

**MINUTES**  
**COUNCIL FINANCE COMMITTEE MEETING**  
**WEDNESDAY, APRIL 20, 2016**  
**4:05 P.M. – Municipal Building / Council Chamber A**

1. **Call to Order.** P. Hayes, Councilor, called the meeting to order at 4:05 p.m.
2. **Those Present.** Finance Committee Members present – Shawn. Babine, Finance Chair, Chris Caiazzo, and Peter Hayes; Others present were Thomas Hall, Town Manager, also present various Town Administrators and various other staff.

**3. Discussion Items.**

- a. 4:05 p.m. to 4:20 p.m. – Public Library, budgets and capital projects (projects/equipment) were presented by N. Crowell, Director and discussed. No changes directed.

- N. Crowell, of the Library stated there are some increases from personnel costs due to merit increases and an adjustment of new hours for the PT Adult Services staff to 37 hours. At this time there are no benefits pertaining to the increased hours for the Adult Services staff.

- N. Crowell stated that next year in January the health care benefits cost will be increasing by 10% starting in January. Although there will be an increase being with MMA Health Trust has proven to be the best comparing costs from other providers.

- C. Caiazzo inquired if the Library staff were on the same medical contract as Town staff.

N. Crowell stated that the Library staff's insurance is through MMA Health Trust but a different group contract due to being a Library being a corporation.

- C. Caiazzo inquired about the new digitization process is that stored in the cloud or is there back up on site?

N. Crowell stated that it actually stored both on the cloud and on microfilm.

- C. Caiazzo stated looking at the contracted services line in your budget it is up 13.4% can explain what are the drivers are causing the increase?

N. Crowell stated that the increase is due to the following: Audit, e-books licensing, telephone, legal services, mileage reimbursement, postage, carrier, accounting, and newsletter. These are an ongoing increases that are not a one time thing.

- P. Hayes, Councilor inquired what is the cost to implement the new hours for the Adult Services?

N. Crowell stated that the total cost is \$10,116 which includes \$7,200 wages and the remaining is benefits FICA, Medicare and Health insurance.

■ P. Hayes, Councilor inquired about the natural gas increase why has it increase when fuel has been going down?

N. Crowell stated that it is the heating system for the building which is a multi-year contract. Sometime the multi-year contract is a good thing and sometime it is not.

■ C. Caiazzo inquired if the Library contract for natural gas was with the Town or on their own?

N. Crowell stated that the Library is on their own with the natural gas contract. The Library has a vendor that has multiple contract with different municipalities which aids us in getting a fair rate for our contract.

b. 4:20 p.m. to 4:44 p.m. – SEDCO, budget were presented by Karen Martin, Director and discussed. No changes directed.

K. Martin, Director gave a brief overview of stating that wages are increased at 3.6% of which 3% are wages and benefits, and contracted services is our standard operating budget. Also within this budget there has been just a realignment to show the cost of the Property and Casualty insurance that has normally resided in the Town Budget. Without the Property and Casualty our budget has gone up only 1.4% a total of \$600 for increased internet speed and a \$25 per month cleaning service.

K. Martin stated that she would like to touch upon some of SEDCO's accomplishments. We devoted a lot of time to make the website user friendly and speak to all parts of the Town. Regardless if one is growing their business or if a business is looking to come to Scarborough. We have had interest from all over the country and overseas as well. SEDCO plans to add to the web a visitor business site to compliment what is already on the site.

■ P. Hayes inquired what types of pings SEDCO is getting on the web from international countries.

K. Martin the top pings are Scarborough 101 and the how to areas. We feel that next year we will have a better idea of where the interests lie. We are doing a joint development site with 5 total municipalities.

■ C. Caiazzo inquired if there has been any face to face interaction with businesses and the kind of volume?

K. Martin stated that are a couple things that happen locally are we reach out through ads, Chamber of Commerce, Counseling for businesses starting up that need guidance, assisting a company partner with a bank . It is SEDCO's aim to have clients leaving with a positive image of our community.

■ C. Caiazzo requested to know how SEDCO is working with other departments in Town on such things as branding and other things

K. Martin works with various departments particularly if they are looking for information. We have a core competency when it comes to what is going on in the

community and can assist departments particularly when working on grants. We work very closely with the Planning department when working on ordinances or changes. We feel strongly about being involved in the Comprehensive Plan, the Manager did reach out to us about the Star communities. We are committed to working with the Town on that project.

- S. Babine thanked Ms. Martin and Mr. Freeman for the assistance that they have given the Finance Committee throughout the budget process. S. Babine would like in the future after touching base with the Town Council Chair to set up a workshop with SEDCO for the Town Council. S. Babine would like to see the focus be on the development of Haigis Parkway and what the challenges are.

T. Hall stated the Council gave a directive towards better communication with the community. Mr. Hall gave credit to Ms. Martin for all efforts in organizing staff to work on the newsletter task force that is making major steps in better communications. Karen brings a great energy and exuberance to the tasks and has a knack for bringing people together to work on these projects.

c. 4:45 p.m. to 4:55 p.m. – Finance budget and capital projects was presented by Ruth Porter and discussed. No changes directed.

- T. Hall stated that R. Porter, Finance Director has some news that Standard & Poore's has upgraded the Town of Scarborough's Credit Rating to AA+ 1.

- R. Porter stated the upgrade is partially due to how Scarborough has taken control of the Haigis Parkway Tiff and other factors. In the near future we will receive a letter stating all the improvements that have warranted the upgrade of Scarborough's credit rating.

- R. Porter informed the committee that revenues generated from Excise were increased by \$139 and as of yesterday are 89 % collected. Therefore we are on track to collect what was estimated for the current budget year.

- R. Porter stated that the Homestead Exemption is currently at \$10,000 and will be going to \$15,000 in the FY2017 budget and we receive reimbursement by the State.

- C. Caiazzo inquired on the revenue side can you explain the difference in investment interest between FY2015 and FY2016?

- R. Porter stated that the investment market has not been that great only like 1% back in the day Scarborough used to get 17% not so today.

- S. Babine stated that the bond premiums in 2015 is only for the Town not for the Schools.

- P. Hayes inquired that any new positions are not included in the proposed budget?

- R. Porter stated that there are no positions in the proposed budget but it will be discussed at a later date.

- R. Porter stated that the overall Finance and Assessing budget are at an overall 3.2% increase. The largest budget driver is the training to utilize our financial software to its fullest.

T. Hall stated the only Capital project is under Assessing for 2018 for an re-evaluation which would be an approved voter item.

- R. Porter informed the Finance Committee that the Finance Department received the GFOA Certificate of Achievement in excellence in reporting over the last 10 years.

**4. Approval of Minutes.** Motion by C. Caiazzo, seconded by P. Hayes, to move approval to except the minutes of April 13, 2016, Finance Committee meeting.

Motion passed: Vote – 3Yeas

#### **5. Future Meetings & Agenda Items.**

- Wednesday, April 27, 2016 - 7:00 to 9:00 p.m.  
(Budget Forum on the FY2017 Budget – High School Auditorium)
- Thursday, April 28, 2016 - 2:00 to 3:30 p.m.  
(Joint Town & School Finance Committee Workshop – Town Hall Council Chambers)
- Wednesday, May 4, 2016 - 4:00 to 6:00 p.m.  
(Community Services, Public Works & Administration – Town Hall Council Chambers)
- Wednesday, May 4, 2016 - 7:00 to 9:00 p.m.  
(FY2017 Budget Public Hearing – Town Hall Council Chambers)
- Wednesday, May 11, 2015 - 4:00 to 6:00 p.m.  
(Staffing Proposal Review & Final Recommendations – Town Hall Council Chambers)

**6. Public Comment.** None

**7. Adjourn.** Motion by C. Caiazzo seconded by P. Hayes to adjourn at 5:00 p.m.

Vote – 3 Yeas

Respectfully Submitted,

Colette A. Mathieson  
Recording Secretary