

**BUDGET COMMITTEE MEETING  
APRIL 10, 2017**

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

**Roll Call:** Michael Swanton, John McCurry, Jr., Stephen St. Cyr, Michael Ready, Marc Lessard

Robert Quattrone, Jr., Bob Mills, Norman Belanger and Laura Seaver were excused.

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

*City Manager Update:*

Another budget binder was distributed and Jim explained that it includes the Supplemental Budgets, as well as additional revenue accounts. Also handed out were additional backup pages for the McArthur Library budget request.

Jim went through the Memo that he provided for tonight's meeting that includes information on the median home tax impact in Biddeford, assuming the homestead exemption. Committee members have now asked for median home tax assessments by Ward. Staff will work on getting this information for Thursday's Budget Committee meeting.

**Presentation of Supplemental Budgets**

**McArthur Library: Jeff Cabral, McArthur Library Director**

The Library's FY18 budget request was \$492,715 and the City Manager has proposed \$482,500; which reflects a \$10,215 difference. However, the \$482,500 is still an increase from what was approved in the FY17 budget (which was \$478,364).

Jeff offered the following reasons for the proposed increase: payroll has been figured with a 2% increase; 17% increase in group health insurance; and modest increases in operating costs. The Library has budgeted for the project to digitalize newspapers that are currently on microfiche, as well as new computers since these have been and continue to be largely used by Library patrons. Also, there is a request for an increase in security hours at the Library. Currently, hired security works 30 hours a week, and this budget proposal includes the addition of 7 hours for this service.

In terms of CIP, the Library had requested \$7,500, but the City Manager's proposal is \$0. The Library's request was for security improvements.

**TIF (Rte 111): Jim Bennett and Daniel Stevenson**

In TIF expenditures, Jim pointed out that half the wages for the Economic Development Coordinator and the Grant Writer are in this budget.

A few of the Councilors and Mayor Casavant remember that the purchase and sale agreement with Casella was without interest, and they questioned why the City is paying interest on this loan. It was determined that the City's auditors required the loan repayment be set up in such a way that interest was reflected, even though it was not actually included in the agreement.

**CDBG: Daniel Stevenson**

Daniel noted that this is a general, stand-alone account. The City is expecting to receive \$449,978 from HUD, which will be allocated for various qualifying programs. The CDBG Coordinator, Linda Hardacker will be presenting the CDBG 5-Year Action Plan to the Council once it is prepared.

**Airport: Phil Radding and Brian Phinney**

Airport Operations: the only substantial increase in this budget is in the Vehicle Purchase Capital line for the purchase of a 4x4 utility vehicle (ATV) to be used for runway maintenance and property inspections on and around airport grounds. Committee member McCurry suggested that the airport use one of the ATVs that the Fire Department has. The City Manager will look into the feasibility of this suggestion.

Committee member Ready asked about the Consulting Services line and it was explained that the City is responsible for 5% of the cost for Gale Associates.

Airport Reimbursement: Consult services and land purchase are reimbursable.

Airport Revenue: Committee member Ready asked why the fuel sales revenue are proposed to be down when Staff states that fuel sales are continuing to rise due to the increase in airport traffic. The City Manager explained that it's more than likely due to the fact that the Biddeford Airport is one of the lowest charging airports in the State for fuel.

Committee member St. Cyr asked why the hangar leases seem rather low. Phil noted that he and Jim will be meeting to discuss this and looking at re-assessing the hangar fees based on the property they sit on and their size. Staff will need to look into whether long-term leases for the hangars are going to be an issue for possible increases in these fees.

Committee member Lessard suggested that the City look into instituting a landing and take-off fee as a form of revenue stream for the airport. Jim assured him that Staff is looking into that.

**Community Television: Brian Phinney**

Brian stated that this budget has come in as a balanced fund. Furthermore, the current year budget (FY17) is on schedule to come in under budget.

**Recreation Programs: Carl Walsh**

Committee member McCurry would like to see the Cub Care program expand their hours so that children can be dropped off earlier to accommodate those parents who work at 7:00 a.m.

It was noted that the new Finding Pieces Autism Summer Camp is considered a separate program from the regular Recreation programs included in this budget. This program is set up as a non-profit, which is in collaboration with UNE and being offered to children in Kindergarten through Grade 5. UNE is offering this program to its students as a summer class.

Carl noted that over 900 hours of use are reserved at Rotary Park in the course of a year, and 1800 hours are reserved at St. Louis Field. He went on to remind the Committee that use of these fields also affects the Public Works/Parks division.

Committee member St. Cyr asked about the fee structure for the Recreation programs. Carl explained that the fees are set in a way to keep the programs affordable and in such a way that the programs are breaking even. Any costs incurred to run a program are ideally recouped through the program fees that are charged.

Committee member Ready brought up the fact that the Recreation Department does offer scholarships and financial aid so that no child is ever turned away from a program.

Committee member St. Cyr feels that some of the adult program fees seem cheap. Carl explained that the idea is to keep the programs affordable; and he reminded the Committee that the folks running the programs are volunteers and the space that is used is free since it's City-owned.

#### **Wastewater/Sewer: Guy Casavant**

Jim began the discussion by explaining that Staff will be proposing a sewer use rate increase, but one that's on a sliding scale and not an across-the-board increase. He is hoping to be able to present these proposed increases at this coming Thursday's Budget Committee meeting.

Sewer Operations: Guy noted that there is a 18.8% increase in this budget from the prior year. Some of the reasons for the increase include an increase in the Capital Improvement line; Consultant Services due to the reduction of surveying/engineering personnel within the department; and the transfer out to the City for administrative fees. The significant increase in account 60310 is just a readjustment of funds from other accounts.

Committee member McCurry asked if this budget reflects charges to the City of access capacity. He went on to say that back in 2008 when the City took over the management and maintenance of the wastewater treatment plant, it had been touted that there would be a million dollar savings. He asked if this savings has actually been realized by the City.

Guy explained that the cost savings was actually stated to be about \$250,000+, and not a million dollars. Guy reminded the Budget Committee that sewer rates have not been changed or increased in the eight years since the City has taken over the plant.

Sewer Industrial Pretreatment: Guy explained that this is a self-contained, stand alone account. This is a program that was established by the EPA, which has been pushed down to the local level for management. This budget is essentially flat; except where the salary line has been zeroed out and those funds have been moved to the account where Brian Phinney's salary is included.

Public Works Wastewater Maintenance: Guy explained that this budget is set up for the sewers, pump stations and everything sewer-related that is away from the wastewater treatment plant. Overall, this budget is decreased. Wage adjustments have already been built into this budget since the personnel are Union and their annual increase is already known. Also, the

Administrative Assistant in this budget has been changed from a full-time position to a part-time position.

New Sewer Operations: Guy explained that this budget included the Water Street and Stonecliff water treatment plants. Wage adjustments have already been built into this budget since the personnel are Union and their annual increase is already known. Overall, this budget is up 1.2% from last year.

Motion by Committee member McCurry, seconded by Committee member Ready to adjourn.  
Vote: Unanimous. Time: 8:03 p.m.

Respectfully submitted,  
Carmen J. Morris, City Clerk