

Town Council Finance Sub-Committee Meeting Minutes
LARGE CONFERENCE ROOM
Second Floor
Falmouth Town Hall
January 10th, 2018 – 5:00PM

Members Attendance: Ned Kitchel (Finance Committee Chair), Andy Jones (Town Council)

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

Nathan Poore (Town Manager), Peter McHugh (Finance Director), Amy Lamontagne (Assistant Town Manager), Howard Rice (Fire Chief), Susan Gibney (Accountant).

The meeting was called to order @ 5:20PM

- **Approval of the minutes from the December 13, 2017 meeting**
 - a. Councilor Jones made a motion to approve, Councilor Kitchel seconded. The minutes were approved.
- **Nathan Poore and Pete McHugh presented the proposed FY19 Capital Improvement (CIP), Tax Increment Financing (TIF), and Special Revenue Fund Budgets covering spending over the period FY2018–FY2027**
 - a. The FY18 CIP Budget was presented including a proposal to use unassigned fund balance to smooth tax rate impacts of increases in Capital spending for the fiscal years 2019 - 2021. This use of fund balance was consistent with the FY18 Budget plan use of funds with some adjustments to the timing of fund usage.
 - i. 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 FY19, projected CIP Fund balances and proposed Appropriations for each year in the period.
 - ii. Follow-up requests included the following:
 1. Councilors Farber and Kitchel requested more detail on the Underwood Park paving project and identified this project as having the potential to be delayed if needed.
 2. Councilor Farber requested more information about the Park Granite Sign project, the locker room upgrade and the Brown Street drainage project.
 3. Councilor Farber requested updates on the status of State LMF money and the repayment date for the Falmouth Memorial Library \$285K loan.
 4. Councilor Farber requested a presentation to update the Council on the recently renovated Mason Motz building including information on the programs being run in the building, the impacts of new programs and the senior center and a report on overall usage of the building.
 - b. The FY18 TIF Budget plan was presented.

- i. The group reviewed the overall spending in TIF Districts for the fiscal years 2018 – 2027, a complete list of proposed spending for FY19 and a summary of the major categories of spending included in TIFs including infrastructure spending, economic development and staff support.
 - c. The group reviewed the Special Revenue Fund FY18 Budget.
 - i. The group reviewed the purpose of special revenue funds, revenue sources and the types of spending included in those funds.
 - 1. There was discussion about the types of special revenue funds the Town has including detailed discussion about the two largest funds: Street Disposal Bags and Recreation/senior services.
- **Nathan Poore presented an overview of the Senior Tax proposal that was considered during the FY18 Budget process.**
 - a. There was much discussion about how the proposed program would work, whether the Town would have flexibility in modifying the eligibility requirements, how other Towns are running their programs, the funding level options, and administration of the program.
 - b. Follow-up requests included the following:
 - i. The group wanted to explore if the program requirements could be modified.
 - 1. Could the tax relief be based strictly on income?
 - a. If so, what would that program look like and cost?
 - b. Could the tax relief be provided to the lowest income group (<60% of median income) in the proposal and exclude the other three income groups?
 - ii. The group requested Staff to get an update from Cumberland on their senior tax relief program and present to the group.
- **The group discussed the Budget Book format and was satisfied with the format used in the FY18 Budget process.**
 - a. Staff will explore an expansion of the capital section of the book to provide more project-specific detail to be used in the FY20 Budget process and present to the Committee prior to implementation.
- **Adjourn**
 - a. Councilor Jones made a motion to adjourn, Councilor Kitchel seconded. The meeting adjourned at 7:50PM.

Respectfully submitted by Peter McHugh