

September 21, 2009

The following minutes of the Board of Finance hearing are submitted subject to approval at the next meeting.

Chairman, Michael Jackson called the meeting to order at 5:00 p.m.

Present

Members: Jack Boyer, Michael Jackson, Craig Schoon, Rex Swain

Alternates: Liddy Adams, Tony Bedini, A. J. Dubois

Selectmen: Nicholas Solley

Treasurer: Linda McGarr

Minutes

Minutes of the July 20, 2009 meeting were accepted as submitted.

Treasurer's Report

The Treasurer's Report was accepted.

Linda McGarr will review the status of the State's STIF account, as well as the monthly fees for the Town's Trust accounts. Treasurer's Report accepted as submitted.

Tax Collector's Report

The Tax Collector's report indicated 51.33% of outstanding taxes have been collected as of August 31. The Board was pleased with returns.

Financials

General Fund

Building Inspection fees are higher than anticipated. Expenditures in this area are offset by income received as contracted. Town Clerk conveyance fees are also somewhat higher than anticipated, though lower than in the past. Expenses: Many are front-loaded, but all seem to be in line.

Employee Health Program

The employees are becoming familiar with the new high-deductible health insurance plan, which is now working smoothly and in a timely manner. Employees forward medical bills directly to the McKellan Group for approval. McKellan notifies the Town on a bi-weekly basis of approved invoices and funds are transferred by the Town to cover these expenses. Payment is then made directly by the McKellan Group. This procedure is monitored closely. While this requires more diligence on the part of the employee, it is aimed at reducing costs for insurance coverage.

Boat Launch Fund

The Town's boat ramp project is complete. Jack Boyer made a motion to return funds remaining in the Boat Launch Account (currently \$102,770.98) to the Nonrecurring Capital Fund. Craig Schoon seconded the motion. Motion unanimously passed. Additional projects currently underway are the demolition and replacement of the beach house. When complete, excavation, landscaping and parking projects will begin. LoCIP and STEAP grants are budgeted to offset costs for these projects.

Open Space Fund

Liddy Adams reported the purchase of property in New Preston is back on the table. The owner has agreed to have the property remediated.

Painter Ridge Road Project

A State Rural Road Connector Grant covering 80% of costs for eligible road projects became available to the Town for the repaving of Painter Ridge Road. When the Capital Budget was approved at the May town meeting, a specific line item was not included for this project. In order to take advantage of the grant, funds from other Capital Road projects were used. The Selectmen will present a request at the Town Meeting in October to replenish funds in the amount of \$190,000 to those projects from which funds were used.

Town Aid Road Funds

Town Aid Road Funds approved for fiscal 2008-09 to offset capital road costs in the amount of \$200,000 will be transferred to the Nonrecurring Capital Fund. Additional Town Aid Road funds are anticipated from the State this year.

October Town Meeting

Nick Solley reported the Selectmen will present three financial items for consideration at the October town meeting in addition to setting dates for the 2010-2011 budget hearing and meeting:

* To transfer funds in the amount of \$50,000 from the Sanitation section and \$20,000 from the Conservation of Health section of the 2008-2009 General Fund Budget to cover over-expenditures in the 2008-09 Winter Maintenance budget of \$71,023.32.

* To add a line item to the current 2009-2010 Capital budget not to exceed \$190,000 for the Painter Ridge Road Reclaim and Repave project. 80% of these expenses will be offset by a Rural Minor Connector State grant.

* To add a line item to the 2009-2010 Capital budget in an amount not to exceed \$99,500 for the Nettleton Hollow Road Bridge Project. These expenses will be offset by a State Bridge Grant in an equal amount.

Nonrecurring Completed Projects

A motion was approved to transfer funds from the following completed project lines in the Nonrecurring Capital fund to the General Fund:

* 2004-05Q:	GARAGE OIL TANK AND VENTOR	\$2,514.
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* 2007-08 B&P: H:	PAVILION SEPTIC:	\$1,787.05
* 2007-08 B&P: P:	SPILLWAY HOUSE	\$1,453.06
* 2007-08 V&E: D:	FIRE EXTRACTION EQPT.	\$ 30.40
* 2007-08 V&E: E:	HIGHWAY USED COMPRESSOR	\$2,700.59

Education

(The following is a synopsis from Jack Field for the Board's information due to his absence from this meeting):

"At BOE meeting 9/14, which I attended, Dr. Storm announced that the former Facilities Manager is no longer on the Region payroll, and that he (Dr. Storm) has a search committee to find a qualified person (per the job description) to replace him. He has 32 applications, which the search committee is screening, and he expects to have the new, well-qualified Facilities Manager on board about the end of October. In addition, the function/position will report to the Superintendent directly instead of to the Business Manager.

In addition, they have the first draft estimate of the cost of the "April 1 Repair List", which is around \$2.9 million. However, this estimate is being polished to eliminate some things already done and to get input of the new BOE Facilities Committee (of which Tony is Chair). They think it will come in somewhere around \$2.5 M, since about \$400,000 will have been already spent. The Business Manager will consult with bond counsel to determine how much of this total is "bondable" and will develop a funding plan. He will also determine how much of the project, if any, will be eligible for State Reimbursement. Chairman Hirschfield, mindful of the urging of the First Selectmen to move this project along, instructed the Administration to have a final report and referendum recommendation ready for the October 26, 2009 BOE meeting.

So our BOS/BOF should know that a referendum to complete this project and this list will be coming. If approved, and if there is a credible plan for the work to be completed expeditiously, and there is a management structure in place to manage maintenance from that point on, then a request will soon follow to sign a newly drafted 20 year lease agreement.

It will be critical that everyone, including the public, understand that this referendum is to fund a backlog of previously deferred maintenance. It does not solve many existing problems in the buildings, such as drainage and air quality, and it doesn't bring everything up to codes. (We all know what "renovation to new" would cost.) So questions will come up: "Why make this investment in old, obsolete buildings"? -- and "what's next"? The answer is that with the economy in the tank and everyone struggling to make ends meet, and no consensus on a long term plan for elementary education in the region, this is the least we should spend to restore the buildings to the condition the First Selectmen have said they want. It also is the condition the Towns would require if the Region were to decide not to continue to use them.

We believe the kids and teachers need and deserve these improvements in their work environment, regardless of whether "next" is a complete "renovation to new" or "consolidation", or any other long term strategy for primary schools in the Region. It will provide a "cooling off" period, time for the economy to recover, and time to work once again to develop a consensus long term plan for elementary education in the Region. Jack"

Tony Bedini, chairman of the Region's Facilities Committee, reported further on the Education area. He noted the Region is now searching for a new Facilities Coordinator and has received 32 applications thus far. These will be reviewed by the Search Committee for qualified candidates and those with building experience. Their findings will be reported to the Superintendent. Tony noted having the right person for

this position is extremely important and having the right person in this position would actually save money.

A list of repairs has been estimated at \$2.8 million, which includes the two roofs at the Burnham and Booth Schools (\$400,000.) Meanwhile, the Region's Business Manager has been seeing that additional projects on the list are being completed. These projects, as well as the two roofs, should be deducted from the total repair estimate. The Business Manager reported that most of the items on the list will not be bondable. Those that are eligible for bonding require that a 20-year lease be in place as the bonding companies are interested that the life of the material used will last as long as the bond.

Tony reported further that he and Charlie Boucher have reviewed the list. They will meet with the estimator to try to more fully understand the list of repairs, projected costs and actual plans for the projects. He also noted there is the need to be more proactive. The bidding process and procedures that are followed will be reviewed. Tony will sit in on meetings with contractors, estimators, and architects to more fully understand proposed projects from their beginning. The Board noted their appreciation for Tony's attention to these matters.

Financial Statements

Michael Jackson requested financial statements be obtained from the Housing Trust through June, 2009.

Pension

Rex Swain reported the Pension Committee will review the Firefighters/EMT's pension investments at the request of one of the firefighters. He asked the Board to consider the current investment policy.

Meeting was adjourned at 6:10 p.m.

Kathy Gollow
Secretary