

**Finance and Budget Committee Minutes  
September 6, 2006 8:00 A.M. Room 312**

Councilors in attendance: Cantor, Slifka, Sinatro, Carpenter

**School Bus Contract**

Board of Education Assistant Superintendent Alex Nardone explained that the contract with Double A for transportation Services was in the 4<sup>th</sup> year of a 5-year contract and that they would like to negotiate a new contract with them. In lieu of a gasoline adjustment clause this year, the firm would be let out of their contract a year early and we would renegotiate the contract. If the Administration can negotiate a new contract they will be back for a bid waiver. If not, the service will be put out to bid.

**Moody's Visit**

Town Manager, Jim Francis and Director of Finance, Chris Johnson reported on their visit to Moody's on August 29, 2006. Copies of the presentation were distributed (attached). The major issues discussed and Moody's comments were:

1. The management transition in the Town – Moody's had no concerns with the transition and was comfortable that the town still had a strong management team in place.
2. Post-retirement Health Reserve – Moody's still felt more comfortable with this fund being a reserve rather than a trust, but thought that some long-term transition to a trust fund could be explored. They also suggested having the actuary look at the GASB standards to see if the funds could be valued differently than the general fund.
3. Energy program – Moody's was impressed with the planning and progress the Town has made on energy conservation and pricing. Thought this was fairly unique among the entities they have seen.
4. MDC – Moody's was cautious about the impact the MDC debt service was going to have on the Town's overlapping debt limits and the operating budget. Said this was an area they would be watching closely.
5. Blue Back Square – Moody's was impressed with the progress being made and how fast the development was progressing.

**MDC Financials**

Chris Johnson reported that MDC is still in the process of putting together the financial impact of their "Clean Water Program". They have shared several drafts which have raised many questions and they are still revising them. We have scheduled a presentation, by the MDC, to the Council on September 19<sup>th</sup> at 5.P.M.

**Other Business**

The resolution appropriating surplus funds from last fiscal year was reviewed and will be on the Council's September 12<sup>th</sup> agenda.

The next meetings were set for September 14th at 8:00 AM.