

Frederick A. Lynk, Chair
Peter J. Kahn, Vice Chair
Peter L. Griswold, Secretary
Michael F. Collins
Michele A. Tourangeau



Ogunquit Budget Review Committee
21 February 2023
9:00 AM – Meeting
Dunaway Community Center
23 School Street, Ogunquit, Maine

Minutes

9:00 AM MEETING

1.0 WELCOME AND CALL TO ORDER

- 1.1 Roll Call – all five BRC Members were present along with the Town Manager and the Assistant Town Manager/Treasurer.
- 1.2 Pledge of Allegiance was said.

2.0 APPROVAL OF MINUTES

- 2.1 Approved the 14 February 2023 Minutes – 5/0 (Tourangeau / Collins)

3.0 UNFINISHED BUSINESS

- 3.1 **None**

4.0 NEW BUSINESS

4.1 Conservation Commission - \$40,100

Everett Leach, Chair and Jennifer Walker Vice-Chair presented their budget request, almost the same as last year. As stated in ClearGov, the Conservation Commission will spend about \$20K on water quality testing and \$15K to continue updating the watershed plan. They will also apply for another implementation grant from the DEP for \$15K.

Griswold asked Leach if he was aware of a move to merge his committee with the Sustainability Committee. Griswold's concern is what impact such an action would have on the budget request being considered. Leach said he had not been asked about the issue.

No straw vote was taken.

4.2 Police Department - \$2,102,755

Public Comments – None

Acting Chief Neal Pawlik fielded several questions:

- Lynk asked if the Police staffing is sufficient to protect all the new residents and visitors. Pawlik answered yes.
- Griswold asked if the proposed budget request will cover most of the expired equipment. Pawlik said yes. Lynk asked whether the Equipment Reserve will cover part of this expense. Pawlik said yes. The Town Manager said that he and Pawlik prioritized all the police needs and established an acquisition schedule to stagger purchases. They both emphasized officer safety and tracking the useful life of equipment.
- Kahn asked whether the \$11K IT budget included software and internet service. Pawlik said yes.

Motion to approve the Police Department budget: Straw vote approved 5 – 0 (Kahn / Collins)

4.3 **Visitor Services Department - \$395,036**

The Chair raised the potential conflict of interest that Kahn might have since he works for this Department as a parking attendant. Kahn said, once again, that he donates all his Visitor Services earning and does not manage anyone in the Department. The Chair asked the BRC members if they thought there might be any conflict. All four agreed that there is no conflict.

Public Comments

Barbara Ferraro questioned the materiality threshold for lease transactions.

Committee Questions

Kahn asked whether the Town needs to “re-stripe” and number all the parking spaces? Hamlin and McSweeney said that the re-striping and spacing numbers enhance their enforcement efforts.

Griswold asked for a break-even analysis of the Beach parking lot during the off-season. Hamlin said about 50 cars paying an off-season \$20 daily rate (\$1 K) would cover their costs. Griswold suggested that since the Town aspires to be a year-round tourist destination, shouldn’t Visitor Services consider expanding the current April through October schedule to include November and December, at least for the Beach and Perkins Cove lots? Hamlin will undertake this analysis after the new technology is fully implemented. He also said that the new technology may enable Visitor Services to collect parking fees without an attendant, thus reducing the break-even cost.

Motion to approve the Visitor Services budget: Straw vote approved 5 – 0 (Collins / Tourangeau)

4.4 **Public Works - \$1,262,176**

Public Comments – None

Committee Questions

Kahn asked Turno when Public Works will resurface the tennis courts. He confirmed that they will be done next Fall. Griswold asked about the New Holland tractor’s use. Turno said they are using it throughout the year, cleaning up the main beach, plowing snow and other tasks that require the power of this leased machine.

Motion to approve the Public Works budget: Straw vote approved 5 – 0 (Tourangeau / Collins)

Facilities - \$363,897

Public Comments – None

Motion to approve the Public Works budget: Straw vote approved 5 – 0 (Tourangeau / Collins)

4.5 **Insurance & Utilities - \$249,967 & \$182,194, respectively**

Public Comment

Barbara Ferraro asked if the Town has insurance covering cyber risks? The Town Manager will check and let us know.

Committee Questions

Lynk asked if the KKWWD water and Sewer District expenses have been updated in ClearGov. The Assistant Town Manager/Treasurer said yes.

Collins asked whether several similar General Ledger accounts could be consolidated to reduce the workload. The Assistant Town Manager/Treasurer agreed. However, she said that the voters want to see the budget details and therefore we must keep separate accounts. Collins also asked whether fuel, electric, propane, sewer, water and internet could be consolidated Town wide. She said yes, perhaps in the Fall.

Motion to approve the Insurance budget: Straw vote approved 5 – 0 (Griswold / Tourangeau)

Motion to approve the Utilities budget: Straw vote approved 5 – 0 (Tourangeau / Kahn)

4.6 **Revenues**

Public Comment

Barbara Ferraro appreciated the Town Manager’s November 8th memo that suggested increasing business and parking fees and providing two free parking passes to property owners. Given the results of this past year, businesses will not leave Town if their fees are increased. Higher parking fees for visitors will cover the cost of free passes for property owners.

Committee Questions

Lynk suggested that using the Undesignated Fund to fund property owners’ two free beach passes, costing about \$120K, may not be prudent. He thinks we should minimize any use of this “rainy day” fund.

The Town Manager does not like describing the Undesignated Fund as a rainy-day fund. Instead, the minimum of the Undesignated Fund, about \$2.5 million, is the real rain-day reserve. Since the Undesignated Fund currently has a balance of about \$4.2 million (as of FYE2022), the Town has the difference of about \$1.7 million available for future use.

The Town Manager said that the FY2024 Budget includes increased parking fees, namely \$1 per hour and \$5 per day. The anticipated parking revenues will more than cover the \$120K cost of free parking passes. As a result, his recommendation to provide two free passes will not affect the Undesignated Fund. The Select Board will meet on February 28th to finalize their decision concerning the Town Manager’s proposals.

After this discussion, Griswold circulated a bar chart and preliminary spreadsheet model showing the potential impact on real estate taxes of the Municipal Campus Option 4. Given the responsibility of the BRC to assist the Select Board concerning the Town’s budget and financial planning, Griswold suggested that the BRC Members begin to analyze and discuss this topic. The spreadsheet model was created by Kahn. All the assumptions can be changed, based on new information or changes in assumptions. The model will automatically re-calculate the tax impacts. Griswold had previously discussed this model in general terms with Lynk and provided brief overviews for the other two Members. The BRC will focus on this topic once the Town Manager and Select Board determine what to put before the voters for the municipal campus.

5.0 **OTHER BUSINESS**

None

6.0 **ADJOURN**

At 10:51 a motion was made – 5/0 (Kahn / Collins)