

CITY OF EASTPORT

BUDGET COMMITTEE MEETING

October 27, 2014 6PM

Present: Dean Pike, Jack Reece, John Venskus, Alex Smeaton, Steven Glatfelter, Elizabeth Hastings-Renner. Larry Post & Colleen Cummings.

Business

Minutes: The Minutes of the meeting of September 29, 2014 were approved.

Old Business:

Subcommittees: Four topics were selected for study this year to relate their impact on City finances and with a view to future improvement. The studies, with brief description and names of the Committee who have volunteered for each Subcommittee, are attached and made part of these minutes.

School Budget: A discussion was held concerning our relationship to the School Budget. The need for a closer working relationship with the school board was expressed. It was felt that the size of the Budget - over half the City's expenses – together with the Budget Committee's responsibility to review the City financial status, meant at least our opinions and comment were required by the City Council. We are not involved in the makeup of the School Budget. However, a provision for working with the School is contained in the current Charter. There is a provision for a School Board Member to be appointed as Budget Committee Liaison, to attend our meetings and to update us on their thinking and actions. We look forward to that input.

New Business:

1. Property Revaluation. Robert Scott presented the case for performing an evaluation update over the next 2 years and signing up a contractor to do so as soon as feasible pending Council approval. The city is in the 8th year of a State Constitutional requirement cycle of every ten years. Our most recent evaluation is less than the State Valuation. Further, the 2007 contracted evaluation had a systemic error.

The revaluation would be Revenue neutral because if the total of all property values (currently about \$126 million) is greater, the mill rate would be adjusted down to keep the same total amount of city taxes even though individual bills may change under the fairness factor noted below.

Currently, the Contractor cost is not known but is under investigation. Informal sources and estimates range from \$83,000 to \$163,000. The Budget Committee was asked by Robert and Larry Post to review the proposal with a view to supporting its costs in a multiyear Budget expense (progress payments to the Contractor).

The revaluation would aim at fairness and equity in that the same standard factors would be applied to all properties.

2. Department Budgeting. The City Manager was requested to have each Department come to the 2015-16 Review process meetings prepared to present ways in which they are controlling costs and enhancing revenue as well as their projected annual expense requirements.
3. 2014-15 Budget Review. The City Manager was requested to hold a budget review against actual results for the year 2013-14. Further that he schedule a few departments his review at each of our committee's next meetings. The purpose is to familiarize the Committee with the current targets and the budget line items. This will hope to minimize confusion at the end of the Fiscal Year and improve the process for our next cycle.

The meeting adjourned at 7:45 PM.

Respectfully submitted.

Jack Reece, Secretary

STUDIES

Four subjects were selected for Subcommittee studies of the impact on Eastport Finances and possible action for improvement. The intent is to have a fresh objective approach to these areas.

Project	Subcommittee
1. Hydrant ownership and water system	Dean Pike, Steve Glatfelter
2. Population & School Enrollment Trends- options Mills	Jack Reece, Alex Smenton, Marilyn
3. City Health care Options	Alex Smeaton, John Venskus
4. Revenue Enhancement incl. Port Authority Renner	John Venskus, Elizabeth Hastings-

Note: Coleen Dana-Cummings wishes to be engaged with each subcommittee and requested impending meeting notifications.