

**Finance Committee Meeting
Minutes – April 12, 2011**

Meeting called to order with six persons present.

Present: Finance Committee: Carol Moro, Albert Olmstead, Tom Clark, David Dacyczyn, David Sheehan
Town Administrator: Bernie Kubiak

At the beginning of the meeting someone asked if there were job descriptions for elected officials. Mr. Kubiak responded that many positions (Board of Selectmen, Board of Health, Assessors, etc) are by statute. Can/ should they have job descriptions?

Motions:

The Board turned immediately to the business of reviewing final numbers and voting on motions to accept the following:

1. To approve an increase in the Board of Selectmen's salary totaling \$1,000.00.
2. To approve the Town Administrator salary increase of \$1,360.
3. To approve the Treasurer/Collector salary increase of 2%.
4. To approve the Tilton Library request for \$1,304.00
5. To approve the Recreation Department request for \$38,911.
6. To approve the Recreation Department request for \$4,160.
7. To recommend \$1,800 for the Historical Commission.
8. To approve Veterans' expense of \$1,750.
9. To approve the Maturing Debt at \$123,000.
10. To approve Interest on Maturing Debt at \$1,800.
11. To approve Interest on Temporary Loans at \$3,350.
12. To approve the Franklin County Retirement assessment at \$382,177.
13. To approve Workers' Compensation at \$42,000.
14. To approve Unemployment Insurance at \$5,000.
15. To approve Group Insurance at \$677,510.
16. To approve Medicare/FICA Insurance assessments at 79,674.
17. To approve \$50 for the Medical Security Act.
18. To approve the Ambulance Revolving Fund at \$262,566
19. To approve FRCOG core assessment of \$43,678.
20. To approve the Vacation Reserve Account at \$18,400.
21. To approve the \$226.00 for a former employee who lives in Newton.
22. To approve Wastewater Operations at \$482,711.
23. To approve \$296,252 for Capital Improvements (Hwy Garage relocation).
24. To approve the Reserve Account at \$80,000, down from \$100,000.
25. To approve \$25,000 for Assessor's triennial certification.

Additional comments and explanations

(4) Tilton Library budget – The increase is largely to expand the children's library hours. The Library is the only free educational service available in Town. The concern was

whether extension of the program would add hours to one position, qualifying it to be a benefited position. Mr. Kubiak explained there is a small grant provided by the state to the library that is contingent upon the budget not being reduced.

(7) Historical Commission – The budget request of \$2,300 was reduced by \$500.00, as that amount is for legal expenses which Mr. Kubiak said can be handled in other ways. Motion was made, seconded and voted to leave the Historical Commission at \$1,800.00.

(11) Temporary Debt is showing a significant drop as the Pickle shop debt is being paid down.

(15) The Group Insurance number reflects an increased number of persons on the payroll. The rate itself did not change.

(16) The \$8,974 increase in Medicare/FICA was questioned. Note was made that Town employees do not contribute to the Social Security System. For the purposes of this meeting the Committee decided to approve the amount shown, subject to an explanation at the next meeting.

(20) Vacation Reserve account is to cover earned vacation time that has not been taken. Bernie said that the policy has changed and caps have been put on vacation and sick time so that there are limits on time persons can accrue. The Committee would like more information about this fund: how much is in it, etc.

(23) A word of explanation re: the Highway Garage Relocation. A portion of the money comes from Article 17 of 2003, money for the design of a new highway garage. It's a re-appropriation of money that has been held in reserve.

Warrant Articles

The committee reviewed the articles which appear on the warrant . In general, articles were recommended.

Article 5 which pertains to gifts in lieu of taxes to the Town was discussed.

Article 11, if accepted would permit residents to participate in the Hampshire Power program for electricity. Street lights are leased from WMECO, but the power is supplied by Hampshire Power.

Article 14 is to make it mandatory for retired town employees to be insured by medicare raised a concern about retirees who might not be eligible for medicare. Those persons could continue on the Town's plan at 50% of the cost.

Article 15 would use \$409,000 to replace a portion of sewer in Old Deerfield.

Comment was made re: article 16 the Planning Board reserve fund. Note was made that this important board has not been functioning well and possibly it would be appropriate to make this an appointed board.

Finance Committee Report

The Committee read a draft of a report to the Town. Suggestions were made for additions and revisions.

Additional general discussion

Mr. Kubiak reported that, according to DOR, Deerfield has a reserve that represents 21% of its budget. This is higher than most communities. Mr. Sheehan said the Town has a healthy habit of planning ahead – putting money aside for things the Town wants to do. Not every Town can do this.

A discussion was held about the rising cost of running the school system. The cost of Special Education is increasing at a higher rate than regular education. It appears that regular education is being trimmed to meet the Special Needs budget.

Regionalization – The Town has spent a lot of time studying the regionalization of education. One area that might be regionalized is transportation. However, making Frontier a K-12 School district did not work out to be financially advantageous.

A motion was made, seconded, and soundly voted to adjourn.

Respectfully submitted,
Priscilla Phelps