also went over another document provided in the agenda packet showing all of the data provided to the State for disposal at the Transfer Station. Recycling in Town for the most recent fiscal year was at 21%.

Chair Ward had commented that the personnel costs percentage has been increasing. Diane Barnes had commented that we added a new employee. Kayla Tierney also commented that the personnel costs also include FICA and other benefits such as health insurance.

The last document provided for discussion is comparing two Towns to Lisbon. The Town of North Berwick uses the pay-per-bag system. The other Town included for discussion is the Town of Skowhegan. Skowhegan is similar to Lisbon in its population and its Transfer Station design. A comparison was done on a personnel and operational level to be compared to Lisbon. The Town of Lisbon has a higher percentage of sticker revenue than the Town of Skowhegan. The only difference between the Towns is that the Town of Skowhegan doesn't allow commercial haulers to dispose in their facility.

Curt Lunt had asked about a previous curbside study that was done and if the committee can see it again. The million dollars being quoted was just for the truck and did not include tipping fees. The quote for the truck was provided in January 2021. An action item was added for the Finance Director to re-circulate the study that was done several years ago for curbside. Curt Lunt had also asked to see the PowerPoint presentation again for the pay-per-bag program. Another action item was added for the Finance Director to re-circulate the PowerPoint presentation to the committee.

Chair Ward had ended with saying that the Finance Committee will vet every one of the scenarios looked at and discussed; this will be presented in the form of a report to be provided to the Town Council.

ADJOURN: Chair Ward asked for a vote to adjourn; Curt Lunt made the motion with Dan Leeman seconding the motion.

VOTE (2021-11) to adjourn at 6:10 PM

VOTE 4-0 Carried.


Kayla Tierney, Finance Director