



City of Biddeford

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Cheryl Fournier, Finance Director

March 24, 2019

To: Honorable Mayor Casavant
Honorable City Council

From: Cheryl Fournier, Finance Director

Re: FY2020 Budget Questions

NOTE: Items in Blue Added after last submission

The following are the answers for the budget questions asked on March 11, 2019.

- You will see note on the individual sheets of Public Works Roads and Parking Fund for each of the expenses lines noted below. In the Public Works Roads you will see the note as a decrease, and in the Parking Fund you will see a note as an increase. The amount in the Parking Fund for parking lot maintenance is:
 - 60105 – Mowing for \$1,830
 - 60105 – Sweeping for \$1,716
 - 60111 – Winter Maintenance for \$21,335
 - 60454 – Repairs for \$5,720
- Retirement change in percentage:
 - Maine Pers plan AC (Non-Union, Public Works, and Recreation) staying at 10%
 - Maine Pers plan 3C (Fire and Police) going to 12.8% to 12.7%
 - 457 plan
 - Non-Union is 3% base contribution, and up to 3% additional match for a maximum 6%.
 - Police was up to a maximum of 5% match. New contract, 4% base contribution and up to 4% match for a maximum of 8%
 - Fire is 3% base contribution, and up to 3% additional match for a maximum 6%.
 - Public Works Non-supervisory was up to a maximum of 5% match. New contract, 4% base contribution and up to 4% match for a maximum of 8%
 - Public Works Supervisory was up to a maximum of 5% match.
- Boiler Insurance: What is it, what does it cover, is it state law?
 - Equipment Breakdown (a/k/a Boiler & Machinery) covers accidents to covered buildings and contents as defined below:
 - Mechanical Breakdown, including rupture or bursting caused by centrifugal force
 - Artificially generated electrical current, including electric arcing that disturbs electrical devices, appliances or wires
 - Explosion of steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment

- Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such equipment
 - There is not a state mandated minimum, this is a property insuring agreement. The coverage limit for equipment breakdown generally follows the building and business asset limit on your program.
 - We generally do not shop this single coverage part each year (but we can). Several carriers offer equipment breakdown coverage on a standalone basis (Liberty, Travelers, Hartford Steam come to mind), however, in the event of a claim, it is advantageous from a coverage standpoint to have all of our property coverage with a single carrier like Trident/Argonaut.
- Lots for Sales
 - We will bring the whole listing to Finance Committee
- Water Rates vs Sewer Rates
 - See file called Water Rates
- What is the cost to run the plant only?
 - See **Exhibit B**
- Asked in an email: You mentioned that we were writing off 275K in bad debt from the ambulance. Do we sell that debt? Or just write it off and forgive it?
 - We don't take it off the AR, unless completely uncollectible. Freeport sends all outstanding invoices after a period of time to the collection agency, and the AR remains on the books. We do write it down to the estimated collectable. The amount is an estimate based on past receipts. That calculation has been getting fine-tuned over the past couple of years. I changed the way it was being calculated to a more scientific calculation.

The following are the answers for the budget questions asked on March 12, 2019.

- What is the longevity of our employees?
 - Created a report – **Exhibit A**
- What is the current mileage rate?
 - The current IRS mileage rate is \$0.58
- Revenue vs Cost of transports
 - For each transport we receive approximately \$868
 - For each transport our costs are approximately \$228
- What are the types of calls and the nature of the calls?
 - Added a document called Fire Department Incident Analysis
 - <https://www.biddefordmaine.org/2843/Fiscal-Year-2020-Budget-Documents>
- Sewer User Fee for Biddeford Pool Station.
 - Yes the Biddeford Pool Station has never been charged a sewer user fee, the account has been noted as inactive. The water company has it on a list to not send the information to create a bill for sewer.
 - We are working to get them on the next billing.

The following are the answers for the budget questions asked on March 14, 2019.

- Recycling vs Trash plus new truck
 - In the Summary memo dated April 23, 2019
- Cost estimate of keeping the truck vs paying another agency
 - Will have information at the time new vehicle is purchased
- Snow pickup costs
 - See file named snow pick up
- How many tons do we do at PW vs recycling program
 - Trash waste tons 4,935
 - Recycling waste tons 2,549

The following are the answers for the budget questions asked on March 25, 2019.

- Martin Center report
 - Available at the April 25, 2019 meeting
- Copy of the Field Report – Carl Walsh
 - On the budget website
- What is the TIF revenue and the Credit Enhancement Agreement (CEA) expense for each TIF
 - Exhibit F
- Value earlier than last year
 - It will be released as early as possible, assessing still compiling
- Jim noted that permit revenue could be moved up to \$450,000 due to known projects that are in the process
- Median Value and tax rate
 - Assessing is working to compile
- Budget Calendar
 - Municipal Agencies – March 28th
 - All Municipal Agencies have been notified – Agenda Exhibit C
 - Capital Program – April 8th
 - Wastewater Budget – April 8th
 - Head count discussion – April 18th
 - Solid Waste discussion – April 18th
 - School – April 25th
 - Other items – April 25th

The following are the answers for the budget questions asked on April 8, 2019.

- Wastewater
 - Bond Schedule for next 10 years (including new bond for capital process)
 - Exhibit D
 - Rational of the \$600,000 look for
 - Exhibit E
 - Family of 4 on City sewer vs septic cost
 - See Jim’s memo dated April 24, 2019
 - How much rain water does the City treat
 - See Jim’s memo dated April 24, 2019
 - What is the reasonable charge to take care of storm water
 - See Jim’s memo dated April 24, 2019

- Capital
 - Is trade in included to reduce the vehicle expense?
 - Not at this time, we don't know what the vehicle will be worth at the time of the purchase. The amount of the loan will be reduced by the trade amount.
 - How many bleachers are needed and the cost, can it help with back drop
 - On June 15, 2018, Carl Walsh received a design services quote for St. Louis Field in the amount of \$19,000.

The following are the answers for the budget questions asked on April 18, 2019.

- Solid Waste
 - Calculate the cost of stopping recycling program for 3-6, and having those tons go as trash
 - Part of the summary memo dated April 24, 2019
 - If 4-5 units don't pick up recycling, breakout owner occupied could we eliminate the \$126k? Would contamination go below the percentage?
 - Part of the summary memo dated April 24, 2019
 - What constitutes a business?
 - Note: In Wastewater, it is noted as 4 or more units in the 2018 Sewer Abatement Policy.

Employee Longevity					
As of 3/12/19					
	Description	Total years	Average years	Total years	Average years
21102	21102 CITY MANAGER	22.17	5.54		
21103	21103 CITY CLERK	46.88	7.81		
21105	21105 ASSESSING	64.61	12.92		
21106	21106 FINANCE DEPARTMENT	37.79	9.45		
21107	21107 TECHNOLOGY	19.93	19.93		
21108	21108 PERSONNEL & PURCHASING	0.62	0.62		
21109	21109 COMMUNITY/ECONOMIC DEV	39.15	9.79		
21110	21110 CODE ENF/INSPECTIONS	74.75	10.68		
21121	21121 CITY BUILDING	13.58	6.79		
21123	21123 COMMUNITY CENTER	23.57	5.89		
21125	21125 HEALTH & WELFARE	14.04	4.68		
21126	21126-FACILITIES MANAGEMENT	11.53	11.53		
21168	21168 GIS Division	25.92	25.92		
31117	31117 CDBG	14.12	14.12		
31132	31132 AIRPORT	27.74	9.25		
31138	31138 COMMUNITY TV CENTER	58.24	7.28		
CITY HALL				494.65	8.53
21124	21124 RECREATION	141.88	6.76		
31206	21124 RECREATION	24.87	2.49		
31220	21124 RECREATION	1.00	1.00		
RECREATION DEPARTMENT				167.75	5.24
21141	21141 FIRE DEPARTMENT	607.61	15.19		
FIRE DEPARTMENT				607.61	15.19
21146	21146 POLICE DEPARTMENT	567.75	10.71		
21147	21147 POLICE INVESTIGATIVE	123.64	17.66		
21148	21148 COMMUNICATIONS CENTER	205.18	11.40		
21149	21149 ANIMAL CONTROL OFFICER	9.61	9.61		
31235	31235 PARKING ENFORCEMENT	15.75	7.87		
POLICE DEPARTMENT				921.93	11.67
21161	21161 PUBLIC WORKS ADMIN	342.53	22.84		
21162	21162 PW SUMMER MAINTENANCE	224.18	13.19		
21164	21164 SOLID WASTE MANAGEMENT	125.55	15.69		
21165	21165 PARKS MAINTENANCE	116.22	11.62		
21167	21167 ENGINEERING	48.85	16.28		
35102	35102 WWTP	11.53	5.76		
35104	35102 WWTP	97.05	16.18		
35105	35102 WWTP	66.00	9.43		
PUBLIC WORKS DEPARTMENT				1,031.92	15.26
TOTAL		3,223.85	11.68		

Exhibit B

Total Gallons FY18	892,316,800	Gallons
	119293689.8	CuFt
	1192936.898	100 CuFt
	119293.6898	1000 CuFt

		<u>\$/Gal</u>	<u>\$/CuFt</u>	<u>\$/100CuFt</u>	<u>\$/1000CuFt</u>
Employee Wages	\$589,161	\$0.0007	\$0.0049	\$0.4939	\$4.94
Electrical Costs	\$177,098	\$0.0002	\$0.0015	\$0.1485	\$1.48
Process Chemicals	\$95,812	\$0.0001	\$0.0008	\$0.0803	\$0.80
Sludge Disposal	\$130,000	\$0.0001	\$0.0011	\$0.1090	\$1.09
Other	\$931,108	\$0.0010	\$0.0078	\$0.7805	\$7.81
Total	\$1,923,179	\$0.0022	\$0.0161	\$1.6121	\$16.12

Exhibit C

Time: Municipal Services:

- 5:35 DDC (Downtown Development Commission)
- 5:40 Biddeford Conservation Commission
- 5:45 Eastern Trail Alliance
- 5:50 Historical Preservation Commission
- 5:55 Project Canopy
- 6:00 Historical Society
- 6:10 Saco River Corridor Commission
- 6:20 So ME Regional Planning
- 6:25 Biddeford Saco Economic Dev. Corp
- 6:35 McArthur Library
- 6:50 Biddeford Mills Museum
- 7:00 Lakermesse
- 7:10 City Theater
- 7:20 Shuttle Bus (Biddeford-Saco-OOB Transit District)
- 7:35 Biddeford Cultural & Heritage Center
- 7:45 Saco Pathfinders Snowmobile
- 7:50 Community Health Counseling
- 7:55 Southern Maine Veterans Memorial
- 8:00 Community Bicycle Center
- 8:05 Community Dental
- 8:10 HOB
- Downtown Promotions
- Holiday Lighting

City of Biddeford
Debt to Maturity
6/30/2019

Bonds	Description	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Principal												
	16012-20732 2013 Refunding 02 Bond - Sewer	225,000.00	225,000.00	225,000.00	-	-	-	-	-	-	-	-
	16012-20726 2011 CWSRLF	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00	14,000.00
	16012-20720 1999 Refunding Bonds	320,000.00										
	16012-20720 2017 Refunding (1999 Refunding)		315,000.00	310,000.00	305,000.00	305,000.00	305,000.00	300,000.00	305,000.00	305,000.00	310,000.00	-
	Total Principal	559,000.00	554,000.00	549,000.00	319,000.00	319,000.00	319,000.00	314,000.00	319,000.00	319,000.00	324,000.00	14,000.00
	Proposed New Bonding		50,000.00	50,000.00	175,000.00	175,000.00	175,000.00	200,000.00	200,000.00	200,000.00	200,000.00	225,000.00
	Total Interest	559,000.00	604,000.00	599,000.00	494,000.00	494,000.00	494,000.00	514,000.00	519,000.00	519,000.00	524,000.00	239,000.00
Interest												
	16012-20732 2013 Refunding 02 Bond - Sewer	11,250.40	6,750.24	2,250.08	-	-	-	-	-	-	-	-
	16012-20726 2011 CWSRLF	2,390.50	2,243.50	2,096.50	1,949.50	1,802.50	1,655.50	1,508.50	1,361.50	1,214.50	1,067.50	920.50
	16012-20720 1999 Refunding Bonds	12,800.00										
	16012-20720 2017 Refunding (1999 Refunding)	108,675.00	104,737.50	96,150.00	87,687.50	76,250.00	64,812.50	53,500.00	38,375.00	23,125.00	7,750.00	
	Total Interest	135,115.90	113,731.24	100,496.58	89,637.00	78,052.50	66,468.00	55,008.50	39,736.50	24,339.50	8,817.50	920.50
	Proposed New Bonding - Estimated Interest		160,000.00	158,000.00	156,000.00	149,000.00	142,000.00	135,000.00	127,000.00	119,000.00	111,000.00	103,000.00
	Total Interest	135,115.90	273,731.24	258,496.58	245,637.00	227,052.50	208,468.00	190,008.50	166,736.50	143,339.50	119,817.50	103,920.50
Lease												
	2013 Lease	9,086.56	9,288.65	9,494.57	9,705.34							
	Total Principal	9,086.56	9,288.65	9,494.57	9,705.34	-	-	-	-	-	-	-
	Interest											
	2013 Lease	834.16	632.44	426.24	215.47							
	Total Interest	834.16	632.44	426.24	215.47	-	-	-	-	-	-	-

**City of Biddeford
Calculation of City Portion of Wastewater Debt**

Fiscal Year	1990 Treatment Plant Bond			1994 CSO Bond, refunded			1999 Treatment Plant Bond			2002 Treatment Plant Bond, refunded			City Total	City Paid/To Pay	City Owes
	Debt Service	% City	City Amount	Debt Service	% City	City Amount	Debt Service	% City	City Amount	Debt Service	% City	City Amount			
1991	319,373.50	33.00	105,393.26										105,393.26		105,393.26
1992	571,927.13	33.00	188,735.95										188,735.95		294,129.21
1993	554,940.38	33.00	183,130.33										183,130.33		477,259.53
1994	537,953.63	33.00	177,524.70										177,524.70		654,784.23
1995	520,966.88	33.00	171,919.07	137,896.70	35.00	48,263.85							220,182.92		874,967.15
1996	503,980.13	33.00	166,313.44	269,671.88	35.00	94,385.16							260,698.60		1,135,665.75
1997	486,993.38	33.00	160,707.82	262,640.63	35.00	91,924.22							252,632.04		1,388,297.78
1998	470,006.63	33.00	155,102.19	255,609.33	35.00	89,463.27							244,565.45		1,632,863.24
1999	453,019.88	33.00	149,496.56	248,578.13	35.00	87,002.35							236,498.91		1,869,362.14
2000	436,033.13	33.00	143,890.93	241,546.88	35.00	84,541.41	780,960.00	52.00	406,099.20				634,531.54		2,503,893.68
2001	419,046.38	33.00	138,285.31	234,515.63	35.00	82,080.47	764,960.00	52.00	397,779.20				618,144.98		3,122,038.66
2002	402,059.63	33.00	132,679.68	227,484.38	35.00	79,619.53	748,960.00	52.00	389,459.20				601,758.41		3,723,797.07
2003	385,072.88	33.00	127,074.05	220,453.13	35.00	77,158.60	732,960.00	52.00	381,139.20	424,687.50	67.00	284,540.63	869,912.47	695,727.00	3,897,982.54
2004	368,086.13	33.00	121,468.42	213,421.88	35.00	74,697.66	719,760.00	52.00	374,275.20	415,687.50	67.00	278,510.63	848,951.91	750,000.00	3,996,934.45
2005	351,099.38	33.00	115,862.80	206,390.63	35.00	72,236.72	706,160.00	52.00	367,203.20	407,812.50	67.00	273,234.38	828,537.09	750,000.00	4,075,471.54
2006	333,993.00	33.00	110,217.69	199,312.50	35.00	69,759.38	692,560.00	52.00	360,131.20	401,062.50	67.00	268,711.88	808,820.14	750,000.00	4,134,291.68
2007	316,767.00	33.00	104,533.11	192,125.00	35.00	67,243.75	678,960.00	52.00	353,059.20	393,750.00	67.00	263,812.50	788,648.56	750,000.00	4,172,940.24
2008	299,541.00	33.00	98,848.53	184,531.25	35.00	64,585.94	664,960.00	52.00	345,779.20	385,312.50	67.00	258,159.38	767,373.04	750,000.00	4,190,313.28
2009	282,315.00	33.00	93,163.95	176,593.75	35.00	61,807.81	650,960.00	52.00	338,499.20	376,312.50	67.00	252,129.38	745,600.34	750,000.00	4,185,913.62
2010	265,089.00	33.00	87,479.37	168,656.25	35.00	59,029.69	636,960.00	52.00	331,219.20	367,031.26	67.00	245,910.94	723,639.20	750,000.00	4,159,552.82
2011	247,863.00	33.00	81,794.79	160,718.75	35.00	56,251.56	538,044.99	52.00	279,783.39	357,356.26	67.00	239,428.69	657,258.44	481,000.00	4,335,811.26
2012				152,781.25	35.00	53,473.44	536,702.44	52.00	279,085.27	347,456.25	67.00	232,795.69	565,354.39	750,000.00	4,151,165.66
2013				144,843.75	35.00	50,695.31	526,569.38	52.00	273,816.08	337,331.26	67.00	226,011.94	550,523.33	540,000.00	4,161,688.99
2014				136,906.25	35.00	47,917.19	516,475.52	52.00	268,567.27	271,912.50	67.00	182,181.38	498,665.83	500,000.00	4,160,354.82
2015				128,968.75	35.00	45,139.06	506,430.09	52.00	263,343.65	258,750.00	67.00	173,362.50	481,845.21	600,000.00	4,042,200.03
2016							495,481.96	52.00	257,650.62	254,250.00	67.00	170,347.50	427,998.12	600,000.00	3,870,198.15
2017							484,581.16	52.00	251,982.20	249,750.00	67.00	167,332.50	419,314.70	600,000.00	3,689,512.85
2018							473,742.58	52.00	246,346.14	245,250.00	67.00	164,317.50	410,663.64	600,000.00	3,500,176.50
2019							461,966.86	52.00	240,222.77	240,750.00	67.00	161,302.50	401,525.27	600,000.00	3,301,701.76
2020							449,200.00	52.00	233,584.00	236,250.00	67.00	158,287.50	391,871.50	600,000.00	3,093,573.26
2021							436,400.00	52.00	226,928.00	231,750.00	67.00	155,272.50	382,200.50	600,000.00	2,875,773.76
2022							423,600.00	52.00	220,272.00	227,250.00	67.00	152,257.50	372,529.50	600,000.00	2,648,303.26
2023							410,800.00	52.00	213,616.00				213,616.00	600,000.00	2,261,919.26
2024							398,000.00	52.00	206,960.00				206,960.00	600,000.00	1,868,879.26
2025							385,200.00	52.00	200,304.00				200,304.00	600,000.00	1,469,183.26
2026							372,400.00	52.00	193,648.00				193,648.00	600,000.00	1,062,831.26
2027							359,600.00	52.00	186,992.00				186,992.00	600,000.00	649,823.26
2028							346,800.00	52.00	180,336.00				180,336.00	600,000.00	230,159.26
2029							333,600.00	52.00	173,472.00				173,472.00	403,631.26	0.00

updated 2/3/16

bond refinanced 2010

bond refinanced 2013