

MINUTES
SPECIAL FINANCE COMMITTEE MEETING
Monday, May 9, 2022 – 5:30 p.m.
Gorham Municipal Center, Conference Room A

Present: Council Chairman Lee Pratt (Ad Hoc), Councilor James Hager - Committee Chair, and Councilors Janet Kuech and Suzie Phillips.

Also Present: CPA, Casey Leonard - Runyon Kersteen Ouellette; Town Manager, Ephrem Paraschak, and Finance Director, Sharon Laflamme.

1. Consideration of the minutes of March 28, 2022 Meeting

A motion was MADE by Councilor Kuech, SECONDED by Councilor Phillips, and VOTED to accept the minutes of the March 28, 2022 Finance Committee Meeting. Unanimous vote.

2. Current Business

- A. Review Comprehensive Financial Audit Report for Fiscal Year ended June 30, 2021.

Casey Leonard of Runyon Kersteen and Ouellette (RKO) CPAs presented the results of the Town's annual comprehensive financial audit for the fiscal year 2020-2021. The committee reviewed the results and held a brief discussion.

- B. Review and discuss debt-to-income ratio policy.

The committee reviewed the draft policy.

Councilor Hager asked to see physical examples of per capita debt.

Regarding Section A on the first page of the draft Debt Management Policy – Purposes and Uses of Debt Financing – the committee discussed adding the language “per fund balance policy adopted by the Town Council on April 5, 2011.”

Under subsection 1 – Demand – on page three, the committee discussed adding “safety of the citizens of the Town” to the paragraph.

The committee discussed omitting the language under subsection a – Per Capita Debt - and replacing with “no one bond shall have X # of increase of property of X value % of mil rate.”

Under subsection b – Debt as a Percent of State Valuation – on page four, the committee discussed adjusting the existing 4 percent noted to 3.5 percent.

On page six under section 5 – Term – the committee discussed adding the language “, but based on the life of the asset, affordability of payback,” to the end of the paragraph.

- C. Review status of foreclosed/tax-acquired properties.

The committee had a discussion about tax acquired properties, some of which were acquired many years ago, which prompted a discussion regarding 698 Fort Hill Road and a request from a citizen to purchase the tax-acquired property.

Town Manager Ephrem Paraschak said he will request staff from Code and PD to go out and verify if the property is vacant.

The committee discussed whether they can legally accept a purchase directly from a citizen as they did not believe that was something they could do, and they asked Mr. Paraschak to look back for any other similar situations if the Town allowed a private sale of tax-acquired property.

Finance Director Sharon Laflamme provided an update on the status of foreclosed properties and said that property owners had until June 30, 2022 before the committee would need to consider further action. Mrs. Laflamme said she would need to look through envelopes to confirm when mailings were postmarked.

A brief discussion ensued in which the committee asked if there was a better way for staff to look through envelopes to confirm receipt of payment.

A general discussion ensued regarding properties with houses and properties with just land.

3. Other Business

No other items were discussed under "Other Business."

4. Schedule next meeting and discuss agenda items for next meeting

The committee will meet on the following Mondays:

- June 20, 2022
- September 19, 2022

The following items will be discussed on the next agenda, and any other items referred from the Town Council to the committee for action:

- A. Review and discuss debt-to-income ratio policy.
- B. Review and discuss May financials.

5. Adjournment

There being no further business, a motion was MADE by Councilor Phillips, SECONDED by Councilor Kuech, and VOTED to adjourn at 6:30pm. Unanimous vote.

Respectfully,

Jessica Hughes
Executive Assistant