

**ROXBURY BOARD OF FINANCE
REGULAR MEETING
JANUARY 19, 2010
MINUTES**

CALL TO ORDER

Gary Lord, Chairman, called the meeting to order at 7:04 P.M.

Present: Gary Lord, James Conway, Wayne Piskura, Donald Greenstein, Hugh Rawson, and Kevin Dumas, Board of Finance Members; Barbara Henry, First Selectman

APPROVAL OF MINUTES

Minutes of the Regular Meeting Held December 15, 2009

Wayne Piskura made a motion to approve the minutes of the Regular Meeting held December 15, 2009. The motion was seconded by Hugh Rawson and passed 5-0-1. Kevin Dumas abstained.

BUSINESS

Election of Officers

Wayne Piskura nominated the current slate of officers with Gary Lord remaining Chairman and Kevin Dumas remaining Clerk. The nomination was seconded by Hugh Rawson and carried unanimously.

Wayne Piskura made a motion to close nominations. The motion was seconded by Kevin Dumas and carried unanimously.

Wayne Piskura made a motion to elect the current slate of officers with Gary Lord remaining Chairman and Kevin Dumas remaining Clerk. The motion was seconded by Hugh Rawson and carried unanimously.

Gary Lord thanked the Board for their continued support. The Board recognized all the work that Gary Lord does for the Board of Finance.

Gary Lord reported that a new committee composed of a Selectman and a representative from the Boards of Finance from Washington, Bridgewater and Roxbury is being formed. The committee will sit with Region 12 at budget time in an unofficial capacity. The Board agreed that Gary Lord should represent Roxbury's Board of Finance. The committee has been invited to attend budget workshops, which are not open to the public. Gary Lord reported that he will attend these workshops.

South Street

Gary Lord reminded the Board of their discussion regarding the change in scope of work on South Street at their last meeting. Wayne Piskura noted that he is not disagreeing with the decision that was made. He explained that this is a matter of principle. When he votes on a project he assumes that is what is going to be done. The BOF should be apprised of any changes. Gary Lord suggested that the BOF be invited when the Selectmen meet with contractors.

Barbara Henry explained that this project went out to bid as what was voted upon; however, all the bids came in over budget. The Selectmen were aware of the change. She noted that she understands the BOF's point with regard to this issue. Hugh Rawson asked that the BOF be informed of such changes in the future.

Interest Income

The Board discussed that the General Fund pays the Capital Fund on July 1st for all the projects. Gary Lord suggested that interest income earned in the Capital Fund should be transferred to the General Fund. He reviewed the Revenue and Expenses and noted that this interest would help to reduce the deficit. He reported that Rico Melaragno has advised that this can be done if the BOF establishes a policy to transfer the interest income from the Capital Fund to the General Fund.

Kevin Dumas suggested that the following year's contributions for future expenditures could be reduced by interest income rather than transferring the interest. Wayne Piskura agreed that this could be done based upon the interest accrued at budget time. Barbara Henry noted that the least amount of times funds are moved, the easier it is to follow. She encouraged the Board to involve Kim Baron with regard to this decision. The Board agreed that they should discuss the interest income with Kim Baron.

Guard Shack

Barbara Henry explained that the guard shack project was closed out in April; however, the LoCIP funds came in after June 30th. Kim Baron has requested that a motion is made to transfer these funds to Undesignated; thereby, closing out the project within the Reserve for Capital.

Gary Lord referred back to the November 2009 minutes where Mr. Melaragno clarified that if a capital project is approved in the budget by the Town, and anticipated LoCIP funds are shown as revenue, then the CFO, Barbara Henry, can give the okay to move the money back to the General Fund from the Reserve for Capital Fund, once the grant money is received.

Gary Lord distributed the Town of Washington's Proposed Budget 09/10 and Nonrecurring Capital Expense 2009-2010 reports. He explained that the BOF wants taxpayers to know total costs of projects, but the budget report has become too complicated. Washington's model may be a better way to report showing both gross and net expenses. All the same information will be reported. This is just a simpler way of showing it.

Gary Lord presented a draft of Roxbury's budget and noted that reporting using Washington's model would alleviate the complicated footnotes by showing the gross less the grants; thereby, calculating the net for each line item. There would not be a need for Grant Revenue reporting or a detail report of State Revenue on the Budgeted Revenue page, as this information will be contained elsewhere within the budget.

The group discussed the LoCIP process by which the amount must be spent before the town is reimbursed. Gary Lord suggested the use of undesignated funds in Reserve for Capital to pay for the project until the funds are reimbursed. Barbara Henry warned that transparency may be lost and would be surprised if funds from designated projects could be used toward a project the funds are not designated for. Gary Lord explained that unreimbursed funds would be shown as an accounts receivable. He noted that it would be a loan from the Reserve for Capital instead of from the General Fund.

Barbara Henry agreed that the budget report was simple in the past, but it has become complicated. She noted that this report would work if the project is finished within the same year. Barbara Henry reminded the Board of the policy they had worked on to reduce the undesignated portion of the Reserve for Capital Fund to \$20,000. Gary Lord said that they had agreed not to reduce undesignated to \$20,000. She explained that additional funds would need to be available to fund projects prior to reimbursement.

Hugh Rawson noted his concerns regarding the affect this may have on the ability to obtain grants. Additionally, he was not comfortable presenting the budget to the public with a deflated bottom line. Gary Lord explained that both the gross and net would be reported, the funds required from taxes would remain the same, and the mill rate would not change.

The group agreed that footnotes should be eliminated from the budget report and this information should be included within the line item.

Wayne Piskura made a motion to transfer the \$15,402 designated for the guard shack within the Reserve for Capital to Undesignated. The motion was seconded by Hugh Rawson and passed 5-0-1. Gary Lord abstained.

Gary Lord noted Mr. Melaragno's clarification as recorded in the November minutes as his reason for his abstention. Barbara Henry agreed to contact Mr. Melaragno for further clarification.

'10 -'11 Budget

The Board reviewed the Actual Revenue vs. Budgeted report. They discussed the fact that the \$225,000 budgeted revenue, from the Reserve for Capital Fund, has not been transferred. Barbara Henry reported that this will be transferred to the General Fund by June 30th. She believes a transfer of the funds right now would affect the interest income.

OTHER BUSINESS

None at this time.

ADJOURNMENT

Kevin Dumas made a motion to adjourn the meeting at 9:05 p.m. The motion was seconded by Gary Lord and carried unanimously.

Respectfully submitted,

Tai Kern

Tai Kern,
Secretary

These minutes are not considered official until approved at the next Regular Meeting of the Roxbury Board of Finance.