

**Finance Committee
Meeting – April 5, 2011**

Meeting called to order with seven persons present:

Present: Finance Committee: David Dacyczyn; Albert Olmstead; Tom Clark; Carol Moro; Office staff: Bernie Kubiak, Town Administrator; Mary Stokarski, Treasurer/Collector; Janet Swem, Accountant.

The meeting began by reviewing the status of accounts for the current fiscal year (FY'11). Ms. Swem said receipts through February were available. At this point there were no big changes anticipated for FY'12. Estimates for state revenues were lowered and new growth was estimated low. The school debt, a debt exclusion item, is all done.

Ms. Swem said she found it interesting in reviewing local receipts that Meals tax is up and room tax is down. Police Career Incentive (Quinn Bill) is down. Note was made that the state will no longer pay its share.

On the expense side, the legal expense account is short; a transfer funds will be needed. The Reserve fund has balance of \$40,000. The Out-of-district account has a balance, as the student going to Smith Voc. left town. Several Senior Center accounts have been rolled into one special fund and are expected to show a surplus. Vet's benefits account is short as there was a funeral for vet. The state will reimburse 75% of that cost. It is time to begin to pay down the debt on the Oxford property, so there will be that cost, plus interest. There is still money available in grant money. Note was made there should be something in the town report to explain what's going on. The Charter Schools seem to be OK. Worker's Comp funds have been encumbered as there is one open case remaining from when the Town was self-insured. Health Insurance is good. Ms. Stokarski said there would be no increases in cost for the coming year.

Mr. Kubiak announced Chapter 90 funds for FY'12 will be \$401,404. This is an increase from the FY'11 amount of \$ 301,915. Can this be used to reroof the salt shed? He said that it could, but there might be enough money in the transfer station revenues to do the roof without using Chapter 90 money.

Mr. Olmstead said he would like to see if there's some way to reallocate employee benefits to each department so that a more accurate understanding actual costs for departments could be known. Bernie said this was relatively easy to do. He said most of the employee changes are in the schools. There was discussion of difficulty of managing health insurance costs in accordance with the provisions of Chapter 32 B. Benefit packages are large portion of town budget.

Ambulance Service:

Present: Matt Russo – Ambulance Director joined the group

The Ambulance service anticipated \$170,000 in revenues, had \$260,000 in expenses, making a shortfall of \$90,000 to be funded through the budget. Ms. Swem said DOR interested to which Mr. Russo responded it would be nice if payments were received in timely manner. He said the service had trouble getting paid for services provided. He pointed out the amount of money owed by insurance companies and explained that when bills are submitted for payment from Medicare, etc., the bill may be for \$600, but Medicare will only pay \$450. That is why there is an account called Contract Allowances. Billing and collections are handled by Comstar.

The Ambulance service has mutual aid agreements with surrounding towns, which allow that any persons 'picked up' can be billed by the service providing the service. The Ambulance service funding is funded through a special fund composed of the revenues received for services provided and a subsidy from the Town. The fund can run in the red. At the end of the year the shortfall can be made up from free cash. Ms. Swem said DOR would like to see the Town increase its contribution. She tries to show that the deficit is not just being allowed to grow.

With regard to activity, the number of calls has been about the same as last year. Out of 400 calls 100 of them are non-transports. Sometimes persons are treated on the scene and do not need to be transported. Other times the calls are stand-by requests from police or fire departments. Mr. Russo is pleased with the cooperation that exists between the Ambulance service and Police and fire departments. He commented that Police are usually the first responders.

Following this discussion, Mr. Kubiak presented several articles that will appear on the warrant, on which the Finance Committee would be asked to render an opinion. One is the opportunity for residents to purchase power through Hampshire Power at a discount.

A second issue is to move eligible retirees off town medical insurance and on to Medicare.

He said there is a request to transfer funds to cover the Veteran's funeral and to cover legal expenses.

The Committee will meet again prior to the next meeting of the Board of Selectmen.

A motion was made, seconded, and unanimously voted to adjourn the meeting.

Respectfully submitted,
Priscilla Phelps