



**TOWN COUNCIL
MEETING MINUTES
MARCH 17, 2009**

Michael Bowie, Chair At Large 2009
Gina Mason, Vice Chair District 1 2010
Fern Larochelle, Jr., At Large 2010
Roger Cote, At Large 2011
Janet Henry, District 1 2009
Dale Crafts, District 2 2010
Norma Wells, District 2 2009

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 Wells, Bowie, Mason, Crafts, Henry, Larochelle and Cote. Also present were Stephen Eldridge, Town Manager; Dr. Shannon Welch, Superintendent of Schools; School Committee members Janice Comber, Faye Ingersoll, Tracy Austin, Prudence Grant, and Deborah Danuski; Mark Stevens, Recreation Director; Diane Nadeau, Librarian; Elwood Beal, Public Works Director; Cathy Ricker, Finance Director; Rosie Bradley, Economic Development Director; Jerry Samson, Assessor; Twila Lycette, Town Clerk; David Brooks, Police Chief; Sean Galipeau, Fire Chief; and approximately 20 citizens in the audience.

Assistant Clerk read the meeting rules.

Councilor Bowie said I apologize to Council, I was on a business travel last week and did not get a chance to get together with our Vice-Chair and the Town Manager, but I want to restructure the agenda tonight. We have an Executive Session, which I would like to bring to the front so that we can get through that in probably a half hour or less. Then we can get our attorney off the payroll and send him home.

Councilor Bowie continued, I would like us to go through the rest of our meeting items and hold our budget presentations to the end. We will have audience participation and then the budget presentations at the end. I want to inform everybody that the Budget is a presentation tonight, for both the Council and the Advisory Board. We just got our books last Friday, I believe. Nobody has had a lot of time to look at these in detail, so I am not looking for any questions tonight or any detailed discussion whatsoever. Everybody will have their "day in court", so to speak, as we go through our detailed agenda that will be posted on our website tomorrow morning. There have been some minor changes, but we will be going through each department budget and Council will be voting on each of those and taking a final vote at the end. We will be able to have our detailed deliberations as part of those discussions. Councilor Bowie asked is Council okay with that.

EXECUTIVE SESSION

(Executive Session only – see motion and discussion under regular Executive Session)

2009-55 1 MRSA § 405 (6) (F) DISCUSSION OF CONFIDENTIAL RECORDS
& 2009-56 1 MRSA § 405 (6) (D) LABOR NEGOTIATIONS

VOTE (2009-55) Councilor Wells, seconded by Councilor Crafts moved to go into Executive Session at 7:05 p.m. per 1 MRSA § 405 (6) (F) Discussion of Confidential Records and per 1 MRSA § 405 (6) (D) Labor Negotiations. **Order passed – Vote 7-0.**

Council returned to regular session at 7:24 p.m.

PUBLIC HEARING-NONE**CONSENT AGENDA-NONE****COUNCIL ORDERS, RESOLUTIONS & ORDINANCES**ROAD POSTING

Order (2009-53) Councilor Larochelle, seconded by Councilor Wells moved to accept the road postings. **Order passed - Vote 7-0.**

Mr. Eldridge said at this time of year when the weather warms up we have the annual posting of roads to keep the heavy trucks (off the roads). There is a list here for you to look at. Mr. Eldridge read the list of roads. (See attached).

DOG WARRANT

VOTE (2009-54) Councilor Larochelle, seconded by Councilor Cote moved to accept the dog warrant. **Order passed - Vote 7-0.**

Mr. Eldridge said this is the annual warrant for dogs. Mrs. Lycette said there are 183 names on the warrant. She said this says there are 183 dog owners that need to be notified by the Animal Control Officer. She said in a couple of days, letters or a notification would be placed at these houses telling them to please come in, pay their late fee, and register their dogs. Probably a percentage of these have just moved out of town; not all are probably still in town.

OTHER BUSINESSA. ECONOMIC & COMMUNITY DIRECTOR'S REPORT

Ms. Bradley said we held the second Community Visioning day on Saturday at the Lisbon Community School. It was a nice day and our attendance was not what we were hoping, but the discussions were good.

Ms. Bradley said we did a direct mail flyer to every home and business in Lisbon. We had a good cross-section representation: students, seniors, business owners, and some of the municipal employees were there, as well.

She said the third session is going to be held on Tuesday April 2 from 9-Noon at the Town Hall. We are working with the School to encourage student attendance and participation in that. We are really trying to get student input to hear what they have to say.

Ms. Bradley said the NSP project is moving forward. She said this federal program awarded just under \$640,000.00 to assist Lisbon with foreclosed and blighted properties. We are finalizing the MOU with Bath. We are finalizing the budget and the work plan, she said. Ms. Bradley said she is in the process of creating an inventory of all the properties for consideration in Lisbon for this program.

Ms. Bradley said the Worumbo Mill redevelopment project is moving forward. We had a conference call with all of the attorneys. We are waiting approval on the RFP and MOU.

She said we were successful with the second grant application to do the Phase 2 at the Worumbo Mill for the environmental work at the site. The grant is about \$40,000.00, she said.

There have been meetings with DOT and Pan Am Rail with local businesses to assess the need for rail use for freight in the future, Ms. Bradley said. We are hoping to bring the rail all the way up to Longchamps. She said that is one of our goals for development that will definitely increase the potential for development in that area if we can get the rail all the way up there.

Ms. Bradley reported she has done three tours at the Campus Ave. building with interested parties. All of them are actually looking at it for affordable housing. She said they are crunching their numbers right now. She said they were very impressed with the building, they liked the historical nature of the building, and that it is in a good area, as well.

Councilor Henry asked how far the rail goes down. Ms. Bradley said it goes to Knight Celotex, although they do not utilize it.

B. FINANCE DIRECTOR'S REPORT

Ms. Ricker said the due date for taxes was March 15. She said we have collected 89.72 percent of our tax commitment. She said that is better than last year. Last year on the same date, we were at 83 percent, but the year before we were at 91 percent. In the month of February, we collected about \$800,000.00 in taxes. For this month, so far we are at 2.9, so it does not matter too much that we send out our tax bills early, because people wait until the last two weeks to pay their taxes.

Ms. Ricker said we did get our FEMA grant in March, which is not reflected on the report the Council got. The grant was about \$21,000.00; \$5,000 of which was for the Sewer Department, \$16,000.00 for Public Works, the regular was \$6,400.00, and the snow account was \$9,900.00.

Ms. Ricker said Excise Tax for the month of February collected \$17,000.00 more than last year for the same month. She said that cut our losses on that; we had been running further behind. Compared with the previous year, we are now behind about \$54,000.00.

Ms. Ricker said State Revenue sharing is down \$22,000.00 over last year. Overdrafts will include snow and the MTM building. She said the MTM building overdraft is because of the fuel oil. She said we did not budget that correctly, but it looks like the Town Building fuel line account is going to be able to cover that shortfall. She said next year for the budget we have combined all the town buildings; we have combined the MTM building with the Town building in one budget for next year.

Councilor Bowie said in general based on the economy, things look good, on both the expenditure side and the revenue side.

C. TOWN MANAGER'S REPORT

Mr. Eldridge said we got a letter from the MDOT on the Route 9 reconstruction project regarding historic preservation concerns. He asked if anyone is aware of any historic aspects of Route 9 please contact my office. He said Mrs. Durisko would give the contact information for the MDOT.

Mr. Eldridge also said there is a letter from the Town Manager of Mechanic Falls. He said they are supporting dissolving the E911 Dispatch Consolidation Committee. He said the County Commissioners would be meeting tomorrow night (March 18) to discuss that and they are getting most of that from all the smaller communities that do not want to support the way it has been presented. He said it looks like the recommendation will be to dissolve the E911 Dispatch Consolidation Committee.

D. SCHOOL/MUNICIPAL BUDGET PRESENTATION
TO COUNCIL AND BUDGET ADVISORY BOARD
(Item taken up after Councilor Communications)

AUDIENCE PARTICIPATION

Michelle Turmelle said I have been an active citizen in the Town of Lisbon/Lisbon Falls, have attended most of the 2008 and 2009 Council meetings, and have advocated in areas I felt money could be saved for our town. Most importantly, she said, I have advocated for insurances because I work in this field. I felt this was one area as a town we could benefit. Obviously this was a true area for savings based on our savings to date achieved. Many times, I have approached this podium with issues and concerns and feel I have done so with respect even though we may not always see eye to eye on the issues at hand. However, she said, this is not something I have deserved or received on occasion from Council, one Councilor in particular. Of late, I have been extremely disappointed in the way in which the times for these meetings have been used. I do not feel this is the forum in which to address blogs, personal between town employees and Town Councilors, or business owners. This has not seemed to be the appropriate forum for this exchange of information or use of you or our citizen's time. This does not mean in any way, that there may not be issues on the table. This is just not the forum for them to be addressed.

She said there is a huge mis-statement of facts on many items and issues brought forth. I am not a proponent of blasting any one person or business in a public forum, she said, whether it be a blog site or otherwise. Some information on these blogs were for articles at our local newspapers and the blogs that are attached to those and that information has been taken out of proportion and exaggerated. She said granted word of mouth and reputation can make or break a business and or a town. However, sometimes that is done with this information can too affect oneself and a business.

Mrs. Turmelle said, am I a citizen who is concerned? You bet I am. Do I agree with all the issues, discussions, and opinions? Of course not, that is what makes us all individuals. However, if I have an issue with someone personally, not relating to their position, of which they stand for on this Council or any other committee, it would be addressed in the appropriate forum. A blog is that, a blog. If you do not like what you read, don't read it, by continuing and reading you are supporting the readership, therefore you support the blog.

If you have an issue with the blog, address it the same, email or contact the editor of the blog and challenge him or her on the information they are posting for facts and figures.

I was never as disappointed as I was with the Feb.17, 2009 Town Council meeting for which I had the privilege of sitting through in its entirety and then again continued on March 3. I did my own research, and after reading the blog from start to finish, including the referenced July 8th LCC meeting minutes, I found the information was somewhat edited as presented. If the public forum is the way in which these items or issues are going to be addressed, they should be done so as a whole with complete facts and information, that is the only way to provide true information and resolution. Factual information when presented in whole is much more difficult to dispute.

Mrs. Turmelle said in the Feb. 17, 2009 Council meeting a local business owner was concerned about the Lisbon Reporter, should a prospective business owner Google our town looking it up to set up business. How would you feel if you were that prominent business owner and you performed the same Google search and find the posted video of that meeting on an internet site, which it does at present, by a local business owner. What do you feel would be more damaging? I find it appalling that a local business owner feels it was appropriate to air this town's dirty laundry on the internet in such a forum.

She said there have been negative items that have been posted on the Lisbon Reporter, but there also have been very good feel good items, as well as ones relating to our schools. Do you know for a fact, as I do, that Mr. Cote is not the editor and has never had the ability to post? She said that is a fact, since we are dealing with facts. Does he know the person who can post to the blog socially, as I do? Yes, she said, does that make us all guilty by association, because if so every single person sitting up there, at some point in your life, would be found guilty by association.

Mrs. Turmelle said I have been in this town for coming up on sixteen years. Some of you have been around my family through Scouting, baseball, school events. I have heard rumors from anywhere from our Police Department, businesses and business owners in our town for years. Do I believe everything I hear? Of course not. Does the average person listen to gossip? Yes. Do we repeat it, if you are honest with yourself; we hate to admit it but, we all participate at some level. I would find it hard to believe that anyone here or out there is able to state otherwise.

She said I am shocked as of late and certainly as we approach our next budget season with the way in which our town and Council looks at our budget. Why is our school budget based on what the town essentially has left over to give? Are our children really worth less? Why are we not working toward formulating a better budget to better educate our children? Every town in Maine, she said, and across the nation is feeling the economic situation as a country we are dealing with. Some towns in Maine are finding creative ways to save money. One town in particular, Mrs. Turmelle said, has agreed to dim or turn off unnecessary streetlights, saving \$20,000.00 for their town.

Other towns, as we have all heard have had to make budget cuts; some are very painful, some have included Police budgets as a painful decision to have to make. I do not feel at this time we should be asking for increases, and quite frankly, I think if you ask the average unemployed person out there, they would have gladly taken a reduction in pay, no benefits, no raise, or a reduction in hours to save their job and income. I think it is a

reality that we all need to consider and, quite frankly, our Police Department and other Departments may be looking at reductions or more creative schedules that we need to look at. We may have to call on each other more to help during these depressed times. I think as a town, we all need to put on our thinking caps and try to come together and not continue with innuendo, accusations, allegations, or other mis-steps that may cause us, our town, legal issues down the road.

She said representing mis-information and using a citizen's name in a public forum such as this, you do open yourself to libel. Can we as a town afford this? Last time I checked our budget, she said, no, we cannot. Ponder this for one thought: what as a town do you think would happen to our budget if all of us who are disgusted with the way things have been handled as of late, boycotted our tax payments and did not pay them until you all came together as one Council and our town came together as one to work on a unified budget that works without bashing, negative and rude comments, and childlike behavior. How much of an impact do you think that would have on your budget, if that were what you chose to do? What if we abandoned our homes and just left, because we are so disgusted with the way things have went as of late. Are you going to take possession of them, knowing that each month we have this occurring due to lack of employment and inability to afford the cost of living? I do not think as a town we can afford that either.

Mrs. Turmelle said going forward, I would like to see a more unified Town Council, a more unified town, as well as a Town Council and School Committee that are respected by each other across the board. I thank you for your time. I do apologize for the wordiness, but I feel passionate about our town and what we have made of it over the years and I would hate to see us take any steps backwards and what so many of us have worked very hard to build.

Robin Tupper, 3 Reid St, said I attended the School Committee's NEASC presentation last Monday. While you voted to send the referendum to ballot, albeit grudgingly, not a single Town Councilor or the Town Manager, apparently felt it was an important enough issue to attend and receive direct information and have their questions answered.

She said I have also witnessed only one Town Councilor at a school tour. According to the 2000 Census, 34 percent had children under the age of eighteen living then in Lisbon out of 3,608 households. Let me repeat, this group of people make up 34 percent of your constituents. Children under eighteen make up 26.5 percent of the population and this group has no voice representing them on this Council.

Mrs. Tupper said I am also willing to bet that parents of school age children make up the largest percentage of active volunteers in town. I am currently a Boy Scout leader, Chair of the Library governing board, co-president of the High School Boosters Club, my husband and I donated the Bookworm Bend Library Garden and maintain that through the spring, summer, and fall, a savings to the town. I have also been a Big Brother/Big Sister mentor. I do these things because I passionately care for the children in this town.

She said, I am feeling inclined to donate my time elsewhere where I would see my efforts appreciated and supported. Others share this sentiment as well. Good teachers will not want to work in an unaccredited school. They will also want to go where their talents are valued and rewarded and where they feel they can make a difference.

Mrs. Tupper said I chose to live in a small town and I picked Lisbon specifically because of the effort I found being put into the school department and its programs. Lisbon is very close to Durham, Lewiston, and Topsham; parents could find it easy enough to live just over the town line and send their children to those school districts where their children can have access to appropriate facilities.

She said, after last week's NEASC presentation, I am specifically addressing the safety and health issues of those children. She said I would like to read something from an article called *Good Buildings, Better Schools* by Mary Filardo. "Science education would benefit from facility related improvements, whether for safety or for quality. The National Science Teacher's Association recommends that students spend fifty percent of their time in hands-on inquiry based science. In their guide to planning science facilities, the NSTA states good science programs require the uniquely adaptable learning space we call a laboratory, as well as access to both indoor and outdoor space for research, environmental studies, and reflection, yet the vast majority of communities moving toward their standards will find their progress limited by the facilities available in their schools. "

Mrs. Tupper said our chemistry room has capped gas lines and students working with portable burners in a room in a wing without sprinklers or a fire suppression system. Again, she said, from *Good Buildings, Better Schools*: "Poor school design and facility conditions can lead to sick building syndrome according to the EPA. Poor ventilation can boost rates of asthma and respiratory illness due to mold and allergies. Temperature and humidity in classrooms can affect children's health and motivation." She said we had our own epidemic of flu ravage the school this winter. I can bet, after seeing the conditions of the school that that had a lot to do with those kids getting sick in the numbers they did.

She said, building design and facility conditions have also been associated with teacher motivation and student achievement. For example classroom lighting and thermal comfort are commonly cited by teachers as determinates in their own morale and the engagement of the students. She said two studies, one in Los Angeles and the other among Milwaukee schools directly observes school conditions and control for pupil and neighborhood socio-economic characteristics, school size and student's reported motivation levels. Facility conditions and maintenance variables included conditions of lockers, visible graffiti, and frequency of cleaning classrooms. The studies, she said, found higher reading levels among high school students in better-maintained schools after accounting for other influences.

Mrs. Tupper said Nick Jones, a senior at Lisbon, has recently been accepted to Purdue in Norwich and is waiting to hear from Notre Dame. His parents, she said, assured me that if he had come from an unaccredited high school; his application would have sat at the bottom of the pile. Institutions set their own policies and criteria for admissions and awarding financial aid. Students that graduate from an unaccredited school may face one more obstacle when applying for higher education.

Mrs. Tupper said as to a future in a town without an accredited high school, why would our children stay in this town and raise their families here after seeing how little this town values them. You are putting limits on their futures by being apathetic to the result of the NEASC accreditation.

Visioning sessions would become a joke, as businesses are unable to attract quality workers. As businesses and residents leave, tax rolls will decrease. As property tax income

to the town declines, monies for other infrastructure will continue to decrease. However, things such as sewer lines will continue to be fixed and upgraded. Roads will still need to be plowed and maintained regardless if every other home on the street is empty. In the long run, she said, we will be shouldering a heavier tax burden, even without paying for a renovated or a new school building. This is the most expensive issue ever being brought before the taxpayers in the twenty years I have lived in this town, if not ever. Mrs. Tupper said I for one am tired of taxation without representation. We will remember your involvement come Election Day.

I want also to read three or four things that were from an article I found online today as far as property values and schools. She read good schools are among the top five factors that maintain an increased property values in communities. Realtor data shows that the presence of good schools can increase the value of a home by ten to fifteen percent. Maintaining good schools is a key strategy to maintaining neighborhood property values; this is particularly true of the physical appearance of school facilities. School spending per pupil is a factor that raises the market value of homes.

Last, she said, local school district taxes are benefit taxes; they produce benefits that include good education systems and appreciation in home property values. Local school district spending on education has more benefit to homeowners than State spending on schools. Local school tax payments are recovered in the form of higher market values when a homeowner sells their property.

Dorothy Fitzgerald, longtime resident of Lisbon Falls, said a rumor is going around that the positions in the Code Enforcement office are being eliminated. Both positions- Jerry Samson and Mike Cote plus the secretary. Is this just a rumor or is this fact? Is anyone on the Council or the Town Manager willing to give me a fair and honest answer?

Mr. Eldridge replied to Mrs. Fitzgerald, saying, I think you have to wait and see the presentation. None of the Councilors, who just got their books on Friday, has had any opportunity to ask any questions. The presentation you will see tonight will answer that question, so if you could wait until you see the presentation. Yes, we are proposing something like you are stating, but I think it is only fair that you see the presentation and let us give our budget presentation first.

Mrs. Fitzgerald said I would ask you now why are these positions being eliminated. She said these are valuable positions in the town. I am a realtor; I oftentimes go to the Code Enforcement office to get information on properties to sell. I am not the only one who does; there are developers, other realtors, assessors, appraisers who go all the time to the town assessing office. I think it is deplorable if these positions are eliminated. I think it is terrible.

APPOINTMENTS-NONE

COUNCILOR COMMUNICATIONS

Councilor Wells said I would like to address Mrs. Tupper because she stated that none of the Councilors attended that (NEASC meeting). I understand her point, but some of us have very busy business lives and unfortunately, we cannot attend every meeting in town.

I have watched the entire tape, if you want to see my eight pages of notes, I will give them to you.

She said it was obvious that NEASC came in and praised our schoolteachers very strongly for the academic programs given at that school. I think we all need not to forget that, that that is a very important part of our children's learning process. She also scolded us for having a school building that definitely needs work. There is not a single member of this Council that is not aware of that, in fact, most of us are graduates of that school and happen to know the condition of the school. Many of us have children who attended that school recently.

Councilor Wells said that while Mrs. Tupper says she is very involved in this town, we can all sit here and say the same thing. I am a former Boy Scout leader. I am a former Girl Scout leader. I am a former volunteer at every one of those schools. There is not a single one of us here, and I am sorry if I am speaking for you, (the Council) and you are all nodding your heads okay, but there is not one of us here who does not understand the needs of Lisbon High School. I sat through that public hearing and one of the major things I walked away from that hearing with, was that while people in this town agree there is a huge need, there is not enough money to do it. They believe the State should be helping us come up with that money. We have paid our taxes; we have diligently paid a lot of taxes in this state. I know they keep telling us no, but I know the taxpayers in this town are screaming right now that enough is enough and they cannot afford any more.

Councilor Wells said so while we did approve to go forward with a vote to see if the taxpayers of this town are willing to spend \$500,000.00 for a bond, I can tell you that every single person that has discussed it with me is not wanting to move forward. If I was you, next Monday on March 23 I think I would play her back. Because she told a very valuable story, and she did it very well in the needs of that school and in the needs of what needs to happen. Whether add on to that school, whether we rebuild that school, or build a new school, it is obvious that we need to come up with the money to fix it. Something needs to happen. How we are going to get there, I do not think any of us up here on this Council have the answer, but to be perfectly honest, it starts with the School Committee, not the Lisbon Town Council.

She said we do need a fix. I hope our School Committee is going to come forward with some suggestions for a fix. As I said, I would definitely show that film, because it told a very valuable story and she did a very good job of addressing some huge issues. If you did not make the meeting, and I know Councilor Bowie was out of town, I am sure Mr. Eldridge would gladly show the Councilors the tape if they wanted to, but some of us have lives outside of here that are very, very busy and we cannot make every meeting. I can tell you I do go out of my way to watch them if I cannot make them.

Councilor Wells said two weeks ago, we sat here at a meeting and we had a member of this town come up and threaten to sue this Town Council. I can tell you I am very, very upset about that. I do not take that lightly. I take what I have done for this town very seriously. I know not everyone agrees with me, but my work on this Council is very important to me. I am still very upset that all of that could have gone away that evening with a simple apology and a letter to a blog; that was the request of the business owner who came to that meeting. I for one want to ask Mr. Cote why he will not take those steps and address that.

Councilor Cote said I would be glad to. Number one, the reason that I am not going to issue an apology: an apology is an admission of guilt. I am not guilty. I will take this as far as I need to. If he feels he has to sue me, he has that choice, but I will not admit to something that I do not feel I am guilty of. That is the bottom line.

Councilor Wells said you are putting this entire town at risk.

Councilor Cote said yes, and that I got a call from MMA and we are insured for that so we do not have to concern ourselves with that too much. A lot of things were said that evening and the week before. I can go on and on about it, but I would like to take it for what it was worth and just move on.

Councilor Henry said I also was very concerned about being sued and I spoke with Roger Therriault at length and found we really cannot be sued because of tort law and I was not to worry about it. I found it a very interesting discussion. I hope we can move forward as a town.

Councilor Henry said Laura and Mark Campbell have a son Tyler who has two more All-American awards. He came in fifth in the Boston race, and fourth in the New York race. He is number five in the United States timewise, and they are thinking he will one day be in the Olympics. That is a real positive thing to be happening in our town.

Councilor Henry said she is doing chemical free graduation with Kelly Fairbanks, doing food. Laura Campbell is in charge of everything. Seventy-five prizes are needed for the students. The students are going to Howard Sports and then on to Six Flags. If any business owners would like to contact Laura, even if it is an oil change, the economy being what it is we will take whatever.

Councilor Henry thanked the Crafts family for the card. She said my daughter's class is basically bankrupt and we would not be having Project Graduation without that, so thank you.

Councilor Henry showed a copy of the *Maine Townsman* and said I do not know if anyone read the article or read through it, but all the green area were approved by the voters, all the blue area was exempt to the voters, rejected by the voters is all that red area. The gray area is not applicable, because they were tribal or whatever. All I can say is, this was a huge failure (consolidation). It is not going to save anyone hardly anything. I have heard from certain communities that it is going to cost them. I thank the School Committee for doing such a great job in making us a donut. Thank you

Councilor Larochelle said I was not able to come last Monday, I had a meeting in Augusta that night. One of the things that is of concern sparked my interest is that in the earlier discussions about the school, which again goes back to the idea that we know we need to do something about the school, many mentioned about the heating system, and the size of the gym. It seems that lately we have been hearing more about safety related issues. We have asked a couple of times about a list of criteria that need to be checked off to be compliant again.

Councilor Larochelle asked if there are many safety concerns that we ought to be addressing. He said I have asked about this before and have never gotten an answer; the discussion has always been about the boiler and maintenance. He said I am wondering if there is a list of things that we need to address in the meantime. A new school or revamping the school is two or three years away. I would hate to think we know about safety concerns and not address them. Maybe there is a simple explanation, but it seems a little concerning.

Mrs. Grant replied that that would be addressed in their presentation.

D. SCHOOL/MUNICIPAL BUDGET PRESENTATION TO COUNCIL
AND BUDGET ADVISORY BOARD
(Item taken up out of order)

Mr. Eldridge gave a Power Point presentation. He said that the role of local government is to provide the services that the citizens of the community demand and can afford. We are really looking hard this year at what we can afford. These areas are education, public safety, public works, recreation, economic development, and general government services.

Mr. Eldridge said the qualities that businesses and citizens look for in a community are public safety, quality education, quality infrastructure, technology, and recreational opportunities.

He said the management team set goals this year to hold the tax rate flat, to maintain or improve the level of service that the citizens of Lisbon request, and to provide the level of service that we can afford. Another one Mr. Eldridge said we heard a great deal about, is to move Capital Improvement Plans to a pay-as-you-go program, so money is not spent on leases and items like that. The other goals are to use technology to reduce costs and provide easy access for citizens and businesses and to provide a work force and environment that is healthy and productive.

This year, Mr. Eldridge said, we were confronted with a tremendous shortfall. For the upcoming budget, we are going to talk about Revenue, because this is what really drove our budget this year. This year the Revenue projection is \$2,499,700.00. The difference from what we had last year for Revenue is quite a substantial difference of \$751,000.00. You have to take into consideration with the \$751,000.00 shortfall is the fact that I have added in \$200,000.00 in Surplus, which is up to Council in the end if they are willing to do that.

Mr. Eldridge said on the Expense side we have reduced our budget by the same amount, which is a considerable sum of money and hard to find. The economy impact we have on the Revenue side this year is that we have seen a ten percent decrease in Revenue Sharing. We are being very prudent and are expecting, come November, that the Excise Tax referendum will pass. He said when people go to the voting booth and pull the lever, that is going to be a forty percent reduction overall, and we will experience just six months of that this year. If that passes, then the next year we will experience a whole year with the Excise Tax reduction, which could be up to \$600,000.00 lost Revenue.

Mr. Eldridge said because of the economy we are seeing less interest money earned. The downturn has also created less building and code fees. He said we have seen our recycling

fees drop tremendously. A little bit of inspiration occurred today when the price for cardboard went up to \$35.00 per ton. We have almost had to give it away to get rid of it recently.

Mr. Eldridge said we have also seen the State reduce our road fees for taking care of some of their roads. He said regarding the Undesignated Fund Balance, the chart shows the trend we have seen since 2004. At one point, you were carrying \$3,000,000.00 in Undesignated Fund Balance. The School will talk about theirs, because for years they have turned around and put that back in their operating accounts, but the town has used that for the lean times. Now we are at an all time low and we have to be very careful how we use our Undesignated Fund Balance, because we may not have enough money to get through the year when the taxes are not being collected. Currently, at the end of 2008, our balance for the town is 1.2 million; in 2004, we had over 3 million.

Mr. Eldridge said how we close that gap was the challenge for us this year. It came with department head hard work, employee teamwork, employee sacrifice, thinking outside the box, and thinking regionally. He said every single employee in this town has agreed to a zero percent increase in this year's upcoming budget. There will be no raises. They did that to keep their jobs and to keep their colleagues jobs, so we do not have to lay off as many people.

In addition, he said, we talked about insurance. The employees have agreed to take a step down and take a lesser healthcare benefit which saves the town \$98,000.00. The Unions did not have to agree to this decrease; they gave this up willingly for this community. I commend this town and the employees for doing that. It was a big sacrifice on their behalf.

Mr. Eldridge said looking at the budget, we are in the people business; it takes people to provide the services that we have. As a percent of our budget, wages are 36.5 percent, medical insurance is 14.1 percent. The things that involve the employees of this town are a very large percentage of the budget. When you run a very lean budget and you have to meet this gap of almost \$1,000,000.00, you are going to have to start looking at people, unfortunately.

The Expense highlights of the budget, he said, which we will go into in detail when the department heads make their presentations, again is insurance. We have cut our insurance \$98,000.00 in just the Health Insurance, \$20,000.00 in Workman's Compensation, and just under \$20,000.00 in Property and Casualty. There will be other reductions in Personal Insurance, Medicare, and Retirement.

Personnel, he said, we are looking at loss of full time employees and part time employees; again, zero percent wage increase. One of the highlights is that we have seen a reduction in debt service because we paid off a bond from 1988. You will see a 10.2 percent reduction in the overall budget.

Mr. Eldridge continued these are the department highlights; these are all decreases in every single line item. From Elected Officials, a 5.8 percent decrease, this comes out of advertising. Mr. Eldridge said some of these seem high, but when you go through individual budgets and line items, you see these reductions it may not seem as significant, but these are efforts made by the department heads and staff to find ways to cut costs.

Continuing with the presentation, Mr. Eldridge said again, these departments involve people. In some of the larger numbers, you will see why they are so much higher than in other places. When you go into the Town Clerk budget, you will see there is an increase of 16 percent, but part of that is in the reduction in the Election Budget because some of those increases came out of that where we had increased it because we took it from the Election Budget. The same with Town Buildings; we moved some items around; we consolidated all of our Town Buildings under one department called Town Buildings.

He said in the Fire Budget, it seems a 21 percent increase is a lot, but it is a \$25,000.00 increase to bring their Capital budget up to \$75,000.00 which is what they had annually budgeted for their pay-as-you-go program.

One of the areas we are looking at, Mr. Eldridge said, and we were talking about regional cooperation, we looked at areas we could out-source and look at saving money. This is what many of you are here for tonight, I suppose. We are looking at contracting out our Assessing and Code Enforcement at a savings of \$32,000.00, which includes salaries and benefits.

What we will have for staffing available to us, he said, will be four full time staff in the Assessing Department from Lewiston specializing in specific areas. One of the tasks given to me was to look at a way to do a re-val and make it affordable so we can get this done in the next two or three years. This will provide us with the staff to do that at a much reduced priced compared to what numbers we have received.

Code Enforcement as well, there are seven full time staff in Lewiston that will be able to staff us throughout the week. They are very specialized for restaurant inspections, land use, and planning.

Mr. Eldridge said there will be no changes, there will be five days a week, Planning Board and Appeals Board will be staffed. One of the ways we are going to improve this service is to upgrade our computer technology and put everything on the Web as much as we can. We will see a reduction in foot traffic and a reduction in telephone calls. We are working on bringing geographic information systems online and that is a cooperative effort through Auburn, Lewiston, AVCOG, and many other local communities are participating.

We are working on the permitting process, he said, online so if a builder wants to come in to get his permit, he can go on online, fill it out, and ask questions without having to come in to the office. Mr. Eldridge said we are doing the same kind of initiative in the Police Department.

In Animal Control, he said, we have had a two-year relationship with Sabattus in sharing our costs to reduce our costs. This year we have added Bowdoin. Bowdoin came to us and asked if they could participate. We offered it to several other communities, but they are in the holding pattern; one has decided not to participate even though there were savings for them and the other is on hold.

We are going to see a reduction in Police personnel. We are looking at how we dispatch, that is something I cannot go into detail, but we are talking about transitioning dispatch services to save money.

In Public Works, Mr. Eldridge said, we are losing people through attrition. We are losing part-time people. We took out the Capital Improvement Expenses in their budget this year, because we are hoping the Bond will fund it. If it does not, it may have to come back in because that equipment is desperately needed.

One of the things that drove this and other budgets was the drop in fuel costs. We put it out to bid and received very competitive prices, which cut our costs in half.

Transfer and Recycling, Mr. Eldridge said, are reducing personnel. We may look at scheduling if we have to cut more. Again, the cost of fuel comes into the budget; Mr. Ricker does an excellent job managing his general operating budget and use of staff.

Mr. Eldridge said we are consolidating all of our building maintenance under the Town Engineer so it is much more efficient. We are looking at some operating costs. Since I have been here, the roof has leaked in this beautiful building in the valleys; it is damaging the building and it needs to get fixed. We have a price on that. There are problems with the air conditioning and heating system; we cannot seem to control the heat. From what we are hearing, it is the equipment and how it was installed.

We just had a boiler go in the Fire Department, which I think we have the money in our budget this year and that may have to come out. There are items in the Police Department that need to be repaired.

Therefore, Mr. Eldridge said, we are seeing a reduction in part-time employees. We are cross-training people so we can use them in other departments instead of cutting staff. We are seeing other minor cuts in reduction of professional development in small items. However, we are trying to close that gap and I feel we have successfully done that. We decreased our budget by 10.2 percent and from our perspective, there will be no tax increase from the municipal side.

Dr. Welch gave the School Budget presentation next. Dr. Welch thanked the Council for inviting them, but said that first I would like to address the safety issue. I think the best description is to explain that where you have the science labs. If you are building a new building and you have science labs or anywhere in the new building where you have a sprinkler system, it might have a fire suppression system or it might be a sprinkler system, it depends, but you do have some formal system. In our building we are allowed to have fire extinguishers, they have to be within a specific distance from rooms, and they have to be inspected annually or more frequently. All of that is done; we are told the building is safe. There are different levels of safety. Our buildings are safe. If we were building a new building, we would have to do more to the building to make it safer based on new regulations.

For the budget, Dr. Welch said, we are going to be walking you through the blue document (see attached). I always like to start with the budget priorities that the School Committee established at a workshop back in October. You will see the word maintain, because that was really the goal of this year. Last year we had some fairly significant reductions in budget and for the previous six years we had held the tax rate flat here in Lisbon. The School Committee recognized that we were entering into a difficult economic time back in October and said to the School Department "maintain". Therefore, they recognized trying to maintain class size and staff ratios, maintain long range planning and facility

improvement work with the priority on Lisbon High School, maintain professional development and time for staff, consider program improvements including any link to the NEASC recommendations, and consider technology improvements.

Dr. Welch said, so with that information the School Department went to work to look at their budget. We did work with the Town Manager and the Council to establish budget calendar dates. Our dates for working with the Council are April 7, 14, the Public Hearing on the 28th and then into May ending with the validation referendum on June 2. Therefore, this is the beginning of a two and one half month process as we work through the budget.

Dr. Welch said as we look at page 3 of 34, I want first to reassure you that I am not going to walk you through every page; however, we actually have great news on page 3 because our health insurance is coming in at a zero percent premium increase for all employees. When we looked at the past three to five-year average, we budgeted an 8.8 percent increase. Therefore, if you start at the top of the blue page, clearly our 2008-2009 budget of \$14.5 million did not change, but the proposed budget at this point would be \$14,553,699.00 because of that insurance reduction, a \$16,000.00 decrease from the 2008-2009 budget. Just a 0.1 percent decrease, and as I said, last year's budget was 1.78 percent less than the previous year's budget. The six years prior to that, we kept the tax rate flat. Our obligation to the town to work in a fiscally responsible manner I believe continues and we do make every effort to work within the existing resources.

Dr. Welch said our recurrent themes had been health insurance; clearly, that has been taken off the table and we are pleased about that. I talked about the bottom of the page where 2007-2008 was a negative 1.78 percent increase and this year negative 0.11 percent.

The additional good news is that, while we have kept the budget flat, if you turn to page 4 of 34, we have also continued to attract Durham students to Lisbon High School. They are paying tuition to attend our School. Our Undesignated Fund Balance at the top of the page, and was noted by the town, is \$468, 907.00. In turning that back to the town to offset taxes, which is approximately \$100,000.00 more than we used last year to offset taxes. Therefore, we have kept our budget flat, or \$16,000.00 less than last year, and we have an additional \$100,000.00 in Revenue to offset taxes.

Although that is all very good news, said Dr. Welch, the big question is in the State subsidy; that is the big driver in Education. What the State has told us is that the dollar amount for Education will remain the same; how it is distributed will differ based on valuation increases and per pupil expenditures or the number of students, you have in your district.

Dr. Welch said we looked at our percentage; what the State does is looks at the number of pupils you have and the valuation and they average it out. Ours is an 11 percent increase, largely driven by valuation. Again, the good news is, that is the State average. Some systems have much higher percentage increases, which mean they will not get as much in subsidy as in previous years. Some have less than 11 percent, which means they will get more subsidy than previous years. While we do not know the figure, we know we are right at the State average for change in valuation and population and we need to wait to see what our actual subsidy dollars are. If you just look at it as our Budget is the same or slightly less than last year, we are giving \$100,000.00 more to offset taxes. Even if State

subsidies stay the same, it would have a reduced impact locally. We are just not sure what the State is going to do.

Dr. Welch said we went to a meeting on Monday with the Commissioner about the Stimulus Funds and the Curtailment Funds, the cut in subsidy they are giving back to us. We may get the same amount as last year, but it may vary. She had told us first we would see that number (what the subsidy will be) mid-February, she then told us mid-March, and then when we were up there on Monday, she said we would have it soon. We are hoping to have that information by April 7 so you can have a better sense of what it is, we do not know what it is at this point, but we have brought in a reduced budget and we are using more to offset taxes.

Again, that is a large result of having tuition students, but it is also a result of us looking every year at how we can get additional revenues to offset taxes. One of the areas we have made good use of is asking people to submit bills to their insurance company. If we have to provide a physical therapy, an occupational therapy, or some related service that insurance will cover, we have agreed to pay the co-pay or deductible portion so that we can then charge insurance; so we can use the family's insurance or Maine Care. We have had good results with that. We have been able to recoup some reimbursements in that area. If you look at Maine Care reimbursement, we had \$137,000.00 unanticipated revenues by taking those steps. We are constantly looking for ways to bring in new revenues and we will continue to do that.

Staffing Ratios is often a question. Recently there was a report at the State levels saying that 80 percent of School Departments exceeded the "cap" put on by the State. The cap is a reference to Essential Programs and Services. The State says in education this much is essential, and anything above that needs to be funded locally. On Staffing Ratios, if you look toward the bottom of the page you will see the per pupil ratio for co- and extra-curricular. The State says \$75,919.00 should be what is essential for Lisbon to run a co-curricular and athletic program. Lisbon spends \$331,000.00 on our programs, because that is what is important to the community.

Dr. Welch said I stress that because when you read in the papers that we are above the cap it is because of situations like this. In part, yes, we are above the cap, but we would have to cut almost all of our programs if we went with only for that which the State provided funding. The reverse however is that in technology the State has designated \$202,000.00 and last year we had to cut our technology budget to \$177,000.00, so we were under what the State provided us for technology funds, but in part, that was to preserve classroom-teaching positions.

Dr. Welch said, overall our total enrollments and staffing ratios are good and solid. We are proud of the program we provide. One of the areas I want to point to however is an area many people read and are confused about; that is back at the top of the page, for teachers. Under Essential Programs and Services, the State says that they will fund a ratio of 17 students to one teacher. Most people think that is a class size where one classroom teacher in third grade has 17 students, but that is not how the State calculates it.

The State says, Dr. Welch explained, out of all the teachers in the building including Art, Physical Education, Music, World Languages, all the teachers except Special Education teachers, that ratio is what they will count as 17:1. It is not the number of kids in the

classroom. In order to hit that 17:1 ratio you have to have 20 to 23 students in a classroom to hit the 17 because you have these other teachers: Physical Education, Art, etc.

Our ratios at the Elementary School are 14:1, at the Middle School 15:1, and at the High School they are right on target at 15:1, in large part because it is easier at the High School because you have sections instead of a full day program at the Elementary and Middle School where the children are in a self-contained classroom. For example, if you 100 students and five teachers you have 20 students in a class, but if you eliminate one teacher you have four teachers, 100 students and 25 children in a class; 25 is too many. It is more difficult when you are working with self-contained classrooms. We provide this ratio for you for your reference and it is based on Essential Programs and Services.

Dr. Welch said in the School budget, on page six, you will see that 78% of our budget is linked to Personnel. We really are a human resource organization. It comes down to the teachers in the classroom, teachers in the building working with the children.

Under Fixed Charges, Dr. Welch said, those are the Bonds. It is 8% so it looks larger than it actually is because it contains the Lisbon Community School payment. The Lisbon Community School payment is reimbursed largely by the State. In essence, we have to put the \$1.2 million in our budget as a payment and the State gives us \$1.15 million. It looks large, but it is really a flow-through, that is the way the State works.

She said Capital Outlay is our equipment line at 0 percent. Commodities or Supplies-books, electricity, and oil at 5 percent. Contractual Services, which are our SRO officer, our maintenance boiler agreement, and those types of contractual services, are at 9 percent.

Bottom line what that tells you, said Dr. Welch, we have a certain amount of control over elements of our budget and when we look at reducing our budget we have to look at positions. I want to take a moment to recognize Staffs' efforts because recognizing the economic times Staff at the building level looked at supplies, they looked at ways to conserve, they looked at book funds, and they put off purchase of things so they could reduce the budget at this point and allow us to bring forward a flat budget. We appreciate and recognize their efforts.

Dr. Welch said we provide you the budget at this point, but in April we have gone through that in greater detail with you to educate you about what is in the budget. It is in essence a flat budget. We are trying to maintain programs, maintain class sizes and continue to do quality work with students.

The final pages, she said, of the packet, beginning on page 31, show you the School Department budget by Articles. The State now requires us to vote on these in the 11 warrant articles as presented. We showed you the approved budget for 2008-2009 and the proposed budget for 2009-2010; this does not have the Health Insurance reductions. It shows you the dollar amount differences and the percentage increase differences. We did include the Warrant Article language for your reference. Later we need to put in dollar amounts on some of the Articles, like Article 11. We cannot do that until we have information that is more accurate from the State as to what the local mil rate required amount is, but we expect to have that at some point.

Overall, it is a maintenance budget trying to limit the impact to the taxpayers.

EXECUTIVE SESSION

(Went into Executive Session after Roll Call)

VOTE (2009-56) Councilor Wells, seconded by Councilor Larochelle moved to ratify the Public Works and MAT contracts as they have been presented to us with the 3.25 increase for their 2008-2009 wages and with holding the insurance buy-back to \$3000.00 and a zero percent increase for the coming year, no detective car, increase in the gym reimbursement, and Public Works pretty much the same. **Order passed - Vote 7-0.**

Mr. Eldridge said I would like to point out how this was a very difficult Union contract time for the three contracts we dealt with. Everybody in the Union pulled together as one group to try to limit the numbers of jobs we lost. They took some big hits this year all to make sure we saved jobs. I commend them for that process; it was very good. Councilor Bowie said very well done.

Council Henry asked when absentee ballots would be available. Mrs. Lycette replied Friday March 20.

Councilor Cote said in the next few weeks we are going to be dealing with many budget issues. He asked are these meetings, such as the one on Thursday night, going to be televised for the people at home. Mr. Eldridge said I can request that. Councilor Cote said I think that would be very appreciated by the town, by the people who are not able to get out. Councilor Henry said there are shut-ins who watch this.

Mrs. Turmelle said there was just one item to follow-up on what Councilor Wells had addressed in regards to Mr. Cote. She said I do not know if you are aware of the source and where that information came from; it was referenced on the Lisbon Reporter. It actually was a link to the Sun Journal and the blog on the Sun Journal. I do not know if everybody has read that and understand that that is where that information and those comments came from. It did not come from the Lisbon Reporter. Since Councilor Cote is not the editor, which is a fact, it should not be an issue, but as a town going forward I would hope that you would move past that and it would not come up any more.

ADJOURNMENT

VOTE (2009-57) Councilor Wells, seconded by Councilor Cote moved to adjourn at 8:45pm. **Order passed - Vote 7-0.**

Respectfully Submitted,

Elizabeth French, Assistant Clerk

These minutes are not verbatim. Cassette tapes are filed in the Town Clerk's Office.