

**BUDGET COMMITTEE MEETING
APRIL 30, 2019**

Mayor Casavant called the meeting to order at 5:30 p.m.

Roll Call: Michael Swanton, John McCurry, Jr., Stephen St. Cyr, Robert Quattrone, Jr., Amy Clearwater, Norman Belanger, Michael Ready, Laura Seaver

Marc Lessard was excused.

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

City Manager, James Bennett went over a handout, *Running Total of Budget Committee Work:*

- Increase revenue for Dispatch Services by \$25,288 – at the May 7th Council Meeting, the City Council will be voting to approve a PSAP Agreement with the Town of Hollis which will generate an additional \$25,288 in revenues.
- Decrease in Health Insurance Costs – the City just received notification that one of the Labor Contracts is going to see a decrease in health insurance costs during FY20, which will result in a savings of \$23,385.
- Increase in Taxable Value – the City Assessor is comfortable with increasing the taxable value by \$50,000.
- Decrease the Contingency Account by \$350,000, which was the projected additional amount the City will receive in State Revenue Sharing.
- Decrease budgeted amount for the Solid Waste/Recycling Program by \$125,000, with the following revisions proposed:
 - ❖ For 3 to 5 unit buildings that are owner-occupied – do nothing
 - ❖ For 3 to 5 unit buildings that are not owner-occupied, institute a requirement that they submit a plan to curb recycling contamination, and submit that plan to the Codes Office. Any 3 to 5 unit building owner who does not comply with this requirement will no longer receive recycling pickup.
 - ❖ When a 3 to 5 unit building changes ownership, they would automatically stop receiving recycling services.
- Decrease School Department budget by \$150,000 in their CIP budget, with the plan that the City would fund up to \$150,000 worth of CIP projects for the School Department if and when new building permit fees come in.
- Transfer from TIF – based on the projected growth value in the downtown area, it is being recommended that \$110,000 be transferred from the TIF account to the General Fund
- Move \$25,000 from the Parking Fund to General Administration to offset administrative costs associated with the Parking Program.
- Increase the Excise Tax revenue by \$100,000 – based on this year's excise tax revenue, the recommendation is to include this increase.
- Decrease budget by \$30,000 in consideration of staff turnover.
- Elimination of County Tax Payback by \$63,000 – the City is currently in a position where funds no longer need to be “borrowed” and paid back on the County Tax.

- Decrease the Overlay Account by \$25,000

If all the proposed adjustments are approved by the Committee at this meeting, it will leave the proposed budget at a \$0.29 increase on the tax rate.

Motion by Councilor McCurry, seconded by Councilor Clearwater to approve the following items that are proposed:

- Transfer from TIF – (\$110,000)
- Transfer from Parking Fund – (\$25,000)
- Increase Excise Tax Revenue – (\$100,000)
- Staff Turnover Credit – (\$30,000)
- Elimination of County Tax Payback – (\$63,000)
- Reduction in Overlay Account – (\$25,000)

Vote: Unanimous.

Motion by Councilor McCurry, seconded by Councilor Ready to approve the following items that are proposed:

- Increase Dispatch Services Revenue – (\$25,288)
- Decrease Health Insurance Costs – (\$23,385)
- Increase in Taxable Value – (\$50,000)

Vote: Unanimous.

Motion by Councilor McCurry, seconded by Councilor Clearwater to approve the proposed and discussed revisions to the Solid Waste/Recycling Program, resulting in a decrease of \$125,000 in that budget.

Motion by Councilor Ready, seconded by Councilor McCurry to amend the previous motion to specify that any change in ownership of the 3 to 5 unit buildings after July 1, 2019 will no longer be eligible to receive solid waste and recycling services.

Vote: 6/2; Councilors Clearwater and Swanton opposed.

Councilors McCurry, St. Cyr, Quattrone, Belanger, Ready and Seaver in favor.

Motion carries.

Vote on original motion, as amended: 7/1; Councilor Ready opposed.

Councilors Swanton, McCurry, St. Cyr, Quattrone, Clearwater, Belanger and Seaver in favor.

Motion carries.

Motion by Councilor McCurry, seconded by Councilor Quattrone to increase the revenue to the Code Enforcement Office by \$20,000; and to increase the Code Enforcement Overtime account by \$20,000.

Vote: 5/3; Councilors Ready, Belanger and Swanton opposed.

Councilors McCurry, St. Cyr, Quattrone, Clearwater and Seaver in favor.

Motion carries.

Motion by Councilor Belanger, seconded by Councilor McCurry to decrease the projected additional Revenue Sharing of \$350,000 from the Contingency Account.

Vote: 7/1; Councilor Ready opposed.

Councilors Swanton, McCurry, St. Cyr, Quattrone, Clearwater, Belanger and Seaver in favor.
Motion carries.

Motion by Councilor Belanger, seconded by Councilor Seaver to reduce the School Department CIP by \$150,000.

Vote: All Opposed.

Motion fails.

Motion by Councilor Swanton, seconded by Councilor St. Cyr to reduce the Police Department Budget by 5%, with proposed cuts to be made by the Police Chief.

Vote: 1/7; Councilor Swanton in favor.

Councilors McCurry, St. Cyr, Quattrone, Clearwater, Belanger, Ready and Seaver opposed.
Motion fails.

Motion by Councilor Quattrone, seconded by Councilor Ready to increase Account 21127 – ***Social Services*** by \$15,000, making the total for this budget \$75,000.

Vote: 6/2; Councilors McCurry and St. Cyr opposed.

Councilors Swanton, Quattrone, Clearwater, Belanger, Ready and Seaver in favor.
Motion carries.

Discussion: Wastewater Treatment Plant Funding:

Motion by Councilor McCurry, seconded by Councilor Ready to forward this item to the City Council as is; with the caveat that Staff look into the proposed 7.5% increase in the sewer rates to be distributed more fairly along the tiered rate system that the City already has in place.

Vote: 5/3; Councilors Belanger, Clearwater and Swanton opposed.

Councilors McCurry, St. Cyr, Quattrone, Ready and Seaver in favor.
Motion carries.

Discussion: J. Richard Martin Community Center Report:

The Budget Committee agreed to keep the proposed \$50,000 in the FY20 Budget, which is intended to be used to contract with an architect for future work at the Community Center.

Motion by Councilor McCurry, seconded by Councilor Seaver to send the City Government Budget, as it has been amended by the Budget Committee, to the City Council.

Vote: Unanimous.

Motion by Councilor McCurry, seconded by Councilor Clearwater to adjourn.

Vote: Unanimous.

Time: 7:12 p.m.