

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
9/16/09

Page 1 of 3

Meeting Date: September 16, 2009

Called to Order: 6:03 PM

Finance Committee Members Present: Lynn Reynolds, Marje Levenson, Michael Naughton, John Hanold and Rob Allen.

Montague Selectmen Present: Pat Allen (left at 6:15, returned at 7:00), Mark Fairbrother and Patricia Pruitt

Others Present: Carolyn Olsen (Town Accountant), Jeff Singleton

Minutes

BOS Moved: To approve the minutes of September 9, 2009.

Vote: 3 In Favor 0 Opposed 0 Abstained

FC Moved: To approve the minutes of September 9, 2009.

Vote: 3 In Favor 0 Opposed 2 Abstained

Gill-Montague District Meeting

Finance Committee Recommendation for September 30th.

First question is whether the FC and or BOS want to take a position for the meeting.

BOS Moved: To recommend a GMRSD FY10 budget of \$16, 441,403 with an assessment to Montague of 7,120,370, as voted at Montague's Special Town Meeting on August 5, 2009.

Vote: 2 In Favor 1 Opposed 0 Abstained

FC Moved: To recommend a GMRSD FY10 budget of \$16, 441,403 with an assessment to Montague of 7,120,370, as voted at Montague's Special Town Meeting on August 5, 2009.

Vote: 5 In Favor 0 Opposed 0 Abstained

Proposed letter to Commissioner Chester

Mr. Naughton provided a copy of his latest draft, which is included in the minutes file. Agreement reached that the amended letter should be signed by Finance Committee and Board of Selectmen and be sent to Commissioner Chester. Ms. Levenson suggested copies be sent to Legislators, GMRSD School Committee and handed out at the District Meeting.

Borrowing in Anticipation of Grants

The Town currently has a separate article to borrow in anticipation of each grant for which this need is expected. An alternative is to have a single article authorizing the Treasurer to borrow in anticipation of grants. The vote was deferred from last week

Ms. Levenson did some research and concluded that no one feels it's really necessary. Mr. Naughton would prefer consolidation but doesn't consider it a big issue.

FC Moved: To recommend a single article to authorize the Treasurer to borrow in anticipation of grants.
Vote: 3 In Favor 1 Opposed 1 Abstained

Straw-poll for next STM

At the last meeting there was a discussion regarding whether to treat recurring capital items as separate appropriations within the department or to keep these items as special articles. At last week's meeting it was suggested that town meeting members be asked their preference. There was a lengthy discussion of the pros and cons of the two methods as well as whether to solicit opinion from town meeting members. Items brought up that were not also in the minutes of the last meeting were:

Ms. Levenson spoke to many people who felt that:

- Reducing the number of warrant articles was not helpful to town meeting.
- Streamlining in and of itself was not seen as positive.
- Speed does not necessarily make for good government.

Ms. Levenson also feels that special articles are more educational.

Mr. Naughton's concern with putting recurring capital items into the operating budget is that any unspent monies are closed out and feels that having these items as special articles encourages department heads to be as frugal as possible because it allows them to keep any monies not spent in the first year for future use.

Mr. Hanold has supported putting some capital items into the operating budget because it seems unnecessary to annually discuss items such as computer equipment and police cruisers and he feels that there's no point in having them called out separately as if they were something different from the previous year. Mr. Hanold feels that these items are no more discretionary than other parts of the budget.

Ms. Pruitt feels that they are different because they are usually large amounts of money and sometimes we can't spend that much money.

BOSMoved: To keep recurring capital items as special articles, including computer equipment (currently a separate appropriation within the operating budget).
Vote: 3 In Favor 0 Opposed 0 Abstained

FC Moved: To keep recurring capital items as special articles, including computer equipment.
Vote: 4 In Favor 1 Opposed 0 Abstained

Other Information

Ms. Reynolds provided copies of articles from The Economist and Barron's about considerations of revenue sources and requested that the committees discuss them at a future time. Mr. Hanold will put this on a future agenda.

Mr. Hanold asked that the record show that the Finance Committee is willing to do something with MCTV for presenting information to the public.

Specialization of Committee Members

There was a continuation of an earlier discussion of whether individual members would like to focus on different departments and reporting back to the committee.

- Mr. Allen noted there was also talk during budget about bigger issues of what services we offer, whether we should continue to offer them, perhaps change how they are offered.
- Ms. Reynolds would prefer to focus on larger issues than specialization of committee members.
- Mr. Naughton likes the idea of specializing.
- Mr. Hanold asked that if anyone wants to investigate specific areas or departments, please do so but let him know so we can avoid duplication.

Future Meetings

- Weekly vs. biweekly – Mr. Naughton stated that every year we bring up questions that we don't have time to answer at that moment and we decide to postpone the discussion until we're not in the middle of the budget process. If we actually take care of these items, we can then go to biweekly meetings.
- Mr. Hanold beseeched members to look back over the last budget process and bring up issues to be discussed prior to the new budget process.

Upcoming Dates:

23 Sept 09 Next FinComm Meeting
30 Sept 09 Gill-Montague District Meeting: re GMRSD Budget.
Thru Oct Regular FinComm meetings Wednesday 6:00 2nd Floor Meeting Room,
dependent on progress and new issues arising

Adjourned at 7:52 PM.

Respectfully Submitted,
Carolyn Olsen