

**TOWN OF OLD ORCHARD BEACH  
TOWN COUNCIL WORKSHOP  
WEDNESDAY, JUNE 9, 2010  
TOWN HALL CHAMBERS**

**A Town Council Workshop of the Old Orchard Beach Town Council was held on Wednesday, June 9, 2010 in the Town Hall Chamber. The Chair opened the meeting at 7:00 p.m. The purpose of the Workshop was to present an opportunity for the Council to review the fiscal 2010/2011 budget.**

**Present:**

**Chair Sharri MacDonald  
Vice Chair Robin Dayton  
Councilor Laura Bolduc  
Councilor Shawn O'Neill  
Councilor Mike Tousignant  
Town Manager Jack Turcotte  
Assistant Town Manager V. Louise Reid  
Finance Director Jill Eastman**

**There were many Department Heads present in the meeting.**

**The discussion of the proposed budget that would increase the mill rate by \$1.10, the Town Council requested the Town Manager to go back and present at a workshop on Wednesday, June 16, 2010 two scenarios, one eliminating the tax increase altogether and the second concentrating on a possible \$.55 to \$.60 cent increase. The proposed combined municipal and school budget is about \$25.3 million. The proposal uses \$700,000 from the Town's undesignated fund balance. As is, the proposed budget would mean a \$1.10 mill rate increase but in order to maintain no tax increase from last year, the Town would need to reduce the budget by \$1.4 million. The current budget proposal on the table is 2 percent less than last year. Councilor O'Neill indicated he supported meeting the proposed tax increase half way, raising the mill rate of \$.55 cents and cutting \$700,000 from the budget. Councilor Dayton indicated that nondiscretionary costs were going up while revenues were coming down and it is a big squeeze. Vice Chair Tousignant expressed concern that the Town would not be able to draw on the undesignated fund balance as it has in the past and said the Town has several capital improvement issues that have not been addressed. The problems have been building over the years he said and the Town couldn't rectify it in one year. He indicated he felt this is a credit card that is out of balance. The entire Council indicated that new revenues are a requirement to get out of this situation. Councilor Bolduc said the Town needs to reduce its costs and to start living within its means. Councilor Bolduc and Dayton, along with Chair MacDonald indicated that they supported having the Town Manager look at two scenarios, one that would have a \$.55 cent mill rate increase and one that would have no increase. Councilors Bolduc and Dayton indicated they would like to have the public see what the budget would look like without a tax increase. Councilor O'Neill and Vice Chair Tousignant indicated they did not support the Town researching a flat budget, saying that it is not practical. Town Manager, Jack**

**Turcotte, indicated that he thought coming up with \$1.4 million dollar cut and removal from the budget would be difficult, if not impossible. So the two scenarios to be presented at the next Budget Workshop include cutting \$1,400,000 from the budget and cutting \$700,000 from the budget.**

**Changes to the budget from the various workshops included remove \$15,000 charter commission with carry forward any remaining balance from FY2010; move \$2,967 Southern Maine Regional Planning Membership to the Planning Department; remove \$15,000 from professional/Engineering (50 acre woods) from Planning Department; add back the summer reserve officers in the amount of \$38,000; contract with an Animal Shelter in the amount of \$12,000; reduce the Call Force Stipends in the amount of \$5,000; increase funding for the Memorial Day Parade in the amount of \$5,000; increase additional \$5,000 to General Assistance; add for Capital Improvements of \$155,000 for the EE Cummings/Saco Avenue intersection; \$75,000 Public Works Loader; \$24,000 second police cruiser; and decrease RSU assistant of \$600,000 pending vote; with total changes to budget of negative \$321,000 and revenue changes in the amount of \$68,000 increase in parking revenues and \$24,000 increase in rescue billing (second police cruiser.)**

**The Town Manager indicated that it would be impossible to attain the cuts as requested by the Town Council without touching people and customer service. Our budget is two percent less than last year, he explained, and there are limitations because of the Union contracts which need to be considered. The Town Manager indicated there might be some savings in January if the Town were to change Insurance agents but nothing assured those charges would not go up in furthering years. He also indicated that department operational budgets can only produce a minimum savings. The Town Manager also indicated that further discussions with the Unions would continue. Furlough days are also a consideration although there are strict requirements as it involves department heads – salaried employees – and the Union contracts are a consideration as well. The Assessor indicated programs that are helpful to citizens on their taxes such as the Circuit Program, the Homestead Act, etc.**

**The Council workshop ended at 9:30 p.m.**

**Respectfully Submitted,**

**V. Louise Reid  
Secretary to the Town Council**

**I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, do hereby certify that the foregoing document consisting of two pages (2) pages is a true copy of the original Minutes of the Town Council Workshop held on June 9, 2010.**

**V. Louise Reid**