

**Proposal for New Positions and Salary Adjustments by Select Board to Town of Arrowsic
For consideration by Town Meeting, June 14, 2018**

This document contains:

- 1. An overview of the process, the draft proposal, and its implications*
- 2. Options that were considered*
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- 6. Information for comparison with other Towns*

1. An overview of the process, the draft proposal, and its implications

Last fall, the Select Board opened a discussion about staffing Town functions and held a public meeting on November 30th. At that meeting, we discussed the challenges facing the Town regarding new demands posed by changes in information technology, recruitment, and administrative tasks. We presented information collected by the Selectmen and several volunteers about how comparable Towns are managing their affairs. The ensuing discussion provided ideas and feedback on staffing and pay. Participants also talked about the desire to preserve the local character of our Town office, while addressing new demands and trying to be more efficient.

Taking the results of this discussion into account and consulting with several volunteers (Art Dresser, John D'Anieri, and Barbara Boyce), the Selectmen have developed a draft proposal for presentation at Town Meeting with two parts.

- Creating 4 new paid positions: an Administrator (10 hours/week); an IT coordinator (2 hours/week); a Deputy Town Clerk; and a Deputy Tax Collector.
- Reducing Selectmen's salaries (because many of their functions will be transferred to the Administrator and IT Coordinator); while raising the salaries of other key officials over 3 years to reach the equivalent of \$15/hour.

These changes would add some \$12,784 to the Town's expenses the first year and eventually cost the Town an additional \$20,000 each year in salaries. Even with these additional expenses, salaries would represent only 6.5% of our annual budget. After four years, salary expenditures would total about \$62,000 annually which is in the average range for comparable towns based on Maine Municipal Association survey data and published Town Reports.

2. *Options considered by the Board of Selectmen*

Arrowsic relies on part-time elected and appointed officials to manage its affairs. Over the last 20 years, the demands on officials have increased. In particular,

- Computers and information technology can facilitate work but have also created new demands for managing web access and security, maintaining software, troubleshooting problems, and addressing communication issues with State databases.
- For the most part, we are fortunate to have a large number of committed volunteers staffing key functions, but it is often difficult to recruit people to fill part-time positions which, nonetheless involve significant responsibilities and require professional training and skills.
- In addition to their responsibilities in overseeing Town finances and policies, the Selectmen (mostly Sukey) are handling an increasing amount of administrative tasks.

We considered three options for addressing these issues:

a. Continue with existing staffing arrangements

PROS: The principal advantage of this option is that it has little impact on costs and requires no further hiring or rearrangement of tasks.

CONS: The principal difficulty with this option is recruiting people for official duties that are poorly supported and poorly compensated.

b. Create a single new position for a Town Administrator

PROS: (1) It will be easier to recruit a qualified person into a job that provides a reasonable annual salary with some benefits and (2) it will provide the Town with a single person who can keep town functions moving efficiently. The Town Administrator would be the administrative arm of the select board and manage others hired to do specific tasks. They could also possibly serve as deputy to the Town Clerk and Tax Collector.

CONS: This option is the costliest at about \$30,000/year (about 3% of the current amount of money we raise through property taxes); we have no guarantee that we could find someone with all the requisite skills (e.g. personality, clerical, and technological); and it would be the first time Arrowsic hires someone who fulfills so many functions as an employee.

c. Create several new part-time positions

PROS: (1) It can generate more support for existing officials; (2) by providing more support it might facilitate recruitment for other positions; (3) it allows individuals to combine positions in ways that generate a better annual income, thereby facilitating recruitment; (4) it separates functions so that people can come forward based on their specific skills.

CONS: This option costs more than current staffing (about \$15,000/year or 1.5% of current amount of money raised through property taxes); may not attract sufficient interest; and continues to make the relationships between officials a function of individuals rather than positions.

After considering these options, the Board of Selectmen is proposing to offer option "c" (create several new part-time positions) for a vote at Town Meeting this June.

3. Details of the draft proposal

Proposal: Create four new part-time professional positions. Set annual salaries for these positions based on an hourly rate of \$15/hour and adjust for inflation thereafter. Raise annual salaries for other key positions (Tax Collector, Treasurer, Town Clerk, CEO) over a 3-year time frame to reach the equivalent of \$15/hour, and adjust for inflation thereafter. By moving administrative functions to new positions (Administrator & IT coordinator), the distinction between Selectman Chair and other Selectmen can be smaller; all three salaries can be initially reduced; and then adjusted for inflation thereafter. The Selectmen should initiate a review of the new positions and the salary policy after 3 years.

The four new part-time professional positions would be:

- Administrator (Select Board hires). Est. time of 10 hr/week for 48 weeks/year.
- IT Coordinator (Select Board hires). Est. 2 hr/week for 48 weeks/year.
- Deputy Town Clerk (Town Clerk appoints). Est. 10 hr/week for 6 weeks/year
- Deputy Tax Collector (Tax Collector appoints). Est. 10 hr/week for 6 weeks/year

The new salary schedules would be:

	<i>Salaries with FICA added (as in Article 5, 2017 Town Report)</i>					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Select Board 1	6,497	4,873	3,866	3,943	4,022	4,102
Select Board 2	4,061	3,519	3,313	3,380	3,447	3,516
Select Board 3	4,061	3,519	3,313	3,380	3,447	3,516
Town Clerk	4,873	5,956	7,038	7,796	7,952	8,111
Tax Collector	4,873	5,956	7,038	7,796	7,952	8,111
Treasurer	4,873	5,956	7,038	7,796	7,952	8,111
Code Enforcement Officer	3,249	3,970	4,692	5,198	5,302	5,408
<i>Proposed new positions</i>						
Administrator	-	7,580	7,688	7,796	7,952	8,111
Deputy Town Clerk	-	1,083	1,104	1,127	1,149	1,172
Deputy Tax Collector	-	1,083	1,104	1,127	1,149	1,172
IT Coordinator	-	1,559	1,590	1,622	1,655	1,688
<i>Other salaries*</i>						
AFD	5,306	5,306	5,306	5,306	5,306	5,306
Others (ACO, Constable, etc.)	2,274	2,274	2,274	2,274	2,274	2,274
Committees	1,408	1,624	1,624	1,624	1,624	1,624
Total	41,473	54,257	56,992	60,165	61,185	62,224

Notes: 2017/18 salaries are those which were approved at Town Meeting, June, 2017. Town Clerk, Treasurer, and Tax Collector salaries based on 10 hours/week for 48 weeks/year, with office hours covered during other weeks by deputies. Deputies could be paid on an annual, weekly or hourly basis.

4. Implications for Town finances

The following numbers are provided to illustrate the impact of this proposal on town finances and taxpayer bills. The calculations hold non-salary expenses and total town value constant at 2017 levels to isolate the specific impact of this proposal. To facilitate comparison with the 2017 Town Report, salaries are listed on the same basis as Article 5. Specifically, the numbers (1) include employee contributions to FICA and (2) exclude payments to election officials and employer contribution to FICA.

- The Town’s total salary payments would increase by some \$12,784 the first year (2018/19) from \$41,473 to \$54,257. The amount is likely to be lower because it will take time to recruit people for the new positions. From 2019/20 forward, increases would be more gradual reaching \$61,185 in 2021/22.
- The proposal would increase the “Amount to Be Raised” from \$924,776 to \$937,560 the first year and to \$944,488 the fourth year. This is equivalent to increasing the mil rate from \$13.60 to \$13.79 the first year and to \$13.89 the fourth year. Alternatively, a household with a \$200,000 assessed property value would pay \$26.05 more the first year than in 2017. In the fourth year, the difference from 2017 would be an additional \$39.87.
- In 2017, taxpayers in Arrowsic paid about \$0.45 per \$1,000 valuation to cover salaries. This would increase to about \$0.65 per \$1,000 valuation in the fourth year. Despite this increase, the tax burden of salaries would still be comparable to other similar towns. For example, the salary cost per equivalent \$1,000 valuation is \$0.81 in Alna; \$0.70 in Phippsburg; \$1.35 in Somerville and \$0.64 in Woolwich. It is higher than other towns like Georgetown (\$0.23) and Westport (\$0.34) because those towns have substantially higher valued properties on their waterfronts.

Impact of new positions and salary increases on Town finances

Holding other expenses and Town property valuation constant

	Actual 2017	1st year Total	Change	4th year Total	Change
Salary payments (Article 5)	\$ 41,473	\$ 54,257	\$ 12,784	\$ 61,185	\$ 19,712
Amount to be raised	\$ 924,776	\$ 937,560	\$ 12,784	\$ 944,488	\$ 19,712
Town Tax Value	\$ 68,000,000	\$ 68,000,000	\$ -	\$ 68,000,000	\$ -
tax rate (%)	1.36%	1.38%	0.02%	1.39%	0.03%
tax rate (\$ per \$1000 value)	13.60	13.79	0.19	13.89	0.29
			\$ -		
Salaries (% of amount raised)	4.5%	5.8%	1.3%	6.5%	2.0%
Salaries (\$ per \$1,000 value)	0.45	0.58	0.13	0.65	0.20
Amount of tax for \$200,000 home dedicated to salaries	\$ 89.69	\$ 115.74	\$ 26.05	\$ 129.56	\$ 39.87

Notes:

Even after the revaluation, this is the best indication of the impact on a household’s likely additional taxes so long as their home has not appreciated or depreciated significantly relative to other properties. 1st Year impact is likely to be less because it assumes that all new positions are filled immediately.

Current Salaries Relative to Tax Base and Population, Selected Towns

Town	Total Salaries* (A)	Property Tax Base (per state tax valuation - B)	Ratio Per \$1,000 value (A/B)	Full Value Tax Rates Per \$1,000 value	Population
Arrowsic	\$40,836	\$89,400,000	0.46	9.62	440
Alna	\$63,915	\$79,150,000	0.81	18.70	715
Georgetown	\$108,267	\$463,500,000	0.23	7.64	1,079
Phippsburg	\$458,575	\$654,950,000	0.70	8.21	2,231
Somerville	\$71,047	\$52,600,000	1.35	16.34	553
Westport	\$71,606	\$213,400,000	0.34	8.60	716
Woolwich	\$245,110	\$385,400,000	0.64	13.09	3,065

*This is the total of salaries listed in Town warrant articles in the most recent year available on the web, typically 2015 or 2016. It generally does not include employer contribution to FICA.

Current Salaries for Town Officials, Selected Towns

Position	Towns reporting	Hours/year	\$/hour	Annual Salary
Selectman (Chair)*	36/6			7,300
	Arrowsic			6,497
Selectman (Member)*	36/6			4,129
	Arrowsic			3,750
Admin. Assist	11		16.67	26,027
	Arrowsic	-	-	-
Town Clerk	32	1255	15.29	20,333
	Arrowsic	416	11.71	4,873
Tax Collector	14	999	15.00	15,883
	Arrowsic	520	9.35	4,873
Treasurer	15	1118	15.75	18,107
	Arrowsic	520	9.35	4,873
Deputy Clerk	19	727	12.51	10,197
	Arrowsic	-	-	-

Notes: Figures are 2015 salaries as reported to the Maine Municipal Association 2016 Survey which contained 115 towns with populations between 300 and 1,000. Fewer than 25% of towns provided salary data. Arrowsic data is based on the 2017 Annual Report and interviews with Town officials.

*Salaries include functions both as Selectmen and Assessors.

5. *Tasks and responsibilities for new positions*

Administrator: The Administrator's function is to assure that Town business is conducted in a timely and efficient fashion and reports directly to the Select Board. The Administrator is authorized by the Select Board to conduct routine administrative and office tasks under its direction. The Select Board retains final authority and responsibility for all of its normal functions.

- *Communications:* Write and post Town announcements online and by email; work with Town webmaster to keep Town website updated, including calendar; receive mail/email and direct to appropriate official or committee. In coordination with other officials, respond to routine information requests and guide residents to Town resources.
- *Office support:* Maintain the Town Hall as a functional, safe, and pleasant public space to do Town Business in coordination with other town officials. This includes: doing minor repair and maintenance (e.g. light bulbs, replacing tissues, coffee); arranging for cleaning services and technology maintenance; keeping an adequate stock of office supplies.
- *Record keeping:* Organizing documents and filing; tracking Select Board appointments and contractor forms; assisting the Treasurer in tracking salary and tax forms.
- *Volunteer coordination:* Maintain a list of town volunteers with skills and contact information for use by Town Officials; maintain contact with volunteers as required; respond to questions from volunteers and provide guidance and support as appropriate.
- *Support for assessing and property taxes:* Addressing routine property tax assessment issues in liaison with the assessor's agent; routine administration of documents related to deeds and transfers.
- *Properties:* Monitor town properties for maintenance issues; coordinate with Properties Committee on scheduling maintenance work and care of Town Office grounds.
- *Other tasks* as assigned by and agreed with the Select Board.

Deputy Town Clerk: Serves as Town Clerk during office hours when the Town Clerk is unavailable or on leave. Assists the Town Clerk in her/his functions as requested.

Deputy Tax Collector: Serves as Tax Collector during office hours when the Tax Collector is unavailable or on leave. Assists the Tax Collector in her/his functions as requested.

Information Technology Coordinator: The IT Coordinator makes sure that Town computers and internet services are functioning by monitoring system backups, doing limited troubleshooting as problems arise, and contacting and working with Town IT Volunteers and/or IT service providers for issues which cannot be resolved otherwise. The IT coordinator will also research and advise the Select Board on replacing equipment in consultation with Town IT volunteers and maintain records of moveable Town property (e.g., laptop computers).

6. Other information for comparison with other Towns

Combinations of positions in selected Maine Towns (~2016)

This chart shows how selected towns combine positions. Numbers 1 through 5 represent the individual employees in a given town and their responsibilities. In the case of Georgetown, it means Person 1 is both Administrator and Treasurer and Person 2 is Town Clerk and Tax Collector. In the case of Westport, it means there are 4 people dividing up the various roles as listed.

Town	Population	Number on Select Board	Person 1	Person 2	Person 3	Person 4	All Town Positions
Pownal	1474	3	Treasurer	Dep. Clerk	Town Planner		14
			Town Clerk				
			Tax Collector				
Edgecomb	1249	3	Treasurer	Tax Collector	Town Atty		14
			Town Clerk	Dep. Clerk			
			Dep. Tax Coll.				
Georgetown	1042	3	Administrator	Town Clerk			14
			Treasurer	Tax Collector			
South Bristol	892	3	Treasurer	Town Clerk			16
			Tax Collector				
Bremen	806	3	Treasurer	Dep. Clerk			20
			Town Clerk	Dep. Tax Coll.			
			Tax Collector				
Westport Island	718	3	Administrator	Treasurer	Dep. Clerk	Dep. Tax Coll.	17
			Tax Collector	Town Clerk			
Alna	709	3	Treasurer	Town Clerk	Dep. Clerk		15
				Tax Collector			
Southport	606	3	Treasurer	Town Clerk			19
				Tax Collector			
Arrowsic	427	3	Treasurer	Town clerk	Tax Collector	Dep. Clerk	16
Chebeague Island	341	5	Administrator	Town Clerk	Dep. Clerk	Cert. Assessor	18
			Treasurer	Tax Collector			

Phippsburg example

Five categories of personnel:

- Full-Time
- Part-time
- Temporary
- Appointed positions
- Elected officials

Benefits offered (conditional on hours worked):

- Health insurance
- Workers compensation
- Unemployment
- Retirement plan
- Social Security
- Training & Development