



TOWN OF NORTH ANDOVER
FINANCE COMMITTEE
Meeting Minutes

Meeting Date: 17 September 2009

Meeting Location: Town Hall, Second Floor
Conference Room

Meeting Called to order: 6:35 PM

I. FinCom Members in Attendance

Mark Rodgers-MR, Chairman	X	Bahrawy Ramsey -RB	X
Peter Besen-PB, Vice Chairman		Bonnie Wilkinson-BW	X
Ben Osgood-BO	X	Carlos Bielicki-CB	
Jean Sullivan-JS	X	Thom Dugan-TD	X
Alan Lebovidge-AL	X	Herb Cunha-HC, Minutes	X

Non FinCom Members in Attendance

OTHERS: Mark Rees, MRees-Town Manager
Charles Salisbury, CS-Town Meeting Moderator

Note: All FINCOM votes are subject to change upon receipt of new information.

II. Previous Minutes Approved

DATE: 27 Aug 2009 Approved Unanimous

III. New Business

AGENDA ITEM: 3.1 Discussion of FinCom Authority at Town Meeting with Charles Salisbury

Discussion:

- MR: He opened this discussion with CS.
- CS: He provided his opinions regarding authority that were not intended to be legal in nature. FinCom must receive budget prior to any town meeting. Adjustments can be made. The meeting is an open meeting according to State law. A petition/article signed by at least 10 people must be dealt with at Town Meeting. A Special Town Meeting can be held at any time, 200 signatures for an individual petition, called by BOS within 45 days.
- Reference was made to Town Charter Section 8 (2-8-2) and Section 59-5, required for considering an Article. Revenue and Fixed Cost Committee must complete in November. Copy of Town Charter Section 8, 9 and 59-5 handed out.
- BO: He indicated that CIP items are principle articles coming in late to FinCom, especially large cost items, for review.
- CS: FinCom can vote on items with a motion at Town Meeting, as First Statement, then amendments can be made.

AGENDA ITEM: 3.1 Discussion of FinCom Authority at Town Meeting with Charles Salisbury, Continued

- Discussion:
- BO: He mentioned that if a motion is on the floor then an amendment, if for more funds, is not allowed because it would be out of scope.
 - CS: He stated that an Article could say that an amount of funds should be appropriated.
 - BO: He spoke about PB issue, School Budget format, for example labor, that the labor line should be seen.
 - MR: Stated that only one funding number is shown for School Budget.
 - AL: He raised question, that in an Article about x dollars for Budget and y dollars for labor that they be presented for transparency, in the explanation section that FinCom can state (?).
 - BW: She asked if we do trend analysis?
 - MR: FinCom hasn't been getting format to analyze.
 - JS: She said that School should be able to sort by code, similar to Town Budget, which would be okay for FinCom to receive.
 - MR: He raised point about splitting Town Meeting into two meeting. One for Budget and Second for other items.
 - AL: He asked who controls the order of items at Town Meeting.
 - CS: He indicated the BOS controls the order.

AGENDA ITEM: 3.2 Review of Summer Borrowing, Questions for Mark Rees

- Discussion:
- MRees: He provided review of Unibank Fiscal Advisory Services, Inc. Report of 5/27/2009, Standard & Poor's Credit Profile Report of 5/26/2009 and the rating BAA to AA. The delay in getting better rating is due to our tax base, etc. Official statement-Town prepares for interest in our bonds.
 - AL: He asked about payment for Standard & Poor's to rate us.
 - MRees: Total cost is \$40k, \$6k to Standard & Poors bond consultant, printing, attorney and rating company.
 - TD: He asked how debt services are paid.
 - MRees: by bonds from enterprise fund.
 - TD: Was bond money used for student software?
 - MRees: Don't have free cash to pay as we go.

AGENDA ITEM: 3.3 Background on Police related questions (Mark Rees)

- Discussion:
- MRees: He made reference to M. Rees's letter dated 8/5/2009, to Police Chief Richard Stanley. He mentioned that BOS authorized the Chief to work at Wareham, MA, for up to 400 hours, and that the income would not enhance or add to any retirement benefits that he may be eligible for as a local government employee in MA.
 - BO: He asked where the Quinn Bill funds go.
 - MRees: Funds go to the officers.
 - AL: Asked about betterment for 2011.
 - MRees: Stimulus funds are helping now, question remains for later.

AGENDA ITEM: 3.4 Finalize Top 3-5 priorities for the year.

- Discussion:
- Reference made to "Discussion Items for 2009-08-27 FinCom Meeting" and "Possible FinCom Priorities for FY10."
 - Item 3**-a department can seek grants but the BOS must approve grants.
 - TD: He asked if department pays the difference between level of grant and total funds needed.
 - MRees: Department does pay the difference.
 - Item 4**-funding for the Quinn Bill-BOS is authorized to pay for up to one year. Reference made to C,L&P, Attorneys at Law letter of 7/17/2009 and M. Rees Memo to C. Hottel, dated 7/13/2009.
 - MRees: Discussed \$280,449 less in state aid, that FY10 School budget would be reduced by \$186,966 and Municipal would be reduced by \$93,483.
 - MRees: Handed out Capital Commitment Report for CIP. He will meet with Town IT to make process improvements.
 - MRees: He will also incorporate questions from FinCom to CS.
 - Discussion about traffic, drain, underground wiring and poles at the Center Commons.
 - Electrical will be put wiring underground
 - Comcast will put wiring underground
 - Verizon, 2% on land line use as receipts, not enough for them to pull in wiring
 - Option 1-At Town Meeting, discussed we raise funds and pay the 2% debt.
 - Option 2-Verizon expects 2% on FIOS
 - Option 3-Verizon-state law to move poles
 - Option 4-Verizon-speak to state legislatures for leverage
 - Discussion about Building Report
 - AL: He asked about the Stevens Estate.

AGENDA ITEM: 3.4 Finalize Top 3-5 priorities for the year, continued

Discussion: -MRees: He stated that he is waiting for quote to subcontract management of the facility and its activities.
-MRees: There is buildout of \$30k, there is a potential of \$45k dependent upon population.
-MRees: He stated that BOS would put a Budget Policy Statement together.
-MR: He stated that Top Priorities would be discussed at next FinCom meeting.

AGENDA ITEM: 3.5 Fall FinCom Training meeting Oct 24-Attendee list needed

Discussion: -MR: Five members interested to attend. He will check with CB and PB.

AGENDA ITEM: 3.6 Report from Tri-Chair meeting, BOS, School, FinCom Sept 1

Discussion: -R: Both School Committee and BOS, agree to probably provide bid for Police Station. Format for Budget would gain clarity and help to manage individual budgets. Tri-Chair will meet monthly.
-BO: He pointed out that lots of time was spent on Articles.
-BR: He mentioned that Articles should be sent around to FinCom members to expedite review process.

III. Old Business/Non-Agenda Items

NON-AGENDA ITEM:

Discussion:

IV. Next Meetings

Thursday, 1 October 2009 Town Hall, 6:30 PM

NMA Training, for all Town FINCOMS, 24 October 2009, Franklin, MA.

V. Adjournment

Motion: RB
Seconded: AL

Unanimous
Time: 8:30 PM

