

Town Council Finance Sub-Committee Meeting Minutes
COUNCIL CHAMBERS
Falmouth Town Hall
March 4, 2020 – 5:30PM

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

Others in Attendance: Amy Kuhn (Council Chair), Caleb Hemphill (Town Council), Tommy Johnson (Town Council)

Nathan Poore (Town Manager); Peter McHugh (Finance Director); Susan Gibney (Assistant Finance Director), Amy Lamontagne (Assistant Town Manager), Jay Reynolds (Public Works Director); John Kilbride (Police Chief); Howard Rice (Fire Chief); Lucky D’Ascanio (Community Programs Director); Ethan Croce (Community Development Director); Jennifer Phinney (IT Director), Erin Bishop (Communications Specialist), Maggie Fleming (Administrative Analyst).

The meeting was called to order @ 5:45PM

- **Councilor Trickett moved to approve the minutes of February 26, 2020, motion was seconded by Councilor Asherman. Minutes were approved.**
- **Peter McHugh and Nathan Poore then presented the FY2021 Town Budget to the group including a summary presentation and the FY 2021 Budget Book.**
 - a. **The Budget presentation outlined major expense and revenue changes versus the FY20 Budget and the proposed mil rate increase of \$.46 or 14.5%. The presentation included a summary of the Wastewater Budget request and a comparison of the Falmouth full-rate mil rate to similar communities in the Greater Portland area. Falmouth’s mil rate continues to be the lowest rate in the group.**
 - i. **Major expense variances included:**
 1. **Phase I of the Fire Department expansion based on the recent staffing study (8 FT FF/EMS July 1, 2020 and 6 FT FF/EMS in January 2021), and the addition of an Administrative Analyst and a ½ year of a Parks Maintenance position.**
 2. **2.5% COLA for non-union employees and contract pay raises for Police and Public Works employees.**
 3. **Communication Plan implementation costs.**
 4. **Benefit cost increases particularly workers Comp and health insurance.**
 5. **Building security enhancements and the Library budget request representing a full-year of operations at the newly renovated Library.**
 - ii. **Major Budget Solutions to minimize tax rate increase:**
 1. **Non-property tax revenues projected to grow \$405K.**
 2. **A proposal to increase Mooring Fees generating \$49K in incremental revenue.**
 3. **A proposal to increase bag fees so that they pay for the entire annual collection fee for trash and Eco Maine**

tipping fees which would reduce operating expenses by \$167K.

4. Operating expense cuts from the base case of \$182K.

- The group discussed how best to handle the proposed fee increases for bag fees and mooring fees.
 - a. Councilor Kuhn felt that the public should have an opportunity to comment on the proposed increases. She felt that the Council should consider voting on the Budget excluding those items with the understanding that the fees could be added later.
 - b. Councilor Trickett felt that the fee discussion would best be handled as part of the Budget process allowing residents who don't use the harbor facilities to comment on the increase in the context of the budget.
 - c. There was much discussion about the best way to handle the fee increases and what the Town Ordinance requires.
 - d. The group reached consensus and recommends the following:
 - i. Council will do a Budget update at the Council meeting on March 9 as part of the discussion regarding the Order to set the Budget public hearing on April 1. The Budget update will alert citizens that the Council is considering raising both mooring fees and bag fees and that there will be a public comment period at the April 1 meeting where there will be a public comment opportunity.
 - ii. Town will use all available communication tools to notice the public about the proposed fee increases. Will include in the addition of "Budget items under consideration" in the Falmouth Focus and Forecaster ad.
 - iii. Chief Kilbride has the email addresses for all mooring holders and can send a Council notice to them concerning proposed mooring fee increases.
 - iv. Nathan will follow up regarding whether an Ordinance amendment is required for the bag fee increase.
 - v. Order approving the fee increases would be voted on at the April 13 meeting prior to the vote on Budget orders. If the decision is to not increase the fees, the Budget Order can be modified as needed by the Council before the vote.
- The group then reviewed the Budget Book with the Town staff members in attendance.
 - a. There was a discussion about Town acceptance of private roads. Included in the discussion was what criteria should be used, quantitative analysis needs to make informed decisions, the importance of connectivity and how that should be defined, and how the Town plans for impacts of road acceptance in the future.
 - b. There was a discussion about Open Space acquisition including how the Open Space Plan adopted last year guides the acquisition process. There was a discussion about whether there were \$ or % targets for acquisition and the answer is there are not specific limits.
 - c. Councilor De Lima then asked the group if there were any thoughts about revenue and expense items to be considered for the FY22 Budget.
 - i. There was a group discussion about how Council work plans, the Town Comprehensive Plan, bike-ped plan, TIF and CIP plans,

and the Open Space Plan lay the groundwork for the annual Budget.

- d. It was determined that it would be a good idea to schedule a Finance Committee meeting in the fall to allow the Council to give staff preliminary guidelines regarding what they would like to see addressed in the upcoming Budget.**
- Adjourn – Councilor Asherman moved to adjourn the meeting, Councilor Trickett seconded. The meeting was adjourned at 7:50PM.**

Respectfully submitted by Peter McHugh