

*Board of Finance
7:00 p.m., Tuesday, January 20, 2015
2nd Floor Conference Room, Town Hall*

Meeting Minutes

1. Call to order

Loraine Coe called the meeting to order at 7:00 p.m.

In attendance: Loraine Coe, Laurie Tuttle, Martin Anderson, Molly Nolan, Helen Larkin

Absent: Rosemarie Naples

Others in attendance: Maryjane Malavasi

2. Minutes:

a. Special meeting of December 16, 2014

MOTION BY MARTIN ANDERSON SECONDED BY MOLLY NOLAN TO APPROVE SPECIAL MEETING MINUTES OF DECEMBER 16, 2014 AS PRESENTED. ALL AYE

b. Regular meeting of December 16, 2014

MOTION BY MARTIN ANDERSON SECONDED BY MOLLY NOLAN TO APPROVE REGULAR MEETING MINUTES OF DECEMBER 16, 2014 AS PRESENTED. ALL AYE

3. Invoices: None

4. Correspondence: M. Malavasi distributed final copies of the audit and management letter.

5. Elderly Tax Relief - Establishing Cap and Annual Review

MOTION BY MARTIN ANDERSON SECONDED BY HELEN LARKIN TO SET THE CAP FOR SENIOR TAX RELIEF FREEZE PROGRAM AT \$125,000. COE, LARKIN, ANDERSON, TUTTLE; AYE. NOLAN; ABSTAIN.

MOTION BY HELEN LARKIN SECONDED BY MARTIN ANDERSON TO SET THE INTEREST RATE FOR THE SENIOR TAX DEFERRAL PROGRAM AT 2.5%. There was discussion regarding current interest rates. MOTION FAILED.

MOTION BY HELEN LARKIN SECONDED BY MARTIN ANDERSON TO SET THE INTEREST RATE FOR THE SENIOR TAX DEFERRAL PROGRAM AT 3.0%. ALL AYE

6. Policy Review:

a. Capital Financing Policy adoption

M. Malavasi presented the final policy after all revisions.

MOTION BY MARTIN ANDERSON SECONDED BY MOLLY NOLAN TO ADOPT CAPITAL FINANCING POLICY AS PRESENTED. ALL AYE

b. Investment Policy adoption

M. Malavasi presented the final policy after all revisions.

MOTION BY MARTIN ANDERSON SECONDED BY MOLLY NOLAN TO ADOPT INVESTMENT POLICY AS PRESENTED. ALL AYE

c. Fund Balance Policy - Review after legal counsel comments

Comments from legal counsel were discussed. M. Malavasi will make revisions as modified and bring back final draft to Board at next meeting.

7. Finance Director's Report

a. December 2014 Fiscal Report

The 2015 budget stands as follows:

	EXPENDITURES	REVENUE
Original Budget	29,785,778	29,785,778
General Appropriations	0	0
Grant Appropriations	0	0
Prior Year Carryovers	237,489	0
Reserve Appropriations	111,816	74,942
Revised Budget	30,135,083	29,860,720
YTD Encumbrances	3,775	0
YTD Expense/Revenue	16,126,437	16,854,205
Balance Unspent or Uncollected	14,004,871	13,006,515
Percent Spent or Collected	53.5%	56.4%

Revenues

As State revenue start to come in, we are able to analyze our budget vs. actual in this area to see if we are in danger of falling short due to changes in state funding. The table below outlines the grants that have already started coming in, which allows for a better analysis of where they will be at year end. You can see from the table that the difference between our budget and our projections are small, but we do expect over \$4,000 more than budgeted at this time.

Grant	Budget	Est/Actual	Gain (Loss)
Town Aid Road	223,217	222,769	(448)
State Property	19,779	19,799	20
Elderly/Disabled Tax Relief	850	878	28
Casino Funds	23,778	23,579	(199)
Records Preservation	5,000	5,000	-
Homeowner Tax Relief	41,000	40,872	(128)
Veterans Tax Relief	13,618	18,472	4,854
			<u>4,127</u>

There are more State grants than listed, but those are not due in yet. Therefore, I am not able to project their gain or loss line at this time.

Expenditures

Half way through our fiscal year and our budget is just over 53% spent; which is staying in line with revenues at 56% received. This has allowed us to continue to have a positive cash flow.

In December we began to use our snow budget. An average of 22% of each budget line was used; from salt to salaries. At this rate we might expect to manage our expenses within budget, but that could change with just one bad storm.

Balance Sheet

There is nothing new on the balance sheet this month. Our liquid assets total over \$3 million dollars which means that we have not had to use our fund balance to cover operating expenses. As January begins, so will our second round of tax revenue that will allow us to meet our obligations for the second half of the year.

The amount due from the grant fund continues to decrease as projects are completed and state reimbursements are received. This also helps our cash flow.

Overall, the Town of Durham continues to maintain a balanced budget through the first half of the fiscal year.

8. 2015-2016 Budget Schedule

Tuesday, February 3 at 6:30 PM

Thursday, February 12 at 6:30 PM

Tuesday, February 17 at 6:30 PM (regular meeting followed by budget workshop)

Saturday, February 21 at 8 AM

Wednesday, February 25 at 6:30 PM

Tuesday, March 17 at 6:30 PM (regular meeting followed by budget workshop)

Saturday, March 21 at 8 AM

Monday, March 23 at 6:30 PM (budget must be finalized by this date)

Monday, April 6 at 8 PM (Public Hearing at CRHS)

Tuesday, April 21 at 7 PM (finalize budget for town meeting)

Monday, May 11 at 8 PM (town meeting at CRHS)

All meetings not noted as regular meetings will be posted as needed.

MOTION BY MARTIN ANDERSON SECONDED BY LAURIE TUTTLE TO APPROVE BUDGET MEETING DATES AS REVISED AND PRESENTED ABOVE. ALL AYE

9. 2015-2016 Budget Workshop

M. Malavasi distributed budget booklets to the Board. She asked them to review for their next meeting on Tuesday, February 3rd. There was discussion on what departments they wanted to invite to a budget workshop.

10. Public comment:-None

11. Any Other Business - None

12. Adjournment

Meeting adjourned at 9:00 p.m.

Respectfully submitted,
Beth Moncata