

Town Council Finance Sub-committee Meeting Minutes
LARGE CONFERENCE ROOM
Second Floor
Falmouth Town Hall
January 11th, 2017 – 5:00PM

Members Attendance: Ned Kitchel (Finance Committee Chair), Andrea Ferrante (Town Council), Charlie McBrady (Town Council)

Others in Attendance: Karen Farber (Council Chair), Caleb Hemphill (Town Council), Aaron Svedlow (Town Council)

Nathan Poore (Town Manager), Peter McHugh (Finance Director), Amy Lamontagne (Assistant Town Manager), Theo, Holtwijk (Economic Development Director), Andi Jackson-Darling (Falmouth Memorial Library Director), Vicki Swerdlow (Falmouth Memorial Library), Becky Carrier (Falmouth Memorial Library), Allison Bishop (Falmouth Memorial Library).

The meeting was called to order @ 5:10PM

- TIF Analysis Update, Affordable Housing TIF Discussion and TIF FY18 Budget Presentation
 - a. Nathan Poore presented the updated Camoin Associates financial analysis of the impact of TIFs on Town Revenues.
 - i. As a result of state and county fiscal formulas, the Town would lose 61% of revenues gained from valuation increases without TIFs.
 - b. Nathan then presented an example of a potential Senior Affordable Housing TIF including possible uses of funds for that type of TIF.
 - i. There was discussion about options for rent subsidies and various methods to determine eligibility.
 - ii. There was discussion about the types of operational and capital expenses that could be paid from the TIF.
 - c. Nathan then presented the FY18 proposed budget for each of the TIF districts in the Town.
 - i. Discussion items included total spending supported by the TIFs from 2017-2026 and a review of specific spending for each of the TIFs with particular emphasis on 2017-2019 spending.
- Andi Jackson-Darling then presented a first-pass draft of the Falmouth Memorial FY2018 Budget.
 - a. Staff additions included a part-time Technology Reference Assistant and a Grant Writer.
 - b. Other significant year-over-year increases were salary COLA increases and a large increase in MPERS retirement expense.
 - c. Request Town contribution was \$604,025 for an increase of \$103,237 or 20.6% over FY17. The contribution from the Town represents 84% of the total Library budget.
 - d. There was much discussion about the headcount requests, the Town contribution and the overall increase to the budget including ideas on ways to reduce the budget.
 - e. The Committee then requested Peter McHugh to work with Andi Jackson-Darling to create a revised budget projection that could be looked at again at a later Finance Committee Meeting. That budget request should contain a

report that describes or explains all of the substantive increases in their proposed budget.

- f. There was a request to look at the last 4 years of Library budgets and present to the Finance Committee.
- Nathan presented the proposed FY18 Capital Improvement (CIP) Budget covering the period FY2017–FY2026 including a proposal to use some unassigned fund balance to smooth tax rate impacts of the Library Bond and Open Space acquisition spending.
 - a. The group reviewed the overall spending for CIP during the entire period versus last year's projection for that period, a complete list of proposed spending for FY18, projected CIP Fund balances and proposed Appropriations for each year in the period.
 - i. Follow-up requests included the following:
 - 1. The Committee would like a write-up on the proposed Legion Field Maintenance Garage including building and location specifics.
 - 2. The Committee would like Staff to consider changing the timing of the annual unassigned fund balance presentation from the fall of each year to the spring.
 - 3. A request was made to add use of unassigned fund balance to the appropriations graph.
- Nathan presented the Special Revenue Fund FY18 Budget.
 - a. There was much discussion about the purpose of special revenue funds, revenue sources and the types of spending included in those funds.
 - b. The group spent time looking at the 2 largest special revenue funds: Street Disposal Bags and Recreation/Adult Education.
 - i. Councilor Ferrante made a request for more detail on the professional development line item contained in the Recreation/Adult Education fund.
- School Finance Committee Request to move the March 23rd Joint Town/School Finance Committee meeting to the following week.
 - a. It was decided the meeting could be moved to March 27 4:30PM-6:30PM in Council Chambers.
- Approval of the minutes from the December 14, 2016 meeting
 - a. Councilor Ferrante made a motion to approve, Councilor McBrady seconded. The minutes were approved.
- Adjourn
 - a. The meeting adjourned at 7:50PM.

Respectfully submitted by Peter McHugh