

FINANCE COMMITTEE

Lewiston, ME

Minutes of

April 25, 2022

PRESENT: Councilor Clement, Councilor McCarthy, Roger Philippon, Robert Bisson, and Phoenix McLaughlin

ABSENT:

OTHERS PRESENT: Purchasing Agent, Allen Ward, Assistant Engineer, John Skelley, Fire Chief, Mark Caron, and Lead Program Manager, Kendall Scott

Meeting was called to order at 5:30 p.m. by the Chairman.

On motion of Mr. Philippon, seconded by Councilor McCarthy it was

VOTED:

(037-2022) To approve the minutes of the previous meeting dated April 11, 2022, and to accept and place them on file as presented by the Clerk.

VOTE: 5-0

On motion of Mr. Bisson, seconded by Mr. Philippon, it was

VOTED:

(038-2022) To formally reject all bids for 2021-095 Lead Abatement 709 and 711 Main Street and potentially rebid the project when the updated project scope for the single-family home at 711 Main Street is resolved.

VOTE: 5-0

On motion of Councilor McCarthy, seconded by Mr. McLaughlin, it was

VOTED:

(039-2022) To award bid 2022-017 for the 2022 construction season Time and Materials Street Maintenance project to Morin Excavating Inc., Auburn, ME at their estimated bid price of \$37,527.50 based upon the itemized bid costs using estimated quantities prepared by the Project Engineer.

VOTE: 5-0

On motion of Mr. Philippon, seconded by Mr. Bisson, it was

VOTED:

(040-2022) To authorize a Waiver of Competition for the purchase of the full-size SSV-rated SUV for the Fire Department from Liberty Chevrolet, Wakefield Mass. at their delivered price of \$44,376.65 through the Plymouth County Cooperative vehicle bid program.

VOTE: 5-0

On motion of Mr. Bisson, seconded by Councilor McCarthy, it was

VOTED:

(041-2022) To approve bid 2021-019 Lead Abatement 452 Main St. Change Order #1 to add the replacement of Apt. 1 upper and lower kitchen cabinets and updated lead scope assessment work to the scope of the abatement project into the contract with Ray Corporation for an additional cost of \$11,550 and a revised award of \$124,825.

VOTE: 5-0

On motion of Councilor McCarthy, seconded by Mr. Bisson, it was

VOTED:

(042-2022) To forward the following observations and recommendations for the FY 2023 Lewiston City Budget as set forth in the City Charter to the City Council.

To: Mayor and Members of the City Council

From: Finance Committee

Date: April 25, 2022

FY2023 CITY BUDGET RECOMMENDATIONS

At a regular meeting of the Finance Committee on Monday, April 26, 2022, it was moved, seconded, and approved that the following observations and recommendations for the FY2023 Lewiston City Budget be published and forwarded to the City Council as set forth in the City Charter.

At presented some weeks ago, Lewiston was looking at a potential increase in our mill rate to \$32.35 which was a hard pill to swallow. A tax rate in excess of \$30.00/thousand has long been considered a very undesirable thing for a city. Lewiston is on the cusp of economic recovery. Therefore, the Council respectively requested that both the Council and School Committee sharpen their collective pencils and reduce any increase to a level, which is absolutely necessary and not indicative of a wish-list ideology.

Lewiston provides excellent services for the money spent. As Maine develops northward, we believe those desiring to establish or expand will not only seek a municipality with good services but also an inviting tax rate as well. Lewiston's revaluation is long overdue and recommends that all efforts be made to implement it soon.

As suggested in our recommendation on the LCIP, there are several items worthy of inclusion regardless of their funding mechanism. Included are the Main Street Fire Substation, replacement of Engine 6, and the relocation of Lewiston's Finest, the Police Department, to Mill No.7.

Other new program requests must be looked at carefully. While it may be that not all can be funded in this term, consideration of the current economic situation suggests that we may be headed into a period of rising interest rates, perhaps for an extended period. This could mean that it would be frugal to engage in such projects now rather than putting them off.

In the same vein, perhaps it would be worth asking how the requests for new programs/services may reduce future budget costs and see if that is quantifiable. Things like the salt brine system, elevating to a full-time crisis worker, and other items, could lead to future savings and may be worth considering in the FY 2023 budget.

Given the council's recent resolve to support our valuable senior community, we would recommend an effort to demonstrate that support, particularly the addition of an age-friendly specialist in the recreation department. We believe that this important component of our city finally deserves proper recognition for their years of service and support.

Personnel services are a major line item in the budget. Further consideration should be given to freezing vacant positions that could reasonably be expected to remain unfilled based on recent recruiting efforts.

We understand that certain overtime costs are necessary due to effective staffing requirements for service provisions, as well as being required by collective bargaining agreements. Reduction here must be considered. These costs are most noticeable in public safety services.

We do not recommend exceeding the 80% bond authorization limit without unanimous support of the council and only then if a case is made for its absolute necessity.

Continuing the practice of using the fund balance as far as possible to address capital needs is well-recommended.

Several dark clouds threaten on the horizon. Costs for the city in goods and supplies such as fuel are seeing dramatic increases. We cannot overlook the fact that our taxpayers are experiencing the same types of increases and we must be mindful of the pain increases of any type may generate.

We feel it advisable for the council to investigate the establishment of further PILOT programs (Payment in lieu of Taxes.) A large percentage of tax-exempt entities enjoy their existence in our city, and we feel it only fair they help to shoulder the costs and show appreciation for the many benefits they have and continue to enjoy. We are not suggesting full payment for assessed value although that would be utopian. We are reminded that there is no such thing as a free lunch and perhaps it is time to ask them to assist in continuing to move Lewiston forward. We understand the last time this was broached the city received about \$7,500 in the first year and \$2,500 the second year. Given the ever-increasing number of exempt properties, we find this to be an incredibly shallow response. Perhaps we should look at service fees instead of a property tax. We cannot continue to allow tax-exempt properties to eat away at our taxable base. It is not sustainable nor is it advisable.

The revenue projections in the FY 2023 budget have been described as being conservative as we have no definitive way of realizing where the amount will finally land. We recommend this approach realizing over stating revenues can be just as detrimental to a budget.

This budget process has been fluid from the start. All facets have worked in a concerted effort to maintain our level of service without a major tax increase. Thanks and acknowledgment are due to all departments and staff for their cooperative effort, which has resulted in an anticipated increase of \$1.25 down from the original \$4.09. This is certainly more desirable than the initial starting point.

At this point, we should definitely mention the work of our dual City Administrator / Finance Director, Heather Hunter. This has been a Herculean effort even if made by two individuals. For a single person to perform both functions simultaneously and do so successfully deserves acknowledgment.

We appreciate the opportunity to make this presentation and, as always, stand ready to assist in any way deemed advisable.

FINANCE COMMITTEE MINUTES

April 25, 2022

FOR THE FINANCE COMMITTEE:

Lee Clement, Finance Committee Chair
Councilor Ward 6
City Council President

VOTE: 5-0

On motion of Mr. Philippon, seconded by Councilor McCarthy, it was

VOTED:

To adjourn at 6:18 p.m.

Allen Ward
Clerk
Finance Committee