The meeting was called to order at 4:34 P.M.

**Consideration of Additional Draft Materials for Budget Guidelines**

Mr. Mason stated that the guidelines had been approved at the Budget Committee Meeting on October 15, 2008 by a vote of 2-1-0, and some issues were raised due to current economic conditions. A cautionary preamble was added. Mr. Mason distributed copies of the guidelines including the preamble proposed by the Budget Committee and a preamble with Bob Stone’s comments in Italics.

Mr. Stone gave an explanation for his proposed addition to the preamble. He stated that he voted against passing the guidelines onto the full Board because they were without corrective language reducing, to the lowest possible number, Capital appropriations for FY09-10 other than those that are Maintenance, Health, and Safety related in order to limit reliance on the capital markets and to maintain a tax increase of between 2 and 4 percent. Even though there had been some corrections such as reducing the Table of Organization by fifteen positions, he will be forced to vote against the current proposed guidelines without the changes or a clarifying preamble.

Mr. Simon stated a decision regarding Capital projects that will best be made in February. He opposes Mr. Stone’s preamble or changes to the guidelines.

Mr. Krumeich stated that no preamble is needed, the guidelines make it clear that we will be evaluating based on the best available information at that time.

Mr. Stone stated that we now know enough about the severity of what has happened to react and, for our committee and eventually the Board to conclude that the action that hopefully we’re suggesting will not be reversed. There is so much evidence as to what we’re in the midst of, that for us to be silent on action we intend to take isn’t giving proper guidance. Regardless of the original intent of what the guidelines were, this set of guidelines represents a public document that people discuss amongst themselves and have a right to plan on. By sending almost a
"business as usual" notification, doesn’t do this Board justice and doesn’t give the town the kind of guidance that it deserves.

Mr. Mason stated that the Grand List that will be used for the next budget calculation is now nineteen days old. Obviously, everyone is concerned. At last Thursday’s meeting, the consensus was that the guidelines were not going to be rewritten. Most importantly we need to focus on the current budget.

Mr. Simon stated that the guidelines including attachments are a whole and the wording cannot be changed without changing Attachments B and C. If the guidelines are not passed in October, then the departments will have done their budgets and we will miss the opportunity. Then we will go back to a place where we were before we had guidelines and there will be no planning involved in the budget process. In February 2009, when we see where we are, we will make the decisions.

Ms. Barton requested deleting references to “external entities” on page 5 and stated that the guidelines without a preamble are unduly optimistic. A discussion followed regarding making assumptions regarding revenues. Mr. Ramer suggested changing language on page 2 and a discussion followed regarding the language of the document.

Upon a motion by Mr. Simon, seconded by Mr. Krumeich, the Committee voted 3-1-0 to accept the guidelines as amended and submit them to the BET for approval.

Mr. Mason stated that the preamble with Mr. Stone’s suggestion regarding reducing Capital spending and borrowing to health, safety and maintenance would include a reduction of the BOE Capital Plans / Projects.

Mr. Stone said the only area where we can make a significant change is the area of capital spending, and we should try to avoid or limit having to access Capital markets more than necessary. We are not going to go back to the “old days”, when we ignored maintenance and other needed projects. This is intended to be a document on which people can make some judgments. It is highly unlikely that what we would be acting on by including this would be reversed by events between now and February.

Mr. Krumeich stated that the CIP process has been designed and refined to try to remove preferences that were seen in the past. He expressed his concerns that this will taint the CIP process. A discussion followed regarding the CIP process.

Upon a motion by Mr. Mason, seconded by Mr. Stone, the Committee voted 1-3-0 against the preamble submitted by Mr. Stone. (Mr. Stone voting aye)

Upon a motion by Mr. Simon, seconded by Mr. Krumeich, the Committee voted 3-1-0 to accept the original preamble as amended and submit it to the BET for approval. (Mr. Stone voting no)
There being no further business before the Committee, the meeting was adjourned at 5:40 P.M.

Respectfully submitted,

Maria Bocchino, Recording Secretary

Michael S. Mason, Chairman