

Finance and Budget Committee Minutes
May 28, 2008 8:15 A.M. Room 312

Councilors in attendance: Cantor, Slifka (by speaker phone), Davidoff, Visconti

Budget Referendum

The Committee discussed the budget referendum that will be held on June 17th. Budget adjustment levels (attached) were handed out indicating the amounts needed to be cut to reach certain tax levels. Councilor Cantor pointed out that an additional \$615,000 in revenue adjustments would have to be made given the lack of State appropriations for PILOT payments.

The administration is preparing a list of recommended cuts to reach various levels of tax increase.

Revaluation Legislation

The revaluation legislation passed although there were some changes to the proposal. Most significant was deleting the reset provision of upon sale of a home and the adding of the requirement to conduct a revaluation every five years. The administration is still looking at the legislation to see if there is anything that would benefit us immediately and will report back at the next meeting.

American Legion Tax Exemption

State legislation passed that clarifies that the Legion does not have to pay property taxes on property it purchases, as of the date of acquisition not the date of occupancy. An ordinance, sponsored by the Committee, will be presented at the next Council meeting to implement this statute.

Military Leave Policy

The Town's military leave policy was recommended to be changed from saying the difference between all military pay received and the employee's base salary up to a maximum of \$40,000 to the employee's base salary with the Town. The Committee will sponsor the resolution.

MDC Credit Rating

Standard & Poor's assigned its AA+ rating on the MDC's general obligation bonds. The bond report was distributed. The Committee asked Administration to find out why the reserves increased 25% and to report back at the next Committee meeting.

Minimum Tax

The Committee asked about a resident, who spoke at the Council meeting on the 27th, who received a tax bill for \$0.67 and a late fee bill of \$0.03.

The Town Manager explained that there is a minimum tax and that, in this case, it was not picked up.

Banking RFP

Chris Johnson stated that the reviews had produced a bank that was rated highest in value and also lowest in cost. They are finishing their due diligence and had visited the bank offices.

Garage Revenues

The Committee asked that garage revenues be on the agenda at the next meeting and that we also look into encouraging shopping in the Center by having free parking on certain days.