

Approved Minutes
Town of Brattleboro Finance Committee

August 10, 2016
6:00 PM

Minutes by Maya Hasegawa, Acting Recording Clerk

Attending

Maya Hasegawa
Ralph Meima
Franz Reichsman, Chair
Carrie Storm

Guest: Peter Elwell, Town Manager

Meeting was called to order at 6:02 pm.

The minutes were approved with the following corrections.

+In the section on Franz's report on his meeting with Peter Elwell, the second bullet item should read "Franz gave some updates on the comprehensive review of town operations (CRTO) which should be out **for** review..."

+In the action items section the last word in the item that begins "Maya will..." should be **dice**.

Franz reported that he had obtained a list of all the town vehicles (9 pages). There was a discussion about police car usage and Franz will look at alternative energy sources to leaving cars running to run computers, etc. as well as any studies about leaving police vehicles running.

Peter Elwell, Town Manager, arrived.

Topic 1: What will the budget process be for FY18? Peter began with the comprehensive review of town operations (CRTO) which is currently available for public review through September 9, after which it will be officially reviewed by the Select Board. The administration is currently working on a long term financial plan (LTFP) which will be completed prior to the FY18 budget being finalized. It is expected that the LTFP will be available for Select Board and public review in late September or early October.

The LTFP will be a five year forecast and indication of spending priorities by categories of expenditures, rather than line item by line item. This is particularly important with regard to spending on capital improvements, which up to this point has not been accurately projected for future years as part of the budget process. Included in the LTFP will be four categories of precision in projecting future expenditures and revenues:

- a) Certainties, eg. the scheduled retirement of debt service.
- b) Some certainty, eg. costs involved in union agreements, where actual expenditures may vary depending on numbers of employees over the course of a fiscal year.
- c) Approximations based on economic forecasts, eg. the cost of fuel, salt, utilities, etc.

- d) "Guesstimates", eg. projections based solely on trends, without more specific information available.

The use of these categories will allow a more refined consideration of future budgetary events. In Peter's view, an increase in the capital budget will be unavoidable in order to accommodate needed infrastructure improvements, some of which will be mandated by the state, for example, the treatment of storm drainage runoff, in addition to our current sewage treatment operations. Whether any funding will accompany these mandates is unknown at present.

The FY18 Budget will be created by the department heads and the town manager and reviewed by the Select Board beginning in late October or November.

Topic 2: Impact of the police move and future of the Municipal Building on the budget. There are many unknowns including whether space can be rented to a viable long-term tenant. Some Select Board members think the town should sell the building and move the town offices to a less expensive and less difficult to maintain location.

Topic 3: Impact of the changes in security situation at the Courthouse. Peter reported that there *will* be impact of the police budget. Chief Fitzgerald is in conversation about solutions.

Topic 4: A significantly lower than expected bond interest rate was obtained for the police/fire project, 2.7% instead of 3.3%, which will save \$30,000 a year for the first five years and somewhat less thereafter as the amount of interest being paid decreases.

Town Manager Elwell left with an offer to attend future meetings if the committee so desires..

Maya reported that she had had no success in determining how Rutland determined their Board salaries. She did find out that Boston City Councillors get paid \$87,500 or half of the Mayor's salary. The Boston School Committee does not get any compensation. Greenfield Town Council members get \$2000 at the end of each year as do members of the Vernon Select Board. It does not appear that either school board gets paid. She also reported that she had spoken to John O'Connor and that he would provide her with a copy of the audit report when he gets it. There is a new firm of auditors this year.

Franz reported that the Select Board had set the tax rate for the coming year using the figures discussed at Representative Town Meeting, albeit with adjustments for updated estimates of revenues and expenditures..

FUTURE MEETING DATES:

September 14
October 12
November 9
December 14

Meeting time was changed to 6 pm for our future meetings.

The meeting adjourned at 7:40 pm.

