

1. Board Of Selectmen's Meeting Materials

Documents:

[2019-01-23 BOS AGENDA.PDF](#)

[2019-01-23 BOS PACKET.PDF](#)



Town of York
186 York Street
York, Maine 03909-1314

Town Manager/
Selectmen
(207)363-1000

Town Clerk/
Tax Collector
(207)363-1003

Finance/
Treasurer
(207)363-1004

Code Enforcement
(207)363-1002

Planning
(207)363-1007

Assessor
(207)363-1005

Police Department
(207)363-1031

Dispatch
(207)363-4444

York Beach Fire
Department
(207)363-1014

York Village Fire
Department
(207)363-1015

Public Works
(207)363-1011

Harbor Master
(207)363-1000

Senior Center
(207)363-1036

Parks and
Recreation
(207)363-1040

Fax
(207)363-1009
(207)363-1019

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**BOARD OF SELECTMEN'S
MEETING AGENDA
6:00PM WEDNESDAY, JANUARY 23, 2019
YORK PUBLIC LIBRARY**

Call to Order

1. Discussion & Possible Action: FY20 Budget Matters

Adjourn



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REQUEST FOR ACTION BY BOARD OF SELECTMEN

DATE SUBMITTED: January 8, 2019	<input checked="" type="checkbox"/> ACTION
DATE ACTION REQUESTED: January 14, 2019	<input type="checkbox"/> DISCUSSION ONLY
SUBJECT: Use of Fund Balance	

DISCUSSION OF OPTIONS AVAILABLE TO THE BOARD: In December the Board had preliminary discussions about the use of Fund Balance with regard to the FY20 budget. The Board's recommendations cannot be altered by the Budget Committee, per the Charter, so this decision by the Board will dictate the request or requests to the voters for use of these funds.

The Auditors have not finalized the audit yet, but have provided the necessary numbers for our needs with regard to fund balance. Per the attached spreadsheet, the Board's policy indicates there is up to \$608,542 available for capital purchases and to offset operating expenses.

I recommend the Board allocate \$275,000 of the fund balance to offset the cost of the following two items:

\$200,000 for preparation of a new Comprehensive Plan

\$75,000 for initial scoping and preliminary engineering of the Chases Pond Road bridge

The Comp Plan is a once-a-decade operating expense and would represent quite a spike in operating expenses if funded in the Town's operating budget. I had proposed the Board allocate up to \$250,000 to have a new Comprehensive Plan prepared. This was based on my take-away from initial discussions with Dylan Smith, our Planning Director. Dylan will be presenting his research on Comp Plan costs, and he is comfortable with \$200,000. He will make the case that other communities that have spent in the low to mid-hundred thousand range have underfunded their efforts.

The engineering work for the Chases Pond Road bridge over the Cape Neddick River is similar, though the spike is more modest. This engineering work is included in the Capital Budget because it is a preliminary component of a major capital project, but it cannot be bond-financed and has the equivalent effect of an operating budget expense.

I did not propose to spend all the funds calculated to be in excess because I have a concern the Board's policy is not considering the range of policy matters broadly enough, and I think we should be revising this policy to require significantly larger fund balance reserve. That sort of policy revision is a matter for another meeting.

RECOMMENDATION: Forward to the Budget Committee a decision to ask the voters to utilize \$275,000 from Fund Balance, requesting use of \$200,000 to pay for the cost of preparing a new Comprehensive Plan, and \$75,000 to pay for preliminary engineering costs associated with replacement of the Chases Pond Road bridge over the Cape Neddick River.

PROPOSED MOTION: I move to forward to the Budget Committee a decision to ask the voters to utilize \$275,000 from Fund Balance, requesting use of \$200,000 to pay for the cost of preparing a new Comprehensive Plan, and \$75,000 to pay for preliminary engineering costs associated with replacement of the Chases Pond Road bridge over the Cape Neddick River.

Prepared by Stephen H. Burns, Town Manager:


unchanged from 1/14 mtg info

Section 6: SUBMISSION OF MUNICIPAL BUDGET AND MESSAGE

A. At least one hundred and twenty (120) days prior to the beginning of the municipal fiscal year, the Town Manager shall submit to the Budget Committee a complete line-item budget containing the estimated receipts and expenditures for all municipal departments, excluding the School Department, for the upcoming municipal fiscal year, meeting the requirements of Section 7 of this article. This budget shall be known as the municipal budget. Along with the municipal budget, the Town Manager shall also submit an accompanying message meeting the requirements of Section 8 of this article.

B. The Municipal Budget as submitted shall include the Selectmen's plan for the use of the Municipal Fund Balance. This plan shall contain a detailed description of the Selectmen's proposed use of the fund balance and shall take into consideration the need to maintain enough of a fund balance to

operate the Town without the need to borrow in anticipation of taxes. The Budget Committee may not increase the amount appropriated from fund balance nor may they allocate it for purposes not specifically approved by the Selectmen.

Charter

Section 7: MUNICIPAL BUDGET

A. The municipal budget shall provide a complete financial plan of all Town funds and activities for the upcoming municipal fiscal year exclusive of the School Department and which, except as required by law or this Charter, shall be in such form as the Budget Committee shall require. In organizing the municipal budget, the Town Manager shall utilize the most feasible combination of expenditure classification by fund, organizational unit, program, purpose or activity, and object. The municipal budget shall indicate in separate sections:

1. Proposed operating expenditures for the upcoming municipal fiscal year, detailed by offices, departments, and agencies in terms of their respective work programs, and the methods of financing such expenditure.
2. Proposed capital expenditures for the upcoming municipal fiscal year, detailed by offices, departments, and agencies when practicable, and the proposed methods of financing each such expenditure; except that the total of proposed expenditures shall not exceed the amount of estimated income.

Section 8: MUNICIPAL AND SCHOOL BUDGET MESSAGE

A. The municipal and school budget messages shall explain the respective budget both in fiscal terms and in terms of the work programs. These budget messages shall outline the proposed financial policies of the respective departments for the upcoming municipal fiscal year, describe the important features of the budget request, indicate any major changes from the current municipal fiscal year in financial policies, expenditures and revenues, together with the reasons for such changes, summarize the Town's debt position and include such other material as may be required.

Town of York, Maine
Board of Selectmen's Policy

FUND BALANCE POLICY

The Town of York will endeavor to maintain an audited General Fund "Unrestricted Fund Balance" of between 8-12% of the annual audited General Fund expenditures. Fund balances are shown on the Balance Sheet. The "Unrestricted Fund Balance" shall consist of the Unassigned Fund Balance; that portion of the Nonspendable Fund Balance representing "Prepaid Expenses"; and that portion of the Restricted Fund Balance representing the "School Fund Balance".

The "Unrestricted Fund Balance" set at 8-12% of annual audited General Fund expenditures is determined to be a proper level for the Town of York based upon its past history of strong property tax collections coupled with a diverse tax base resulting in very predictable cashflows.

If the "Unrestricted Fund Balance" falls below the 8% level, the Town will develop a plan to restore the balance to the target level range of 8-12% over a period of not longer than the next two years following publication of annual audited financial report.

If the "Unrestricted Fund Balance" exceeds the level of 12%, all or part of the excess may be utilized to reduce the commitment in the next fiscal year, after publication of the annual audited financial report, or assigned for capital needs or other "one time" expenditures.

Adopted 5/23/2016

(This policy replaces an earlier policy adopted on 7/7/2003 and amended 1/24/2011)

Use of Fund Balance

1/22/2019

	Amount Used	Amount Requested	Article	Votes Yes	Votes No
FY06	0	300,000	29	1,216	2,054
FY07	500,000	500,000	27	2,808	855
FY08	500,000	500,000	53	2,053	322
FY09	500,000	500,000	38	3,096	455
FY10	790,000	790,000	36	2,061	690
FY11	790,000	790,000	36	2,149	199
FY12	790,000	790,000	33	2,036	253
FY13	650,000	650,000	36	2,549	361
FY14	650,000	650,000	34	2,342	428
FY15	650,000	650,000	34	1,992	273
FY16	600,000	600,000	34	2,772	314
FY17	300,000	300,000	32	3,018	459

\$625,000 for 810 US Rt. One; \$300,000 from other reserve accounts, not FB

FY18	925,000	300,000	23,24,25,52	varies	varies
FY19	0	0			



REQUEST FOR ACTION BY BOARD OF SELECTMEN

DATE SUBMITTED: January 22, 2019	<input checked="" type="checkbox"/> ACTION
DATE ACTION REQUESTED: January 23, 2019	<input type="checkbox"/> DISCUSSION ONLY
SUBJECT: Set FY20 COLA	

DISCUSSION OF OPTIONS AVAILABLE TO THE BOARD: The 4 collective bargaining contracts and the HR Policies and Procedures Manual call for the Board to consider the CPI-W from December one year to the next to set the cost of living increase for employees. Data just released states CPI-W over the course of the past year results in an increase of 2.5%.

The initial budgets presented to the Budget Committee were based on an expectation of 3.0% COLA so budgets will be adjusted accordingly.

RECOMMENDATION: I recommend the Board set COLA for FY20 at 2.5%.
PROPOSED MOTION: I move to set the FY20 COLA for union and non-union employees at 2.5%.

Prepared by Stephen H. Burns, Town Manager: