

STATE OF MAINE

COUNTY OF YORK

CITY OF SACO

The following are minute of the May 23, 2011 Council Meeting.

I. **CALL TO ORDER** – On Monday, May 23, 2010 at 7:00 p.m. a Council Meeting was held in the City Hall Auditorium.

I. 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, Philip Blood, Arthur Tardif, Eric Cote and Marston Lovell. City Administrator Rick Michaud and Lucette S. Pellerin, City Clerk were also in attendance this evening were.

III. **PLEDGE OF ALLEGIANCE**

IV. **GENERAL:**

V. **APPROVAL OF MINUTES: May 16, 2011**

Minutes of May 16, 2011 were approved as written.

VI. **CONSENT AGENDA:**

A. **(Second & Final Reading) Contract Zone: Retail Business 97 Buxton Road, Map 97, Lot 13**

Applicants Peter Scontras, Maynard Cousens and Donald Cousens propose a contract zone that would allow Mr. Scontras to establish a “Retail Business including Outdoor Sales” in the Way Way store at 97 Buxton Road. The Cousens closed the store in 2003, and its grandfathered status ended a year later. In order to establish this use in the R-1d zone, the best alternative for the applicants is a contract zone.

The Planning Board reviewed this item on April 5, 2011 and forwards a positive recommendation to the city Council. If the contract zone is approved, the project would be subject to site plan review by the Planning Board prior to opening.

That the City of Saco hereby ordains and approves the document titled, ‘**Contract Zone Agreement By and Between Peter Scontras, Maynard Cousens, Donald Cousens and the City of Saco,**’ dated April 5, 2011’.

B. (Second & Final Reading) Contract Zone Amendment: Volunteers of America

The City of Saco hereby Ordains and Approves the Second and Final Reading of the document entitled “Contract Zone Agreement By and Between Volunteers of America Northern New England and the City of Saco,” dated April 26, 2011”.

C. FY12 Municipal Budget Adoption:

Be it Ordered that the City Council move to adopt an appropriation order for the adoption of the Fiscal Year 2011-2012 Waste Water Treatment Plant budget of the City of Saco, Maine as follows:

Approve gross expenditures of \$2,551,720; to be offset by \$2,551,720 in anticipated revenues and other credits, which represents an increase in the rate of sewer user fees from \$4.05 to \$4.20.

a. FY12 State Required Action

Be it Ordered that the City Council authorize the City Treasurer to accept, on behalf of the City of Saco, the following categories of state funds and their estimated amounts for the fiscal year 2011-2012 which are provided by the Legislature of the State of Maine to the City of Saco, and which action is required under Title 30-A MRSA 5682.

<u>Municipal Revenue Sharing</u>	<u>\$ 759,646</u>
<u>Local Road Assistance</u>	<u>\$ 245,568</u>
<u>Tree Growth Reimbursement</u>	<u>\$ 25,000</u>
<u>Veterans Exemption Reimbursement</u>	<u>\$ 9,000</u>
<u>General Assistance Reimbursement</u>	<u>\$ 25,000</u>
<u>Homestead Exemption Reimbursement</u>	<u>\$ 271,563</u>

And such other state revenues, grants or reimbursements which may from time to time become available to the City of Saco from the State of Maine.”

b. Reconfirm Tax Policy 2012

Be it Ordered that the City Council accept the tax collection policy as presented pursuant to 36 MRSA Section 906.

Councilor Blood moved, Councilor Lovell seconded, to approve the Consent Agenda. The motion passed with seven (7) yeas.

VII. AGENDA:

A. Adoption of the FY12 Municipal Budget

The Council discussed this item at Workshop on April 25; April 11; April 6; and April 4, 2011. The Public Hearing for the budget was held on May 2, 2011; and the item was discussed at Workshop on May 9, 2011, and May 16, 2011.

AMENDED MAIN MOTION: Councilor Lovell moved, Councilor Cote seconded, that it be Ordered that the City Council move to approve an appropriation order for the adoption of the Fiscal Year 2011- 2012 budget, **excluding all school related items**, per Section 6.06 and 6.07 of the Charter of the City of Saco, Maine as follows:

That is, in accordance with Section 6.07, amending the City Administrators budget request in as detailed in Table 1.

Approve gross expenditures of \$23,382,873 which represents \$20,437,694 in municipal expenditures, \$1,200,000 in overlay, \$1,079,365 in County taxes, \$785,141 in TIF transfers, and \$165,000 in capital improvements for municipal operations; to be offset by \$23,382,873 in anticipated revenues and other credits, which represents \$6,783,760 in anticipated municipal revenues, and other credits of \$ 580,000 from the Ambulance Fund, \$31,000 from the Economic Development Fund, \$25,000 from the Saco Island TIF, and \$1,000 from the Camp Ellis Fund, and \$150,000 from the Housing Fund, and **\$917,719** from the Undesignated Fund Balance; and thereby raising gross taxes of \$13,242,075 and further ordering that the amounts set in the following attached schedule titled **“CITY OF SACO FY 2012 AMENDED CITY BUDGET, dated May 23, 2011”** which shall become a part of the City Clerk’s records and shall designate the form of the City of Saco Budget for Fiscal Year 2011-2012 as authorized under Section 6.04 of the Charter of the City of Saco, Maine. The motion as amended passed with six (6) yeas and one (1) nay. Councilor Tardif voted in the negative.

CITY OF SACO FY 2012 CITY BUDGET – dated May 23, 2011

MUNICIPAL BUDGET	COUNCIL APPROVED FY 10-11	CITY ADMIN FY 11-12	REQUESTED CHANGE	PERCENT CHANGE
Mayor-Council (Legislative)	\$ 20,600	\$ 20,600	\$ -	0.00%
City Administration	\$ 275,686	\$ 284,157	\$ 8,471	3.07%
Finance Department	\$ 366,555	\$ 387,166	\$ 20,611	5.62%
Technology Department	\$ 386,782	\$ 394,639	\$ 7,857	2.03%
City Clerk	\$ 256,934	\$ 264,448	\$ 7,514	2.92%
Tax Assessor	\$ 183,521	\$ 190,332	\$ 6,811	3.71%
City Building Maintenance	\$ 112,190	\$ 112,033	\$ (157)	-0.14%
Legal Department	\$ 115,000	\$ 185,000	\$ 70,000	60.87%
Police Department	\$ 3,304,724	\$ 3,351,169	\$ 46,444	1.41%
Fire/Ambulance Department	\$ 2,635,584	\$ 2,711,468	\$ 75,884	2.88%
Building Inspection	\$ 254,702	\$ 253,529	\$ (1,172)	-0.46%
Planning & Economic Development	\$ 310,168	\$ 310,741	\$ 574	0.18%
Public Works Department	\$ 4,503,559	\$ 4,605,121	\$ 101,562	2.26%
Public Agencies	\$ 572,800	\$ 663,743	\$ 90,943	15.88%
Emergency Management	\$ 5,900	\$ 5,900	\$ -	0.00%
Parks & Recreation Department	\$ 1,014,083	\$ 1,142,905	\$ 128,822	12.70%
Debt Service	\$ 2,479,481	\$ 2,390,941	\$ (88,540)	-3.57%

Employee Benefits	\$ 2,746,416	\$ 2,849,377	\$ 102,962	3.75%
Insurance	\$ 179,425	\$ 179,425	\$ -	0.00%
Contingency	\$ 145,547	\$ 135,000	\$ (10,547)	-7.25%
Capital Projects	\$ 165,000	\$ 165,000	\$ -	0.00%
Gross Municipal Budget	\$ 20,034,656	\$ 20,602,694	\$ 568,038	2.76%

	COUNCIL APPROVED FY 10-11	CITY ADMIN FY 11-12	REQUESTED CHANGE FY 10-11	PERCENT CHANGE CHANGES
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MUNICIPAL ANTICIPATED REVENUES				
Non-Property (Excise) Taxes	\$ 3,960,000	\$ 3,007,500	\$ (952,500)	-24.05%
Permits/Licenses/Fees	\$ 688,200	\$ 704,800	\$ 16,600	2.41%
Intergovernmental Revenues	\$ 1,813,273	\$ 1,489,777	\$ (323,496)	-17.84%
Charges for Services	\$ 1,047,560	\$ 1,094,300	\$ 46,740	4.46%
Other Unclassified/Miscellaneous	\$ 468,186	\$ 487,383	\$ 19,197	4.10%
Subtotal Revenues	\$ 7,977,219	\$ 6,783,760	\$ (1,193,459)	-14.96%

Other Credits Municipal

General Fund- Undes. Fund Bal.	\$ 1,468,773	\$ 1,925,000	\$ 456,227	31.06%
General Fund- Des. Fund Bal.	\$ 35,000	\$ -	\$ (35,000)	0.00%
Ambulance Fund transfer	\$ 834,398	\$ 580,000	\$ (254,398)	-30.49%
Economic Dev. Fund transfer	\$ 20,000	\$ 31,000	\$ 11,000	55.00%
Saco Island/Downtown transfer	\$ 25,000	\$ 25,000	\$ -	0.00%
Camp Ellis Fund transfer	\$ 1,000	\$ 1,000	\$ -	0.00%

Subtotal Other Credits Municipal	\$ 2,384,171	\$ 2,562,000	\$ 177,829	7.46%
Total Revenues/Credits Municipal	\$ 10,361,389	\$ 9,345,760	\$ (1,015,629)	-9.80%

SUMMARY	FY 10-11	FY 11-12	FY 10-11	CHANGES
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Municipal Expenditures	\$ 20,034,656	\$ 20,602,694	\$ 568,038	2.84%
Municipal Revenues/Credits	\$ 10,361,389	\$ 9,345,760	\$ (1,015,629)	-9.80%
Net Taxes to be raised municipal	\$ 9,673,267	\$ 11,256,934	\$ 1,583,668	16.37%
Net Taxes to be raised education	\$ 16,245,159	\$ 16,245,159	\$ -	0.00%
Taxes to be raised City Council	\$ 25,918,425	\$ 27,502,093	\$ 1,583,668	6.11%
County Taxes	\$ 1,079,365	\$ 1,079,365	\$ (0)	0.00%
Overlay	\$ 1,266,878	\$ 1,200,000	\$ (66,878)	-5.28%
TIF Taxes	\$ 785,141	\$ 785,141	\$ -	0.00%
Gross Taxes to be raised	\$ 29,049,810	\$ 30,566,599	\$ 1,516,789	5.22%
Taxable Valuation	\$ 2,101,430,400	\$ 2,120,343,274	\$ 18,912,874	0.90%
Mil Rate-Preliminary Estimate	\$ 13.82	\$ 14.42	\$ 0.60	

AMENDMENT 1 Councilor Lovell further moved to amend the **CITY OF SACO FY 2012 CITY BUDGET – dated May 23, 2011** by amounts shown in the **FY 2012 City of Saco Budget Table 1**.

FY 2012 City of Saco Budget Table 1:

Account Name	Account #	Plus + increase Minus- decrease
FINANCE - CONTRACTED SERVICES	10382/500428	- \$ 11,500
FINANCE - OT	10380/500114	- \$ 8,500
IT - INTERN	10384/500113	- \$12,000
IT - LICENSES/PERMITS AND FEES	10384/500370	- \$2,000
CLERK - CONTRACTED SERVICES	10392/500428	-\$2,000
LEGAL	10430/500425	-\$105,000
PD - MISC EQUIPMENT/EXPENSES	10462	-\$13,000
Vacant Inspection Position Eliminated	10440/500103	-\$45,949
COMP PLAN	10452/500550	-\$3,800
HISTORIC PRESERVATION	10452/500428	-\$4,000
DYER LIBRARY	10670/500703	-\$25,000
FICA for vacant position eliminated	10600/500289	-\$3,515
FICA for Finance OT	10600/500289	-\$650
HEALTH INS SPLIT - NONUNION	10600/500288	-\$16,000
INSURANCE	10610/500281	-\$20,413
SALE OF SURPLUS - FIRE STATION	10270/300751	+\$100,000
FIRE STATION LEASE	10280/300752	+\$9,600
REVENUE SHARING	10130/300504	+\$463,354
ECONOMIC DEV COMMISSION	10670/500705	-\$11,000
REVENUE - TRANSFER FROM ECONOMIC DEV	10340/300951	+\$150,000
UNDESIGNATED FUND BALANCE		-\$ 917,719

AMENDMENT TWO (2) TO MAIN MOTION: Councilor Mills moved, Councilor Cote seconded, to amend the City of Saco FY 2012 City Budget – dated May 23, 2011 to the Dyer Library line account 10670/500703 by an increase of \$25,000 with funds to come from the Fund Balance. The motion failed with two (2) yeas and five (5) nays. Councilors Smith, Doucette, Blood, Tardif and Lovell voted in the negative.

AMENDMENT THREE (3) TO MAIN MOTION: Councilor Tardif moved, Councilor Smith seconded to amend the City of Saco FY 2012 City Budget – dated May 23, 2011 to transfer \$87,200 from the Camp Ellis Fund Account #10680/500951 to the Fund Balance. The motion failed with two (2) yeas and five (5) nays. Councilors Lovell, Cote, Blood, Doucette and Smith voted in the negative.

AMENDMENT FOUR (4) TO MAIN MOTION: Councilor Blood moved, Councilor Lovell seconded to amend the City of Saco FY 2012 City Budget – dated May 23, 2011 to increase the Legal Account #10430/500423 by \$105,000 with funds to come from the Fund Balance. The motion passed with four (4) yeas and three (3) nays. Councilors Mills, Tardif and Cote voted in the negative.

AMENDMENT FIVE (5) TO MAIN MOTION: Councilor Cote moved, Councilor Tardif seconded to amend the City of Saco FY 2012 City Budget – dated May 23, 2011 to increase the Capital Improvement Project (Energy Conservation) Account #10670/500910/07101 \$90,000 with funds to come from the Fund Balance. The motion failed with two (2) yeas and five (5) nays. Councilors Lovell, Tardif, Doucette, Smith and Mills voted in the negative.

AMENDMENT SIX (6) TO MAIN MOTION: Councilor Lovell moved, Councilor Doucette, seconded to amend the City of Saco FY 2012 City Budget – dated May 23, 2011 to decrease the draw on the Fund balance by \$95,000 and increase the tax levy by \$95,000. Then motion passed with seven (7) yeas.

Dyer Library

Councilor Lovell moved, Councilor Blood seconded, to provide \$25,000 as a matching fund, for new unrestricted donations, to a maximum to \$25,000, with information provided pertaining to the matching fund , to be provided by the Dyer Library Association external auditor. The motion failed with three (3) yeas and four (4) nays. Councilors Mills, Cote, Tardif and Smith voting in the negative.

VIII. ADJOURNMENT

Councilor Mills moved, Councilor Blood seconded, to adjourn. The motion passed with seven (7) Yeas. TIME: 8:14 p.m.

ATTEST: _____

Lucette S. Pellerin, MMC/CCM
City Clerk