

FINANCE & ADMINISTRATION COMMITTEE MEETING

Monday, May 1st, 2017

MINUTES

Hampden Town Office

Attending:

Councilor Stephen Wilde, Chair

Mayor David Ryder

Councilor Dennis Marble

Councilor Terry McAvoy

Councilor Mark Cormier

Councilor Ivan McPike

Councilor Greg Sirois

Town Manager Angus Jennings

CEO Myles Block

Chairman Wilde called the meeting to order at 6:00 p.m.

1. Meeting Minutes

- a. **April 18th, 2017** – *Motion by Councilor McAvoy seconded by Councilor Marble to approve the minutes. Approved 7-0.*

2. Review & Sign Warrants – *Warrants were reviewed and signed.*

3. Old Business – *None.*

4. New Business

- a. **Consideration of the Tax Exempt Revenue Obligation Bond, Interest Rate RFP and recommendation to Council for contract award** – *[Councilor Sirois recused himself from this matter.] Manager Jennings recommended borrowing from Camden National Bank for a 7 year term at 2.47% interest. Motion by Councilor Marble seconded by Councilor McAvoy to endorse this recommendation. Motion passed 6-0.*
- b. **Consideration of proposed amendments to the Fees Ordinance and referral to Council for Public Hearing** – *Mayor Ryder asked about the proposed sewer rates. Manager Jennings explained that the proposed rates would cover the proposed FY18 sewer expense budget. If proposed expenses are reduced, a rate increase could be lower than proposed. The Council can make this decision within its public hearing. Manager Jennings noted that additional recommended fee changes (non sewer) were likely to be referred by*

the Planning & Development Committee at its May 3 meeting, and the Council agreed that their recommendations could be considered within the May 15 public hearing. Manager Jennings clarified that a vote to refer the proposed fees to public hearing would not constitute an endorsement of the fees, only that they should be considered in public hearing. Motion by Councilor Marble seconded by Mayor Ryder to refer to public hearing proposed amendments to Sections 1, 2 and 5 of the Fees Ordinance. Motion passed 7-0.

- c. Request for authorization for the expenditure of \$277.00 out of the Recreation Reserve Account (3-767-00) for the purpose of paying Bangor Daily News for advertising for the Pool Site Design, Engineering and Permitting RFP – Motion by Councilor Sirois seconded by Councilor Marble to recommend Council authorization for the expenditure of \$277.00 out of the Recreation Reserve Account for the purpose of paying Bangor Daily News for advertising for the Pool Site Design, Engineering and Permitting RFP. Motion passed 7-0.**
- d. Request for authorization for the expenditure of \$251.31 out of the Municipal Building Reserve Account (3-702-00) for the purpose of paying Hampden Electric for lighting repairs – Requested by Sean Currier, DPW Director – Motion by Councilor Sirois seconded by Councilor Marble to recommend Council authorization for the expenditure of \$251.31 out of the Municipal Building Reserve Account for the purpose of paying Hampden Electric for lighting repairs. Motion passed 7-0.**
- e. Request for authorization for the expenditure of \$1,756.15 out of the IT Reserve Account (3-711-00) for the purpose of purchasing three Windows Tablet Computers for the Fire Department and Ambulance – Requested by Kyle Severance, IT Director – Councilor Wilde asked why the tablets were needed and CEO Block reported that these will be compatible with the new State system (which is no longer compatible with the current laptops) and that this will allow first responders to access building plans in the field. Motion by Councilor Marble seconded by Councilor McAvoy to recommend Council authorization for the expenditure of \$1,756.15 out of the IT Reserve Account for the purpose of purchasing three Windows Tablet Computers for the Fire Department and Ambulance. Motion passed 7-0.**
- f. Request for authorization for the expenditure of \$1,325.00 from the Personnel Reserve Account (3-733-00) for the purpose of offsetting costs associated with payroll expenses for a temporary part-time worker – Motion by Councilor Marble**

seconded by Councilor McAvoy to recommend Council authorization for the expenditure of \$1,325.00 from the Personnel Reserve Account for the purpose of offsetting costs associated with payroll expenses for a temporary part-time worker. Motion passed 7-0.

- g. Consideration and Council position on LD 1312, “A Resolve to Investigate Extending Passenger Rail Service to Central Maine”**
– It was acknowledged that the date of the meeting had passed since the letter from Bangor had been received only recently. There was a motion by Councilor McPike to support LD 1312, seconded by Councilor Marble, and the motion passed 5-2 with Councilors McAvoy and Cormier opposed.
- h. Presentation and discussion on the FY2016 Audit – James W. Wadman, CPA presented the Town of Hampden FY16 Audit.** *He reported that the Unassigned Fund Balance increased somewhat during FY16 to 8.6%, an improvement though still short of the 10-12% recommended by MMA. Councilor McAvoy asked if the Town could budget for a surplus and Mr. Wadman said that Bar Harbor maintains a working capital reserve equal to 10% of its annual budget but that this isn’t something he commonly sees. Manager Jennings noted that the Overlay serves this purpose, in that it will revert to Fund Balance if all expenditures and revenues match budget. Mr. Wadman agreed and said this could be up to 5% of the tax commitment in any given year. He spoke about the deficit in the Sewer Fund, and about the increasing share of liability to MainePERS. He said this results from actuarial calculations that have only been put on paper for the past two years, and that it is raising some eyebrows. Manager Jennings asked if this is a statewide issue for MainePERS and Mr. Wadman said yes, and it’s also an issue for public schools. Manager Jennings asked Mr. Wadman to clarify that the General Fund Unassigned Fund Balance includes the amounts “due to” the General Fund from the Sewer Fund, and Mr. Wadman confirmed that this was correct. Manager Jennings said this means that these funds show up as an asset on the Town’s balance sheet but is not liquid funds since it is only worth anything once the sewer fund pays back the general fund. Mr. Wadman closed his presentation by stating that the FY16 Audit did not include any management letter comments, and raised no significant concerns. The Committee thanked him and his firm for their work.*
- i. Town Manager’s presentation of the proposed FY18 Municipal Budget – This item did not proceed as it was time to adjourn.**

5. Public Comment – None.

6. Committee Member Comments – None.

7. Adjournment

There being no further business, the meeting was adjourned at 6:58 p.m.

Respectfully submitted –
Angus Jennings, Town Manager