

Budget Advisory Committee
Town of Temple
February 27, 2008 meeting minutes

BAC members attending: Mike Darnell, Ben Tirey, John Pierce, George Willard
Also attending: Connie Kieley, Honey Hastings, Tedd Petro, Steve Andersen, John Kieley

Meeting convened 7:10 p.m. by Darnell, Chair

BAC meeting minutes of 2/18/08 were reviewed and approved as amended.

Review of 3 simulations by Tedd Petro, prepared earlier in the week, for cash flow projections and property tax formula projection for each simulation. Each simulation is based on a 90% property tax collection rate. John Kieley explained that the first projection, decrease in cash for 2008, was 2/3's due to the projected decrease in tax collection and accounts due for 12.5 to 13 months being paid out in 12 months.

Discussion of reasons for and history of late payment of property taxes.

Honey Hastings repeated her request from the last BAC meeting, asking for statistics on property tax escrow. The Tax Collector might have data on the topic.

John Kieley presented a spreadsheet on Town budget/expenses/tax rate/revenue/Fund Balance, etc. for 2004 to 2007 plus a projection for 2008. The 2008 projection was without capital expense warrant articles passing and indicated a tax rate of \$19.51/thousand evaluation.

Discussion of Fund Balance. John Kieley stated that there is \$200,000 +/- available in the Fund Balance to expend. John Kieley stated that cash flow is not a problem.

John Kieley and Steve Andersen discussed the implications of prepayment of the Town's land purchase loan. Steve said he is disposed against his petition warrant article for prepayment on the loan. John Kieley & Steve Andersen discussed the pros and cons of raising taxes to offset shortfall in revenues and the effect of that policy in difficult economic times.

More discussion of the Fund Balance.

Suggestions were made that financial projections & simulations for estimating tax rates should occur prior to setting the tax rate.

Meeting adjourned 9:00 p.m.

Submitted by: Ben Tirey, BAC minute taker