

Minutes

Board of Finance Meeting

March 15, 2011

Room 206 7:30 PM

CALL TO ORDER

The meeting was called to order by Chairman Liz Mao at 7:36 PM. All members were present with the exception of Mr. Zagrodzky and Mr. Stegelmann. Finance Director, Kate Clarke Buch was also present. The meeting was broadcast by Channel 79.

BUDGET REVIEWS

Community Environment – Joe Duwan and Martha Banks reviewed this budget section with Jeremy Ginsberg, which includes Planning and Zoning. No cuts were proposed. There is a request for a large format scanner in the capital budget, which can be used by multiple departments. P&Z will propose a higher fee for more complex development projects. This will need Board of Selectmen and Board of Finance approval.

Debt Service – The auditors have requested that the Board establish a debt service fund to account for the bond premium from the March 2011 issuance, since those funds will carry over fiscal year end. Ms. Mao noted that the premium will be used to pay the first interest payment and partial payment of the second semi-annual interest payment due in the next fiscal year. Ms. Buch had developed language to establish the fund and a motion to approve was moved by Gwen Mogenson, seconded and approved 5-0.

Police Department – Mr. Duwan, Ms. Banks and Ms. Mogenson met with Police Chief Lovello and the captains for a detailed review of their budget. Mr. Duwan noted that their \$5.6 million request is 21% of the total Board of Selectmen operating budget, before considering the capital budget. The joint meeting identified the following cuts: \$1,000 from the Records Dept for less required system hardware repairs and a cut in Station Operations maintenance related to the construction project. The Board recommends a \$5,000 cut, which is 50% of that line item.

There is a capital request for four new patrol cars with two trade ins and two cars retained as additional fleet. Ms. Banks noted that the cars being replaced are 2009 models and there was some discussion as to whether this was a 2 or 3 year replacement. The Board has asked the Police Dept to move to a 3 year replacement cycle. There seems to be a disconnect between

the dollar amount of the request and the most recent pricing sheet. If all four cars were approved, the budget would have to be increased. Ms. Mogenson will contact the Chief to clarify the operating budget cuts and capital request and the Board will re-visit these issues in a future meeting.

Employee Benefits - Benefits are budgeted to increase 4.0%. Ms. Buch noted that the estimated rate increase for medical and dental is 4.5% - 5.5% per our benefits consultant. Employee health care premium contributions range from 12% to 18% based on the negotiating group. Salary based benefits (ex: accidental death and long term health) are stable. Pension contributions are fully funded based on actuarial assumptions.

Risk Management – The total of various insurance lines is a 2.9% increase. Per Ms. Buch, some accounts are up and some are down. We are waiting for final quotes.

Public Works – Ms. Mao, Ms. Banks and Ms. Mogenson met with Department Head Bob Steeger to review the budget. They agreed on a cut of \$2,640 to solid waste disposal. A new state program requires the original manufacturer to pay for electronics recycling, previously a town expense. The Board recommended a \$9,000 increase to purchase a rain gauge for Goodwives River flow monitoring. The engineering report recommendations have not been calibrated for actual flow. The Board feels that, given the funds already spent for the engineering study, this final step should be funded.

Public Works has two capital project requests for drainage improvement studies for Intervale and West Avenue. Mr. Steeger has identified a \$20,000 cut to the West Ave. project based on more current information. The use of the BOF Infrastructure Reserve will be addressed at a future meeting.

General Government - Mr. Duwan and Ms. Mogenson met with Town Administrator, Karl Kilduff, to review several smaller department budgets. There were no proposed cuts. Ms. Buch will issue a “Request for Proposal” regarding banking services. She did not expect this to result in significant savings.

Tax Assessor – Ms. Mao, Ms. Banks and Ms. Mogenson met with Tony Homicki, the assessor. The October 2010 Net Grand List increased \$42,146,498 over the previous year, somewhat more than expected and includes the country club settlements. There is a proposal to change the senior tax assistance application to a biennial rather than annual application. This would conform to state programs and is suggested to be put in place effective for July 2013 tax bills.

TRANSFERS

- Police: \$18,656 transfer required to move a maintenance employee back to full time as of January 2011. Moved by Ms. Banks, seconded and approved 5-0.
- Elections: \$3,150 transfer needed within the Elections budget to cover Special Election expenses. Moved by Ms. Mogenson, seconded and approved 5-0.

ADJOURNMENT

There being no other business, Mr. Duwan moved to adjourn which was seconded and approved 5-0 at 8:45 PM.

Respectfully submitted,

Gwen Mogenson
Acting Clerk