

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

October 26, 2011

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Meeting Date: October 26, 2011

Called to Order: 6:02 PM

Finance Committee Members Present: John Hanold, Michael Naughton, Andrew Killeen and Lynn Reynolds (arrived at 6:25PM)

Selectmen Present: Pat Allen, Chris Boutwell (arrived at 6:35 PM), and Mark Fairbrother

Others Present: Carolyn Olsen (Town Accountant), Roy Rosenblatt (prospective member)

Minutes

Finance Committee Moved:

To approve the minutes of October 12, 2011.

Vote: 3 In Favor 0 Opposed 0 Abstained

Review Results of October 20, 2011 Special Town Meeting

- No action needed from the Finance Committee.
- Mr. Naughton asked who's in charge of the details of the loan through the Franklin Regional Council of Governments for the Strathmore Debris Removal. The Selectmen suggestion that would be Mr. Abbondanzio, Mrs. Dion, and Mr. Ramsey. Mr. Naughton asked if the Finance Committee could be involved, especially in determining the length of the loan.
- Mr. Rosenblatt suggested that at another time the Finance Committee discuss Program Income.

Initial Calendar for Fiscal Year 2013 Budget Process

- Mr. Hanold presented a draft calendar of the budget process for review.
- Mr. Naughton wondered if sending out budget forms and instructions the week of December 14th would give people enough time to submit budgets by the first week in January, and suggested that getting the requests out earlier in December would make more sense.
- Mr. Naughton suggested that if there is any intention to shift resources to different areas it needs to be discussed soon, but noted it is more a question for the Board of Selectmen than the Finance Committee.
- Some minor shifts were suggested and will be incorporated in a revised budget calendar.

Topics not anticipated within the 48 hour posting requirement

Announcement

The Turners Falls Fire & Water District has a 3 member finance committee, currently with no members. Mr. Hanold noted that they are currently soliciting new members.

Reserves

- Mr. Killeen has asked in the past about reserve balances and appropriate amounts. Mr. Hanold prepared a handout showing how reserves have been recently used.
- Mr. Killeen asked how we got the amount of Free Cash that we had certified. Ms. Olsen will prepare a simple analysis of what went into the Free Cash calculation.
- Mr. Naughton suggested that this may be a year to use some of the Stabilization for needed projects.
- Mr. Killeen still thinks that the Free Cash amount represents a significant amount of over-taxation.
- Ms. Allen noted we are also starting to hear staff requests for additional staffing.
- Mr. Naughton's question going into Fiscal Year 2013 is: if we assume financial situation will not significantly change, what implication does that have on where we see the town in a few years? The general question is whether town should maintain status quo or if there are areas we should change.
- Ms. Allen noted that the Gill-Montague Regional School District will not be able to continue to level fund their budget.

Technical Panel

The technical panel will be meeting tomorrow. They would like to get a sense of whether the direction Table B shows for Fiscal Year 2013 is feasible or not feasible for whatever reason. Mr. Naughton asked how the two groups present feel about continuing with 48.5% of revenues going for the Gill-Montague Regional School District assessment. Everyone present seemed in favor of continuing with the 48.5%.

List of Documents and Exhibits –

- Initial Calendar for Fiscal Year 2013 Budget Process
- Handout showing reserves as a percent of operating budget, from Mr. Hanold.
- Preliminary drafts of Schedules I and II for Fiscal Year 2013 (elected officials' wages and non-union appointed employees' wages)

Next Meetings

- November 16, 2011
 - Requested staff changes at Water Pollution Control Facility
 - Joint meeting with Board of Selectmen, discuss preliminary budget schedule, revenue forecast from Town Administrator, recommendations from Finance Committee for budget message/request.
 - Update on technical panel
- November 30, 2011

Adjourned 7:20 PM

Respectfully Submitted,
Carolyn Olsen