

**MINUTES**  
**COUNCIL FINANCE COMMITTEE MEETING**  
**THURSDAY, JANUARY 12, 2017**  
**6:00 P.M. Municipal Building / Council Chamber A**

**1. Call to Order.** P. Hayes, Finance Chair, called the meeting to order at 6:00 p.m.

**2. Those Present.** Finance Committee Members present – Peter Hayes, Finance Chair, Shawn Babine, and Chris Caiazzo; others present were Thomas Hall, Town Manager, Ruth Porter, Finance Director, Larissa Crockett, Assistant Town Manager and various Town staff and the public.

**3. Public Comment.** No Public Comment.

**4. Approval of Minutes.** Motion by C. Caiazzo, seconded by P. Hayes, to move approval to except the minutes of December 31, 2016, Finance Committee meeting.

Motion passed: Vote – 2Yeas/1Absent

P. Hayes, Finance Chair stated that next there would be an overview of the next three items that were a continuation of the past year.

**5. Review and Discussion of the Financial Statement Period Ending December 31, 2016**

The Town Manager and the Finance Director gave a brief overview of period ending December 31, 2016 financial report. This report is an internal unaudited financial statement.

T. Hall, Town Manager stated that the financial format is the same as last year upon input from the Finance Committee the format can be updated to suit the committee's needs.

Ruth Porter, Finance Director stated that the Financial Statement is a comparison of December 2015 and 2016 looking for the differences between the two time periods.

Councilor Hayes inquired why our unrestricted fund balance appears to have a significant increase of approximately (3) million dollars. What is causing a change of this proportion?

R. Porter, Finance Director stated the most significant difference is the School's unspent fund for the Wentworth building.

Councilor Caiazzo inquired why the Intergovernmental Revenues appears to be behind from last year.

R. Porter, Finance Director stated that the reason is due to a not receiving funds from the state for the Betty Program in December as is normal. The state instead will be sending those funds to the Town of Scarborough during this month of January.

Councilor Caiazzo suggested that the format could be changed to show more than one year to indicate how the revenues are trending along with a short narrative.

Councilor Babine, stated that the financial statement is a good document to his liking. An addition of an executive summary that states the hotspots or dashboard to show the positive and negative performers at this point.

## **6. & 7. Discussion: 2017 Goals & Norms**

P. Hayes, Chair stated that goals and norms are in here more or less as a placeholder to begin thinking about and will be addressed after the Town Council has their Workshop. The Town Council Workshop will be held on January 30, 2017 from 5:00 p.m. to 7:00 p.m. at the Library setting Goals and Norms for 2017.

## **8. Presentation: Proposed Metrics**

T. Hall, Town Manager stated that as a starting point this presentation will walk you through the debt service through metrics which goes along with what the rating agencies expect from communities. The Town Manager gave the floor to Larissa Crockett, Assistant Town Manager to do the metrics presentation.

L. Crockett, Assistant Town Manager gave a full presentation with Town demographics of debt through the Town and School from 2010 to 2015 data. After a review and discussion it was decided that Ms. Crockett will update the presentation with the metrics deemed to be important to the town and with the addition of narratives.

## **9. Discussion: Joint Meetings with School Finance Committee**

P. Hayes, Chair stated that the joint Town/School Finance Committees workshop will be following the same process as last year for the budget schedule. The process provided a good forum for discussions of what works and what doesn't and make changes as necessary.

T. Hall, Town Manager stated it's a time for rich discussions on how to provide a quality forum to the public and if there are areas that should be changed.

C. Caiazzo stated that the goal of the joint finance committee meetings is to have open communications between both the Town and School.

## **10. Discussion: Confirm FY2018 Budget Expectation**

After a discussion the Finance Committee concluded that the goal of the FY2018 Budget is to come in at or below 3%.

## **11. Future Meeting Dates, Times & Items**

The Finance Committee's regular meetings are held the second Thursday of each month at 6:00 pm.

## **12. Public Comment**

Mr. Larry Hartwell, 9 Purrington Drive stated that the bond rating was good and a tribute to the hard work of the Town Council. Mr. Hartwell stated that the goal to become AAA is commendable but we are in the state of Maine where the population is much older. Pertaining to the goal of passing the Validation Vote of the School Budget is really more a School Board goal and shouldn't be 25% of the Town Council's goal. Mr. Hartwell also stated that there are too many joint meetings between the Town/School Finance Committee's since the Town Council has no line item control only the bottom line. Mr. Hartwell is of the opinion that seven meetings were more than is necessary.

S. Babine, Councilor stated that one of the goals of the joint Town/School Finance Committee meetings was to build a good working relationship and communication between Town and School Committees. It also helps to understand strategic issues as to where their money is spent and why.

C. Caiazzo, Councilor stated that the goal was to have open communication between the two groups As well the committees use the budget process to let the community know what its priorities are and to have informed discussions.

**13. Adjourn.** Motion by S. Babine seconded by C. Caiazzo to adjourn at 7:35 p.m.

Vote – 3 Yeas

Colette A. Mathieson  
Recording Secretary