BUDGET COMMITTEE
MAY 8, 2017

Mayor Casavant called the meeting to order at 6:00 p.m.

Roll Call: Michael Swanton, John McCurry, Jr., Norman Belanger, Michael Ready

Stephen St. Cyr, Robert Quattrone, Jr., Bob Mills, Laura Seaver and Marc Lessard were excused.

It was noted that since there is no quorum for tonight's meeting, no motions and votes will be taken.

The Budget Committee, and all who were present, recited the Pledge of Allegiance.

City Manager Update:
City Manager, Jim Bennett distributed a handout detailing proposed personnel impacts in the FY18 budget. This outline was requested by the Budget Committee who wanted to see some proposed cuts to personnel and/or service levels. Jim noted that he is NOT in favor of any of the proposed cuts, as presented here:

<u>All personnel:</u>
1. Limit cash out in vacation time to 1 week
    - 1.1. Effective January 1, 2018
    - 1.2. Annual savings for non-union $20,000 year 1
    - 1.3. Annual savings for non-union after year 1: $30,000
    - 1.4. Will need to be part of negotiations for labor union
        - 1.4.1. Non-union savings will depend on OT demands during replacement
    - 1.5. Reason to delay implementation is to allow most of the caught up money for the non-union to be paid
    - 1.6. Impacts on services to citizens: despite the fact this is a benefit that is unmatched in comparable communities, the employee morale may be impacted.

<u>City Hall:</u>
2. Reduce Finance office by .5 position with sharing of Finance Director
    - 2.1.1. Finally determination of set up after the new Finance Director gets a chance to work in organization and make recommendations
    - 2.1.2. Expected minimal impact on services
    - 2.1.3. Expected savings of $35,000 annually

3. Reduce staffing by reducing public hours of service
    - 3.1. Eliminate 2.5 hours of citizen hours
        - 3.1.1. Restructure some staffing to reduce 0.5 position
        - 3.1.2. Estimated savings in $20,000
        - 3.1.3. Attempt to achieve full position reduction by FY19 budget
        - 3.1.4. Longer lines, longer response times to service requests

3.2. Reduce citizen hours by 7.5 hours per week
  3.2.1. Reduce hourly employees work week by 2.5 hours per week
  3.2.2. Estimated savings is $80,000
  3.2.3. Greater impact on citizens
  3.2.4. All non-union hourly employees lose 6.25% of wages
  3.2.5. Likely to lose the more valuable employees in the next year or so
  3.2.6. Impact on morale

<u>Facilities</u>

4. Reduce staffing at community center
  4.1. Savings of $5,000 per year
  4.2. Will increase hours building is open without facilities staff by about 5 hours per week

<u>Fire Department:</u>

5. Reduce call force staffing (volunteers)
  5.1. First round would eliminate about half of the positions
    5.1.1. Estimated savings in FY18: $20,000
    5.1.2. May adversely impact overtime and call back
    5.1.3. May cause some concern with mutual aid communities but unlikely to be a real issue
    5.1.4. Will not be available for larger scale incidents/emergencies

  5.2. Eliminate all call force
    5.2.1. Annual savings would be about $50,000 in FY18
    5.2.2. Going forward savings of about $60,000

6. Reduce staffing from 10 to 9 per shift
  6.1. Eliminate 4 personnel (1 per shift)
  6.2. Annual savings of about $60,000 per person (includes more OT to cover shifts)
  6.3. Increase amount of time that city will depend on outside agencies response
  6.4. May impact the 'emergency facility to emergency facility' transports which are major source of revenue
    6.4.1. Could eliminate about $250,000 of the ambulance revenue

<u>Police Department:</u>

7. Restructure parking and animal control services
  7.1. Reduce the costs in delivering these services including the potential of reducing service hours for ACO
  7.2. Estimated savings in FY18 $20,000
  7.3. Concerns about need for additional parking enforcement
    7.3.1. Restructuring needs to be done with eye towards the future

8. Eliminate support staff
  8.1. Hours spent in handling administrative functions for courts, etc will have to be absorbed by others and ultimately by patrol.
  8.2. Estimated savings for 1 employee in FY18: $70,000
  8.3. Estimated savings for 2 employees: $140,000

8.4. Other impacts: eliminate receptionist at window of police station during M-F days

9. Eliminate school resource officers (SRO) or have school fund:

9.1. Funding by school would increase revenues by estimated $115,000

9.2. Eliminate positions would save minimum of $155,000

9.3. Other considerations:

9.3.1. Other interagency assigned positions (MDEA, etc) may require re-evaluation of those assignments (all costs paid by the other agencies)

9.3.2. May impact grant funding and repayment because of staffing levels

9.3.3. Funding of SRO by school will not change tax bill if paid by school unless school cuts something to make up the difference

10. Explore different communications (dispatch) options

10.1. No likely savings achievable in FY18

10.2. May be in excess of $100,000 or more in future years

Public Access:

11. Change the program from public access station to governmental access only

11.1. Only city government will be able to use the channel

11.2. Reduce all non-government programs

11.3. Annual savings in FY18: $50,000

11.4. Annual savings going forward: $100,000

Public Works

12. Reduce staffing and services

12.1. Change plow routes to accommodate reductions in staffing

12.1.1. Currently 13 routes, averaging about 4 hours per route

12.1.2. Change in staffing levels will impact sidewalk winter maintenance as well

12.1.3. Less staffing will also reduce non-winter work

12.2. Eliminate 1 driver position would save $70,000

12.3. Eliminate other positions would cause City to evaluate some practices; including use of wing staff in four plow vehicles

12.3.1. May increase need to have parking bans every storm

12.3.2. Approximately $70,000 per position

12.4. Other staffing reductions might cause reductions:

12.4.1. Solid waste hours

12.4.2. Parks work

Recreation

13. Reduce lifeguards at the ocean beaches

13.1. Middle beach would save $10,000

13.2. Other beaches would be about $20,000 each

*All employees who are laid off and who are eligible for unemployment would draw $386 per week that is directly reimbursable by the City to the state; for each employee we would have to add $20,072 for that liability which is not included in the above numbers.

Committee member McCurry thanked the City Manager for putting together the proposal for the personnel/service level cuts, as these will give the Budget Committee something to consider and it also shows the public that a good faith effort has been made to cut in all areas of the budget.

Committee member Belanger also thanked the City Manager for putting together all the above-referenced information. He is not necessarily in favor of the any of the proposals since it seems as though the proposed cuts would only end up cutting into the efficiency of the organization.

Committee member Swanton agreed with the prior two comments and feels that the City staffing is already as lean as it can go.

Mayor Casavant reiterated that City staffing levels are certainly "skinny" and the departments really cannot afford cuts to staffing without undermining services to the citizens. He fears that even proposing staffing level cuts will also undermine staff morale and could possibly drive good employees to seek employment elsewhere. He urged the Budget Committee to consider the quality employees that are employed by the City and reminded them that it's difficult to replace historical knowledge that tenured employees bring to their positions.

Committee member McCurry agrees with Mayor's Casavant's morale comment; but reminded folks that the City has one of the best benefits packages around, and he feels this will help to keep employees from seeking other employment.

Committee member Ready made the statement that it doesn't make sense for the City to make investments and then turn around and cut the City staffing who maintains those investments.

Mayor Casavant adjourned the meeting at 7:24 p.m.

Respectfully submitted,
Carmen J. Morris, City Clerk