

STATE OF MAINE

COUNTY OF YORK

CITY OF SACO

I. CALL TO ORDER – On Tuesday, January 19, 2010 at 8:21 p.m. a Council Meeting was held in the City Hall Conference Room.

II. ROLL CALL OF MEMBERS – Mayor Roland Michaud conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: Margaret Mills, Leslie Smith Jr., Marie Doucette, Jeffrey Christenbury, Arthur Tardif, Eric Cote and Marston Lovell. City Administrator Rick Michaud was also present.

III. PLEDGE OF ALLEGIANCE

IV. GENERAL:

V. APPROVAL OF MINUTES:

VI. AGENDA ITEMS:

A. AMENDMENT TO THE SACO CODE, CHAPTER 112 - GENERAL ASSISTANCE PROGRAM APPENDIXES FOR OVERALL MAXIMUMS, THRIFTY FOOD PLAN & HOUSING MAXIMUMS FOR OCTOBER 2009-2010 – (PUBLIC HEARING)

Each year Maine Municipal Association presents municipalities with new Appendixes for their City or Town Ordinance, which need to be reviewed and adopted or kept the same. Municipalities should adopt the new maximums (Appendixes) by October 1st or as soon as possible thereafter.

The City Council discussed this item at Workshop on November 16, 2009; the First Reading was held on January 4, 2010.

Councilor Tardif moved, Councilor Mills seconded to open the Public Hearing on the amendments to the “Saco Code, Chapter 112, General Assistance Program, Appendix A – Total Monthly Allowed GA Overall Maximums, Appendix B – Food Maximums, and Appendix C – Maximum Levels of Housing Assistance.” The motion passed with unanimous consent.

There were no comments from the public.

Councilor Tardif moved, Councilor Mills seconded to close the Public Hearing and “Be it Ordered that the City Council set the Second and Final Reading of the amendments to the Saco Code Chapter 112, General Assistance Program for February 1, 2010.” Further move to approve the Order. The motion passed with seven (7) yeas.

B. NOTICE OF ELECTION – REFERENDUM ELECTION, FEBRUARY 9, 2010

The Notice of Election is submitted to Mayor and Council authorizing the Referendum Election scheduled for February 9, 2010.

The Clerk, as required by Title 21A, Article II § 622-A, has prepared the Notice of Election, and will be posted at all polling places on January 29, 2010 by Police Chief Paul or his designee.

The City Council discussed this item at Workshop on January 4, 2010.

Councilor Christenbury moved, Councilor Lovell seconded that it “Be Ordered that the City Council approve the Notice of Election for the Referendum Election scheduled for February 9, 2010.” Further move to approve the Order. The motion passed with seven (7) yeas.

C. TAX ANTICIPATION NOTE

A tax anticipation note is a short-term borrowing tool utilized to meet current obligations by “bringing forward” tax revenues expected later in the fiscal year. Due to the increasing delay in repayment of federal and state funding, the slowing tax collection rates, as well as the anticipated delay in banks turning over escrowed funds, we need to be prepared for a cash flow shortage prior to the fiscal 2010 tax due date of March 12, 2010. The note is drafted on a tax exempt basis. If no shortfall arises, then no funds will need to be borrowed. We do, however, need to be prepared in the case of delayed revenues as we have continuing expenditure obligations to meet in the near term. One such example is the RSU payment of \$1.4m due monthly for taxes being collected on their behalf on March 12, 2010.

Council authorized a Tax Anticipation note for the first half of the year. The city’s interest rate on that borrowing from TD Bank was 1.79%. The rate on the current borrowing is 1.75%.

The City Treasurer and City Administrator recommend proceeding with issuance of a “lump sum” tax anticipation note in the amount of \$2,400,000 (two million four hundred thousand dollars) to be issued on or about January 21, 2010 and mature on or before March 12, 2010 to ensure adequate cash flow until tax payments are received. The due date for tax payments is March 12, 2010 with interest accruing after March 15, 2010.

We will cover interest and fees through our surplus revenue received from tax liens and interest. Borrowing costs, including interest and legal fees, should not exceed \$4,000.

The City Council discussed this item at Workshop on January 4, 2010.

Councilor Lovell moved, Councilor Mills seconded that it “Be ordered that the City Council approve the Order entitled, ‘Order Authorizing City of Saco to Issue Tax Anticipation Note for 2009-2010 Fiscal Year’.” Further move to approve the Order. The motion passed with seven (7) yeas.

VII. EXECUTIVE SESSION

Councilor Mills moved, Councilor Smith seconded that it “Be Ordered that the City Council, Pursuant to [1 M.R.S.A. Chapter 18, Subchapter 1, §405 (6) (D)] move to enter into Executive Session for Labor Contract Negotiations.” The motion passed with seven (7) yeas. Time: 8:32 p.m.

A. REPORT FROM EXECUTIVE SESSION

Upon return from the executive session Mayor Roland Michaud conducted a roll call of the members and determined that the Councilors present constituted a quorum. Councilors present: Margaret Mills, Leslie Smith Jr., Marie Doucette, Jeffrey Christenbury, Arthur Tardif, Eric Cote and Marston Lovell.

Councilor Smith moved, Councilor Mills seconded to come out of the Executive Session. The motion passed with seven (7) yeas. TIME: 9:37 p.m.

There was no report from the Executive Session.

VIII. ADJOURNMENT

Councilor Smith moved, Councilor Mills seconded to adjourn at 9:37 p.m. The motion passed with seven (7) yeas.

ATTEST: _____
Michele L. Hughes, Deputy City Clerk