

BUDGET COMMITTEE
MAY 3, 2017

Mayor Casavant called the meeting to order at 6:02 p.m.

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

Robert Quattrone, Jr., Bob Mills and Laura Seaver were excused.
Marc Lessard was at the York County Budget Committee Meeting

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

City Manager Update:

City Manager, James Bennett distributed a few handouts:

- Municipal Services Allocation information – at the April 26th Budget Committee meeting, the Committee voted to fund Municipal Services at the same level as it was funded in FY16 - \$658,016. Jim provided the Council with his recommendations for the funding of the various lines in this budget.
- Running Total of Budget Committee Work – the budget is currently at about a \$0.49 tax rate change
- Suggested Changes in Fees, Etc. – Jim provided a list of proposed increases in revenue, which include:
 - ❖ Increase in beach permit fees
 - ❖ Increase in Community Center rental fees
 - ❖ Increase in Street Opening fees
 - ❖ Elimination of parking ticket “forgiveness” program
 - ❖ Increase in parking violation fees
 - ❖ Increase in outside assignment rates for PD personnel
 - ❖ Institution of apartment licensing fees
 - ❖ Increase building construction fee by 2.5%
 - ❖ Institute an Administration Fee for electrical permits
 - ❖ Institute a Special Event Permit Fee
 - ❖ Direct the SWMC to look at instituting fees for disposal of large items
- All In Changes Impact – shows how the changes made thus far impact the tax rate and impact on median home, as well as impact on commercial property.

Committee member Ready brought up his concern with instituting an apartment licensing fee while still in the first phase of the Codes Office apartment inspection process. He feels that it's unfair to apartment property owners to add a fee at this point; and that it would make more sense to institute a fee after all apartments have been inspected at least once. Committee member McCurry concurred.

Committee member St. Cyr feels differently, and is in favor of instituting an apartment licensing fee. He believes that taxpayers should be paying for the services that are specific to and benefit a select few of the property owners in the City.

Committee member Swanton expressed his reservations about increasing the beach permit fees since they were just increased in 2014.

Motion by Committee member McCurry, seconded by Committee member Ready to accept the City Manager's recommendation for revenue increases, minus the institution of an apartment licensing fee; for a total estimated increase in revenues of \$102,250.

Vote: Unanimous.

Motion by Committee member McCurry to accept the recommended allocation of Municipal Service funds, as presented by the City Manager.

Motion was withdrawn so that the Budget Committee may have more time to look at the recommendations.

Jim asked the Budget Committee how they'd like to proceed with the proposed revenue changes that they have just accepted. Since these revenue changes involve ordinance changes, does the Committee want the recommendations to go to the Policy Committee before going to the Council for consideration, or go just to Council? The Budget Committee agreed that including the proposed revenue increases/ordinance amendments on the May 16th council agenda would be best.

Jim gave an overview of the proposal that Staff is working on for the increase in sewer use fees. So far, the suggestion will be for some sort of sliding scale so that those households that pay the minimum in sewer fees will still pay that amount, or possibly less.

Motion by Committee member McCurry, seconded by Committee member Ready to move \$166,265 out of the CSO budget and put into the General Fund.

Vote: 4/1; Committee member St. Cyr opposed.

Committee members Swanton, McCurry, Belanger and Ready in favor.

Motion carries.

Committee member McCurry asked about the \$90,000 increase in the Sewer Operations Fund – Transfer Out to Other Funds line (35102-60799). Jim explained he did do some analysis on all the administrative costs across all the different funds, and he feels that \$150,000 in the Sewer Operations Fund for Administrative costs is more than reasonable.

Motion by Committee member St. Cyr, seconded by Committee member Ready to accept the City Manager recommendation to allocate \$250,000 for Administrative fees across all the different funds.

Vote: 4/1; Committee member McCurry opposed.

Committee members Swanton, St. Cyr, Belanger and Ready in favor.

Motion carries.

Jim asked the Budget Committee to look at possibly shifting some of the Capital costs to the funding of the lease/purchase policy that had originally be recommended in the City Manager budget.

Motion by Committee member McCurry, seconded by Committee member Ready to adjourn.
Vote: Unanimous. Time: 7:37 p.m.

Respectfully submitted,
Carmen J. Morris, City Clerk