

TOWN OF WISCASSET
BUDGET COMMITTEE MEETING MINUTES
February 28, 2008

The meeting was called to order by Chair Steve Mehrl at 6:32 PM at the Wiscasset Municipal Building.

Budget committee Members in attendance: Chairman Steve Mehrl, Judith Colby, Sherri Dunbar, Pamela Dunning, and Tony True. Members absent were George Greene, Richard Hanson, Karl Tarbox and Robert Fairfield Sr.

The committee met with Town Treasurer, Real Estate & Personal Property Tax Collector & Deputy Town Clerk, Jim George and General Assistance Administrator and Accounts payable clerk, Becky Applin to learn about the work associated with the positions they hold at the town office. Town Clerk and Registrar of Voters, Sandra Johnson was not available so her deputy, Jim George described the position of Town Clerk and Registrar of Voters.

Jim handed out an overview of the office that included a partial listing of the duties of each position and an expense summary report for each position. He began describing the duties of Town Clerk and Registrar of Voters as listed on the overview. Sandra's responsibilities include preparing and keeping all vital records; registration of all vehicles; sales of hunting, fishing and pet licenses; upkeep of list of businesses in town; filing required reports to the state of Maine; developing and up keeping web-based voter registration as well as the recordkeeping and reports associated; taking passport pictures and processing passport applications; and setting up and executing all federal, state and local elections.

Steve asked about budgeting for elections. Jim pointed out that although the town has an idea of the cost of one election, there is no way to know the number of elections that may occur in a year.

There followed a discussion about Sandra preparing the weekly town warrant for the Selectmen. The weekly town warrant holds the payroll information for all town and school employees and all town expenses. Jim brought out copies of the town warrant to show to committee members. Steve talked about the importance of knowing that these policies and procedures are in place and knowing how the process works.

Jim talked about his duties as Town Treasurer, Real Estate & Personal Property Tax Collector & Deputy Town Clerk. Jim's responsibilities include Covering the window for any duties the town clerk performs; filing all municipal and school department state and federal tax forms; final processing of payroll, including auto deductions; cash flow management; preparing and mailing real estate and personal property tax bills; collection of said taxes, preparation and execution of property liens, work with sewer account liens; and budget development for finance department.

Steve asked Jim if he was comfortable with the TRIO software used to manage the finances. Jim explained that although there are some things the software is not capable of, it is easier to use than the old software and that TRIO is still being developed and upgraded.

Becky Applin explained that the three personnel in this office create checks and balances for each other. She further explained the notices and paperwork being done in the office and the need to keep all of this properly filed.

Jim explained that the real estate tax reminders notices are going to be printed by the company that printed the original tax bills. Purchasing the reminders from the printers in a smaller format will cost less than if printed inside the office and will greatly reduce the cost of postage (35cents per notice instead of 42 cents.)

Jim explained the tax services enquiries that he handles. One example given was that banks will call about taxes due on properties for which they hold the mortgage. Becky explained that almost all information that goes through their office is open to the public.

Jim explained the clock for taxes. Taxes are due and payable on the day the notices are mailed out. Interest is charged only when payment is long overdue. Unpaid taxes are given a notice in May or June that there is a 30 day window in which to make payment before a lien is attached. 30 to 40 days after the first notice, the lien notices are mailed out. To save time and work, the liens are printed as a certified letter using the TRIO software and mailed out. 18 months after lien notices are sent, the foreclosure takes place. If there is a mortgage on the property, the financial institution will usually pay the taxes and go after the home owner for the money. If a property under foreclosure comes up for sale, one of the parties in the sale will have to pay the taxes before the sale can be completed.

Jim explained the cash management processes and that he is responsible for moving money between accounts to make sure that bills can be paid on time. He further explained that the big cash comes in around October and April, when taxes are due.

There was a brief discussion about the article in the local paper about there not being enough money for the teachers' salaries for the year. It was decided that this was a question for the auditor to find out the full story.

Jim explained about tax anticipation notes (TANS) and that he waits until all other funds are exhausted before using this money. The town sends out RFPs to several financial institutions to bid on the loan. This year the bid was won by First National Bank for the amount of \$3 million at around 2% interest.

Jim explained that Edward Jones company was awarded the handling of the reserve account in the year 2000. This was done after RFPs were sent out to several places for bid.

Becky talked about her duties as General Assistance Administrator and Accounts payable clerk. Her duties include covering the business at the window; paying municipal bills and vendor interaction; billing transfer station charges; general assistance; representative to the Salvation Army; support of town budget processes; passport picture taking and passport processing; various record keeping and upkeep of plumbing and building permits.

There was a brief discussion about a bill in dispute from M. W. Sewall and how she handled the call. Sewall claimed that the town was behind in payment by around \$10,000. Becky talked to Jim about it and Jim was able to back track the payments and send the correct information to Sewall to prove that most of that amount had already been paid.

Becky explained that she also works on inquiries for genealogical information and cemetery plot sales. Any family plots that have been sold and are not used must lay abandoned for 75 years before they revert to the town and can be resold. Some plots have been sold back to the town when the families in possession have decided to not use them.

Becky briefly talked about billing fees for the transfer station and that some lower amounts are just charged at the transfer station instead of going through her office. The TRIO software does not include an accounts receivable module so she is using Quick Books and then transferring the payment information into TRIO. This is not an ideal situation but it is working.

There was a discussion about the \$1.4 million in the reserve account that is commonly called the recreation center building fund. This money was not actually raised for the recreation department, it was raised through taxes. The money that was later raised to build the current Wiscasset Community Center was all spent on the WCC.

There was some discussion about the possibility of policies being put in place by the selectmen that would govern the use of a percentage of the interest from the reserve accounts and protecting the principle from being used.

It was clarified that all money raised for differently named accounts are sent to Edward Jones to be added to the reserve account. The monies are all earmarked for their specific purposes and can not be spent otherwise. The reserve account is currently invested mostly in CDs and money market accounts and so made money this year.

There was a discussion about the towns endowment account. The endowment account is about 50% invested in the stock market and showed a small loss this year. By leaving the endowment so invested, it should eventually recover its loss and grow.

There was a discussion about the approximately \$1.4 million dollars in the cemetery perpetual care account. This money was initially raised from plot sales and donations. Judy asked if we raise and appropriate money for the cemeteries. Becky explained that the interest from the perpetual care account currently pays the expense for all upkeep of

the cemeteries and it has been several years since any money needed to be raised for this through taxation.

There was discussion about the General assistance expense summary. Becky explained which parts of the budget covered her salary and which parts covered money spent out for general assistance.

Jim gave the committee a “heads up” that the office was in need of a new computer network. The computers are almost 4 years old and are obsolete. Some of the existing hardware was purchased on sale and installed by Jim. The whole network really needs to be brought up-to-date.

Steve asked if Becky would provide weekly or quarterly revenue and expense reports for each cost center to the budget committee. Becky agreed that it would be easy to forward these reports to the committee.

Jim briefly showed interested members the map room and the tax records room that are connected to the office.

Having no further business, Pamela Dunning made the motion to close the meeting. Motion was seconded by Judith Colby. Motion passed 5-0. Meeting closed at 8:16 PM.

The next meetings of the Budget Committee is a combined meeting of the Selectmen and Budget Committee to cover the audit report set for Tuesday, March 4 and at 6:30 pm at the Municipal Building.

Respectfully submitted by Pamela Dunning.