

Rockport Finance Committee Minutes of 3/5/2014

Chairman Wally Hess called the meeting to order at 7pm. Present were Carl Engel, Frank Hassler, Bill Wagner, June Michaels, Mike Lamoureux, Mike Hughes and Laurene Wessel.

First item on the agenda was to approve the amended agenda. The motion was moved by Bill Wagner, 2nd by Carl Engel, motion was approved unanimously.

Chairman Wally led off the discussions with an update on the school budget. The primary item presented was the five-year cash forecast prepared by Wally for the schools from information provided by and discussed with Mr. Liebow, Superintendent of Schools. Also discussed was the foundation enrollment, "SPED" in and "SPED" out. Mr. Liebow's outline demonstrates a deficit by FY 2016 if there is not an override this year. The committee also discussed the option of a SPED reserve account of \$250,000 to be used to fund unexpected expenses with special education. Of concern was how this would be funded, how it would present at town meeting, and who would control the fund. During this discussion, Town Administrator Linda Sanders announced that the insurance company today agreed to a 0% annual increase in the health care costs for the town for FY15. She was commended for her work. This results in a savings of about \$180,000 compared to expectations.

Next item on the agenda was the Rockport Finance Committee memo put together by Chairman Wally, which he feels will clarify the budget process. All members were encouraged to apply this to the budget model.

Next item on the agenda was the budget discussion. Wally presented the budget in it's current state, with an adjustment to the health insurance costs. The budget can be balanced currently even if there are no one-time transfers from reserve funds to the operating budget. Frank Hassler did mention the impact taking money out of funds can have on the bond rating for the town.

The last action taking by the committee was to review the table of estimates for ATM and STM. The committee completed thru table 171, General Government Summary.

The meeting adjourned at 10pm.