

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
5/5/10

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Meeting Date: May 5, 2010

Called to Order: 6:00 PM

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

Montague Selectmen Present: Pat Allen and Mark Fairbrother.

Others Present: Frank Abbondanzio (Town Administrator) and Carolyn Olsen (Town Accountant)

Ms. Levenson suggested that the Finance Committee adopt and clarify the particular parliamentary procedure used for conducting the meetings. This may be on a future meeting's agenda.

Minutes

FC Moved: To approve the minutes of April 28, 2010.
Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To approve the minutes of April 28, 2010.
Vote: 2 In Favor 0 Opposed 0 Abstained

New Special Articles

FC Moved: To recommend appropriating \$4,000 for the purchase of an outdoor bulletin board for the Town Hall, to be funded Free Cash.
Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend appropriating \$4,000 for the purchase of an outdoor bulletin board for the Town Hall, to be funded Free Cash.
Vote: 2 In Favor 0 Opposed 0 Abstained

FC Moved: To recommend appropriating \$65,000 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 16 of the March 23, 2006 Town Meeting (Multipurpose Building Feasibility Study).
Vote: 4 In Favor 2 Opposed 0 Abstained

BOSMoved: To recommend appropriating \$65,000 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 16 of the March 23, 2006 Town Meeting (Multipurpose Building Feasibility Study).
Vote: 0 In Favor 2 Opposed 0 Abstained

FC Moved: To recommend appropriating \$1,925 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 11 of the January 23, 2008 Town Meeting (Acquisitions/Appraisals).

Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend appropriating \$1,925 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 11 of the January 23, 2008 Town Meeting (Acquisitions/Appraisals).

Vote: 2 In Favor 0 Opposed 0 Abstained

FC Moved: To recommend appropriating \$3,345 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 3 of the July 8, 1999 Town Meeting (Dry Hill Road Legal).

Vote: 5 In Favor 0 Opposed 1 Abstained

BOSMoved: To recommend appropriating \$3,345 to be transferred into the Town Stabilization Fund, to be funded by the remaining balance in Article 3 of the July 8, 1999 Town Meeting (Dry Hill Road Legal).

Vote: 2 In Favor 0 Opposed 0 Abstained

FC Moved: To recommend rescinding the remaining balance of \$760.19 in Article 25 of the May 7, 2005 Town Meeting (Pavement Management Study).

Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend rescinding the remaining balance of \$760.19 in Article 25 of the May 7, 2005 Town Meeting (Pavement Management Study).

Vote: 2 In Favor 0 Opposed 0 Abstained

Final Amount of Free Cash to Town Stabilization

FC Moved: To recommend appropriating \$100,000 to be transferred into the Town Stabilization Fund, to be funded from Free Cash.

Vote: 5 In Favor 1 Opposed 0 Abstained

BOSMoved: To recommend appropriating \$100,000 to be transferred into the Town Stabilization Fund, to be funded from Free Cash.

Vote: 2 In Favor 0 Opposed 0 Abstained

Amend Previous Motion

FC Moved: To reconsider last weeks vote on the town operating budget.

Vote: 4 In Favor 0 Opposed 2 Abstained

BOSMoved: To reconsider last weeks vote on the town operating budget.

Vote: 2 In Favor 0 Opposed 0 Abstained

FC Moved: To amend the previous recommendation for the FY11 Town Operating of budget of \$7,157,247 to \$7,164,447 for the FY11 Town Operating Budget, to be funded by \$125,000 from Free Cash and \$7,039,447 from taxation.

Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To amend the previous recommendation for the FY11 Town Operating of budget of \$7,157,247 to \$7,164,447 for the FY11 Town Operating Budget, to be funded by \$125,000 from Free Cash and \$7,039,447 from taxation.
Vote: 2 In Favor 0 Opposed 0 Abstained

GMRSD Assessment and Budget Vote

FC Moved: To recommend appropriating \$7,230,327 for the FY11 GMRSD Assessment, to be funded by \$125,000 from Free Cash and \$7,105,327 from taxation.
Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend appropriating \$7,230,327 for the FY11 GMRSD Assessment, to be funded by \$125,000 from Free Cash and \$7,105,327 from taxation.
Vote: 2 In Favor 0 Opposed 0 Abstained

Mr. Hanold noted that it is likely that the Town will be called on to appropriate more money for the GMRSD assessment. Mr. Hanold reiterated the assessment approval process and noted that last year DESE set a budget in December that was slightly lower than what GMRSD had expected, requiring the GMRSD to make mid-year budget cuts. Mr. Hanold asked what the members would propose doing if Town Meeting, District Meeting or DESE set an assessment for FY11 that is more than what we have recommended.

Ms. Reynolds thinks the important question to ask is whether we want to continue to have DESE involved in the GMRSD. Ms. Reynolds asked Mr. Naughton for his opinion.

Mr. Naughton thinks that DESE's involvement has been useful so far, and the alternative of having the Town come up with the additional funding that GMRSD is requesting is financial suicide. The result of voting those requests down is having DESE involved, and if we are required to pay additional amounts, the funding would likely come from the stabilization funds, which is fine as long as we have a plan to reduce the use of stabilization before we run out. DESE so far has not shown a real interest in helping to come up with a plan for future financial stability.

Mr. Fairbrother noted that Town Meeting is likely to approve our recommendation, the school will not accept it, and in December DESE will set a budget and Montague will wind up paying some 6-figure number and it will come from stabilization because that's all we have.

Mr. Allen pointed out that the difference between this year and last year is that this year the school district did their part by level funding their budget and the state dropped the ball by reducing state aid to schools. Mr. Allen also noted that the town did not level fund its budget.

Ms. Levenson left at 7:31 PM

BOS Adjourned at 7:31 PM

Finance Committee Report to Town Meeting

Ms. Olsen will send out the current draft report that was presented at tonight's meeting via e-mail. Suggestions should be sent to Mr. Hanold so that a vote on the final wording can be taken next week.

Next Meetings:

May 12 Final Finance Committee Report to Town Meeting, contents of budget file to go on website.

May 19 Finance Committee Report to Town Meeting to printers

May 26 Mail Finance Committee Report to Town Meeting

June 5 ATM

FC Adjourned at 7:44 PM

Respectfully Submitted,
Carolyn Olsen