

**Town of Colebrook
Board of Finance**

Minutes to the Meeting of March 2, 2016

Members Present

J. Millar, Chairman
R. Carfiro
T. Corvo
D. Johnstone
M. Klimkosky
M. Neal

Absent

Others Present

T. McKeon
C. Johnstone

The meeting was called to order at 7:00 p.m. by Chairman J. Millar.

1. T. McKeon presented the Selectmen's 2016-17 budget. Total expenditures of \$1,782,129 represent an increase of 1.5% over 2015-16. The principal changes are: an additional \$19,700 for road oil and repair, \$4,463 to increase the weekly hours of the land use administrator from 12 to 15, and \$4,000 to hire and train an understudy for the assessor, who is likely to retire in a few years. These increases are partially offset by decreases in diesel fuel \$10,300 and Senior Center utilities \$6,745. The latter will be paid by the Senior Center from their direct fund raising efforts.
2. T. McKeon also discussed the 2016-17 capital improvement plan that will total \$398,018, excluding the new fire truck and a grant to repave Prock Hill Road. The plan provides \$145,000 to repave Church Hill Road and \$100,000 each to replace the town backhoe and amortize a "loan" from the general fund. D. Johnstone noted that the town garage is in poor condition and will probably need to be addressed in the capital plan within the next few years.
3. Discussed the new fire truck, which will cost \$325,000 and will soon go to referendum for final approval. An additional "loan" from the general fund to the capital fund was proposed as a way to pay for the fire truck. This and other options will be discussed at the next meeting.
4. J. Millar noted that C. King, the town's audit partner, has been asked to investigate the apparent overstatement of accounts receivable by roughly \$260,000 in the draft audit for 2014-15. This issue will be on the agenda of each meeting until it is resolved.
5. The preliminary grand list for 2016-17 was released late last week, showing an overall decline of 1.0%. The decline would have been 10.6% had it not been for the addition of BNE's wind turbines to the list and a higher valuation of land owned by the MDC. These increases offset a significant decline property values generally. However, the actual tax revenue from the new grand list will decline

by 2.8%, because of tax credits (\$199,063 in all, \$69,255 of which will be applied in 2016-17) awarded to the MDC in settlement of a lawsuit last year. Also, the line item for personal property on the grand list has declined by more than 50% in the past two years. This will be followed up with M.Sloane.

6. The proposed budgets for the Boards of Selectmen and Education, together with the preliminary grand list and Region 7 budget, will result in a deficit of \$165,119 in 2016-17 at the current mill rate. Options to eliminate this deficit will be the principal focus of next week's meeting.
7. Answers to several follow up questions about the Board of Education's budget were discussed briefly. However, additional detail was requested, so J. Jones and J. Chittum will be invited to next week's on March 9.
8. D. Johnstone moved to accept the minutes of February 17, 2016. Second, M. Klimkosky. Passed unanimously.
9. R. Carfiro moved to adjourn. Second, T. Corvo. Passed unanimously.

The meeting adjourned at 8:12 p.m.

Respectfully submitted,

Martha F. Neal
Secretary