

***Finance Committee Meeting
Minutes
April 25, 2012***

Attendees: Chairman Anton, Councilor Mavodones, Councilor Coyne, Councilor Duson, Mayor Brennan, Mark Rees, Anita Lachance, Ellen Sanborn, Suzanne Knight, Doug Gardiner, Greg Mitchell. School: James Morse, Jamiey Caron, Mike Wilson, Justin Costa. Members of the public.

Meeting materials were provided and Chair Anton called the meeting to order.

Discussion on Agenda item #3, Budget Recommendation began. The Chair explained that the debt service for the technology lease in the school budget did not coincide with debt policy, as capital leases are a form of borrowing and had asked staff to look at incorporate this request into the CIP.

The Committee reviewed the following amendments to the City budget:

- Funds for tree trimming and maintenance, requested by the Green Space Coalition, \$50,000;
- Funding of East Bayside Community Policing Coordinator, \$44,000;
- Cuts in City overtime, (\$150,000);
- Increase in State Revenue Sharing, \$170,000;
- Decrease in General Assistance Reimbursement due to State cuts, \$226,000;
- Cuts in Recreation & Facilities Dept. to reflect reductions in School Maintenance requested by the School Department, (\$354,700)
- Reduction in reimbursement revenue associated with School maintenance cuts of \$354,700;
- Use of City General Fund Balance to fund capital items of \$542,500.

The Committee reviewed the following amendments to the School budget:

- Expenditure cut related to eliminating debt service related to technology lease, (\$526,089);
- Additional expenditure cut, (\$175,000);
- Reduction in requested use of General Fund Balance, \$871,010.

In reference to the budget recommendation:

- Councilor Mavodones requested information showing service impact of the additional \$150,000 cut in the City overtime budget.
- Councilor Duson requested an updated overtime schedule reflecting these cuts.
- Councilor Duson also requested a copy of the memo from Gary Wood pertaining to the use of School fund balance.
- If not addressed in Gary Wood's memo, Councilor Duson would like an opinion on how the City will handle any situation when the School fund balance is negative.

Public comment was taken. One person from the public spoke.

By consensus the Committee suspended discussion on item #3 to take up items #1 and #2.

1) Vote – Arts TIF Amendment

This order would amend the CE&A TIF to eliminate the maximum cap of \$100,000 per year and extend the term for five years, to 2024.

Councilor Mavodones asked that this item be reviewed by the Housing & Community Development Committee prior to going to the full council. Consensus of discussion was the Committee was not comfortable with total elimination of a cap, although the amount could be different.

Motion made by Councilor Duson to refer this TIF Amendment to the HCDC with the recommendation of establishing a cap amount and extending the term for another five years, seconded by Councilor Mavodones. Motion passed 4-0. This will go the HCDC for their May 9 meeting.

2) Discussion of Peaks Island Council Request

Discussion was held on the budget request from the Peaks Island Council. Councilor Mavodones expressed a desire to provide additional funding for transportation needs of islands in addition to Peaks.

Motion made by Councilor Mavodones to approve PIC proposed request for \$40,000; and have an additional \$5,000 be added to the City budget for transportation needs of the other islands. Motion passed 4-0.

Councilor Mavodones asked that Mike Murray meet with the other islands and develop a plan to utilize the \$5,000 for transportation.

3) Vote – Budget Recommendation, City & School

Discussion was held on eliminating the debt service for the School technology lease from the School FY13 budget request and incorporating the request for technology funding with the CIP, which will be considered by the Council at a later date. Councilor Duson requested the record to reflect that this request did not come through the CIP process.

Motion made by Councilor Mavodones expressing intent to support School Technology through the CIP, seconded by Councilor Duson. Motion passed 4-0.

Motion made by Councilor Mavodones to recommend the FY13 City and School budgets, as amended by items listed above to full council, seconded by Councilor Coyne. Motion passed 3-1. (Duson opposed).