

CITY OF LEWISTON

CITY COUNCIL

MAY 5, 2015

REGULAR MEETING HELD IN THE COUNCIL ROOM AT 7:00 P.M.

THE HONORABLE ROBERT E. MACDONALD, MAYOR, PRESIDING.

PRESENT: Mayor Macdonald, Councilors Dubois, D'Auteuil, Libby, Bouchard, Cloutier, Cayer and Lachance, City Administrator Edward Barrett and City Clerk Kathleen Montejo.

Pledge of Allegiance to the Flag.
Moment of Silence.

PROCLAMATION – BIKE TO WORK DAY

Mayor Macdonald issued a Proclamation declaring May 15 as Bike to Work Day in Lewiston. The Mayor also presented a Proclamation to the City Clerk in honor of Municipal Clerks Week.

PUBLIC COMMENT PERIOD

Pauline Gudas of 6 Raymond Avenue spoke against the School Committee's recent decision to hire a private company to coordinate the hiring of substitute teachers in Lewiston. She advocated for the School hiring the substitutes directly.

APPROVAL OF THE ELECTION WARRANT CALLING FOR A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, MAY 12, 2015 FOR THE SCHOOL BUDGET VALIDATION REFERENDEM AND RECOMMENDATIONS FROM THE CITY CLERK/REGISTRAR OF VOTERS ON ACTIONS NECESSARY TO CONDUCT SAID ELECTION

VOTE (121-2015)

Motion by Councilor Libby, seconded by Councilor Cayer:

Be It Ordered by the City Council that the Election Warrant be issued for the Special Municipal Election to be held on Tuesday, May 12, 2015 for the purpose of voting for the School Budget Validation Referendum, and to approve the following recommendations from the City Clerk/Registrar of Voters on actions necessary to conduct the Special Municipal Election:

- A. That the hours for acceptance of registrations in person only, prior to the May 12th election, as required by MRSA Title 21A, sec. 122, 6A(2), be set at 8:30am to 4:00pm, April 22 through May 11, 2015.
- B. That the names of those persons who register during the closed session for registration shall be recorded in accordance with MRSA Title 21A, sec. 122, subsec. 7B.
- C. Pursuant to Title 21A, sec 759(7), absentee ballots will be processed at the polling place at 7:00am, 6:00pm and any and all remaining shall be processed at 8:00pm, if necessary.
- D. To appoint the City Clerk as the City's Election Warden and the Deputy Registrar of Voters as the City's Ward Clerk, for the May 12 election.

Passed - Vote 7-0

RESOLVE DIRECTING THE CITY ADMINISTRATOR TO TAKE THE NECESSARY ACTIONS TO ACCEPT THE DONATION OF THE PROPERTY LOCATED AT 986 SABATTUS STREET REAR

VOTE (122-2015)

Motion by Councilor Libby, seconded by Councilor Cayer:

To approve the Resolve directing the City Administrator to take the necessary actions to accept the donation of property located at 986 Sabattus Street Rear:

Whereas, the City has received a request from Abby Fisher, a relative of the owner of 986 Sabattus Street Rear, offering to donate this land to the City; and

Whereas, this 3.52 acre parcel is located in the Neighborhood Conservation “A” (NCA district) and is essentially undevelopable having no frontage or access, is significantly impacted by shoreland zoning, flood plain, and wetlands, and has two sewer lines and a sewer manhole as part of a cross country sewer collection system; and

Whereas, two abutting lots are owned by the City including an undevelopable lot having no frontage and a second parcel adjacent to McMahan School on North Temple Street; and

Whereas, on April 13, 2015, the Planning Board voted unanimously to send a favorable recommendation to the City Council to accept the donation of this property;

Now, therefore, be it Ordered by the City Council of the City of Lewiston that the City Administrator is hereby authorized to take the necessary steps to accept the donation of the property located at 986 Sabattus Street rear.

Passed - Vote 7-0

PUBLIC HEARING ON A NEW LIQUOR LICENSE APPLICATION FOR AVANT-GARDE MAINE, 186 LISBON STREET

Mayor Macdonald opened the hearing to receive citizen input and comment. No members of the public spoke for or against this issue. Mayor Macdonald then closed the hearing.

VOTE (123-2015)

Motion by Councilor Libby, seconded by Councilor Cloutier:

To authorize the City Clerk’s Office to approve a new liquor license application and special amusement permit for Avant-Garde Maine, 186 Lisbon Street. Passed - Vote 7-0

PUBLIC HEARING ON THE RENEWAL APPLICATION FOR A SPECIAL AMUSEMENT PERMIT FOR LIVE ENTERTAINMENT FOR LITTLE JOE’S BAR & GRILL 740 SABATTUS STREET

Mayor Macdonald opened the hearing to receive citizen input and comment. No members of the public spoke for or against this issue. Mayor Macdonald then closed the hearing.

VOTE (124-2015)

Motion by Councilor Libby, seconded by Councilor D’Auteuil:

To grant a Special Amusement permit for live entertainment to Little Joe’s Bar & Grill, 740 Sabattus Street. Passed - Vote 7-0

PUBLIC HEARING ON THE RENEWAL OF A SPECIAL AMUSEMENT PERMIT FOR LIVE ENTERTAINMENT FOR THE GRIDIRON RESTAURANT, 1567 LISBON STREET

Mayor Macdonald opened the hearing to receive citizen input and comment. No members of the public spoke for or against this issue. Mayor Macdonald then closed the hearing.

VOTE (125-2015)

Motion by Councilor Lachance, seconded by Councilor Cloutier:

To grant a Special Amusement permit for live entertainment to the Gridiron Restaurant, 1567 Lisbon Street. Passed - Vote 7-0

PUBLIC HEARING AND FINAL PASSAGE REGARDING AN AMENDMENT TO THE PARKS AND RECREATION ORDINANCE TO INCORPORATE THE NEW RIVERSIDE GREENWAY AS A RECOGNIZED CITY PARK

Mayor Macdonald opened the hearing to receive citizen input and comment. No members of the public spoke for or against this issue. Mayor Macdonald then closed the hearing.

VOTE (126-2015)

Motion by Councilor Cayer, seconded by Councilor Libby:

That the proposed amendment to the City Code of Ordinances, Chapter 54 “Parks and Recreation” regarding the addition of Riverside Greenway to the list of city parks, receive final passage by a roll call vote. Passed – Vote 7-0

PUBLIC HEARING AND ADOPTION OF THE RESOLVE APPROVING THE FEDERAL FY2015 COMMUNITY DEVELOPMENT BLOCK GRANT (CBDG) ACTION PLAN BUDGET FOR SUBMITTAL TO THE US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mayor Macdonald opened the public hearing to receive citizen input and comment. No members of the public spoke for or against this issue. The Mayor then closed the hearing.

VOTE (127-2015)

Motion by Councilor Libby, seconded by Councilor Cayer:

To adopt the Resolve approving the FY2015 Community Development Block Grant Action Plan Budget for submittal to the US Department of Housing and Urban Development:

Whereas, in accordance with applicable sections of 24 CFR Parts 91 and 570 and the City's Citizen Participation Plan, the City has provided citizens with adequate notice and opportunity to review and comment on its annual Action Plan budget; and

Whereas, the City Council has, on this date, conducted a public hearing and accepted public comments on the proposed Action Plan; and

Whereas, HUD requires that final local acceptance of the CDBG Action Plan budget take effect a minimum of 45 days prior to the end of Lewiston's fiscal year, which occurs on June 30, 2015;

Now, therefore, be it Resolved by the City Council of the City of Lewiston that the attached schedule of funds for the Federal Fiscal Year 2015 (FY14) CDBG budget (Action Plan) is hereby adopted, and City staff is hereby authorized to submit the FY2015 Action Plan to the U.S. Department of Housing and Urban Development as adopted.

Passed - Vote 7-0

**FINAL BUDGET PUBLIC HEARING FOR THE FISCAL YEAR
2016 MUNICIPAL BUDGET**

Mayor Macdonald opened the hearing to receive citizen input and comment. No members of the public spoke for or against this issue. Mayor Macdonald then closed the hearing.

**RESOLVE APPROVING THE FY16 BUDGET FOR THE LEWISTON
SCHOOL DEPARTMENT**

VOTE (128-2015)

Motion by Councilor Cloutier, seconded by Councilor Bouchard:

To approve the Resolve approving the FY16 budget for the Lewiston School Department:

Whereas, pursuant to the City Charter, the Lewiston School Committee prepared and approved a FY16 budget for the Lewiston School Department that was submitted to the City Council in March; and

Whereas, subsequent to the receipt of this budget, the School Committee and the City Council have met to discuss and review it; and

Whereas, as a result of these discussions and information which has become available since the initial budget was approved, the School Committee has revised and amended the proposed budget; and

Whereas, the final budget approved by the School Committee reflects the discussions between the City Council and the Committee; and

Whereas, as proposed, the School budget exactly meets the local share property tax commitment required by state law; and

Whereas, any further reduction in this local share would result in a loss of state education aid of approximately \$2.50 for every \$1 reduction in local property tax support;

Now, therefore, be It Resolved by the City Council of the City of Lewiston that the Fiscal Year 16 budget approved by the Lewiston School Committee as outlined and detailed on the eighteen attached Lewiston School Department Budget Articles is hereby adopted subject to approval of the voters of the City of Lewiston at a budget validation referendum.

Passed - Vote 7-0

RESOLVE APPROVING THE FINAL ADJUSTMENT TO THE FISCAL YEAR 2016 MUNICIPAL BUDGET

VOTE (129-2015)

Motion by Councilor Libby, seconded by Councilor Cayer:

To adopt the Resolve approving the final adjustments to the Fiscal Year 2016 Municipal Budget:

Whereas, in accordance with the Charter, the City Administrator presented his proposed Fiscal Year 2016 budget to the City Council on March 24, 2015; and

Whereas, since then, the City Council has met on numerous occasions to review the various departmental budgets and to discuss changes to the Administrator’s proposal; and

Whereas, throughout this process, the City Council has shown support for certain changes and adjustments affecting both the revenue and expenditure budgets; and

Whereas, the overall goals of this effort were to maintain essential public services while reducing the impact of the budget on the taxpayers of the City of Lewiston; and

Whereas, the following summary represents the results of this effort;

Now, Therefore, Be It Resolved by the City Council of the City of Lewiston that the following Final Budget Adjustments Summary for Fiscal Year 2016, is hereby approved:

	Account			
	Dept.	#	Description	Amount
1	41220	4050500	Office Equipment	750
2	41310	4015000	Legal	6,260
3	41510	3393610	PILOT - Chamber	5,000
4	41510	3711500	Other Reimbursements	3,779
5	41520	4057100	Acquisition & Demolition	100,000

CITY COUNCIL**MAY 5, 2015**

6	41550	4028801	Lien Recording/Discharge	760
7	41600	4026200	Maintenance	(3,959)
8	41600	4050500	Office Equipment	5,400
9	41600	4050500	Office Equipment	1,000
10	41600	4050500	Office Equipment	1,700
11	41610	4011000	Salaries	23,760
12	41710	4011000	Salaries	(1,000)
13	41910	4058000	Building & Structures	1,000
14	41930	4028808	Sweeping Services	280
15	41940	4028808	Sweeping Services	280
16	41940	4058000	Building & Structures	16,000
17	41950	4028808	Sweeping Services	410
18	41960	4028808	Sweeping Services	380
19	41970	4028808	Sweeping Services	380
20	41970	4058000	Building & Structures	10,000
21	42110	4032000	Gas	185
22	42120	4011000	Salaries	38,000
23	42120	4032000	Gas	2,055
24	42130	4011000	Salaries	65,000
25	42130	4011000	Salaries	(31,358)
26	42130	4011000	Salaries	31,358
27	42130	4032000	Gas	18,740
28	42210	4032000	Gas	490
29	42220	4032000	Gas	3,785
30	42220	4052500	Public Safety Equipment	1,000
31	42220	4052500	Public Safety Equipment	4,750
32	42220	4052500	Public Safety Equipment	3,500
33	42230	4032000	Gas	290
34	42250	4032000	Gas	410
35	42290	4053000	Household Equipment	4,000
36	42410	4011000	Salaries	6,000
37	42910	4032000	Gas	700
38	43210	4026200	Maintenance	(3,000)
39	43210	4057000	Other Betterments	2,500
40	43310	4057003	Other Bet. - Guardrails	4,000
41	43340	4057000	Other Bet. - Sidewalks	20,000
42	43380	4057000	Other Betterments	18,000
43	43430	4057000	Other Betterments	78,500
44	43510	4057000	Other Betterments	(11,842)
45	43510	4057000	Other Betterments	5,500
46	43510	4057000	Other Betterments	4,130
47	43810	4019200	Billing - Cash	(142,935)
48	43810	4032000	Gas	37,525
49	43810	4032000	Gas	199,452
50	43910	4058000	Building & Structures	35,000
51	44210	4011000	Salaries	33,560
52	45190	3622000	Rent	5,940

53	45590	3626001	Rent of Facilities	600
54	48110	4049000	LA Airport	9,610
55	48110	4049000	LA Airport	1,890
56	48130	4043000	911 Contribution	20,482
57	49210	4046004	Health Insurance	(8,863)
58	49210	4046004	Health Insurance	8,863
59	49310	4044001	MEPERS	(9,630)
60	49310	4044001	MEPERS	3,940
61	49310	4044004	Def Comp	1,008
62	49310	4044500	FICA	2,570
63	49310	4044500	FICA	1,285
64	49310	4044500	FICA	(455)
65	49310	4044600	Severance Pay	19,444
66	49510	4043000	Donations - Flags	(2,500)
67	49610	4049000	Tax Sharing	300
68	49710	4011000	Salary Reserve	1,785
69	49910	4015000	Other Misc.	12,255
70	49910	4050500	Office Equipment	2,500
			Total General Fund	672,499
71	60500	6062001	Gas	6,670
72	60700	4011000	Salaries	(2,320)
			Total Water Fund	4,350
73	62500	6062001	Gas	3,965
74	62700	4011000	Salaries	(2,320)
			Total Sewer Fund	1,645
75	64700	4011000	Salaries	(2,320)
76	64700	6063402	CS - Collections	(3,779)
			Total Stormwater Fund	(6,099)

Passed - Vote 7-0

ADOPTION OF THE MUNICIPAL BUDGET APPROPRIATION RESOLVE FOR FISCAL YEAR 2016

VOTE (130-2015)

Motion by Councilor Libby, seconded by Councilor Cayer:

To approve the Municipal Budget Appropriation Resolve for Fiscal Year 2016:

Be It Resolved by the City Council of the City of Lewiston that the sum of forty-three million four hundred twenty-five thousand three hundred and seventy-seven dollars (\$43,425,377) is hereby appropriated in the General Fund for the municipal year 2016 in accordance with the schedule of appropriations; and

Be It Further Resolved by the City Council of the City of Lewiston that, in addition to such other revenues as are estimated to be available to meet the above appropriations including the

Homestead and Business Equipment Tax Exemption reimbursement, the sum of thirty-two million three hundred forty thousand nine hundred seventy-seven dollars (\$32,340,977) be raised by assessment upon the estates of the inhabitants of the City of Lewiston and upon the estates of non-resident proprietors within said City for the present municipal year; and

Be It Further Resolved by the City Council of the City of Lewiston that the sum of eleven million eighty-four thousand four hundred dollars (\$11,084,400) be appropriated as non-tax revenues in the General Fund for the municipal year 2016 in accordance with the schedule of appropriations; and

Be It Further Resolved by the City Council of the City of Lewiston that the list of tax assessments upon the estates in Lewiston for all city taxes, together with all assessments and charges made under the provisions of the Maine Revised Statutes annotated, Title 30A, Section 3406 and 3442 to 3445 inclusive, and the City's due proportion of the County Tax in the amount of two million three hundred seventy-two thousand seven hundred and forty-five dollars (\$2,372,745) for the period of July 1, 2015 through June 30, 2016 shall be committed by the Assessor to the Finance Director and one-half of said taxes shall be due and payable on the 15th day of September 2015 with the remaining one-half of said taxes due and payable on the 15th day of March 2016; and

Be It Further Resolved by the City Council of the City of Lewiston that interest at the maximum State approved rate of 7% per annum for fiscal year 2016 shall be collected on the first half of said taxes from September 16, 2015, if not voluntarily paid to the Finance Director on or before September 15, 2015, and on the second half of said taxes from March 16, 2016, if not voluntarily paid to the Finance Director on or before March 15, 2016; and

Be It Further Resolved by the City Council of the City of Lewiston that in each case, said interest shall be added to and become a part of said taxes; and

Be It Further Resolved by the City Council of the City of Lewiston that the Treasury Manager/Tax Collector is authorized to accept payments of uncommitted taxes and to pay to the taxpayer interest from the date of payment to the commitment date at a rate of 0% and that refunds for overpayments or abatements shall be paid to the taxpayer with interest from the date of payment to the date of abatement or refund, whichever is earlier, at an interest rate of 2.00%; and

Be It Further Resolved by the City Council of the City of Lewiston that the Treasury Manager/Tax Collector shall apply all payments to the oldest balance due to the City on that account regardless of any instructions the customer/taxpayer may give. If, however, a lien has matured, the Treasury Manager/Tax Collector may not accept payment on that account unless a workout agreement is in place or approval has been granted by the Finance Director to accept payment. If a customer/taxpayer has more than one account, any payment shall be applied to the oldest balance due; and

Be It Further Resolved by the City Council of the City of Lewiston that the appropriation for municipal year 2016 for the following Enterprise Funds is hereby authorized and approved: the Water Fund in the amount of \$5,319,677, the Sewer Fund in the amount of \$5,428,412, and the Stormwater Fund in the amount of \$2,752,412; and

Be It Further Resolved by the City Council of the City of Lewiston that the appropriation for municipal year 2016 for the following Special Revenue Funds is hereby authorized and approved: the Tax Increment Financing Fund in the amount of \$700,071, the Recreation Activity Fund in the amount of \$128,030 with further authorization to pursue the offering of a new wrestling program, the Lewiston Mill Redevelopment fund in the amount of \$497,809, and the Police Drug Forfeiture Fund in the amount of \$75,596; and

Be It Further Resolved by the City Council of the City of Lewiston that the Council hereby formally accepts and appropriates any cash contributions received during this budget year to the appropriate department and purpose for which such contribution has been made and where such contribution is equal to or less than \$10,000; and

Be It Further Resolved by the City Council of the City of Lewiston that the Council hereby formally appropriates any grants from the State of Maine, the Government of the United States of America, or any other organization received during this budget year where such grant is equal to or less than \$25,000, such appropriation to become effective upon formal Council action to accept such grant; and

Be It Further Resolved by the City Council of the City of Lewiston that the Council hereby formally appropriates any insurance proceeds received during this budget year to the appropriate department for the purpose of repairing or replacing the damaged property where such amount is equal to or less than \$50,000, such appropriation to become effective upon receipt of funds; and

Be It Further Resolved by the City Council of the City of Lewiston that the Council hereby formally appropriates any Municipal Garage revenues in excess of the amount expended at the end of the fiscal year to be included in the General Fund Municipal Garage Vehicle Reserve Account; and

Be It Further Resolved by the City Council of the City of Lewiston that an appropriation is authorized from the library's permanent endowment fund in accordance with the recommendation of the Library Board of Trustees and to the extent that the City Administrator determines that such an appropriation is in accordance with existing City and Library policies; and

Be It Further Resolved by the City Council of the City of Lewiston that an appropriation is authorized to transfer the amount of \$6.62 or the current State reimbursement rate per snowmobile registration to the Hillside Snowmobile Club. Payment will be made annually to the Hillside Snowmobile Club by June 30, 2016; and

Be It Further Resolved by the City Council of the City of Lewiston that an appropriation is authorized to transfer the amount of 20% of net timber harvesting revenue, if any, to the Community Forestry Fund in accordance with City Ordinance 78-45. Payment will be made annually to the Community Forestry Fund by June 30, 2016; and

Be It Further Resolved by the City Council of the City of Lewiston that the City Administrator is hereby authorized to take such actions and to enter into such agreements as may be necessary to realize the personnel savings required by the Fiscal Year 2016 municipal budget; and

Be It Further Resolved by the City Council of the City of Lewiston that this budget reflects anticipated intergovernmental revenues from the State of Maine in accordance with existing law and that the budget proposed by the Governor recommends various changes to municipal support programs and the homestead exemption program that may negatively affect this budget and require additional appropriations or budget adjustments. In the event that the final adopted state budget affects municipal revenues or expenditures, the total Fiscal Year 16 tax commitment is hereby additionally increased in an amount equal to the reductions in such state revenues or the required increase in municipal expenditures. If necessary and within sixty (60) days of the adoption of the state budget, the City Council shall determine the proportion of this additional tax commitment that shall be offset by reductions in the various General Fund expenditure accounts; and

Be It Further Resolved by the City Council of the City of Lewiston that the City Council deems it necessary to adopt a budget which exceeds the percent increase of the Gross National Product-Implicit Price Deflator, and hereby waives the provisions of Section 6.07(h) of the City Charter.

Passed - Vote 7-0

ORDER AUTHORIZING THE CITY ADMINISTRATOR TO PROVIDE CITY SERVICES AND FUNDING FOR CITY NON-PROFIT ORGANIZATION ACTIVITIES IN ACCORDNANCE WITH THE FY2016 CITY COUNCIL APPROVED LIST

VOTE (131-2015)

Motion by Councilor Lachance, seconded by Councilor Cayer:

To approve the Order authorizing the City Administrator to provide city services and funding for City Non-Profit Organization Activities in accordance with the FY 2016 City Council approved list:

Whereas, the City of Lewiston has a history of providing support services and limited cash contributions for a variety of activities that will enhance our city’s quality-of-life and provide certain non-profit organizations a source of revenue to support programming available to eligible Lewiston residents; and

Whereas, the organizations who will receive FY2016 city support have complied with the application requirements set forth in the “Charitable Organization Support Policy;” and

Whereas, requests for such City support have been reviewed by the City Council as a part of the FY2016 budget process;

Now, therefore, be it Ordered by the City Council of the City of Lewiston that the City Administrator is authorized to direct city departments to provide applicable city support services and to issue cash payments outlined in the attached “Lewiston Charitable Donations – Summary of Requests for FY2016”, less the \$50 application fee and licenses and permits in accordance with the City’s Special Events Policy; and

Be It Further Ordered That the City Policy restricting the loaning of tables and chairs be waived for Advocates for Children and the Great Falls Balloon Festival.

Passed - Vote 7-0

RESOLVE AUTHORIZING THE USE OF \$2,500 FROM THE FARRAR FUND FOR EXPENSES RELATED TO BASIC NECESSARY SERVICES FOR NEEDY INDIVIDUALS

VOTE (132-2015)

Motion by Councilor Cloutier, seconded by Councilor Cayer:

To approve the Resolve authorizing the use of up to \$2,500 from the Farrar Fund for the expenses of basic necessary services for Lewiston residents where such costs are not covered by other assistance programs and as determined by the Director of Social Services:

Whereas, the City of Lewiston was left an endowment to provide for medical and dental expenses for needy individuals; and

Whereas, in 2008, the City Council authorized the use of these funds, as determined by the Social Services Director, to provide basic, necessary services to those individuals whose income is no greater than 185% of the federal poverty level; and

Whereas, fund principal in the amount of \$18,551 is to be maintained in perpetuity; and

Whereas, due to the low rate of return on investments, it is anticipated that the demand for service will exceed the adopted procedure of only utilizing the prior year's investment earnings; and

Whereas, the past year's appropriation of \$2,500 is again recommended with additional funding for this amount over and above the interest earned in the prior year coming from interest earnings accumulated and retained over time;

Now, therefore, be It Resolved by the City Council of the City of Lewiston that the Social Services Director is authorized to spend up to \$2,500 from the Farrar Fund, the same amount as last fiscal year.

Passed - Vote 7-0

AMENDMENT TO THE SPECIAL EVENTS POLICY REGARDING CITY SPONSORED EVENTS

VOTE (133-2015)

Motion by Councilor Cayer, seconded by Councilor Libby:

To amend Policy Manual 87, the Special Events Policy, to classify certain annual events as city sponsored events, as recommended by the Deputy City Administrator. Passed - Vote 7-0

**RESOLVE STATING THE POSITION OF THE LEWISTON CITY COUNCIL AND
THE LEWISTON SCHOOL COMMITTEE ON CERTAIN PROPOSALS INCLUDED IN
THE GOVERNOR'S PROPOSED STATE BUDGET**

VOTE (134-2015)

Motion by Councilor Libby, seconded by Councilor Cloutier:

To adopt the Resolve stating the position of the Lewiston City Council and the Lewiston School Committee on certain proposals included in the Governor's Proposed State Budget:

Whereas, the Governor has proposed a state budget for the coming biennium that includes proposals likely to have a significant impact on the City, its School Department, and its residents; and

Whereas, the legislature is now evaluating these proposals and developing a final state budget; and

Whereas, it is essential that the state be made aware of the position and concerns of the City regarding those elements of the budget likely to impact Lewiston and particularly those that might impact the property tax burden of our community; and

Whereas, the Governor's proposals are wide ranging and comprehensive, affecting all major areas of the state's tax structure and include elements worthy of support as well as items of concern; and

Whereas, public education and the intellectual and physical development of children and young adults is essential to Maine's future; and

Whereas, the voters of Maine in 2004 overwhelmingly approved a referendum requiring the State of Maine to fully fund 55% of the cost of public education in order to ensure a strong public school system; and

Whereas, the commitment to fund 55% of the cost of public education has never been met, forcing local communities to shoulder most of the costs of maintaining Maine's schools often forcing increases in local property taxes;

Now, therefore, be it resolved by the City Council and School Committee of the City of Lewiston that

1. Revenue Sharing. We oppose the elimination of revenue sharing. With the cuts made in previous state budgets to this program, Lewiston is losing \$4 million in revenue this year based on the statutory formula. As this program has been repeatedly cut, we have eliminated staff, cut services to the breaking point, and are operating on a city budget that is \$900,000 less than it was in Fiscal Year 2009, yet we still have been required to pass on property tax increases as a direct result of reduced revenue sharing and growing unfunded mandates. Should revenue sharing be eliminated, municipalities must be provided with other revenue sources to replace it so that we can avoid increasing property taxes on some or all of our residents.
2. Homestead Exemption. We oppose the elimination of the homestead exemption for those under 65. Just as with some of our seniors, some of those under 65 are struggling, even those who might not qualify for the property tax fairness credit. At the same time, some seniors are perfectly capable of meeting their property tax obligations without assistance. A simple age based distinction does not take into account the individual financial circumstances of those in either age group.
3. BETE to BETR Conversion. Converting property to the BETR program will result in significant and mounting property tax losses to the City over the four year phase out period, extending and contributing to the on-going financial issues we face. In addition, this conversion would impact personal property taxes received from property within TIF districts, placing a burden on communities that have used these revenues to underwrite bonds to support infrastructure expansions to promote economic development or those who invest a portion of these funds in their economic development efforts. We would propose and support eliminating retail property from the program. Since no new non-retail property is allowed into the program, we would recommend it simply be allowed to melt away through attrition. We're seeing about a 15% annual revenue reduction in this program, so an end date might also be established when any remaining property simply returns to its prior non-reimbursed status. This would phase out the state's reimbursement to these businesses over time without compressing the impact of lost municipal revenue into a four year period.
4. General Assistance Formula Change. The net effect of the proposed formula change to state reimbursement for General Assistance will be, on average and over time, an increase in the percentage of program costs paid for by municipalities, especially the larger service centers where the majority of those eligible for the program are found. Lewiston has long been recognized for operating an effective and cost efficient program, and we oppose picking up an additional portion of the costs of what is a state mandated program. We believe it is time for the state to take over the operation of General Assistance and integrate it into its other economic support programs. If the state does not take over the program, we oppose transferring any additional costs to local governments. Changing the

formula will add to the hardships faced by certain local governments during a time when income growth is stagnant and unemployment rates remain high.

5. Sales Tax Base Expansion/Income Tax Reduction. We support the general concept of expanding the sales tax base and the overall effort to find ways to export a greater percentage of the sales tax to non-Maine residents. Base expansion will bring greater stability to state government revenues. In addition, additional sales tax revenues can be used to bring about greater balance between state sales and income taxes and be used to address the concern that elements of the current income tax system are detrimental to the state's overall economic development. We do not support any proposals, however, that would result in the property tax increasing as an overall percentage of the property/sales/income taxes in the state or increase the property tax burden on our citizens.
6. Funding Public Education. The cost of education in the current budget proposal has gone up by \$68 million, but state aid is only going up by \$20 million. This is leading to an unprecedented required local mill rate for education of 8.48 mills, a major and unsustainable cost shift onto local property taxpayers. We call upon the Maine legislature and Governor Paul LePage to recognize the will of the voters as expressed by statewide referendum and fully fund the state's commitment of 55% of the cost of public education. In this budget, state share has dropped to just over 46%.
7. Teacher Retirement. In 2013, the state shifted normal teacher retirement costs onto local taxpayers. Normal retirement costs are going from \$29.8 million this year to \$37.3 million in 2016 – a 25 percent increase in one year. Teacher retirement is not subject to local bargaining and is fully controlled by the Legislature and the state. Therefore, teacher retirement costs should be borne by the state as was the case prior to 2013.
8. Notification. This Resolve will be forwarded to the Androscoggin County Legislative Delegation, the Joint Standing Committee on Appropriations and Financial Affairs, the Joint Standing Committee on Education on Cultural Affairs, the Joint Standing Committee on Taxation, legislative leadership, and Governor Paul LePage.

Passed - Vote 7-0

**RESOLVE ADDING AN ADDITIONAL SECTION ON THE CITY AND SCHOOL
COMMITTEE RESOLVE ON THE PROPOSED STATE BUDGET**

Councilor Cloutier recused herself from the item citing a conflict of interest regarding her employer.

VOTE (135-2015)

Motion by Councilor Libby, seconded by Councilor Bouchard:

To adopt the Resolve Adding an Additional Section to the City and School Committee Resolve on the proposed state budget:

Be it resolved by the City Council and the School Committee of the City of Lewiston that

The attached statement on the proposal to reduce the property tax exemption for certain non-profit organizations is hereby approved and shall be added to the City and School Committee Resolve on the Proposed State Budget.

Tax Exempt Property. Of all the alternatives for local revenue collection, revenue sharing remains the most equitable and fair system for recognizing the additional burden of services on municipalities of all sizes and geographic locations. Extending property taxes or some form of service fee system to tax exempts might be one part of the solution to replace revenue sharing should it be eliminated. Since municipalities are not all the same, however, this would be effective for some, but not for those with few or any significant non-profit organizations. As a result, a mix of revenue alternatives would need to be developed to provide most or all municipalities with a replacement revenue stream. Alternatives might include a local option sales tax, a service fee system for non-profits along the lines of a proposal that has been introduced to allow fees for a fire service based on building square footage, a local option real estate transfer tax, and the proposal to transfer the telecommunications tax to municipalities.

Passed - Vote 7-0 (Mayor Macdonald voted since Councilor Cloutier recused herself)

REPORTS AND UPDATES

The City Administrator thanked the Finance Director, Finance Department staff, department managers and the City Council for everyone's work on the budget these past few months.

OTHER BUSINESS

Councilor Cloutier reminded everyone about tomorrow night's dedication of the Mark W. Paradis Park.

VOTE (136-2015)

Motion by Councilor Dubois, seconded by Councilor Bouchard:

To adjourn at 8:05P.M. Passed - Vote 7-0

A true record, Attest:

Kathleen M. Montejo, MMC
City Clerk
Lewiston, Maine