

## FINANCE COMMITTEE MEETING MINUTES OF JANUARY 29, 2008

### Attendance:

Present: Allen McRae  
Dave Stevens  
Dick Montminy  
Fred Faulkner  
Ken Adam  
Steve Venuti

Absent: Susan McDowell

The meeting was scheduled to open at 7:00 PM, for a budget discussion with the Light and Water Department, but none of their representatives attended.

Meeting opened at 7:25 PM in Room 103, Shattuck Street Building

### Discussion re Town wide budgets presented by Finance Committee and Board of Selectmen:

The Selectmen were represented by Ken Eldridge, Joe Knox, Reed Augliere and Alex McCurdy. Keith Bergman, Town Administrator, and Bonnie Holston, Finance and Budget Director, joined them.

The purpose of the meeting was to compare the budget prepared by the Finance Committee with the budget prepared by Bonnie Holston, on behalf of the Board of Selectmen, as both groups work toward the one budget to be presented to the town. Fred Faulkner described the Finance Committee's approach, which is to prepare the best budget possible, even if it shows shortfalls, then adjust as necessary to bring it back into balance. Steve Venuti then distributed a Budget Reconciliation, highlighting the Operating Budget differences between the Selectmen's budget and the FinCom budget. Out of a \$30.4M budget, there were few differences. The FinCom was somewhat more conservative in projecting State Aid and assessments by the state. The FinCom also allocated \$300K to Capital items, whereas the Selectmen had increased the School budget by that amount. Discussion ensued regarding how Chapter 70 funding from the state should be allocated. The FinCom emphasized that the increase in school budgets exceeds the increase in Chapter 70 funding, and that the \$14.2M school budget proposed by the FinCom (an increase of \$590K from the FY 2008 appropriation) represents a figure that the FinCom knows it can commit to the school system at this time. The FinCom feels that to present a higher figure to the school system that may not materialize is in neither the schools' nor the Town's best interests.

The discussion then turned to Capital items. In addition to smaller capital items that the FinCom has already provided for in its budget, the FinCom places Russell Street School renovations at the top of its priority list, emphasizing the potential loss of state cost sharing if the town does not act promptly. The Committee also opined that if the school's problems are not addressed now, the town runs the high risk of replacing the entire school in another five years. A meeting with the State is scheduled for later this week to discuss cost sharing. The Selectmen do not share this view, and eliminated Russell Street School from its consideration, putting only replacing the Police Station and Road Renovations on its priority list. All agreed that the town's prior years' unwillingness to support equipment replacement and deferring maintenance is catching up with us; a realistic assessment of the town's needs and priorities is critical.

The Selectmen and Bonnie left the meeting.

Keith Berman discussed the timetable for this Spring's town meeting. In an attempt to more clearly present issues to be discussed at Town Meeting, he recommended separating the information into two documents:

1. The Town Report for the year ended December 31, 2007 and
2. A 2008 Town Meeting booklet, including the warrant, FinCom report, and all other information related to the May 5, 2008 Town Meeting.

He also proposed closing the Town Warrant on Friday, March 21, 2008.

**VOTE TAKEN:**

Motion made by Mr. McRae, seconded by Mr. Montminy, to support the recommendation that the town issue two reports:

1. The Town Report for the year ended December 31, 2007 and
  2. A 2008 Town Meeting booklet, including the warrant, FinCom report, and all other information related to the May 5, 2008 Town Meeting.
- and that the Town Warrant be closed on Friday, March 21, 2008.

VOTED: Approved by unanimous consent.

Keith Bergman left the meeting.

A town resident asked for a better understanding of Cherry Sheets. Steve Venuti explained that the Cherry Sheet is the official notification by the Commissioner of Revenue to municipalities and regional school districts of estimated state aid to be paid and charges to be assessed over the next fiscal year. He emphasized that these cover not just what the state gives as aid, but also what it takes as assessments.

**Minutes of January 22, 2008:**

Ken Adam moved, Allen McRae seconded, to approve the minutes of the January 22, 2008 Finance Committee Meeting.

VOTE: Approved by unanimous consent

The next meeting will be Tuesday, February 5, 2008, Room 103, Shattuck Street Building. The Park & Recreation and Community Education Department is scheduled. FinCom will also try to reschedule the Light and Water Department.

Motion to adjourn made by Allen McRae, seconded by Dave Stevens.

VOTE: Approved by unanimous consent

Meeting adjourned at 9:00 PM