

MEETING

ADVISORY BOARD

APRIL 22, 2006

Approved May 22, 2006

Attending: Doug Boyd, Carol Fitzgerald, Timm Marini, Kathy Pessolano,

Absent: Michael Crowley

Also Attending: John D Flynn, Cindy Bailey, Christine Cesan

Approved transfer for COA for \$991.00. All in favor.

Approved transfer for Highway for Town Garage fuel oil for \$350.54. All in favor.

Kathy said she would like to go over what is coming out of the special town meeting, what is coming out of the annual town meeting, and what our figures are looking like.

Last year Longevity was zeroed out. The board does not want to give the impression that life is back to normal. Kathy said that we are giving everyone a pay increase to bring them within a year of where they should be, but felt that we shouldn't be funding longevity again. Doug said he was under the understanding that longevity was for the people who had reached the maximum of their step increases, so this was a way to reward people for their long service. Kathy said the bulk of these people are on the Highway department and that they now have a union that represents them. If we have longevity it should be taken out of the salaries, it should be built into the highway budget. John said that that is how the police department does it and that we should be consistent. Timm said that if we didn't fund it last year then we need to be consistent and not fund it this year and have Dana budget for it. Kathy said it is her understanding that the budget numbers we have bring Dana back up to 5 people should he decide that that's what he wants. In Danas' presentation he said he would like to have 4 people and keep that money for subcontracting. Seeing as how we funded him to the maximum, we should tell him that he needs to work the \$2100 into his budget. John mentioned that Duane wanted to transfer the \$2300 out of employee benefits into longevity and Kathy said that she is not comfortable with that. John isn't either. Kathy said originally it was for non-bargained employees. Doug said that then it got into the bargained employees and then became a bargaining chip. Carol said that at some point people will max out on their step and then what happens, cost of living increase? John, Kathy, and Doug felt we should get rid of longevity and that it should come out of each individual budget. We will leave it alone for now and see what happens in the fall.

John said he had a conversation with Jeff over the increase in the dispatch numbers. He is going to stay with the original numbers.

Doug explained to the board regarding the bonds with the school. The temporary bond is due to expire in October of 2006. At that point we either renew for a year or go to bonding. If we convert to permanent bonding we will have principle payments due in 2007 and that is not in the budget. There is also \$40,000 in bonding costs to convert it to permanent bonding. We have about \$102,000 in interest that has accrued but we can reduce some of that cost. Instead of borrowing 2.9 million we could borrow 2.84 million and reduce the debt by \$60,000. He is very uncomfortable with another part of this plan because it is assuming that the \$7 million state payment gets made this year. We have nothing in writing saying that this is going to be paid by the state. Doug said these numbers work if the state comes through with the \$7 million payment. We haven't even had the end of the year audit when the state comes in. We need to put the number in the budget that is going to pay the carry cost for this fiscal year and he is not comfortable with it. Doug said he was under the impression that the Selectmen were to work on this, present it to Advisory and we tell them whether we agree with it or not. Kathy said that advisory was not given that option. She said there was a meeting last October in the Superintendents conference room including Kathy, Donna Vicalvi, Duane Mosier, Jim Smith, Steve Nembrokov, and a woman from the bank and we went through the whole thing. There were so many things that needed to get done, the final audit, the school audit, the towns' year end audit before they could even begin the process. We were all in agreement that we were going to go with what the banker had suggested. Now we get wind that the Selectmen are upset with the school because the school district didn't do what Duane and Jim wanted. They didn't talk to advisory about this, which according to the bylaws if it affects the financial position of the town we should be consulted. Doug said there seems to be a level of friction. Kathy said that it is totally unfounded. Doug said he can't understand why this has lagged. He talked with Steve in January to talk about this and make sure that we were on track, and he thought things were moving along. Kathy said that all through the winter Jim and Duane kept saying that they wanted the school to bond now, and that was contrary to every thing that had been discussed in October. Kathy said she doesn't remember anyone coming to advisory telling them that they were pushing for bonding now. Timm said contrary to that, advisory has been asking for clarification on the \$295,000 figure for months. Kathy said we will put \$415,764 into the budget and we will let people know that that could change. All were in favor to do that.

Motions for the Special town meeting were discussed. Our revenue figure is \$9,147,529 and our expenses are \$9,068,482 which leaves us with \$79,047. Advisory will fund out of this figure:

- \$10,000 – Article 9 – Treasure/Accountant software
- \$49,000 – Article 14 – Highway Truck
- \$12,000 – Article 18- Assessors Full list and measure
- \$8,047 – Left to put in Reserve

All were in favor of these recommendations.

Kathy asked John if the selectmen are prepared to have the names of the people that are involved in the Highway project. John said that Dana has people in the industry that may be available at town meeting.

Christine Cesan asked if the advisory will have a recommended for the CPA funds to be used for the water park. Kathy said that we are recommending favorable recommendation, we have deferred to the board that is bringing it forward. Christine asked how the board was looking at the vote toward continuing the CPA tax. Kathy said that we could open things up for discussion now. Doug said that he is not in favor of revoking the tax. Even though more and more towns are participating now and he would be amazed if we get 100% matching funds, but he said we will still get funds, and it has been a great program for Hampden. Christine said she has heard that there is a positive outlook for the future. The board agreed that they will recommend favorable action on CPA.

Cindy asked how the maintenance for the spray park will be funded. Kathy said the first 3 years the maintenance is paid for by private funding. The fees that are collected from the camp will help offset the cost after that time.

Doug motioned to end meeting. Carol seconded.

Meeting ended at 9:12am

Respectfully submitted,

Ann Murphy