

Finance and Budget Committee Minutes
August 22, 2006 8:00 A.M. Room 312

Councilors in attendance: Cantor, Slifka, McClay, Verrengia, Carpenter

Smith School Technology Request

Board of Education Chairman Jack Darcy and Assistant Principal at Bristow School Steve Woznicki discussed the reason for the request and said that the equipment adds flexibility to the classroom and allows them to upgrade the curriculum. The Committee gave their approval to the request and recommended that \$90,000 in existing CNRE funds be set aside to appropriate when and if the plan was approved by the State Department of Education.

FY06 Financial Results

The Committee decided to recommend that surplus funds from the FY06 fiscal year be allocated as follows:

Undesignated Fund Balance	\$1,141,645
Designated Fund Balance	192,780
Pension Contribution	150,338
Elmwood Improvements	150,000
CNRE reserve	100,000
Capital Equipment	100,000
Athletic Field Improvements	40,000

The appropriate Council resolution appropriating such funds will be placed on the Council's September 12th agenda.

FY07 Statutory formula Grants-in-Aid

An update on the final State grant appropriations in comparison of the adopted Town budget was given (see attachment). Overall, State funds were \$422,836 less than appropriated in the budget for the fiscal year. The largest decrease was in a proposed one-time energy assistance grant that was subsequently changed to a property tax relief grant. The difference will be monitored and adsorbed in the existing appropriations for the fiscal year.

Other Business

Jim Francis reviewed a meeting with the MDC regarding the financial plan for the Clean Water Program. He stated that there were several issues that still needed discussion before costs could be estimated. The major issues were:

- the proportion of costs that will be bonded and the proportion that will be grant/loan funded;

- the extent the utility costs would be born by the MDC;
- he duration of the bonds (currently assumed to be 20 years);
- the assumptions made on interest rates and issuance dates and amounts;
- and the extent debt limits may constrain the ability to issue bonds.

A tentative date for a Council workshop with MDC to have them explain the Clean Water Project and financing plan in detail was set for September 19th at 5 PM. Council members will be polled to ensure availability on that date and time.

The next meetings were set for September 7th at 8:00 AM.