

**Town Council Finance Sub-Committee Meeting Notes**  
**LARGE CONFERENCE ROOM**  
**Second Floor**  
**Falmouth Town Hall**  
**January 8th, 2020 – 5:30PM**

**Members Attendance:** Janice De Lima (Finance Committee Chair), Jay Trickett (Town Council), Ted Asherman (Town Council)

**Others in Attendance:** Caleb Hemphill (Town Council), Hope Cahan (Town Council)

**Peter McHugh (Finance Director), Amy Lamontagne (Assistant Town Manager), Susan Gibney (Assistant Finance Director).**

**The meeting was called to order @ 5:30PM**

- **Approve minutes of December 12, 2019 Finance Committee Meeting Minutes**
  - a. **Councilor Asherman made a motion to approve the minutes, Councilor De Lima seconded. The minutes were approved.**
- **Finance Director Pete McHugh presented the proposed FY21 Capital Improvement (CIP), Tax Increment Financing (TIF), and Special Revenue Fund Budget covering spending over the period FY2020–FY2029**
  - a. **The FY21 CIP Budget was presented including a proposal to use \$236K of unassigned fund balance to fund the acquisition of a Public Lands Record Storage System, Community Center upgrades and a Parks tractor replacement. This use of fund balance was consistent with the FY20 Budget plan use of funds with a slight reduction in the amount of fund usage.**
    - i. **The group reviewed overall spending for CIP during the entire period versus last year’s projection for that period, a complete list of proposed spending for FY21, projected CIP Fund balances and proposed Appropriations for each year in the period.**
      - 1. **It was noted that there will be an update to the CIP plan once staff receives the Fire Department Staffing study recommendations and can finalize Fire Department Building construction requirements to accommodate future staffing levels.**
      - 2. **There was a group discussion about CIP fund balances and their relationship to Bond ratings.**
  - b. **The FY21 TIF Budget plan was presented.**
    - i. **The group reviewed the overall spending in TIF Districts for the fiscal years 2020 – 2029, a complete list of proposed spending for FY21 and a summary of the major categories of spending included in TIFs including infrastructure spending, economic development and staff support.**

1. There was a group discussion about the large amount of capital road work and staffing supported by the TIFs and potential for tax increases that may result when TIFs end if there are not new TIFs to replace them.
  2. There was a group discussion about the Route 100 project and the impacts the project may have on residential and commercial development in the Route 100 corridor.
- c. The FY21 Special Revenue Fund Budget was presented.
    - 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.
  - d. The FY21 Wastewater Capital Budget was presented.
    - i. The group reviewed overall Capital spending for Wastewater projected over the period FY20–FY29, specific projects budgeted for FY21 including: Bond service payments for the 2007-08 plant upgrade, Mill Creek pump station and West Falmouth sewer extension; Treatment plant equipment replacements; sewer equipment plant replacements; and the Middle Road pump station generator replacement,
- Councilor De Lima then led the group in a discussion about the overall Budget outlook for both the Town and School including potential impacts of Fire Department staffing needs and the School union negotiations.
    - a. There was a discussion about alternative revenue sources including mooring fees, ambulance service charges and potential for other ways to generate revenue to offset tax impacts.
    - b. The group discussed potential impacts of a recession and the property revaluation project in addition to the pressure on property tax rates generated by increases in Town service needs.
    - c. There was a discussion about what should be asked of the School in the Budget process and if there should be a target. It was determined that more information from the School and Fire Department would be needed to determine target levels.
  - The group discussed the Budget Book format and decided that they had no changes to the format.
  - Adjourn
    - a. Councilor Trickett moved to adjourn and Councilor Asherman seconded. The meeting was adjourned at 7:55PM.

Respectfully submitted by Peter McHugh