

FINANCE COMMITTEE MINUTES

Meeting Date: April 3, 2008

CALL TO ORDER

The Meeting was called to order at 7:03 P.M. in the First Floor Meeting Room, Town Hall

COMMITTEE MEMBERS IN ATTENDANCE

Brian Morton (chair), Marilyn Blaustein, Alice Carlozzi, Kay Moran, Douglas Slaughter.

OTHERS PRESENT

John Musante (Assistant Town Manager/Finance Director); Bonnie Isman, Library Director; Molly Turner, Library Trustee; Walter Wolnik, Eva Schiffer.

COMMITTEE AGENDA

1. Library Revolving Fund
2. Community Preservation Act Committee Articles
3. Joint Capital Planning Committee Articles
4. FY 08 Budget Amendments
5. Member Reports
6. Minutes
7. Next Meeting and Agenda
8. Miscellaneous

COMMITTEE ACTION

APPROVED minutes of March 27, 2008, as amended by a vote of 4-0, 1 absent, 1 abstaining because he wasn't at the March 27 meeting.

VOTED 5-0, 1 absent, to defer recommendations on Articles 18-23, Community Preservation Act appropriations, until Town Meeting.

DISCUSSION

1. **Library revolving fund.** Isman said she has not yet received her requested legal opinion from Town Counsel about whether library materials are the library's private property and therefore the library is entitled to retain overdue fines. The Trustees have requested that an article establishing a library-fines revolving account be placed on the Annual Town Meeting warrant, but they haven't yet voted on whether to recommend that. Musante said if Town Meeting votes for a revolving fund it could be created as of July 1, the start of FY 09. The motion under the article

would have to specify a spending cap for the fund. Isman said overdue fines totaled \$27,000 for FY 07 and are at \$20,000 thus far for FY 08. Musante said estimated revenue to the General Fund from library fines is \$25,000 for FY 09; he suggests that if a revolving fund is set up, tax support for the library be reduced by the amount of the revolving fund appropriation. The Trustees will vote on this and on their budget at their April 8 meeting.

2. **Community Preservation Act Committee Articles.** The Community Preservation Act Committee will not take final votes on their recommendations until April 15, after our first report to Town Meeting goes to press. The Finance Committee voted 5-0, 1 absent to defer recommendations on Articles 18-23 to Town Meeting.
3. **Joint Capital Planning Committee Articles.** JCPC voted its recommendations Wednesday. Funding sources include using 7.25% of the tax levy, an increase from the 7% used in FY08 (JCPC had recommended using 8.2% for FY 08, but that was lowered when a Proposition 2 ½ override failed to pass.) Musante summarized JCPC's history and process and reviewed, line by line, the FY09 capital budget for Chap. 90 road work (\$500,000), equipment (\$1,971,400), buildings (\$727,500) and facilities (\$90,000). He also reviewed the five-year plan, which incrementally raises the share of tax levy used to 9.5% in FY 13, approaching the goal of 10% established many years ago. Some of that will be funded with unspent capital appropriations from previous years and borrowing (\$635,000 for a Fire Department quint apparatus, \$420,000 for roof and HVAC improvements to the Bangs Community Center, and \$205,000 for portable classrooms at Mark's Meadow School). The FY 09 capital plan assumes that debt service (\$42,332) for the Plum Brook Recreation area will be paid with CPA funds as it has been in prior years. If CPAC decides not to recommend that for FY 09, JCPC recommends eliminating replacement streetlights (\$18,000), DPW garage repairs (\$10,000), and unspecified equipment (\$12,232). The Finance Committee will vote its recommendations on capital budget articles 14-17 next week, when the warrant language is final.
4. **FY 08 Budget Amendments** were not yet ready for discussion.
5. **Member Reports.** Morton reported that the Budget Coordinating Group arrived Monday at consensus on closing the budget gap of \$719,155 by using \$425,000 from reserves and limiting the amount of the tax levy used for capital expenditures to 7.25%. Carlozzi emphasized that the Finance Committee agreed to use reserves on condition that the town develop a long-term financial plan.
6. **Minutes** of March 27, 2008, were approved as amended by a vote of 4-0, 1 absent, 1 abstaining
7. **Next Meeting and Agenda.** The agenda for the April 10 meeting will include presentations on several warrant articles and votes on financial articles.
8. **Miscellaneous.** The process of writing and editing our report to Town Meeting was discussed. Morton, Moran and Musante will review and edit everyone's draft sections and the final version.

ADJOURNMENT

The meeting adjourned at 9:45 P.M.

Respectfully submitted, Kay Moran, acting clerk