

Board of Finance
Regular Meeting – June 16, 2009
MINUTES

Attending:

Board of Finance Members: Al Alper, Robert Kelso, Jim Meinhold, Andy Pforzheimer (7:45 p.m. arrival), Warren Serenbetz, Lynne Vanderslice

Others: Joseph Dolan, Bob Russell, Carol Russell, Paul Burnham, Gail Lavielle

Call to Order:

Warren Serenbetz called the meeting to order at 7:30 p.m.

Approval of Minutes:

- Regular Meeting of May 19, 2009

Al Alper motioned that the Minutes be approved as written; Jim Meinhold seconded, and the motion passed 5 – 0 (Pforzheimer not present for vote.)

Report on Bond Refunding:

Joe Dolan distributed materials and reported on the bond refunding which had taken place June 1, 2009. He advised that two bond issues had been refunded, one issued in July, 2001 and another in July, 2003, and that the actual cash savings from the refunding was about \$480,000. He explained that the refunding had been structured to get all the savings up front in the first two years.

Mr. Dolan also distributed a copy of Moody's credit report wherein the analyst cited the Town's sound financial management, conservative budgeting on revenues, and good financial management of the Town's resources as being key factors in the Aaa rating assigned to the \$11.19 million General Obligation Refunding Bonds, Issue of 2009.

Q&A and discussion followed Mr. Dolan's report, with Bob Kelso commending Mr. Dolan's work and good results on the bond refunding.

Report on FY 2010 Tax Relief:

Mr. Dolan distributed a summary report of results on the Tax Relief for the Elderly and Disabled Program and reported that the final cost of the program was approximately \$850,000, about \$100,000 less than budgeted. He noted that it was somewhat surprising that the number of deferrals, as well as the average amount per deferral, had dropped.

Discussion of Charter Revision Line-item Authority Issue:

Mr. Serenbetz explained that the Charter Commission had met the previous evening and had passed a motion to include a compromise that was drafted with respect to the Board of Finance's budget line item authority, specifically that the Board of Selectmen would have the power with a super majority of four votes to override any line item change that the BOF might make to its budget. Mr. Serenbetz also expressed his disappointment that the BOF was not consulted in drafting the compromise language. He asked Bob Russell and Paul Burnham, chairman and member of the Charter Commission respectively, to review the proposed change and to explain the specifics of the charter revision process and timeline going forward. Mr. Russell stressed that the compromise proposal was still in draft form and that the language could be changed.

After extensive discussion, the Board agreed that it was important to respond to the proposal in a formal way. Further discussion ensued on whether the Board should recommend the compromise proposal as drafted, propose alternate language, or recommend maintaining line item authority as it is in the current Charter.

Mr. Alper moved that the Board of Finance recommend to the Charter Commission to leave the Charter as is, as it pertains to the Board of Finance's line item authority; Mr. Meinhold seconded; and the motion passed 5 – 1 (Serenbetz).

Mr. Serenbetz stated he would draft and forward the BOF's recommendation to the Board of Selectmen.

Other Business:

Mr. Serenbetz asked for a motion to add a request for approval of a \$30,000 Justice Assistance Grant from the Police Department to the agenda. Mr. Meinhold so moved; Mr. Kelso seconded and the motion passed 6 – 0.

Mr. Dolan distributed materials and explained that the Police Department applies for the Federal JAG each year, but usually in much less amounts of \$3,500. Because of the President's economic stimulus package through the Recovery Act, this year the level has been increased to \$30,000.

Q&A and discussion followed with respect to how the grant money can be used. Mr. Dolan stated that Police Chief Ed Kulhawik advised that it appears the funds can be used for anything that serves justice but at the same time is a stimulus; it must be additive and cannot replace money that's already in the budget.

Mr. Serenbetz asked for a motion to approve the application for a \$30,000 Federal Justice Assistance Grant, with the recommendation that the Police Department advise the BOF how they will use the funds. Mr. Meinhold so moved; Mr. Kelso seconded, and the motion passed 5 – 0, Lynne Vanderslice abstaining.

Public Comment:

No public comment.

Adjournment:

Mr. Serenbetz asked for a motion to adjourn. Mr. Alper so motioned; Ms. Vanderslice seconded, and the motion passed unanimously at 8:59 p.m.

Respectfully submitted,

Anna Corra
Recording Secretary