

**BOARD OF FINANCE**  
**May 13, 2010 8:00 PM**  
**TOWN HALL MEETING ROOM**

**Present:** Chairman Michael O'Brien, board members Patty Kopas, Bob Atkinson, Jerry Sargent, Melissa Koller, Steve Ezzes and Michael Carter; Finance Director Rick Darling and Secretary Donna M. Anastasia.

Chairman O'Brien called the meeting to order at 8:01 PM

**Discussion/decision regarding supplemental appropriation request in the amount of \$217,000 for fiscal year 2009-10 salaries not paid until July 1, 2010.- Rick Darling**

Mr. Darling went over payroll practices including the non-accrual method that the town does not currently use. He has spoken to the town auditors regarding changing this method and using the full accrual method for the next budget. This system would require encumbering funds which may not be available. Approximately every 12 years a shortfall occurs and the town has always covered the difference with a supplemental appropriation.

**Motion :** Ms Koller made a motion to approve a supplemental appropriation in the amount of \$217,000. for FY 2009-2010 salaries, Mr. Sargent seconded and motion carries unanimously.

**Discussion/decision regarding investment portfolio proposals, and whether the Board wishes to establish a sub-committee to further review new and on going investment vehicles.- Rick Darling**

Mr. Darling went over a proposal from Merrill Lynch and Flynn Financial offering CDs and mutual funds. Mr. Darling asked for some input as to whether we would want to look into other investment opportunities. Most if not all members felt the role of the Board of Finance should not be the role of Investment Advisor and an Advisory Committee or an Advisor should assume this responsibility.

It was suggested that the board bring in several brokers and have a basis for a comparative study.

**Discussion/decision regarding monthly status report on General Fund investments.- Rick Darling.** *(This item was discussed before the Investment portfolio proposals item per the Chairman's request)*

Mr. Darling went over current STIFF investments and the Janney portfolio. Fixed income purchases of \$3,987,618 have returned \$221,074 in principal and \$42,244 in interest and

dividend earnings. Earnings vary from 2.99% to 3.32%. Currently the Chase money market has returned \$29,000. There was some discussion regarding CD ladder options. Mr. Darling said he will follow up.

**Update on current year operating budget projections. Rick Darling & Tom Landry**

Mr. Darling went over the forecast for the current fiscal year. There was some discussion regarding overtime and grant programs for the police department. Other factors influencing overtime is the number of part time help available and the absence of an employee.

Health insurance costs have come in an estimated 30K less than anticipated.

The total Selectmens' budget is approximately (45,942) which is almost the same amount earned in debt interest income so the overall forecast looks quite good.

**Discussion/decision regarding departmental OPEB liability listing.**

There was discussion regarding the disproportion of the total liability for teachers (\$6,652,000.) as compared to Administrators (\$1,869,000.) Mr. Darling will follow up on some areas of the report. *Milliman OPEB Summary of Liabilities attached*

**Approval of meeting minutes of January 14, February 22 and February 24, 2010.**

*Chairman O'Brien abstained*

Motion: Mr. Carter made a motion to approve the minutes of January 14<sup>th</sup>, 2010 as amended, Mr. Sargent seconded , motion carries.

Motion: Mr. Sargent made a motion to approve the minutes of February 22, 2010 as submitted, Mr. Carter seconded, motion carries.

Motion: Mr. Ezzes made a motion to approve the minutes of February 24, 2010 as amended, Ms. Kopas seconded, motion carries.

**Any other items of business to be brought up for Board consideration**

With no further business Mr. Sargent made a motion to adjourn, Mr. Atkinson seconded and meeting adjourned at 9:16 PM.

Respectfully submitted  
Donna M. Anastasia, Town Clerk