

Fiscal Planning and Coordinating Committee

Minutes of Wednesday December 12, 2012

Second Floor Conference Room of Town Hall

1. Attendees

In attendance

Selectmen: Cathy Cordes, Bill Moonan, Richard Reed (Town Manager), Victor Garafalo (Finance Director/Treasurer),

Schools: Anne Bickford, Noreen O’Gara, Jon Sills (Superintendent), David Coelho (Director of Finance)

Finance Committee: Stephen Steele, Richard Bowen

Assessors: Bruce Murphy

Board of Health: Tom Kinzer

Library: Howard Cohen

Capital Expenditure Committee: Jean-Marc Slak

2. Approve Minutes from December 12, 2012

Members reviewed the minutes of December 12, 2012

Mr. Murphy made the following motion:

Moved: Motion to approve the minutes of December 12, 2012 with changes

Motion Seconded by Mr. Steele

Motion Approved: 10-0-1

3. General Updates

Mr. Garafalo indicated that the tax rate has been approved at, \$15.19, and tax bills are being printed for mailing on 12/27/12

4. FY 2014 Financial Model 2.2

Mr. Garafalo discussed the following items with respect to the FY 2014 Financial Model 2.2

New Growth would be set at \$600K after discussions with Mr Murphy and the Finance Committee

Free Cash has not been certified by DOR the model represents a conservative estimate of \$1.5M with \$500K being left on the table.

State Aid represents a 1% decrease from last year

Sewer Revenue represents a 3% increase from last year

Overlay Reserve is being represented at \$900K

Snow Deficit has been recorded at \$220K which represents the 10 year average

There have been no changes to operating budgets

Finance Abatement interest has been recorded at \$50K, which is a new line item this year

Retirement assessment has been recorded to represent an 8.41% increase with a 8% return assumption

DPW Water 3% water expense

Finance reserve ½ of overall operating

OPEB 2.5 increase from last year

Merit article from last year has not been allocated to the departments

Capital article has been recorded at \$1.0M

Stabilization fund has not been increased

Veteran Benefits Medicaid and Tower rental Now included as local receipts will result in decrease in free cash

The unused Levy has been recorded at \$1.0M

The 2014 Guidelines will be approved the by the Finance Committee on 12/21/12

5. 2014 Capital Requests

Mr. Slak provided the following updates on the FY14 capital requests

CEC would be voting this week on the rankings

Capital requests represent as 5M yearly average including water and sewer. It is thought that 3.5M of requests are needed to maintain the town standards.

Some projects would be funded by CPA

The following items were discussed with respect to the new capital management system as well as capital requirements.

This is a new system which should include the funding sources

Debt summary was distributed and reviewed. It was agreed that the town needs to utilize borrowing in order to maintain the town standards.

Capital requests should be looked at in addition to % of budget

Any decreases to capital purchases should result in increases to the Stabilization Reserve

The information available in the new capital asset management system should be utilized in the development of a multi-year plan

The level of capital articles requests were discussed with respect to amounts available with the operating budget. There were no changes to the allocation to the model at this time.

It was discussed that the ranking of capital requirements should include consideration of bondable projects

6. Next Meeting

It was agreed that the next meeting would be held January 14, 2012

7. Adjournment

Mr. Murphy made the following motion:

Moved: motion to adjourn

Motion Seconded by Ms. O’Gara

Motion Approved: 11-0-0