

MINUTES
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – JULY 5, 2017
SPECIAL TOWN COUNCIL MEETING – 6:00 P.M.

Item 1. Call to Order. Chairman Babine called the special meeting of the Scarborough Town Council to order at 6:00 p.m.

Item 2. Pledge of Allegiance.

Item 3. Roll Call. Roll was called by Yolande P. Justice, Town Clerk. Thomas J. Hall, Town Manager was also present:

William J. Donovan	Katherine A. St. Clair, Vice-Chair
Robert W. Rowan	Peter F. Hayes
Kathleen M. Foley	Christopher J. Caiazzo
Shawn A. Babine, Chairman	

Order No. 17-063. Second reading on the FY2018 Municipal/School Budget. [Town Manager]

The following individual spoke on this Order:

- Omer Durday of Haystack Circle appreciated the work the Council had done. He then spoke on how he felt that the Budget should be approved as presented by the Board of Education.

Chairman Babine then introduced the School Superintendent Julie Kukenberger who presented the executive summary of the survey that had been put out to the public on whether or not; did they vote - yes or no.

Motion by Councilor St. Clair, seconded by Councilor Rowan, to move approval of the second reading on the FY2018 Municipal/School Budget.

Motion by Chairman Babine, seconded by Councilor Caiazzo, to move approval to amend the main motion approve the targeted adjustments as discussed at the June 28th Town Council Workshop and as underlined below:

WHEREAS, the Scarborough Town Council adopted FY2018 Operational and Capital Budgets for the Town and the School on May 17, 2017, with the passage of Order No. 17-030; and,

WHEREAS, pursuant to State law, the School Budget must be validated by the voters and it failed at a Special School Budget Validation Election held on June 13, 2017; and,

WHEREAS, the Town Council must resubmit an adjusted School Budget to the Voters for validation no less than ten (10) days and no more than forty-five (45) days from June 13, 2017, with the next School Budget Validation Referendum Election date consistent with any approval of Order 17-064; and,

WHEREAS, in an effort to reach a compromise the Town Council appreciates the need to share in the responsibility of minimizing the impact on the property tax rate and therefore agrees to amend the FY2018 Municipal Budget.

NOW THEREFORE, BE IT ORDERED, that the Scarborough Town Council moves approval of the amended Fiscal Year 2018 Town and School Budget in second reading; and,

BE IT FURTHER ORDERED, that School Budget be reduced by a total of \$236,000 and therefore the Scarborough Town Council hereby appropriates, for school purposes, the Education Operating Budget, the new sum of \$47,175,168, resulting in the Town of Scarborough raising the sum of \$42,254,017, as the local share for the Education Operating Budget.

BE IT FURTHER ORDERED, that the Town Budget is hereby amended to be reduced by \$71,000, recommended target adjustments are as follows:

\$22,300 from Planning Wages & Benefits

\$12,300 from Human Resources Wages & Benefits

\$8,400 from Public Works Wages & Benefits

\$8,000 from Benefits Adjustments

\$20,000 from Capital Projects [Community Services], for a new Operating Budget of \$32,589,519, resulting in the local share for the municipal budget, the sum of \$18,167,935.

BE IT FURTHER ORDERED, that the final result of these changes produces a new Total Net Budget of \$62,724,112, resulting in a projected property tax rate increase of 2.99%.

BE IT FURTHER ORDERED, that in the event that the Scarborough School Department receives more State Education Subsidy than the amount included in its Budget, that the entirety be allocated to the School Department's Fund Balance to offset the property taxes in the future.

Vote on Amendment: 7 Yeas.

Motion by Chairman Babine, seconded by Councilor St. Clair, to move approval to amend the main motion as amended to approve to identify and authorize the use of additional in State funding in FY2018 as underlined below:

WHEREAS, the Scarborough Town Council adopted FY2018 Operational and Capital Budgets for the Town and the School on May 17, 2017, with the passage of Order No. 17-030; and,

WHEREAS, pursuant to State law, the School Budget must be validated by the voters and it failed at a Special School Budget Validation Election held on June 13, 2017; and,

WHEREAS, the Town Council must resubmit an adjusted School Budget to the Voters for validation no less than ten (10) days and no more than forty-five (45) days from June 13, 2017, with the next School Budget Validation Referendum Election date consistent with any approval of Order 17-064; and,

WHEREAS, in an effort to reach a compromise the Town Council appreciates the need to share in the responsibility of minimizing the impact on the property tax rate and therefore agrees to amend the FY2018 Municipal Budget.

NOW THEREFORE, BE IT ORDERED, that the Scarborough Town Council moves approval of the amended Fiscal Year 2018 Town and School Budget in second reading; and,

BE IT FURTHER ORDERED, that School Budget be reduced by a total of **\$236,000** and therefore the Scarborough Town Council hereby appropriates, for school purposes, the Education Operating Budget, the new sum of **\$47,175,168**, resulting in the Town of Scarborough raising the sum of **\$42,254,017**, as the local share for the Education Operating Budget.

BE IT FURTHER ORDERED, that the Town Budget is hereby amended to be reduced by **\$71,000**, recommended target adjustments are as follows:

\$22,300 from Planning Wages & Benefits

\$12,300 from Human Resources Wages & Benefits

\$8,400 from Public Works Wages & Benefits

\$8,000 from Benefits Adjustments

\$20,000 from Capital Projects [Community Services], for a new Operating Budget of **\$32,589,519**, resulting in the local share for the municipal budget, the sum of **\$18,167,935**.

BE IT FURTHER ORDERED, that the final result of these changes produces a new Total Net Budget of **\$62,724,112**, resulting in a projected property tax rate increase of **2.99%**.

BE IT FURTHER ORDERED, that in the event that the Scarborough School Department receives more State Education Subsidy than the amount included in its Budget, that pursuant to Section JJJJJJ-4 of the State Biennial Budget, that fifty percent (50%) of the increase in State Education Subsidy be allocated to lower the local contribution to the total cost of funding education and thereby provide property tax relief in FY2018; and the remaining fifty percent (50%) be allocated to a School Capital Reserve Fund pursuant to Title 20-A M.R.S.A §15690-A(1).

Vote on Amendment: 7 Yeas.

Motion by Councilor Rowan, seconded by Councilor Foley, to move approval to amend the main motion as amended, to add \$6,000 to reinstate the additional weekly beach cleaning at Pine Point and to offset these expenses with \$6,000 in additional revenue from the “Investment Income” account, resulting in no change to the net budget.

Vote on Amendment: 5 Yeas

2 Nays [Councilors Donovan and Caiazzo]

Motion by Councilor Rowan, seconded by Councilor St. Clair, to move approval to amend the main motion as amended to remove the reductions to the School and Town Budgets, as struck through and underlined below:

WHEREAS, the Scarborough Town Council adopted FY2018 Operational and Capital Budgets for the Town and the School on May 17, 2017, with the passage of Order No. 17-030; and,

WHEREAS, pursuant to State law, the School Budget must be validated by the voters and it failed at a Special School Budget Validation Election held on June 13, 2017; and,

WHEREAS, the Town Council must resubmit an adjusted School Budget to the Voters for validation no less than ten (10) days and no more than forty-five (45) days from June 13, 2017, with the next School Budget Validation Referendum Election date consistent with any approval of Order 17-064; and,

WHEREAS, ~~the State Biennial budget was approved on July 4, 2017 and such budget includes \$162M in additional State subsidy toward the cost of K-12 Education, \$48M of which is designated to FY2018; however, the exact dollar amount of additional subsidy for Scarborough is not known at this time. in an effort to reach a compromise the Town Council appreciates the need to share in the responsibility of minimizing the impact on the property tax rate and therefore agrees to amend the FY2018 Municipal Budget.~~

NOW THEREFORE, BE IT ORDERED, that the ~~in view of this additional funding, no further reduction to the School or Town Budgets are likely required to reach the Town Council's tax rate increase goal of 3% or less Scarborough Town Council moves approval of the amended Fiscal Year 2018 Town and School Budget in second reading;~~ and,

~~**BE IT FURTHER ORDERED**, that School Budget be reduced by a total of \$236,000 and therefore the Scarborough Town Council hereby appropriates, for school purposes, the Education Operating Budget, the new sum of \$47,175,168, resulting in the Town of Scarborough raising the sum of \$42,254,017, as the local share for the Education Operating Budget.~~

~~**BE IT FURTHER ORDERED**, that the Town Budget is hereby amended to be reduced by \$71,000, recommended target adjustments are as follows:~~

- ~~————— \$22,300 from Planning Wages & Benefits~~
- ~~————— \$12,300 from Human Resources Wages & Benefits~~
- ~~————— \$8,400 from Public Works Wages & Benefits~~
- ~~————— \$8,000 from Benefits Adjustments~~
- ~~————— \$20,000 from Capital Projects [Community Services], for a new Operating Budget of \$32,589,519, resulting in the local share for the municipal budget, the sum of \$18,167,935.~~

~~**BE IT FURTHER ORDERED**, that the original budget be put back to the voters for further consideration as the result of the additional state subsidy and will likely produce a final result of these changes produces a new Total Net Budget of \$62,724,112, resulting in a projected property tax rate increase of 2.99% or less.~~

BE IT FURTHER ORDERED, that in the event that the Scarborough School Department receives more State Education Subsidy than the amount included in its Budget, that pursuant to Section JJJJJJ-4 of the State Biennial Budget, that fifty percent (50%) of the increase in State Education Subsidy be allocated to lower the local contribution to the total cost of funding education and thereby provide property tax relief in FY2018; and the remaining fifty percent (50%) be allocated to a School Capital Reserve Fund pursuant to Title 20-A M.R.S.A §15690-A(1).

Vote: 2 Yeas. 6 Nays [Chairman Babine, Councilors Caiazzo, Donovan, Foley and Hayes].

Vote on Main Motion as Amended:

WHEREAS, the Scarborough Town Council adopted FY2018 Operational and Capital Budgets for the Town and the School on May 17, 2017, with the passage of Order No. 17-030; and,

WHEREAS, pursuant to State law, the School Budget must be validated by the voters and it failed at a Special School Budget Validation Election held on June 13, 2017; and,

WHEREAS, the Town Council must resubmit an adjusted School Budget to the Voters for validation no less than ten (10) days and no more than forty-five (45) days from June 13, 2017, with the next School Budget Validation Referendum Election date consistent with any approval of Order 17-064; and,

WHEREAS, in an effort to reach a compromise the Town Council appreciates the need to share in the responsibility of minimizing the impact on the property tax rate and therefore agrees to amend the FY2018 Municipal Budget.

NOW THEREFORE, BE IT ORDERED, that the Scarborough Town Council moves approval of the amended Fiscal Year 2018 Town and School Budget in second reading; and,

BE IT FURTHER ORDERED, that School Budget be reduced by a total of **\$236,000** and therefore the Scarborough Town Council hereby appropriates, for school purposes, the Education Operating Budget, the new sum of **\$47,175,168**, resulting in the Town of Scarborough raising the sum of **\$42,254,017**, as the local share for the Education Operating Budget.

BE IT FURTHER ORDERED, that the Town Budget is hereby amended to be reduced by **\$71,000**, recommended target adjustments are as follows:

- \$22,300 from Planning Wages & Benefits
- \$12,300 from Human Resources Wages & Benefits
- \$8,400 from Public Works Wages & Benefits
- \$8,000 from Benefits Adjustments
- \$20,000 from Capital Projects [Community Services]; and,

BE IT FURTHER ORDERED, that \$6,000 be reinstated for additional weekly beach cleaning at Pine Point and to offset these expenses with \$6,000 in additional revenue from the “Investment Income” account, for a new Operating Budget of **\$32,589,519**, resulting in the local share for the municipal budget, the sum of **\$18,167,935**.

BE IT FURTHER ORDERED, that the final result of these changes produces a new Total Net Budget of **\$62,724,112**, resulting in a projected property tax rate increase of **2.99%**.

BE IT FURTHER ORDERED, that in the event that the Scarborough School Department receives more State Education Subsidy than the amount included in its Budget, that pursuant to Section JJJJJJ-4 of the State Biennial Budget, that fifty percent (50%) of the increase in State Education Subsidy be allocated to lower the local contribution to the total cost of funding education and thereby provide property tax relief in FY2018; and the remaining fifty percent (50%) be allocated to a School Capital Reserve Fund pursuant to Title 20-A M.R.S.A §15690-A(1).

Roll Call Vote:

- | | |
|---------------------------|-------------------------|
| Councilor Caiazzo - Yea | Councilor Hayes - Yea |
| Councilor St. Clair - Yea | Councilor Foley - Yea |
| Councilor Rowan - Nay | Councilor Donovan - Yea |
| Chairman Babine - Yea | |

Item 4. Adjournment. Motion by Councilor St. Clair, seconded by Councilor Caiazzo, to move approval to adjourn the special meeting of the Scarborough Town Council.

Vote: 7 Yeas.

Meeting adjourned at 7:02 p.m.

Respectfully submitted,

Yolande P. Justice
Town Clerk