

LEWISTON CITY COUNCIL SPECIAL MEETING AGENDA

CITY COUNCIL CHAMBERS, CITY HALL

TUESDAY, MAY 9, 2017

6:00 p.m. Executive Session - To discuss labor negotiations regarding the International Association of Firefighters, Local 785.

7:00 p.m. Special Meeting

Pledge of Allegiance to the Flag.

Moment of Silence.

Presentation of Lewiston Fire Association Scholarship

1. Resolve approving the Final Adjustments to the Fiscal Year 2018 Municipal Budget.
2. Adoption of Municipal Budget Appropriation Resolve for Fiscal Year 2018.
3. Resolve approving the Lewiston-Auburn 911 Committee's General Fund – Fund Balance Policy.

LEWISTON CITY COUNCIL
MEETING OF MAY 9, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 6:00pm

SUBJECT:

Executive Session to discuss labor negotiations regarding the International Association of Firefighters, Local 785.

INFORMATION:

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/KMM

REQUESTED ACTION:

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To enter into an Executive Session pursuant to MRSA Title 1, section 405 (6) (D) to discuss Labor Negotiations regarding the International Association of Firefighters, Local 785.

LEWISTON CITY COUNCIL
MEETING OF MAY 9, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 1

SUBJECT:

Resolve approving the Final Adjustments to the Fiscal Year 2018 Municipal Budget.

INFORMATION:

This Resolve will enact the various budget modifications that the City Council suggested throughout the budget process. On a net basis, they reduce the Administrator's proposed budget for the General Fund by \$395,590 and the TIF fund by \$34,610. Based on recent Council discussions, there appears to be several budget items on which consensus has not yet been reached. In the General Fund, these include the additional appropriation of \$43,000 for Street Line Painting (Adjustment #3), various adjustments to the library budget (Adjustments 13 through 19), and the funds allocated to the Lewiston Auburn Economic Growth Council.

Should the Council wish to make further changes, or adjust the proposed in the attached resolve, this should be done by amending this resolution. As a reminder, amending the resolve will require four votes; adopting the final municipal budget, the next item on the agenda, will require 5 votes.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/kmm

REQUESTED ACTION:

1	2	3	4	5	6	7	M
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To adopt the Resolve approving the final adjustments to the Fiscal Year 2018 Municipal Budget.



**City of Lewiston Maine
City Council Resolve
May 9, 2017**

RESOLVE, Approving the Final Adjustments to the Fiscal Year 2018 Municipal Budget

Whereas, in accordance with the Charter, the City Administrator presented his proposed Fiscal Year 2018 budget to the City Council on March 21, 2017; 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 general fund and tax increment financing fund 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 2018, is hereby approved:

<u>Adj. #</u>	<u>Org.</u>	<u>Object</u>	<u>Description</u>	<u>Amount</u>
1	4211	428806	Promotional Exams	3,500
2	4222	426500	Repairs to Vehicles	25,000
3	4331	427210	Street Line Painting	(43,000)
4	4332	439800	Other Supplies - Salt	14,000
5	4351	427600	Repairs to Grounds	10,505
6	4361	428816	Canal Maintenance	64,400
7	4381	428800	Misc. Service	9,666
8	4381	432000	Gas - Unleaded	102,200
9	4391	427500	Repairs to Buildings	(4,500)
10	4391	427500	Repairs to Building	4,500
11	4421	411000	Social Services Salaries	58,500

12	4519	427000	Repairs to Equipment	10,700
13	4552	412502	Temp Wages	(13,710)
14	4552	438202	Nonfiction Books	3,900
15	4552	438203	Fiction Books	3,250
16	4552	438204	Children's Books	3,025
17	4552	438206	Paperback Books	1,190
18	4552	439051	Children's Audio/visual	1,100
19	4552	439052	Adult Audio/visual	1,400
20	4721	449000	Interest	10,000
21	4811	449000	Airport Fixed Charges	60,600
22	4931	417003	FICA	(1,050)
23	4941	417400	W.C Liability Deficit	46,629
24	4951	443000	Donations	(1,400)
25	4991	428800	Misc. Service	1,000
26	Various	Capital		24,185
		Total General Fund Adjustments		395,590
		TIF Adjustments:		
27	1110	443000	Donations - LAEGC	40,610
28	1110	443000	Donations - LA Arts	(5,000)
29	1110	423000	Travel	(1,000)
		Total TIF Fund Adjustments		34,610
		Total Adjustments		430,200

LEWISTON CITY COUNCIL

MEETING OF MAY 9, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 2

SUBJECT:

Adoption of Municipal Budget Appropriation Resolve for Fiscal Year 2018.

INFORMATION:

This action is the final phase of the budget adoption for the municipal budget. The attached information defines the Appropriation Resolve.

Please note, per the City Charter, five or more affirmative votes are required for the passage of this Resolve.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/Kmm

REQUESTED ACTION:

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To approve the Municipal Budget Appropriation Resolve for Fiscal Year 2018.



**City of Lewiston Maine
City Council Order
May 9, 2017**

RESOLVE, Making an Appropriation for Municipal Budget Year 2018

Be It Resolved by the City Council of the City of Lewiston that the sum of \$44,886,295 is hereby appropriated in the General Fund for the municipal year 2018 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 \$33,302,408 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 \$11,583,887 be appropriated as non-tax revenues in the General Fund for the municipal year 2018 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 \$2,589,393 for the period of July 1, 2017 through June 30, 2018 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 2017 with the remaining one-half of said taxes due and payable on the 15th day of March 2018; 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 2018 shall be collected on the first half of said taxes from September 16, 2017, if not voluntarily paid to the Finance Director on or before September 15, 2017 and on the second half of said taxes from March 16, 2018, if not voluntarily paid to the Finance Director on or before March 15, 2018; 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 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 the Council hereby formally appropriates a 2.1% cost of living adjustment for nonunion personnel effective on the payroll check dated July 5, 2017 and a .5% cost of living adjustment for nonunion personnel effective on the payroll check dated January 3, 2018 and directs the Finance Director to make the necessary adjustments to non-union salary schedules; 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, 2018; 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, 2018; and

Be It Further Resolved by the City Council of the City of Lewiston that the appropriation for municipal year 2018 for the following Special Revenue Funds is hereby authorized and approved: the Tax Increment Financing Fund in the amount of \$360,210; and

Be It Further Resolved by the City Council of the City of Lewiston that the Finance Director be authorized to implement the finance department reorganization as presented and appoint a Deputy Finance Director, at an estimated overall savings of \$32,578; and

Be It Further Resolved by the City Council of the City of Lewiston that the fiscal year 2018 budget be formally dedicated to Norman J. Beauparlant, Director of Budget and Purchasing, who is retiring after over 43 years of dedicated public service. Norm is to be commended on his professionalism, enthusiasm for the job, and jovial interaction with others. Norm's institutional knowledge, stellar work ethic, and sound judgement will surely be missed by the Finance Director and his municipal family; 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 2018 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.

(NOTE – Five or more affirmative votes are required for the passage of this Resolve.)

LEWISTON CITY COUNCIL

MEETING OF MAY 9, 2017

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 3

SUBJECT:

Resolve approving the Lewiston-Auburn 911 Committee's General Fund - Fund Balance Policy.

INFORMATION:

Concerns have been expressed regarding what the appropriate level of fund balance should be for the LA 911 Committee and how the use of this fund balance should be handled. This was discussed some time ago at a joint meeting of the Lewiston and Auburn City Councils.

Subsequently, the 911 Committee has developed and adopted a fund balance policy addressing these issues and is seeking the concurrence of the Councils.

The attached policy prescribes a minimum and maximum fund balance, dictates that amounts in excess of the targeted maximum be used for capital improvements or other one-time expenditures as identified by the Committee, and sets forth the steps to be taken if the balance falls below the minimum.

Both City Councils are being asked to approve this policy, a copy of which is attached.

APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:

The City Administrator recommends approval of the requested action.

EAB/KMM

REQUESTED ACTION:

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To approve the Resolve approving the Lewiston-Auburn 911 Committee's General Fund - Fund Balance Policy.



City of Lewiston Maine
City Council Resolve
May 9, 2017



Resolve, Approving the Lewiston-Auburn 911 Committee's General Fund - Fund Balance Policy

Whereas, the 911 Committee is a joint agency of the cities of Lewiston and Auburn and has an oversight board presiding over operational and fiscal policy; and

Whereas, concern has been expressed over the appropriate level of unassigned fund balance the agency should maintain and the level of governance authorized to appropriate funds from this balance; and

Whereas, a Lewiston-Auburn 911 Committee General Fund - Fund Balance Policy was approved by the 911 Committee at its February 23, 2017 meeting; and

Whereas, the policy prescribes a minimum unassigned fund balance of 6% of general fund expenditures (the Floor) measured on a General Accepted Accounting Principles (GAAP) basis and a directive on action items to be taken if the percentage falls below the 6% threshold; and

Whereas, the policy prescribes a maximum unassigned fund balance in the general fund of 10% of general fund expenditures (the Ceiling) measured on a General Accepted Accounting Principles (GAAP) basis; and

Whereas, the policy dictates that amounts in excess of the targeted maximum of 10% of general fund expenditures shall be used for capital improvements or other one-time expenditures as identified by the City Councils; and

Whereas, the policy indicates that amounts in between the floor of 6% and the ceiling of 10% shall be used for capital improvements or other one-time expenditures as identified by the 911 Committee; and

Whereas, the policy outlines that if one or both City Councils take action, through appropriation resolve, to reduce the Committee's unassigned fund balance level to below 6% floor, the Committee understands that the City Councils will take the necessary steps to incorporate a city-level contingency to provide for emergency funding needs.

Now, therefore, be It Resolved by the City Council of the City of Lewiston that the attached Lewiston-Auburn 911 Committee's General Fund - Fund Balance Policy is hereby approved.

The City of Lewiston is an EOE. For more information, please visit our website @ www.ci.lewiston.me.us and click on the Non-Discrimination Policy.

27 Pine Street Lewiston, Maine 04240 Telephone (207) 513-3017 Fax (207) 784-2959

Lewiston-Auburn 911 Committee

General Fund - Fund Balance Policy

Policy Purpose

The purpose of this policy is to establish a target level of fund balance for the 911 Committee's (The Committee) general fund and to establish a process and criteria for the continued evaluation of that target level as conditions warrant. This policy shall also establish a process for reaching and or maintaining the targeted level of fund balance and the priority for the use of resources in excess of the target. Finally, this policy shall provide a mechanism for monitoring and reporting the Committee's general fund balance. This policy applies only to the general fund.

Definitions and Classifications

Fund Balance is a term used to describe the net assets of governmental funds. It is calculated as the difference between the assets and liabilities reported in a governmental fund.

Governmental fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Committee is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five classifications of fund balance applicable to the general fund are defined as follows.

Restricted Fund Balance Components:

- *Non-spendable* – resources which cannot be spent because they are either a) not in spendable form; or b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Fund Balance Components:

- *Committed* – resources which are subject to limitations the Committee imposes upon itself at its highest level of decision making (City Councils of Lewiston and Auburn) and that remain binding unless removed in the same manner.
- *Assigned* – resources neither restricted nor committed for which the Committee has a stated intended use as established by the 911 Committee Board or official (management) to which the Committee has delegated the authority to assign amounts for specific purposes.
- *Unassigned* – resources which cannot be properly classified in one of the other four categories. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

Background and Considerations

Fund balance is intended to serve as a measure of financial resources in a governmental fund. The Committee's management, credit rating agencies, and others monitor the levels of fund balance in the general fund as an important indicator of the Committee's economic condition. While credit agencies have always analyzed fund balance as part of their evaluation of credit-worthiness, increased attention has been focused on determining sufficient levels because of recent events in the credit markets.

In establishing an appropriate level of fund balance the Committee has considered the following factors:

- Property Tax Base
- Non-property Tax Revenues
- Debt Profile
- Liquidity
- Budget Management
- Future Uses
- Capital Replacement
- Emergency Response

Fund Balance Policy

It is the policy of the Lewiston-Auburn 911 Committee to maintain a minimum unassigned fund balance in the general fund of 6% of general fund expenditures measured on a General Accepted Accounting Principles (GAAP) basis. In the event that the unassigned fund balance drops below this minimum level, the Committee will develop a plan, implemented through the annual budgetary process, to bring the balance back to the target level over a period of no more than three (3) fiscal years. A super majority vote of five (5) affirmative votes will be required for the Committee to take action on an item that temporarily reduces fund balance below this minimum target level. In no instance shall the unassigned fund balance in the general fund fall below 3% of general fund expenditures for greater than a continuous two (2) fiscal year period.

Amounts in excess of the targeted maximum of 10% of general fund expenditures measured on a GAAP basis shall be used for capital improvements or other one-time expenditures as identified by the City Councils.

Amounts falling between the 6% floor and the 10% ceiling shall be used to fund one-time expenditures including capital items as specifically identified by the Committee in the next budgetary cycle or to meet an emergency replacement need.

If one or both of the City Councils take action, through appropriation resolve, to reduce the Committee's unassigned fund balance level to below 6%, Committee understands that the City Councils will take the necessary steps to incorporate a contingency at the city-level to provide for emergency funding needs, which may include but not be limited to unanticipated legal costs, emergency and/or unusual overtime expenses, and replacement of failed equipment.

The Treasurer shall report fund balance in the appropriate classifications and make the appropriate disclosures in the Committee's financial statements. Unless already classified as restricted or committed, the following balances shall be classified as assigned, as per GAAP or as a matter of policy. Additional amounts may be assigned by the Committee.

Encumbrances – Amounts encumbered at year-end by contract, including purchase order, or encumbered by some other means shall be classified as assigned.

Budget Appropriation – Amounts appropriated in the annual budget resolve, or in any supplemental budget resolves, for expenditures in an ensuing fiscal year shall be classified as assigned.

Self-insurance Balances – Accumulated reserves for future unemployment and workers compensation claims.

Compensated Absences – Actual accumulated employees' vacation and/or vested sick balances at the end of each fiscal year.

Committee action must be taken to establish the types of assignments prior to the fiscal year end for other items not listed above.

Policy Administration

Annually during the independent audit financial report presentation, the Treasurer shall report the Committee's fund balance and the classification of the various components in accordance with GAAP and this policy.

LA 911 shall annually provide a report to the Councils detailing its fund balance as of June 30th of the preceeding year and detailing any commitment or use of fund balance after that date.

Should the Committee fall below the minimum target level without City Council action referenced above, the 911 Director shall prepare a plan to restore the unassigned fund balance to the minimum target level prior to the ensuing fiscal year's budget adoption.

Should the Committee exceed the maximum target level, the 911 Director shall prepare a recommendation to utilize excess funds for capital improvements or other one-time expenditures and presented the plan in conjunction with the ensuing fiscal year's budget presentation to both the Committee and the City Councils.