



Town of Winthrop

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Council Fiscal Year 2019 (2018-2019) Budget Review

Winthrop Town Council Meeting Minutes
Monday, April 23, 2018 Town Office
17 Highland Avenue
6:00 PM

6:00 PM Budget Meeting: Call To Order – Pledge of Allegiance – Roll Call

ALL PRESENT Chairperson Sarah Fuller, Vice-Chairperson Linda Caprara, Councilor Priscilla Jenkins, Councilor Barbara Buck, Councilor Rita Moran, Councilor Andy Wess, Councilor Scott Eldridge

Item 43 The Council conducted a Public Hearing to discuss an application to the State of Maine CDBG program for a Micro-Enterprise Assistance Grant. The purpose of the grant is to assist United Fitness and Maine Dental Boutique.

Public Hearing: 6:01 PM start time / end time 6:19 PM

Present: Town Council, Ryan Frost, John Dovinsky, Matt Burnham, David Lee, Kim Morgan Fichthorn, Ryan Chamberland, Paul Cottrell, Richard Fortin, Eric Conrad, Pearl Ames, Jan Tewksbury, Lauri Carson, Mark Arsenault, Melody Main, Barbara Walsh and several other citizens.

Council Chair Fuller opened the public hearing and invited Ryan Chamberland of United Fitness to speak. Ryan advised that he had worked with the town last year on a similar grant request but the project was not funded. Ryan states that he plans to start two programs if the grant request is successful. The first program offers physically and mentally challenged adults to start learning and enjoying martial arts, the first of its kind in central Maine. This program will replicate others that he has seen in Lewiston and Portland.

Councilor Wess stated that this is an unmet need in the area. Councilor Jenkins asked what he offered for seniors programs now. Ryan advised that he has a fitness program for seniors and he also wants to add martial arts for them as well. Councilor Fuller asked what the plan was so that this plan can sustain itself when the grant funding is gone. Ryan states that it is a two year plan and he will be working with group homes to make this work. Councilor Fuller wanted to know what he learned from last year's grant request that can help on this request. Ryan stated that by working with Barbara Walsh of the Lakes Region Chamber and getting others involved for advice and support. Councilor Jenkins was wanted to know if his seniors program would qualify for insurance coverage. Ryan stated that it would. Citizen

Larry Cole asked if Ryan worked with children who have autism. Ryan stated that he does and he has three students that have reached black belt. Councilor Eldridge asked how much the grant amount was for. Ryan answered that it was for \$50,000. This was later corrected to \$30,000. Councilor Fuller explained that the town is actually the applicant and could be financially responsible if these plans are not successful.

The second program will be new for this area and also for the State of Maine; it will be focused on fitness for home schooled children.

Councilor Fuller then invited Kim Morgan Fichthorn to speak about her plan for the grant on behalf of the Maine Dental Boutique. Kim stated that she opened the Maine Dental Boutique in January of 2018. Kim states that her target patients are the uninsured, retirees and low income. Kim stated that if she receives funding it will help her obtain equipment, move to a larger space and hire an employee. Councilor Jenkins asked how many patients she has and Kim stated over 100 since January 2018 and that she is in the old Carleton Woolen Mill. Councilor Wess stated that some individuals are not eligible for MaineCare and if her rates would be lower to accommodate. Kim states that her rates are much lower and gave an example of an adult cleaning would cost \$75 with her and could be approximately \$300 at a dental office. Ryan Chamberland asked Kim how many patients she had coming in to town from other communities. Kim stated that she has many coming in to town. Kim estimates that 30% are Winthrop residents and 70% are from outside of Winthrop. Councilor Jenkins asked Ryan what his customer base looked like and he stated he was about 40% Winthrop and 60% from other communities. Barbara Walsh from the area Chamber stated that by having these businesses draw people to our community they will shop and utilize other services that Winthrop has to offer.

Councilor Eldridge moved the motion and it was seconded by multiple councilors, but it goes to Councilor Moran.

Council Discussion: Councilor Jenkins noted that the application will be completed later this week by the manager. Councilor Wess has concerns that they have not reviewed the business plans. Manager Ryan Frost advised that the parties have sat down with business councilors as a part of the process and that if the grant is approved the all parties would sign a memorandum to indemnify the town. Councilor Wess states that he does not usually support these types of grants but feels the two businesses are serving populations that would not otherwise be served. Councilor Fuller stated that if the businesses get the grant funds and the day after they close the town could be financially liable to the state because the grant does come to the town. Ryan Frost stated that the town will act as the financial agent in administering this grant. Councilor Moran wanted to know if this would affect the town's mill rate. Ryan Frost felt that we were working with some solid businesses, but that if there was some sort of default we could have some liability. Councilor Jenkins asked about a prior grant award for Café130 and who was managing that. Ryan Frost said the town is not currently helping to manage any business grants. Councilor Fuller felt the state had managed that grant. Councilor Jenkins has heard of concerns of the prior grant. Councilor Caprara stated that she is confident that Ryan's business is going to do nothing but grow and the same for Kim as there is a significant demand for her services and she sees nothing but growth. Councilor Wess wants both businesses to succeed and states that even if there is problem after

four years we would have some liability but with the unmet needs these businesses are offering we would probably be happy those needs were met for at least four years. Councilor Fuller added that Ryan has been growing his business ever since he opened and as for Kim she has increased her clients to 100 people and has started off on the right foot and that they are both good risks at this point. The council then took the below vote.

Motion: Move to support the application to the State of Maine CDBG program for a Micro-Enterprise Assistance Grant for United Fitness and the Maine Dental Boutique

Motion: Eldridge **Second:** Moran **Vote:** 7-0 passes

Budget Review

- Ambulance, Pages 17, 18 & 19
The council heard from Chief Dovinsky on his plan to reduce revenue projections and to reduce operating cost to \$987,866. John advised call volume is down but the level of sickness of patients they have seen has increased. John brought up calls that no bills go out on like medical alert alarms. Councilor Caprara asked who pays the uncollectable and Councilor Moran also had the same question. John stated that they go to collections and essentially people that owe this money will have credit issues if they do not pay. John also said that he still receives collections payments from years ago. John is also going to meet with the contract towns to start a discussion on an uncollectable fund from the contract towns. Councilor Eldridge asked about the current year budget and the loss of current year revenue and how that was being handled. Chief Dovinsky cuts to the 3rd ambulance coverage with the reminder that some of the savings from those cuts we be used to repair Medic 1.
- Transfer Station, Pages 20, 21 & 22
Larry Cole explained the budget is flat except for wages. Ryan Frost advised that with the loss of PERC Revenue of \$58,000 we were only able to come up with about \$21,000 worth of operations cuts mostly from lower tipping fees. We are expecting \$555,000 in cash for our separation agreement from PERC/MRC.
- Public Works, Pages 22, 23, 24 & 25
Ryan Frost started off by noting that paving was added back into the public works budget. Over the past 5 to 10 years the funding for paving has either been none existent or in debit service. Matt Burnham says that the town should be paving every road every 10 years, which basically means about 4.7 miles of road per year. Matt feels that the \$350,000 is a good start but some of our roads are gone beyond just paving an will have to be reclaimed. Matt states that it is about \$120,000 to reclaim every mile. Matt also stated that the plan for Memorial Drive is to reclaim one mile per year for three years and on a fourth year to then go back and do a complete overlay. Matt stated it was a tough winter and some of the budget lines will go over but should be offset by savings elsewhere.

7:00 PM

- Cemetery, Pages 25 & 26
Steve Kennedy could not make the meeting. Ryan Frost reviewed the budget and it was flat except for salaries.
- Library, Pages 26, 27, 28 & 29
Richard Fortin gave a review of the library operations with Paul Cottrell. Councilor Moran had a question about the electricity line amounts. Richard explained that with the addition they think they are just now able to determine what the costs will be on a more stable basis. Councilor Wess asked about the \$5000 in maintenance. Richard explained that the old section of the library is still being used and that a lot of the costs come from the maintenance contracts for the HVAC and other systems in the building. Richard states there is no drainage around the old building which causes flooding. Councilor Wess stated that it is unfortunate that the library was expanded and during this these issues were not corrected in the older section.
- Recreation/Winthrop Plays Outside, Pages 29, 30 & 31
Lonney Steeves did not make the meeting. Ryan Frost reviewed the budget which was basically flat except for salaries. Councilor Jenkins explained the “kids club” program to Councilor Moran. Councilor Jenkins wanted to know if the day program qualified by the state. Lonney will answer later.
- Landfill Buildings, Page 31
Ryan Frost explained that the landfill is used as town storage and the budget for that is currently flat. Fire Chief Dan Brooks explained a need to upgrade the alarm system so that the same company monitoring also services the sprinkler system. This will cost \$2500 which will be added to the budget request.
- Norcross Point, Page 32
Ryan Frost explained the budget is flat. Matt Burnham noted that the docks will need to be replaced after this coming season. Larry Cole does have a list of improvements that are needed but not funded in this budget.
- Debt Service & Capital Improvements Pages 32, 33 & 34
Ryan Frost listed off the new debt & capital expenses for the coming year; Debt Service adds the fire station bond and the Maranacook Dam Repair. Capital includes: Possible repair to the library roof, ambulance station #1 furnace, Ambulance Medic 1 replacement, Repairs the Police Station Building, Transfer Station Demo Trailer, Public Works Plow Truck and repairs to Engine 2. Chief Brooks also advised the council that the fire department did not receive a federal grant for the air bottles. Chief Brooks will work to come up with a number he will need to replace the air bottles.

Meeting adjourned 8:30 PM Moran/Eldridge