

Winthrop Town Council
Meeting Minutes
Monday, December 2, 2013 at 7 p.m.
Town Office

Call to Order: Chairman Cookson called the meeting to order at 7:07pm

Roll Call – Chairman Kevin Cookson, Councilors Sarah Fuller, Linda Caprara (arrived at 8 pm), Ken Buck Sr., Priscilla Jenkins, Larry Fitzgerald, and Don Ellis Jr.; Town Attorney Lee Bragg and Town Manager Jeff Woolston were in attendance.

Ordered that the Winthrop Town Council meet to consider the following items:

Recognition of Councilor Priscilla Jenkins

Chairman Cookson presented a plaque to Councilor Jenkins that recognized her many years of service to the town as an active member of the town council from January 1, 2008 to December 31, 2013. Councilor Jenkins said she promised Chairman Cookson and the town manager she would be back to bug them from the audience.

Approve minutes from November 4, 2013 meeting.

Councilor Fuller made a motion, seconded by Councilor Jenkins to approve the November 4, 2013 meeting minutes which passed unanimously. (6, 0)

Item #104 – Public Hearing to consider American Legion Post 40 Liquor License

Chairman Cookson opened the public hearing at 7:09pm. He asked the Chief of Police if he had anything to report. Chief Young said he did not have anything to report. No other questions or comments were made by the public or the council. Chairman Cookson closed the meeting at 7:10pm.

Item #105 – Consider American Legion Post 40 Liquor License

Councilor Fuller made a motion, seconded by Councilor Jenkins to approve the American Legion Post 40 Liquor License which passed unanimously. (6, 0)

Item #106 – Mt Pisgah Trail status update - Winthrop Conservation Commission

Members Jill Ippoliti, Jeff Toothaker, Craig Hickman, Winthrop Conservation Commission were in attendance and with Jim Connors (Land Steward) and Nicole Rhodes (Stewardship Director), of the Kennebec Land Trust. They presented an update to the council on the work being done and accomplished to develop the Mt Pisgah Trail network.

Ms Ippolitti mentioned that they had good news in that the Mt Pisgah Blueberry Trail was open. She also said the town's owns the 94 acre parcel the tower sits on and the Kennebec Land Trust owns several parcels adjacent to that acreage. The new trail is part of a 2.3 mile loop. She also mentioned the volunteer work of Winthrop High School students.

Mr Connors thanked the council for the opportunity to report in and for the effort being made to keep the conservation area well managed. He mentioned that the students did much of the heavy lifting of materials to maintain the trails and older volunteers did the necessary carpentry work.

Item #107 – Discuss Inter Local Agreement of Maranacook Dam Committee

Ms Wendy Dennis thanked the Readfield and Winthrop Town Managers for their efforts in guiding and editing the proposed revisions to the agreement. She was at the meeting to now ask if the council had any additional document changes or concerns.

The council thanked Wendy Dennis and the other members of the Maranacook Outlet Dam Committee from Winthrop and Readfield for their hard work developing revisions to Inter Local Agreement of the Maranacook Outlet Dam.

Councilor Jenkins made a motion, seconded by Councilor Fuller to accept/approve the agreement as written which passed unanimously. (6, 0)

Item #108 – Discuss the Winthrop Investment Committee Composition

During his remarks, the manager stated that the committee should not exceed 5 persons. The committee should meet no less than quarterly. The committee should be composed of the Town Treasurer, a representative of the town council, and other individuals up to three.

The committee would report back to the council with its recommendations for the council to decide on. Councilor Jenkins was not sure what the return on training dollars would be. The manager did not have a definite amount of money in mind for investment.

It was decided to move forward with the draft policy document until the appointment committee could find the three additional members needed to form the committee, finalize the investment committee guidelines and select possible investments for the council to consider.

Item #109 – Discuss Charles Street Lighting Situation

Ms Mary Dyer talked about the need for additional lights for upper Charles Street to make it safer for pedestrians.

Someone suggested that rebates might be offered if home owners on the street wanted to pay for the light.

Councilor Fitzgerald mentioned he would rather find an alternative to installing a new light.

During the discussion, Chief Young mentioned that the town had done a study of the lights and had actually taken some out several years ago. The town cut the number of lights in half. He also said he wrote a policy on street lights during Marshall Hills tenure as town manager. He volunteered to find a possible light to move from where it was in the town to the Charles Street location to improve the lighting for pedestrians.

Councilor Jenkins asked what the chances were that a solar powered light might be installed.

Item #110 – Consider combined finance committee recommendations for school activity accounts

Councilor Fitzgerald made a report in place of Councilor Caprara who had not shown by the time this agenda item was presented. Councilor Fitzgerald said the committee made a unanimous recommendation about which account names should be included in the activity accounts. They also made a recommendation to the school board to eliminate activities that are no longer at the schools like cheer leading. The committee recognized the need to give the pay to play money that had been fronted

by the town, back to the town. The committee also made a recommendation that the residual money go towards reducing the school nutrition debt.

Chairman Cookson wanted to know how the committee determined how much was in each account versus rolling over. He also mentioned that each activity would need to be defined in a way that could be monitored in subsequent audits.

Councilor Fitzgerald said that the balance the committee used was based on the balance as of October, 2013. They looked at the type of money in the accounts versus the individual accounts.

The manager said the management underpinnings also needed to be put in place. The management procedures were the high level procedures in the management pamphlet and rules for each individual account. The manager said he would get examples of the types of descriptions that were being used for other reserve accounts to help the committee develop descriptions for the activity accounts.

The committee said the school board has seen the management procedures and will conduct a second reading at the next school board. The committee did make some edits in preparation of the school board's second reading.

Ms Shumway suggested the requested additional policies were really not needed because she believed the school already had policies in place that would guarantee that activity accounts would be managed properly.

Councilor Caprara entered the room and took her position on the council during the discussion. She said the committee hadn't done a review to the individual activity sub-account review was completed to see that management procedures were sufficient. She said the committee concentrated on separating tax-payer dollars from the student funds. She said the committee could review the existing school policy to see if it fits what needs to be in place. Ms Geyer said they were going to get samples from the treasurer.

Chairman Cookson said \$69,895.06 that should have come to the town as revenue. The council needs to decide what they want to do with the \$69,895.06. The committee wants to use the money to pay down the nutrition program debt and possibly start a capital reserve account.

Ms Shumway said the recommendation was that \$57,178.36 be turned over to the town to pay down the school nutrition debt.

Councilor Fitzgerald said the committee also wanted to develop a capital investment plan similar to the municipality's plan.

Ms Geyer said that the school nutrition debt was about \$45,000 dollars and that the committee would like to put about \$15,000 of money coming from the school accounts to start the capital investment plan.

Councilor Caprara said the committee would also be sitting down with the appropriate school personnel to figure out why the school nutrition program consistently runs a deficit.

Councilor Fuller made a motion, seconded by Councilor Jenkins to approve the committee recommendations. Chairman Cookson suggested that they wait to vote until after the debt repayment plan decision. Councilor Fitzgerald said he was comfortable with the committee's decision. Councilor Fuller made a motion, seconded by Councilor Jenkins to table the previous motion until after the debt repayment plan had been voted on by the council. This motion passed unanimously (7, 0).

Item #111 – Discuss and Consider Dispatch Fees

Councilor Fitzgerald recapped the studies that had been completed to see if the communications center could be contracted. If not, then determine what things might be done to lessen the burden on Winthrop tax payers. Contracting the function was not a viable option. Councilor Fitzgerald prepared a handout that examined several fee increase scenarios. The reason the rate

increase was being completed now is that the customers needed a six month notice of the change. After Councilor Fitzgerald's analysis, Chief Young suggested that a 25% rate increase over several years would not be unreasonable. He said 50% probably is unreasonable. He also mentioned the town doesn't want to shoot itself in the foot by pricing itself out of the market. The same thing happened in Gardiner. Councilor Fuller asked if the Chief might ask if the surrounding communities might want to increase the full 25% the first year. Chief Dovinski talked about proportionality. Only about 30% of the calls occur outside Winthrop, so the fee structure should reflect those percentages. Showing the towns that they are paying a representative portion of the cost should ensure they stay with Winthrop. Council Fitzgerald made a motion, seconded by Councilor Fuller to authorize a rate increase of 25% across the customer communities to be effective in the next fiscal year and to be implemented with the Chief's discretion over a four year period. Councilor Ellis wanted to hear from the various Chiefs before implementing the new plan. The question of when the decision had to be made was brought up by Councilor Caprara. She was in favor of approving the motion pending the feedback from the chiefs. Chief Young suggested he might be able to get them to waive the six month prior notification to have the discussions needed to get to the best solution. The original motion was approved without modification (6, 1). Councilor Jenkins opposed.

Item #112 – Presentation of FY 2013-14 School Budget

The Superintendent offered to talk about the repayment plan (item#113) together with the school budget and the chairman said it was ok to mix his remarks. The presentation began at 8:45pm.

Budget being driven by the executive summary of the school's strategic plan. The summary was included in the handouts.

Critical items include the food service. Food service operation started the year \$93k in the red. Have had food service debt for several years and the debt was over \$130k in some years. He looked at last year's budget, had Ron Smith look at the budget and make suggestions, and Jerry Ault looked at the budget and made some suggestions.

Gone through 11 warrants, 42% of budget at this time. Approximately \$443k in total budget. Approximately \$175k spent to date. Revenue to date of about \$130k. \$57k in reimbursements from the state received to date for two months. Reimbursements will come in through June. The revenue averages \$27k to \$30k per month. He thinks revenue reimbursement was one of the problems last year. Five months into the year and he is comfortable with their position relative to food services. He believes the student payment problems have been resolved. The school will no longer offer family style meals to K-1 because they had a habit of raising their hand when the teacher asked the question, even if they brought a bag lunch. Now only do the family style meals for 3-5. Other grades go through the line.

Cafeteria managers are responsible for collecting lunch debts at the end of a school year. Current debt has dropped from \$800-\$900 in debt, to \$400-\$500 dollars of uncollected debt across all three schools.

In years gone by, the Legion's Milk Fund was used to pay off many of the debts in the past.

Councilor Fitzgerald asked if being 40% spent after moving through 20% of the school year concerned the superintendent. Gary said no because he expected the revenue to balance at the end of the year. Additionally, December and January are short months. Gary approximated \$75-\$80k per month is spent on the food service program but did not have the figures with him. The federal gov mandates the prices schedule.

Gary said he sat down with Ron Smith to discuss concerns about the food service and summer salaries. This year's budget contains 12 months of salaries for each employee. In discussions about gate receipts, he hoped \$45k would be put towards new debt as of June 30, 2013. He wanted to move the remaining funds into a capital reserve funds to fix fields and equipment. The third item, summer

salaries, \$503,000 debt and \$142,000 in food services debt. Wants to take \$50k from school activity accounts and apply it against the combine debt. That leaves a \$595,000 debt. He also wants to use retired bonds by keeping the cost in the budget to pay down the summer salary and food service debt over 7-9 years beginning in FY 15.

He also wanted to move \$45k from the existing budget: \$10k from out of district special education costs, \$20k from unfilled special education teacher position and \$15k from Food Service budget savings to apply towards the food service debt.

See Ron Smith's e-mail that caveats the conditions under which the budget would be sound.

Chairman Cookson's pointed out that there was a previous school board, prior to Gary's arrival that said gate receipts and other fees were to be used for activities. It seemed to him that to now use it to repay other types of debts was a violation of the 2011 School Board decision.

A lengthy discussion took place over this point. There is disagreement between the school board and council about what money belongs to the school and what money should be moved to the general fund.

Gary brought up the points that Ron Smith suggested using the activity funds to pay off the school debt and Attorney Stockmeyer said the activity fees belong to the school because the town cannot take any of the school's money without the school board's authorization.

Chairman Cookson stated that the statement in the inter-loan agreement that the school board authorized the council to move the activity funds was erroneous.

Ron Smith remarked that his e-mail only outlined a way forward for the FY 13-14 budget. He said that the funds residing in the activity accounts that is in question should go to the town after being sent to the school to pay for the town subsidy. Ron also said the town had advanced the school the \$69k. If the school wants to create a capital improvement plan it should put an item in the FY 13-14 budget to start the fund. Ron offered to look at the FY 12-13 budget to see if 12 months of salary were also in the budget.

Chairman Cookson's concern was that if the budget going forward is effectively the same, then how did the \$60k deficit get taken care of?

Ron said the town's "general fund" paid the \$142k deficit over time. Chairman Cookson again raised his point that using the fees and gate receipts to pay for the school lunch debt violated a previous school board decision. Ron said that school money stays school money. He also said that the town did forward the school \$60k that now needs to be repaid. The town cannot be paid back if the money is sitting in a school account.

Chairman Cookson agreed that the budget that is validated by the voters is school money. The revenue that comes in via gate receipts and fees is town money because the school is a department of the town.

The town attorney said there are two positions the council can take. One is, the school collected on behalf of the town, money for gate receipts and became a custodian of that money on behalf of the town and that the money continues to be the town's money and does not fit within the definition of school money staying within the school. There is less of a debate when you realize that the council can reimburse itself by reducing the proposed budget by an equal amount. He also suggested that the school has been two months behind for several years even though 12 months of pay are being paid in two fiscal years.

According to Ron, now 12 months of pay are being paid in the existing school year but still need to pay back the two months of "shift".

The council would like Ron to see why the salary figures look the same.

Chairman Cookson brought up the point that the school budget doesn't have a reduction in health care costs.

Mr Ike Dyer pointed out that the school was in negotiations and that in many cases already the school was paying less than the municipality.

Ms Geyer suggested that the school had already lowered its health care costs years ago. She suggested that the municipal side is now catching up with the school. She also suggested that the school policy is cheaper.

Councilor Buck asked why this is now coming out. Ms Geyer said she didn't know why but has the information now.

Councilor Fuller said it is more about parity in how much employees contribute to health care costs. That is why the council took the money out of the budget. They had hoped to see the same motion by the school board in having similar reduction in the school budget.

Chairman Cookson said he would not be voting for any budget that did not cut at least \$100k from the school budget.

Ms Geyer said they have already made the cuts in benefits.

Chairman Cookson said the council has been after cutting benefits for all town employees for years. He continued by saying it was not a reflection on any of the employees. It is an economic issue because you cut the benefits and it's an ongoing thing.

Ms Geyer said that when you look at parity you need to look at that the school package is cheaper and better for the employees than the municipal package.

Chairman Cookson reiterated that when the council talks about parity, they are talking about the reduction from the municipality's budget and that the same \$100k reduction should happen to the school budget.

Ms Geyer's point was that parity can't be the reason for the reduction.

There was a short discussion about the tax payer poll and what was involved. The councilors remembered there being a question on pay and benefits. It was later determined that the tax payer poll did not contain any questions about reducing benefits.

Item # 113 – Presentation of School Debt Repayment Plan

Gary introduced the inter-loan repayment plan. Want to move \$50k out of school activity fund to pay for the food service debt. Exhibits attached to the document show the repayments begin in FY 15 using retired bonds. Overall, the idea is to convert the former bond payment as part of the budget as a capital reserve account for future capital improvements.

Councilor Fuller's concern is that there might not be funds available for the intended capital investments. She did think the points brought out in the agreement were well thought out.

Gary again pointed out that the school needs a long range plan for improving things like the fields. He said that \$15k is not enough. Ms Geyer said it would cost \$65k to fix the field hockey field.

Chairman Cookson renewed his objection to the School Board authorizing the council to move the activity fund money.

Ms Geyer said if the plan that was provided is not sufficient, what are the options the council wants to act on?

At 10:35, Councilor Caprara noted the time. Councilor Fuller said that not all the agenda had been completed. Councilor Caprara suggested the combined finance committee would try to meet prior to the next meeting. Councilor Cookson suggested the council meet again to finish the agenda. The council agreed to meet again December 16th at 7 pm.

Item #114 - Consider Personnel Policy Change

Other Business –

At 10:05 pm Councilor Ellis made a motion, seconded by Councilor Jenkins to continue the meeting until 10:30 which was unanimously approved. (7, 0).

Manager's report

There was no manager's report.

Adjourn – 10:35pm