

City of Biddeford
Finance Committee Meeting Minutes
April 4, 2017

The meeting was called to order at 5:01 pm by Council President John McCurry.

Present: Chair, Council President John McCurry, Mayor Alan Casavant, Councilor Steven St. Cyr, City Manager Jim Bennett, City Clerk Carmen Morris and Interim Finance Director Gerry Matherne.

Excused: Councilor Marc Lessard.

Approval of Minutes

Motion by Mayor Casavant to approve the Minutes of March 21, 2017, seconded by Councilor St. Cyr, unanimous.

Motion Carried, 3-0.

The expenditure warrant was available for review and signature.

Award of Drainage Construction Contract for Mile Stretch Road/Pratt and Sons, Inc. of Mechanic Falls, Maine

Tom Milligan from the Engineering Department gave an overview of the project noting funding, contractor selection and the extent of the project. Staff is hoping to fast-track the project to get it done before Memorial Day and would like to receive approval tonight from both the Finance Committee and City Council. Councilor St. Cyr asked if there was a reason only 2 bids came in. Tom explained it could be how they interpreted the bid and with such short notice, there is not a lot of time to complete the project. The project comprised of 12,000 feet of under drain to be completed in 5 weeks. The Councilor asked if Tom felt Pratt could do the job and Tom replied in the affirmative noting Pratt would be doing some work for the State also.

Motion by Mayor Casavant to accept the bid from Pratt and Sons of Mechanic Falls, Maine for \$629,803.00, seconded by Councilor St. Cyr, unanimous.

Motion carried, 3-0.

Other Business

FY17 YTD Revenue & Expenses

The City Manager explained the highlights and lowlights of the expenses and revenues for the FY17 budget. He asked the Department Heads to give him a projection of where they would be. There could be a \$50,000 shortfall. Jim explained on the revenue side about \$800,000 less than we we should be at; expenses about \$350,000 to the good; collection overlay on a good scenerio about \$400,000. Jim went into department details explaining where the shortfalls and savings would be. He also noted they will try to get at \$0 to balance the budget even with the sale of the Pate property which will show a surplus, but they will try to absorb that in Economic Development. Councilor St. Cyr asked about the policy issues that came out of the audit and would like to revisit that. Jim explained it probably will come up in June or July. Councilor St.

Cyr had three things he would like address; 1) he would like to obtain a surplus and increase revenues, 2) obtain information on receivable/payable for wastewater; and 3) debt re-payment, 72% would be paid off in the upcoming years and noted we should start thinking about doing something with the savings from debt service. Jim explained if the City were to stop doing lease purchases, the principal payment would go down about half. Councilor St. Cyr asked how do you balance without jacking up the mil rate? Mayor Casavant thanked Jim & Gerry for presenting the budget. Councilor McCurry noted the City Manager should present the budget with alternatives and the Finance Committee would make the policy decisions. Councilor McCurry asked about utilization of the undesignated fund balance and how it was utilized over the past few years. The City Manager noted he needs to ask Carmen to find orders that authorized those reductions.

Motion to adjourn was made by Councilor St. Cyr, seconded by Mayor Casavant, unanimous.
Motion carried 3-0.
Adjourned at 5:27 pm.