

MINUTES
COUNCIL FINANCE COMMITTEE MEETING
TUESDAY, AUGUST 18, 2015
4:00 P.M. Municipal Building / Council Chamber A

- 1. Call to Order.** S. Babine, Finance Chair, called the meeting to order at 4:01 p.m.
- 2. Those Present.** Finance Committee Members present – Shawn Babine, Finance Chair, William Donovan, and Peter Hayes; others present were Thomas Hall, Town Manager, Ruth Porter, Finance Director also present various Town staff and the public.
- 3. Approval of Minutes.** Motion by W. Donovan, seconded by P. Hayes, to move approval to except the minutes of May 13, 2015, Finance Committee meeting.
Motion passed: Vote – 3 Yeas.

4. Discussion Items.

a. Discussion on the FY2016 Municipal Budget Reduction Recommendations

1. The Town Manager gave a brief overview and update of the \$180,000 municipal budget adjustments that had been made to the original previously approved FY2016 Municipal Budget. The Town Manager stated that although it was not an easy or painless task each department reduced their budget to comprise the \$180,000 necessary.

2. Motion by P. Hayes, seconded by W. Donovan, to move approval of the adjusted Municipal FY2016 Budget as recommended in the amount of \$180,000 and move on to the Town Council for approval.
Motion Passed: Vote – Yeas.

b. Discussion on Legal and Audit Services /Policy

1. There was discussion by the Finance Committee, the Town Manager & Ruth Porter, Finance Director on the overall legal services and audit services that the Town uses. As a synopsis of the overall discussion is that the Finance Committee agreed to take up evaluations for both legal and audit then put out to bid an Audit RFP.

Everyone was in agreement that it was time to commit to reviewing and evaluating services provided by the Town's Legal firm to confirm if a change is in order. The Town has been served well for 30 years by the present law firm of Bernstein and Shur. The firm has served the Town and has institutional knowledge of the Town's legal needs and services. Scarborough has always seen preferential status from Bernstein and Shur pertaining to our legal needs. The consensus on the audit firm on retainer at this time is that the town has been pleased with the service to this point. That being said it is always a good practice to have a fresh set of eyes review and evaluate the services received. It would be of value to put the audit services out to an RFP as good practice.

S. Babine, Chair and P. Hayes would like to see the audit process be complete earlier than December and include trend reporting.

W. Donovan stated that the Finance Committee should meet with the Town's Legal Counsel to review the services the Town is receiving and that the Town is receiving the

best legal services and rates possible. The Finance Committee was in agreement in the near future to have the Town Manager set up a meeting with the Finance Committee and Counsel.

P. Hayes stated that he would like to review a method to evaluate legal services from the Town's counsel on an annual basis. After a brief discussion it was requested that the Town Manager bring back a method for going forward with an evaluation.

W. Donovan stated that he was disappointed that over the last few years budget process the several positions "purchasing agent & budget analyses" were not able to be filled. Mr. Donovan wondered if in the future if either of those positions might be affordable if shared with the School Department. The Town Manager stated it would be something to discuss with the Superintendent of Schools for future budget considerations.

5. Future Meeting Dates & Times:

The Finance Committee will hold meetings for September, October & November on the second Wednesday of each month at 4:00 PM in Council Chambers.

For the September meeting the committee would like to review the Financial Statement for year end June 30, 2015 along with a Fund Balance Sheet.

For the October meeting the committee would like to review the Financial Statement for period end of September 30, 2015.

Over the next couple of months the Finance Committee would like to discuss:

- (1) A Capital Projects Policy
- (2.) Budget process review with a facilitator bringing in the major stock holders to be part of the conversation for improvement to the budget process
- (3) Charter amendments pertaining to changes for the town's budget year to discuss as well as whether the Town wants to continue going to referendum for the School's budget.
- (4) Review and discuss a contributions policy
- (5) Strategic Planning Projects for the Town & Schools

The Town Manager stated that the staff is already working on a long range strategic facility planning.

The Town Manager stated that there is a housekeeping matter of rescinding former bond orders that were formerly approved and the funds are no longer needed. There is also a need to re-appropriate funds left from projects etc. that were completed and now the funds need to be re-appropriated to other areas.

S. Babine, Finance Chair would like to place both the draft Capital Projects Policy and any Bond issues on the September agenda.

6. Public Comment:

Mr. Larry Hartwell, Purrington Drive stated that the Municipal side was doing a good job at always coming in at 1/3 increase no more therefore an analysis and re-evaluation would be a waste of time.

7. Adjourn. Motion by P. Hayes seconded by W. Donovan to adjourn at 6:10 p.m.

Vote – 3 Yeas

Colette A. Mathieson
Recording Secretary