



CITY OF HALLOWELL

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MEMO

To: Hallowell City Council Finance Committee

Date: October 4, 2019

1. Audit Report: After some meetings between the auditor, the City Treasurer, and me I will have a final audit report next week in advance of your October 15 meeting and will send the final version as soon as I have it. As of now we are still reviewing a draft version of the report that I received on Wednesday October 2, but the final is forthcoming per my review with the City Treasurer and Keel Hood.
2. TIF fund allocations: The City Treasurer and I will present a final list of TIF fund allocations per your meetings prior to the budget approval, for your consideration to make a recommendation to Council. I would like to formalize these allocations and ask that you support our recommendation to move a lump sum of TIF funds into the General Fund, then track the crediting of these funds as we go through the year. At the end of the year if any of the funds remain unused, you may elect to move the funds back into the TIF fund for future use. We feel that this recommendation will reduce error and bookkeeping journal entries, and streamline our reporting.
3. Including internship budget in TIF fund allocation: We will add this expense to the proposed TIF fund allocation to the General Fund, submitted for your review and approval.
4. Use of cemetery operating fund balance and trust fund drawdown as revenue for the general fund in FY20 budget: The City has maintained a cemetery operating fund and currently has a balance of \$18,973. After some discussion with the City Treasurer, we recommend that you apply these funds to the \$20,474 revenue line for cemetery, drawing only the remaining needed balance of \$1,501 from the Portland Trust Cemetery fund. This will both maintain assets in the fund and clear an account at Androscoggin Bank, which will help streamline our reporting.
5. DECD correspondence on changing the downtown TIF district: On guidance from DECD, I recommend that you host a separate meeting to review the response I received from DECD regarding modifications to the TIF district, including changing the boundaries to include the Hubbard Free Library, changing the maximum spending limits in any specific use line in the TIF district as originally approved, and correcting the error in the Original Assessed Value (OAV). This may also be an opportunity to review the TIF policy draft with the TIF Policy Committee one more time before submitting to Council for final approval and implementation.
6. Public Works employee Tom Goraj made an informal offer of \$500 for the old fire truck that has been parked at the Sand Pit for several years, if nothing else just to get it out of the way before winter comes. I recommend that you consider his offer, and / or consider accepting closed bids for the vehicle as directed by the Ordinance or other policies. -NRR