

Town of Boxborough



Finance Committee

FinCom Meeting Minutes for: December 10, 2012

Venue: Town Hall – Morse

Attendees:

FinCom

1. Karim Raad
2. Susan Bak
3. Neal Hesler
4. Jeff Scott
5. Jim Ham
6. Dilip Subramanyam

Missing:

Public Participation: Santiago Tapia-Perez, Margaret Dennehy (Treasurer), Mike Guzzo (accountant)

The meeting was called to order at 7:06 PM.

Review/Approval of last week's minutes:

Sue moved/Jeff seconded – December 3 minutes approved unanimously.

Discussion with Treasurer – discussion about borrowing due to the low prevailing rates. How much borrowing is appropriate? Principal plus interest should not exceed 10% of the budget. We are currently well below that limit. We currently are paying interest on \$280K of debt in anticipation of bonding. Margaret presented scenarios of \$1.0 and \$1.5 million additional debt to be paid back over 10 years at an estimated interest rate of 1.5%. This does not include ABRS debt which is included in their annual assessment. Based on current capital spending projections, however, there is the potential for up to \$3 million in additional borrowing. The FinCom decided to review the capital plan at the next meeting.

Rev 2 Budget Discussion with M. Guzzo – the budget includes the CBA's and COLA increases (2%) for everyone else including the library. Not included are salary increases for the Fire and Police Chiefs and Blanchard. There is a good chance per Mike that there will be no increase at the regional district level. Karim reminded the FinCom about the Jan 15, 2013 deadline for budget changes. After that all requests have to be in writing with a clear explanation.

April 29, 2013 – another Special Town Meeting for a vote on regionalization of Blanchard with Acton. The FinCom will need to have a position on this. An informal poll indicated unanimous support in the FinCom. Jim circulated a handout that showed the relative experience of teachers by town. Boxborough has a very high percentage of experienced teachers compared to most towns.

There was some discussion about non-profit organizations using Blanchard facilities for clinics without paying a usage fee to the town/school. The fees are being collected by ABYS.

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Meeting was adjourned at 8:45 PM. Moved by Sue, seconded by Jeff, approved unanimously.
Next meeting – Monday, December 17 at 7:30 PM (Please note new start time – winter hours)
DPW meeting – Tuesday at 8:30 AM
Fire walk through – Wednesday at 7 AM.

Respectfully submitted by:
Dilip Subramanyam
FinCom Secretary
December 10, 2012

New email for FinCom – fincom@town.boxborough.ma.us. Please forward your email to Karim so he can add recipients.

Reserve Fund Transfers:
Reserve Fund

Item	Date	Cost	Left in Reserve	Reason
Initial reserve	9/10/12		\$185,000.00	Initial amount from article 5