



**TOWN COUNCIL
SPECIAL MEETING MINUTES
APRIL 27, 2010**

Michael Bowie, Chair District 2 2012
Gina Mason, Vice Chair District 1 2010
Fern Larochele, Jr., At Large 2010
Roger Cote, At Large 2011
Mark Lunt, District 1 2012
Dale Crafts, District 2 2010
Lori Pomelow, At Large 2012

CALL TO ORDER & PLEDGE TO THE FLAG. The Chairman, Michael Bowie, called the meeting to order and led the pledge of allegiance to the flag at 7:00 PM.

ROLL CALL. Members present were Councilors Bowie, Mason, Crafts, Larochele, Cote, Pomelow and Lunt. Also present were Stephen Eldridge, Town Manager; David Brooks, Police Chief; Sean Galipeau, Fire Chief; Rosie Bradley, Economic Development Director; Mark Stevens, Recreation Director; Elwood Beal, Public Works Director; Wayne Ricker, Solid Waste Director; Diane Nadeau, Librarian; Verla Brooks, Park Ranger; Mike Cote, Code Enforcement Officer; Jessica Maloy, Finance Director; School Committee Members, Prudence Grant, Traci Austin, Kathy Yergin, George Caron; Budget Advisory Board Members, Donald Fellows, Richard Graham, Dorothy Fitzgerald, Jeffrey Ganong, Layne Curtis, John Wierzbicki; and approximately 74 citizens in the audience.

Councilor Bowie said we have a public hearing tonight on both the school and town budgets. We will start with a short presentation from the Superintendent of School's Richard Green followed by a short presentation by the Town Manager, Steve Eldridge and then after the presentations we will take questions starting with the School Committee first. Once those are complete, we will move to the municipal side. I would ask that in order to give everyone a chance to speak that we limit questions and comments to three minutes and you may only speak twice on the same subject.

Mr. Green said the School Department budget I am presenting tonight has been approved by the School Committee. The proposed budget includes \$1,105,270 in reductions from our original proposal. There is an overall budget decrease of -2.22% from last year's budget. These reductions will result in the potential loss of over 30 positions from Kindergarten to Grade 12. The School Committee is asking the Lisbon Citizens to raise \$262,598 additional dollars locally so that we can continue to offer the existing programs that we currently have and not reduce any additional staff.

Mr. Green said we set as a School Department our budget priorities so that we could present a fiscally responsible budget that includes limiting the amount of money that needs to be raised locally. These are in terms of local contribution; the proposed local budget contribution is \$5,177,171. Our total general budget is now \$13,896,342. Our other budget priorities were to continue to address the NEASC concerns. We have a facilities committee and we have developed both short and long term building renovation plans at the High School. One thing we focused on, is that, if there are any other changes in programming we will need to report those to NEASC. This proposed budget would only require us to report the number of staff that's been reduced and the changes in our graduation requirements. Our top priority is to maintain existing programs and our progress. We have used our Essential Programs and Services model extensively in developing this budget. We have decreased the amount above our EPS by \$270,229. In addition, we also want to continue to demonstrate student progress.

Mr. Green said there were some areas that we did have to increase. One is in the Adult Education line; we moved the director's hours from 30 to 40 anticipating we would have an alternative Ed program to help reduce our drop out rate. We increase our Facilities and Grounds line; \$15,000 was cut from there and one of the concerns the community has expressed is that the amount of money we are spending on our grounds and facilities is not adequate so we did add that money back into our budget. You will see an increase in nutrition that was based on our contract. We had to move some money around for dues and fees. On of our larger increases were in the substitute lines, which

was an area that had been reduced over the years. We were pulling our Ed Techs throughout the year to cover classes to save positions. People who we were paying to support teachers were unable to do that this year so we looked at what the actuals were, averaged those out for the past three years, and found that we did need to increase those lines. In Gifted and Talented, it was a transfer that we moved from Special Education to General Education. In Co-Curricular it was a result of a couple of things, by looking at our EPS model we were able to when we moved to Assistant Principals/Athletic Directors we were able to reduce our EPS numbers and we also transferred the cost of our secretaries from administration to co-curricular. This addressed some of our issues we had under our EPS model under secretaries and administration.

Mr. Green said the ten year local contribution history here in Lisbon has shown a decline with the exception of this year. In 2001, our local contribution was \$4,931,437 and in 2009 it was 5,031,074. There has been an increase, but it has been higher. A lot of that is related to State Subsidy. The less State subsidy you get the more local contribution you are forced to place upon the local taxpayer. Last year the State contributed \$8,879,679 and locally we had to raise \$4,914,573. Next year the State contribution will be \$8,216,245, which is a decrease of \$663,434 in State Subsidy. If you look at the subsidy report you will see a transition amount, that amount is the result of the State not meeting their obligation of the 55% funding that they were by law supposed to cover so that's an additional \$283,002 that needs to be raised locally. The local contribution for next year's budget is an increase of \$5,177,171, which is the proposed increase that we were asking for of \$262,598.

Mr. Green said, the impact areas, in January the LEA was notified that we would be facing significant cuts. There have been no final decision and I know some people have asked where those positions are coming from; we have by contract a reduction force language that we will need to follow. At the beginning of our budget process, we were closer to having a \$400,000 gap. Since then the State has increased the amount of funding they are providing us and we are hopeful between now and June that this number will increase. Traditionally, we have staff members who either take other positions or retire or leave the district so we are waiting to get feedback on our budget, but first and foremost, we are waiting to see if there are any other pieces that might fall into place so that we can retain as many of our current employees as possible. We are looking at increases in our classroom sizes, which we would have to do with reductions in K-12 staff. We would have to look closely at Student Services: Guidance/Social Work, Ed Techs, Nurses, Special Education, Student Resource Officers, and Volunteer Coordinator. We also have visual performing arts and foreign languages that we would have to look at, including Custodian/Maintenance personnel.

Mr. Green said one of our concerns we have is that, although we have retained our programs, the problem is that they are not going to be like they were. People are going to be concerned about that, but we feel that if we go any deeper we are going to lose these programs and as a result, we are going to impact the programming at all our schools. Recently the State released the School Achievement Report in March 2010, which is available on-line. All three schools have made progress over the past few years. The State's median is 4.18%. LCS has 20.20%, which was the twelfth highest in the State. Sugg Middle School had 10.74%, which was about 106 out of 557 schools. Lisbon High School was 7.64%, which was about 180, but I don't have the numbers right in front of me. In math/reading proficiency, the State average is 59%. At the Community School their average over the last three years is 56.88%, with last years being 66.20%. Sugg Middle School's average over the last three years is 57.01%, with last years being 64.10%. The concern is that our average over the last three years at the High School level is 37.4%, with last years being 40.68%. My concern is that with the "Race to the Top" application that you will be reading a lot about is that they are planning to identify ten schools in the State as lower achievement schools. Our high school showed adequate progress, however, there are only five high schools in the State that met or exceeded the average in math and reading. The rest of the high schools are really close to the target that identified the ten other schools. I am concerned that if we don't continue to show improvement, or one year of low test scores, and our high school would be impacted. Then we would potentially be identified as a lower achievement school so we are hoping that through our budget we will be able to provide adequate programming for our students.

Mr. Green said the town sent out a survey and the community responded by saying no to increased classroom sizes, no to reducing student services, and no to reducing the visual performing arts courses and they said yes to slightly raising local taxes. No one on the School Committee wanted to raise classroom sizes or reduce services, however, under the economic situation we are in a tough spot. I feel the Lisbon School Department is actually addressing what you are going to hear in the news as the "Cliff," which is next year when the Federal Stimulus money runs out, however, the Lisbon School Department is addressing that now. I will say that we have focused using our stimulus money towards making improvements to the high school and so we are not using that money for positions, because what is going to happen next year when that funding goes away a lot of schools are going to have to deal with those kinds of cuts. So, we are trying to address that now doing the best that we can. I have been here eight years, and these are huge cuts and very stressful on everyone. The proposal we have does have a potential impact on taxes with the current mil rate right now the local funding increase would result in .72 cents per \$1,000 or \$71.55 per \$100,000 home or property value.

Mr. Green said the Lisbon School Department is facing very difficult budget decisions. Understanding the economic situation in Lisbon, we have prepared a budget that we feel still allows us to provide an adequate education to our students. Even with over \$1.1 Million Dollars in reductions, we are forced to ask the Lisbon taxpayers to raise an additional amount of \$262,598. We understand the impact this will have on the local tax rate, but we need to emphasize that further reductions would result in the loss of entire programs and services. This would almost certainly have a negative impact on the children in Lisbon and we are here tonight asking for your support.

Mr. Eldridge said on the municipal side of the budget this year when compared to last year, we have seen a decrease in revenue projections. Last year we had about \$2.7 million; this year we are only seeing about a \$2.6 million increase in revenue. It's down \$113,000 from last year. Statewide we are seeing a revenue shortfall from State Revenue Sharing of approximately \$209,000. That's less than what we had last year, but hopefully we can weather it.

Mr. Eldridge said our expenses have again gone up \$153,000 from last year. We are seeing an increase in our insurance line of over \$100,000, and our debt service is \$228,559 over last year, which has to do with some of the bond initiatives residents approved. Our hydrant rental fees went up this year, which is \$59,000 higher than they were and our County Tax went up \$9,000. So, we have seen an increase in our expenses for things we don't have any control over that totals \$396,852.

Mr. Eldridge said we narrowed down our capital improvement items to things we really need to purchase this year through leasing. Solid Waste needs to replace a container that's rusted out. At Public Works we need to trade in our bucket loader so we are purchasing a 4 in 1 bucket and that again is another item that had been requested before I got here and we really do need to replace it before it starts costing us more money. Last year we were supposed to replace three cars in the Police Department and we only replaced two trying to keep our costs down. We really need to put this new one on the road. Last year we replaced two transmissions in two of our older vehicles so they are starting to cost us money. Again, we are trying to stay with the Fire Department's Capital Budget. We typically put \$75,000 aside every year and, again, this will be the second year in a row we have only put aside \$50,000.

Mr. Eldridge said we started off with Department Heads requesting approximately \$523,000 for increases to maintain our level of service. We have brought that back down to \$153,000. We have taken out a number of items and staff has worked very hard to cut back on things that they think we can do without. We are making some other cuts in personnel. We had some positions we are not filling; those were two full time positions and three part time positions. We removed our Public Works addition even though we needed it to address the air quality issues; we took that off our plate. Council requested we remove the revaluation project so we have taken that off. We have seen decreases throughout everybody's budgets in memberships, supplies, professional

development, and contracted services. The goal was to maintain the level of service if we can. We have seen an increase in calls for service at the Police Department, calls at the Fire Department has increased over last year, we have Public Works and infrastructure needs that we can't delay on, and the Library is our fastest growing department within our community that's driven by our economy. People are going to the Library more. In the Town Office, we have seen a loss of staffing as well. People will have to do what we need to with the staff we have; it's the same amount of work and at Solid Waste it's a very busy place and we are down one person there and they are seeing the impact they are going to have for next year without that staff person.

Mr. Eldridge said, again, these numbers for what one mil would cost will vary depending upon what we have for new value. Stuff we are put on the books before April 1st will help us gain a little every year so that will vary when it comes to tax commitment time.

PUBLIC HEARING MUNICIPAL AND SCHOOL BUDGET

SCHOOL BUDGET

The Chairman opened the public hearing for comments.

Tom Berry asked what's the enrollment for this 2010 budget? Mr. Green said roughly 1,250 students. Mr. Berry said the information that I have been able to find suggests that, at maineopengov.org, said it was in 2009 1,331 and your budget is almost \$14 million dollars. He said so now we have less students and you still have that budget. Mr. Green said we roughly had 1,200 students this year as well, probably 1,250. Mr. Berry said, but you have 100 less students.

Mr. Green said that's not accurate. There has been a change on how the state has been recording students over the last three years. This year we noticed that when we did our enrollment. Mr. Berry said where do you suggest we get our figures. Mr. Green said from us. Mr. Berry said isn't that like the fox in the hen house. Long story short, I am trying to figure out where you are getting your reduction in your budget. What was your budget last year?

Mr. Green said it was \$14,221,519 and this year it will be \$13,393,416. Mr. Berry said where did you derive your figures from so I can go to the correct place other than yourself. This is recorded at the Maine government site. Mr. Green said they have changed their enrollment as I said earlier. They changed how they record enrollment. Before any student who was eligible was counted as part of their enrollment and they changed that. That is something we noticed in the town report last year and the year previous. It looks like we have lost a lot of students, but it was because of the way that we have to report them to the state has changed over the last few years. I can give you actual numbers as of April 1st. The numbers that we have had all throughout the years is accurate.

Mr. Berry said so you report the students that you have enrolled to the State in order to receive the State money. What agency do you send that to? Mr. Green replied, to the Department of Ed. Mr. Berry said, alright, I will hook up on that website. The information I have shows enrollment going down and the money received per student going up every year.

Mr. Green said we just completed an enrollment study by a private organization as part of the high school renovation project and what they figured for us is that their will be a decrease in the amount of buildings and houses being built. There was a spike in the birth rate over the last few years but they said that would go down. The number K-8 should remain pretty consistent with what we have now, but they did identify that we could have potentially a decrease in the high school enrollment.

Mr. Berry said the trend I see is, basically, 2008 were 1,400, 2009 were 1,300, and it seems to be going down and the amount of money per student seems to be going up. Mr. Green said I do not have the figures for what it costs per student, but I know that it is not like outrageous or way above anybody else's. I believe, the last time I saw that amount it was a little over \$8,000 which was under the State average. Mr. Berry said I am getting \$10,500 last year per student. Mr. Green said that's not accurate. Mr. Berry said I am going to try to find the education site you are talking of. As far as that survey you are talking about, I have news for you, no body wants to give up anything, but there is less money out there, less jobs out there, and we are going to have to increase classes and do double sessions in the schools or something. I just don't see where we can pay out more and more. I live within a budget and you guys ought to too.

Norma Wells said you stated in the beginning of your proposal there was a loss of \$1.1 million. Mr. Green said that was based upon if we were to open up the school in August as is; the difference is actually \$1.4 million. Mrs. Wells said so there really isn't a loss of \$1.4 million. That was \$1.4 million based on what you proposed you wanted for a budget. Mr. Green no, it's what it would be to operate the system as is with the amount of staff, increases in salaries, and increases in fuel, and costs. It was our original budget and that was what we started with. Mrs. Wells said so you didn't actually loose a million dollars in funding from the State. Mr. Green said no, it was \$663,434 that we lost and then the increase to the town was right below that figure, \$283,002. So, the actual money that we decreased in the State funding was \$663,434. When you add in the increases of operating and just general operation costs for salaries and things like that, that's where you get the additional amount.

Mrs. Wells asked what is the salary increase this year. Mr. Green said the percentage is 1.75% for teachers and 1% for administrators, and support staff was zero percent.

Councilor Bowie said any additional questions on the school budget. Seeing none, we will move on to the municipal budget. You have your hand up, is that a question for the school budget.

Peggy Jergens said, yes, I would like to make a comment on the school budget. I have been at Lisbon High School for two years. This is my senior year. I moved here from Maryland. During my two years, I took three art classes; art foundation, pottery, and studio arts. I was also involved in the drama club. These classes and drama club has made my two years worthwhile. I would have to see any major adjustments to those programs. These two teachers have made an impact on my life and my future. They go above and beyond when educating their students and make learning enjoyable. They are caring, compassionate, and still keep order while respecting their relationship with their students. They put in extra time with extra curricular activities such as the annual art show coming up, the drama club, and the art club. The drama club teacher sacrifices countless hours that could have easily been spent with her family. She gave us 100% every second, every day, every minute. Although I have only been with her for a year I can see that she will do anything to make sure that the students she has succeed in life. So, when you eventually sit down and consider your budget, I just want you to consider this. These teachers have made such an impact on me in two years; imagine what they could make in three or four. Thank you. Mr. Green said we are well aware of the impact all of our staff have on our community and students. I have a pile of letters, met with people, and have been contacted by phone, unfortunately, these are tough times, and we do have to make reductions. There is clear language in our contract when it comes to personnel that we have to follow, but again we haven't made any decisions. No decision will be easy. We will be losing great staff and it's very unfortunate. Lisbon is not the only school system that's dealing with this so I do appreciate your kind words and support. We understand that and we are going to do the best job we can.

Councilor Bowie seeing no further questions on the school side opened the floor up for discussion on the municipal budget. The handouts cover the summary of the budget, lists the individual budgets by department, and explains the decreases or increases in those particular budget.

The Chairman went through each budget individually and waited for questions and comments. Questions and comments were as follows:

Gordon Curtis asked why the decrease in Town Buildings. Mr. Eldridge said last year we spent \$55,000 on the Public Works garage to repoint it and seal it up. Mr. Curtis said is there anything that was asked for that was not being done. Mr. Eldridge said we had originally put in \$75,000 for the addition to remedy some of the handicap and air quality issues that we took out of this budget.

Mrs. Wells said why the increase in Assessing. Michelle Swatsworth-Turmelle said she is asking the same question I have for you. The Assessing budget has a 15% increase. I noticed on one line, is it still going from 30 hours to 40 hours a week? Mr. Eldridge said yes it is. Mrs. Swatsworth-Turmelle said can you explain to me why if the revaluation is being taken out, because during your presentation that was what was supporting your increased hours.

Mr. Eldridge said we took out \$58,000 from our original request, because we were removing the revaluation. The increase in hours is because he still has a tremendous amount of work to do to get stuff into our computers, and go out and work on the land evaluation with the gentleman that we hired, and also to continue on doing his job.

Mrs. Swatsworth-Turmelle said, right, but that particular position in last year's budget was cut from 40 hours to 30 hours and now you want to bring it back up from 30 to 40. Mr. Eldridge said yes.

Mrs. Swatsworth-Turmelle said my follow up question to that is you said you were taking the revaluation out. The Town Council last fall held a public meeting and you guys talked and stressed the need for this town to be re-evaluated to increase the money that we get from the State, which is supposed to help off set what we as taxpayers as suppose to contribute. You spent 15 minutes telling me how my taxes should go down. Now you are taking out one of the things that should help generate some strong high revenue. I believe we were giving a seven-digit figure that we were losing in money from the State. That is a large amount of money that we are losing from the State that is going to cost us \$58,000 versus the seven-digit figure.

Mr. Eldridge said the seven-digit figure that you are referring to was over a long period of time and the reason the pulled it out of the budget was because the Council requested it to be taken out. Mrs. Swatsworth-Turmelle said okay, then give me this year's figure if the seven-digit figure, if the \$1.7 million dollar figure is over a gradual period of time, what would we be losing in revenue this year. Mr. Eldridge said I don't have those numbers here in front of me.

Councilor Laroche said I am going to reply to that, because I am one of the people that actually borrowed the idea of assessing and the idea that we are taking all of the assessing out of the budget is not accurate, because what we are trying to do is actually stage through the assessing process. The first part of it is actually on-going right now, which is actually what Mr. Dow is actually put a lot of time into is the property part of it. The house part of it, coming in and doing the measuring and the house evaluation portion is the second series or part of the revaluation. As a Council, we are not hopefully talking about totally not doing it. Our hope is to do the first part of it and do it right. Along with the other personal property and other input we are putting into the computer, again, we are going from a card system to putting it into the computer, which is kind of revamping our assessing. My concern was that we actually do the first part and make sure that it is actually done as accurate as we can before we move into the second part, which would probably put us beyond this year. Our hope with doing the land would actually bring us up to being close to 70%, although I don't know if it will reach that or not, but we are trying to get our numbers right to still

increase what the people get for the homestead exemption. What I have found is that it's very complicated when it comes to assessing. I really do not want to see Lisbon rush into assessing and have a lot of numbers and changes all within one year. Unfortunately, if you look around at other towns and cities around us who have done their revaluations, and I'm not saying they didn't do it right but, unfortunately, it's nice to have all the information and to do it one step at a time. I really thought instead of investing the extra money and you would have all the information all at one point in time, that we do the first part, do it right, and then move in next year, hopefully, and be able to do the second part of it. I know Steve would like to do it all at one time because it would be a good plan, but I really think, especially in a small community, we should do the first part of it, do the best we can, get the information, and if there any questions or concerns try to get those settled, and then next year move into the second part of it. It may not make any sense, but I am one of those people who would like to do it one step at a time and do it right versus the idea of trying to do everything at once and look back and say we maybe should have taken a little more time. It was an easy figure to address this year, no doubt about it, because assessing went up drastically this year because of the part-time issue. I just don't know if we would have been able to do it all this year and made it work right. Seeing some of the other issues we have had on the tax issues I would just rather just go one-step at a time and make it work. That's my opinion of why we are actually pulling it out this year. I know there is a lot of work for Mr. Dow even on the landside, not the buildings, the property itself, the land. My hope is that we move through that, get it done, get it right, and move on to the second part.

Mrs. Swatsworth-Turmelle said so what you explained to me at a public hearing a few months ago is now different from what your stance is. I remember we went back and forth because I just didn't understand, he kept telling me that my taxes should go down, and I didn't quite get that whole thing, but there was this whole spiel about how this was going to help generate more revenue for out town. At the beginning of the budget season your budget was at a \$900,000 shortfall, so if you have something that is going to bring in a huge amount of money and it's going to take a small amount of money to get to that point, I guess I don't understand why we are not looking at that. I understand your point that you want to do it right and get the most bang for your buck to make sure that we are all treated equally. It just seems that a few months ago that is not what I was told.

Councilor Larochelle said we do need to do a total evaluation. One of the things that you have to realize is, again, I know it's tough and I probably don't have the full verse on it is the idea that when we take our valuation, say we are at 50 and go up to 100, the town doesn't generate any more revenue for their budget if the assessment is done from the point of just bringing us up to the proper level of what our assessed value is. What actually it does is increase the amount of homestead exemption that the homeowners would get. Doing the revaluation is not going to actually put more money in the revenue side of our budget to pay our bills. What is actually will do is actually give the homeowners more homestead exemption. When you raise your percentage up to say 56% to 100%, the number that Steve was talking about that million-dollar figure that was lost over the years is not town revenue in a sense. It is more the homestead exemption that the taxpayer is reimbursed to them. It's kind of confusing and I am kind of messing it up a bit, but it's more the idea of the money we get in goes straight to the homeowner not so much for our taxation to increase revenue to pay bills within the town. The reason that your taxes might have went down a little bit is the idea that you would have got more money for homestead exemption, which would have actually off set your taxes a little bit. The same thing applies to tree-growth. If it were the idea of us being concerned about generating more revenue, it still would come from the taxpayers not the State that is going to give us that revenue. Mrs. Swatsworth-Turmelle said you just confused me, all right.

Donald Fellows said it would not be fair if I did not say that the Budget Advisory Board had a different opinion. We voted as a board last week to allow this to come out here, this budget as you see it. We differed in one case, and that is that we felt that the assessment should go forward and if it caused us excessive money at \$58,000 to do it that we take the pay raises at 1.75% and cap them at zero this year since we were not losing any positions in the spirit of team-ship or whatever. The reason we felt it should go forward and not all of us now agree, but most of us do is that we do have

to be above 70% to get tree-growth reimbursement. There is money that comes back to the town on the municipal side, against the homestead exemption as well, although it is not nearly as much as what goes to the homeowners, it does come back to the town, and it does come back to the municipal budget. But, what I would like to stress and one of the reasons we feel about it is that if we get a flat budget this year, an absolutely flat budget that didn't cause an increase at all, we will all as homeowners have a tax increase, because the State has capped the full homestead exemption from \$13,000 to \$10,000 and we only get 56% of that so you can figure it out. It's about a \$42 increase on a \$100,000 without increasing the budget. If we don't make that 70% or anything above that is what's going to cost us. The thought, again, about raising that and continuing that is that we are already in that process of doing the revaluation. There are properties out there that have been looked at because we need to get the information and put it into the computer and we are not doing the whole thing; we need to do the whole thing. We need to do the whole town to do it equitably and that's the logic that we have to support going ahead with that at \$58,000.

Councilor Lunt said I want to add that I have a different opinion. That we shouldn't be spending that money right now, because there is going to be a couple of years lag time in between when we get the money to finance the reval and when it gets done or when the State actually gets us the money. So, we would be taking a hit right up front for money we hope to get in a couple of years, and we all know how the State funds these things. We would be spending money now when we don't have it to kind of hope that its there in the future so that's why I can't support cutting positions for that.

Councilor Crafts said I would just like to add that when you sit up here and look at what you want to cut and yes, we could add that back in and look at some more bodies to be laid off. It is tough to make these decisions and we are up here trying to weigh out what we think is best for the town at this point.

Tom Berry said what does last year's \$58,000 buy for Economic Development and what does the additional \$11,000 buy for Economic Development for this year. Mr. Eldridge said one, we had calculated in the 1.75% salary increase and. Mr. Berry said what was the \$58,000 last year for. You get somebody who tries to generate interest in business, they do business loans, business counseling, they work with existing businesses, work with new businesses coming in, they work on downtown revitalization, and they have anywhere from 25 to 30 volunteers who help through out the different committees. They staff the revolving loan committee that oversees the money that we loan out to people who, of course, reimburse us. There is quite a bit that goes into that position. There is a \$1,500 increase that was in my budget last year. We ended up in a crunch, and the Council cut it off and I allowed her to take money out of my budget for that. There is just under a \$1,400 increase in dues that we pay to specific organizations that we belong to. We increased our postage and advertising. Part of her salary is raised through the revolving loan fund, because we are allowed to charge an administration fee through that government money.

Norma Wells said you just explained to us that there was an issue of additional monies put into Economic Development that was taken out of your budget last year, yet your budget has increased 4% and her budget has increased 11% and I am wondering if we aren't being unwise spending these additional monies. I am not sure exactly which ones you broke them down to, but the groups and committees she is joining that is this the right time to be doing that and could we put that off.

Mr. Eldridge said one of those increases comes from the Maine Downtown organization and we get quite a few services free, although it is not free we pay the membership of \$1,000, but we get all kinds of consulting advice from that organization. It definitely outweighs the \$1,000 that we spend for that.

Mrs. Swatsworth-Turmelle said just to continue on the bandwagon on Economic Development. I know it's an 11% increase you have talked about that. I understand that I am not going to be popular with Councilor Mason, because I know right now that it is near and dear to her, but quite

honestly right now it's about the money. How many businesses new came to our town in 2009. Mrs. Bradley said there were some that opened and there were some that closed, Maria's Restaurant, What to Wear, Wedding Shop on Main Street, Maria's Wool Menagerie, T & A Diner, Lisbon Falls Florist, Counseling Service behind the old Town Hall, and we relocated Maurice Bonneau's shop the Sausage Kitchen to Main Street.

Mrs. Swatsworth-Turmelle said I believe equal the number that has opened has closed, and in addition we now have Movie Gallery and a few others as well. I guess what I am trying to understand is that a lot of the committees that are now being overseen used to be run and maintained and managed by volunteer positions, like the Thanksgiving Dinner, and Moxie Days. Like a lot of other things that are now being managed by this position. It would make one think that there is not enough work that we are now having to oversee volunteer committees. I understand that these all kind of intertwine eventually down the line to Economic Development. In reality when you are looking at positions, 30 within the School Department, which far and exceeds 5% by the town. I understand that a position cut is a face and a family I get that. But, you are also looking to increase taxes and accept the budget you are putting before us. I have a real hard time spending, and an increase in Economic Development, when right now we just don't have an economy to develop. You have some small businesses coming of local people, but we don't have the big revenue of business wanting to come in to set up shop. I don't understand why we are spending so much.

Mrs. Swatsworth-Turmelle said I have an issue with a lot of the professional development lines within a lot of the different departments. Nobody pays for my continuing my continuing education, because my employer recognizes that they are going to pay to educate me only to go off to another employer. Why are we continuing to pay \$30,000 in total for professional development? That's a lot of development for employees that may or may not stay here. I don't expect it to be popular, it's not about a popularity contest, I really don't care, it's just about trying to understand these figures when you are looking for taxpayers to pay more.

Councilor Mason said do you know anything about the Downtown Network. Have you come to any of our Downtown meetings? Mrs. Swatsworth-Turmelle said no, because we do not have a downtown to develop. Councilor Mason said well, that is the whole idea behind the Downtown Network and if you weren't so negative about the whole program you would have taken the time to come and understand. It's a national program that town's can use. Do you understand about business development, Michelle. Mrs. Swatsworth-Turmelle said oh, I do and I keep my money in town.

Councilor Mason said do you own a business. Mrs. Swatsworth-Turmelle said no I don't, but I don't have to have a comment, because I'm a taxpaying citizen so you don't need to call me negative. I was giving my opinion and asking questions.

Councilor Mason said I have asked at many Council meetings for folks to come to the meetings and I have been told by several that it is useless, you don't need to go because it is not accomplishing anything, but the sad thing is that it is accomplishing a lot. It is a proven program. As a matter of fact, we have a conference coming up in June which is very well attended by people all across the State and if we continue to not develop business in this town, business will not come to this town. The theory of the Downtown program is to get complementary businesses to come to your town. Bonneau's is a big draw for our town. The Moxie store is a big draw for our town and the Downtown Network tries to get complementary businesses to come. If you look at what is proven and you look at what is successful you will see that that is what has happened in other towns. It didn't happen over night. Anybody that who has been involved in an economic development situation, a merchants program, a rotary program, or any type of committee that organizes and helps the town to grow, I am sure that they can tell you that it doesn't happen over night. My family has been in businesses for many years and I know that sometimes when times are tough, that's the time when you need to get back to basics and learn to grow your business in your town.

So, I do invite you to come to our meetings. We have several committees established now and we have the Downtown Conference coming up in June. I hope you will come to some of those so you can see what we are accomplishing.

Mrs. Swatsworth-Turmelle said the negative comments you've heard have never come out of my mouth so that was taken out of context from other people. My issue is right now, and I understand it's a domino effect and it can take years to see, I just don't think right now based on the economy that it's the time and why you can't look at something more part time. There are committees she is on right now that I do not feel we should be paying a position to maintain. Councilor Mason said the Turkey Dinner did not come out of her budget. There is no budget for the Turkey Dinner; it was paid for by donations throughout the town. Mrs. Swatsworth-Turmelle said I never indicated that there was, but that is part of her salary and the hours that we are paying for.

Councilor Bowie said three minutes is up.

Councilor Crafts said I have been in business all my life with my family, especially in any downturn economics, right now is a time to position yourself for future growth. If we didn't have somebody planning and pursuing, for instance, the Campus Street building, that's going to be producing lots of revenue and someone had to put that together. You have the Worumbo Mill and the RFP has gone out for investors to look at that. That's all done by Economic Development. Longchamps, down the road with that, you have to have someone working with every single lead you can get with Economic Development. You have to have someone staffed all the time. Look at all the revolving loans that have been approved since Rosie's been here that have loaned money to businesses, to keep them open, and that's constantly on-going so they can survive. We have to have Economic Development at all times or we will pay down the road. It is a long-term plan, it is a long-term investment, and if we try to do otherwise your tax, revenues will drop or they will not increase. When you have increases in salaries and insurances and expenses every single year, the only way you can count on that is by revenue. We have to find ways to bring revenue in and that's what I have to say on that.

Councilor Bowie said any different questions on Economic Development. Seeing none, the Chairman moved through the rest of the list of department budgets.

Tom Berry said what does the \$5,000 increase represent. Does this include the salary for the Animal Control Officer? Mr. Eldridge said it represents a 1.75% increase in the salary line. It also represents an increase in medical insurance, workers comp, and gasoline. Keep in mind that we split the cost between three communities, Lisbon, Sabattus, and Bowdoin. And, we actually have a fourth community we are putting together a proposal for to join with us, which will drive all our costs down. Mr. Berry said the three-way split represents the \$66,000 on an employee. Mr. Eldridge said yes, not a perfect three-way split. Mr. Berry said so that \$66,000 is not only salary, but benefits, insurance, and all that. Mr. Eldridge said each town pays a separate amount for the humane society. We currently house any animals we take in through Mr. Ford. Some of the other communities have to locate them in county humane society facilities, which eventually we see coming. That will cost us dearly. We are getting a good deal. Mr. Berry said how much of that \$66,000 would be salary. Mr. Eldridge said roughly its \$30,826 with a 1.75% increase. We don't pay his whole salary. They reimburse us.

Councilor Bowie said Communications. Gordon Curtis said what is that. Councilor Bowie said that's our dispatch center. Robin Tupper said am I right that this was actually part of the Police Budget last year and now its been pulled out as a separate line. If you add it to this year's Police Budget it actually makes that figure \$1,163,043, which is a \$20,000 increase. Councilor Bowie said \$20,000 based on salaries. The communications budget was pulled out and separated based on all the committees and discussions that have been going on within the State and Androscoggin County about consolidation of communications departments. We felt it was time to pull that out should any

consolidation take place so that we would know what our exact cost and impact would be on our community.

Norma Wells said the Library Department budget has gone down 11%, which I really hope means that you are not cutting any of their hours, because I can barely get there on a Saturday as it is. How is it that it can go down when your chart indicated that Library usage increased 50%. Mr. Eldridge said they are seeing more people on a regular basis. We had decreased their budget. They are losing a full time/part time person who is relocating. We are filling that with two part time people with less hours. She decreased her mileage since she represents the State of Maine so the Library Association will pay for some of her mileage so she has cut back on her mileage. She cut back on her professional development. Postage dropped down. Her repair and maintenance dropped. She made some very healthy good decisions to maintain the hours and staffing. Robin Tupper said just to be clear the 30 hour position is being cut into two 15 hour positions, but we are losing the one 15 hour position. Mr. Eldridge said yes you are.

Councilor Bowie went through the remainder of the budgets and no further questions or comments were noted. He said under other is the reduction we took for the 53rd week. The auditors account for it on an annual basis so we didn't have to actually budget for it. It is a paper adjustment the auditors make that's done through the annual audit.

Councilor Bowie said any additional questions. Thank you all for coming and I appreciate all your input. There will be another public hearing on May 11. That has to be posted in order to comply with our charter, so, we can cover any additional questions then if there are any.

ADJOURNMENT

VOTE (2010-65A) Councilor Mason, seconded by Councilor Lunt moved to adjourn at 8:20 PM.
Order passed - Vote 7-0.

Respectfully Submitted,

Twila D. Lycette, Council Secretary
Town Clerk, Lifetime CCM/MMC

These Council meeting minutes were transcribed by Twila Lycette and proofed by Beth French.