

BUDGET COMMITTEE MEETING
APRIL 26, 2017

Mayor Casavant called the meeting to order at 6:01 p.m.

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

Bob Mills was excused.

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

Mayor Casavant began by noting what he feels are three options the Budget Committee needs to consider:

1. Capital Improvement Projects – which ones to budget for and how much
2. Leasing vs purchasing
3. If the Budget Committee decides to keep large amounts of CIP in the budget, does the Committee look at cutting City services/staff?

City Manager Comments:

Jim informed the Budget Committee that he asked Bond Counsel to look at refinancing the 2010 and 2011 City Bonds, and the preliminary results show a savings to the City and gives the City about \$2 million in cash up front; with \$1.5 million on the School side and half a million on the City side. Present value savings is in the 5% range. Final numbers are still being worked on. The City Council will be considering this item at the May 2nd council meeting; with a 2nd reading on May 16th.

Downtown District Fund – (handout)

20 hour employee - \$26,665 (benefits included)
Part-time wages- \$15,000; benefits - \$1,951
Plantings - \$27,500
Donation to HOB - \$7,500
Promotions, etc. - \$5,000
TOTAL EXPENSES: \$83,616

Value of Downtown District - \$109,000,000
Additional assessment - \$0.77
Phase in - \$41,807.97
 \$0.38 78.28%

City funding - \$41,807.97

Jim suggested that the Budget Committee consider adopting the “revised” Downtown District Fund at the amount of \$41,807.97 in the FY18 budget. He feels that while this proposed budget is a scaled down budget, it is a show of good faith to the downtown businesses, who, for the most part, still have reservations, from funding to who will serve on the DID Committee/Board and will be making the decisions for the downtown improvements.

Committee member Swanton expressed concern with having too many downtown committees and suggested that the City needs to consolidate or get rid of one or two of the already established committees. Jim explained that it is possible that the Downtown Development Commission may need to take on a different role, or may end up being abolished.

Committee member Lessard is in favor of any budget item that moves this downtown improvement project forward. He feels that the initial investment by the City is worth getting the downtown businesses onboard with the idea and eventually for them to make the investments themselves.

Committee member Ready is also in favor of this particular structure because it backs off from pushing this idea on the downtown businesses. This will give the opportunity for the City to set up the program right and get people onboard and willing to invest for future years.

Committee member Quattrone asked if Biddeford is “blazing a trail” with this program or if there are other communities that already do this. Jim answered that Portland and Banger do have similar programs/districts and data has been gathered from those cities. Committee member Quattrone wonders if establishing this program/district will attract or detract businesses from locating in the downtown. Jim feels that it won’t be a detraction, and that folks will view a beautified downtown as an experience that businesses will want their customers to have.

Committee member Belanger is also in favor of this program and asked if there is some play in the budget for the DID Committee/Board to figure out where they’d like to spend the money. Jim explained that yes, definitely in future years, but probably not so much in the initial year since the City is fronting all the money in the first year.

Committee member McCurry asked about the \$7500 being donated to HOB; and Jim explained that that money is not intended to support HOB operations, but more for the events they put on in the downtown area. Committee member McCurry went on that he had hoped the downtown businesses would have been more supportive and ready to come onboard financially in the first year of this program.

Committee member Seaver’s concern is that this has been discussed for a year, but not with the business owners. She is glad that discussions are now being had with the business owners and their concerns for representation are now being addressed.

Committee member Lessard feels that the Council was elected to make decisions, and it’s unreasonable that every affected person/business would be consulted before moving forward on all City projects and programs. He is impatient for growth and just wants to move forward with the Downtown Improvement District program.

Committee member Ready reiterated Committee member Seaver's comments that the business owners had not been consulted or involved in the development of a Downtown Improvement District. He would have been uncomfortable moving forward with this project if the business owners had not been brought into the discussion. He feels that by approving this, it shows that the City is onboard and shows the businesses that the City is serious about the DID program and those businesses will be more willing to buy into the program.

Both Committee members Seaver and Belanger agree that involving the business owners is the wise way to proceed.

Committee member McCurry noted that this discussion is also scheduled for tomorrow night's Budget Committee meeting. He would like to have the Committee begin actual budget deliberations.

Budget Deliberations:

Committee member Lessard suggested that the City come up with a 3-5 Year Plan for Capital Improvement items. The Plan would include prioritization of projects, set a schedule for when those projects would be completed, and how those projects would be funded. Committee member McCurry agrees with this suggestion.

Committee member McCurry asked for the Committee's consensus on moving forward with the School Budget so that the first and second readings of this budget could stay on schedule, as well as having it ready for the June 13th election day.

In answer, Committee members Swanton and St. Cyr expressed concerns with the proposed new Pre-K program included in the School's FY18 budget; as well as concerns with adding staff to support this program. Also, there is a concern with the number of school buildings that are currently being used and that have an excess of space.

Motion by Committee member McCurry, seconded by Committee member Ready to send the FY18 School Budget, as proposed, to the City Council for consideration and approval. Vote: Unanimous.

Motion by Committee member Lessard, seconded by Committee member Quattrone to move \$50,000 from the Pool Beach Fund into the General Fund.

Motion by Committee member Ready, seconded by Committee member McCurry to amend the previous motion by increasing the amount to \$150,000.

Vote on amendment: 6/2; Committee members St. Cyr and Swanton opposed.

Committee members McCurry, Quattrone, Belanger, Ready, Seaver and Lessard in favor.

Motion carries.

Vote on original motion, as amended: 6/2; Committee members St. Cyr and Swanton opposed.

Committee members McCurry, Quattrone, Belanger, Ready, Seaver and Lessard in favor.

Motion carries.

Motion by Committee member McCurry, seconded by Committee member Lessard to move \$30,000 from a couple of the small miscellaneous accounts (environmental fund and property sales fund) to the General Fund.

Committee members McCurry and Lessard amended their previous motion by revising the amount to \$31,125, which reflects the exact amounts in the two accounts.

Vote: Unanimous.

Motion by Committee member McCurry, seconded by Committee member Lessard to direct the City Manager to take a look at staffing and make suggestions on possible cuts.

Jim explained that rather than looking directly at staffing, his focus will be on the services provided and how a cut in staffing will affect current City services. Committee member Lessard suggested that the proposed cuts be made in \$200,000 increments.

The McCurry/Lessard motion was withdrawn.

Motion by Committee member McCurry, seconded by Committee member Lessard to direct the City Manager to look at proposed cuts in services that would result in a cost-savings; and what the impacts of those proposed cuts would have on departments and citizens. Proposed cuts to be presented in increments of \$200,000, up to a million dollars.

Vote: 7/1; Committee member Ready opposed.

Committee members Swanton, McCurry, St. Cyr, Quattrone, Belanger, Seaver and Lessard in favor. Motion carries.

Motion by Committee member McCurry, seconded by Committee member Lessard to fund the Municipal Services budget at the same level that it was funded in FY16 - \$658,016; with specific line item funding to be determined by the City Manager.

Vote: 5/3; Committee members Seaver, Ready and Belanger opposed.

Committee members McCurry, Swanton, St. Cyr, Quattrone and Lessard in favor.
Motion carries.

Motion by Committee member McCurry, seconded by Committee member Ready to adjourn.
Vote: Unanimous.

Time: 8:00 p.m.

Respectfully submitted,
Carmen J. Morris, City Clerk