

**Lebanon Board of Finance
Minutes of May 14, 2009
Regular Meeting**

Members Present: Liz Charron, Linda Finelli, Gregg Lafontaine, Lori Wesolowski, Chuck Haralson (alt.), Albert Vertefeuille (alt.)

Members Absent: Glen Coutu, Betsy Petrie, Phil Johnson (alt.)

Item A. Call to Order

The meeting was called to order at 7:33 by Liz Charron, Chairman.

C. Haralson was designated to vote for G. Coutu.

A. Vertefeuille was designated to vote for B. Petrie.

Item B. Minutes of Previous Meetings

G. Lafontaine moved to accept the April 9, 2009 regular meeting minutes. Motion seconded by L. Finelli. Motion passed unanimously.

G. Lafontaine moved to accept the April 14, 2009 special meeting minutes. Motion seconded by C. Haralson. Motion passed with 5 ayes and one abstention- L. Charron.

L. Finelli moved to accept the April 30, 2009 special meeting minutes. Motion seconded by L. Wesolowski. Motion passed unanimously.

Item C. Correspondence

T. Valone handed out an email communication from Michael Paulhus. All correspondence will be discussed under New Business.

Item D. Monthly Expenditures/Revenues/Payment of Bills

As of April 30, 2009, a total of \$13,248,675 of tax revenue has been collected, which is 97.01% of the total due. Building fee revenue was \$1,373 for the month of April; revenue year-to-date is \$20,203 under budget. Town clerk fees and conveyance fees are below budget for the year; could be \$38,000 below budget by end of fiscal year; clarification will be sought on how the circuit breaker is budgeted.

The final check for Education Cost Sharing was received on May 1st and will be reflected in the May revenue report. The total for the year of \$5,380,079 shows that it will be \$87,555 below budget. An additional \$422,000 in school tuition is expected in May or June; invoices have been issued. The school tuition also appears to be \$144,000 below what was expected. T. Valone has a call into M. Leichter to clarify receipt and accounting of these revenue funds. If necessary, the Board will look into calling a Special meeting for Tuesday, May 19, 2009 to get clarification from the Board of Education and discuss plans to manage the shortfall in revenues if one is anticipated.

Through April 30, 2009, 85% of the budget has been spent with two months to go. Legal expenses have exceeded budget. Treasurer account has exceeded due to salaries but should decrease now that the budget process is over. Town Report and Insurance are slightly under budget. Police Services will be invoiced and paid in June. Snow removal was overspent by \$9,020.

E. OLD BUSINESS -none

F. NEW BUSINESS

1. Review results of the May 12, 2009 referendum on the 2009-10 Fiscal Year Budget and discuss comments and input from annual town meeting.
The results of the referendum were 625 in favor, 439 against. The discussion of splitting the Board of Education budget with the Town Budget will be put on the agenda for next month's regular meeting. The Board will come up with specific questions to be presented to the town's attorney. They will also obtain a list of towns using this system.
2. Consider and act on the requests for the 2009-10 Fiscal Year for appropriations to the Capital Reserve & Annual Capital Expense Fund and the reallocation of up to \$118,154 of unexpended funds in Capital Reserve & Annual Capital Expense Fund.
No action taken due to approval of the budget.
3. Consider and Act on a proposed 2009-10 Budget for the Town of Lebanon General Town Government, Board of Education, and Special Revenue Funds and estimates of revenue.
No action taken due to approval of the budget.
4. Consider and act on setting the 2009-10 mil rate (if possible), including a discussion on delaying this action until we receive final numbers for the grand list and/or a state budget.
The Board will delay setting the mil rate until the grand list is complete. The Board of Assessment of Appeals will be completed no later than May 29, 2009. The assessor will do the final necessary steps by June 11, 2009 and will email all reports and numbers to the Board of Finance. This item will be put on next month's agenda.
5. Consider and act on establishing new procedures for transfers approved at town meetings.
T. Valone will refer to copies of minutes to be sure that the transfers are getting done. It was discussed that the board should keep a running list of changes made throughout the fiscal year. T. Valone will put a spreadsheet together.
G. Lafontaine volunteered to review minutes of BOF meetings for the current fiscal year and track any transfers that were authorized through motions.

G. OTHER

J. Okonuk reported to the board that she was concerned over the motion made at the Annual Town meeting to table item #2 which was to take the budget to referendum. Legal counsel was contacted the following day and it was verified that the motion to table was an improper motion.

The Tobacco Street Bridge is eligible for reconstruction from state stimulus funds. Reimbursement would not include the cost of design, just construction and inspection. The town would incur a \$60,000 maximum exposure for the design cost. The bridge construction is approximately \$600,000 which would be funded by the state stimulus. Further discussion of funding options will be added to next month's agenda.

Now that there is an approved budget, each department and board will be notified by the Finance office of their final budget. They will be asked to review and submit a detail of their budget line items that corresponds with this budget figure. Recommended deadline: July 1, 2009.

Correspondence was received from Michael Paulhus, Financial Consultant for the Royal Bank of Canada who specializes in short term investments and cash management for small

towns. After a brief discussion, it was decided that the BOF would not be looking into alternative investments at this time.

H. Adjourn

A. Vertefeuille moved to adjourn the meeting. C. Haralson seconded. Motion passes unanimously. The meeting was adjourned at 8:52.

Respectfully submitted,

Diana Drake
Recording Secretary