

**MINUTES
COUNCIL FINANCE COMMITTEE MEETING
WEDNESDAY, JULY 11, 2011
Town Hall – Chamber A
8:00 AM**

Item 1 and 2. Call to Order. Ronald Ahlquist, Finance Chair, called the meeting to order at 8:00 am. Finance Committee Members present – Ronald Ahlquist, Richard Sullivan and Michael Wood; Others present were Thomas Hall, Town Manager, Ruth Porter, Finance Director and Joe Cuetara, Financial Advisor from Moors & Cabot Investments.

Item 3. Approval of Minutes. Motion by M. Wood, seconded by R. Ahlquist to move approval to accept the minutes of June 7, 2011 Finance Committee meeting. The motion passed unanimously.
Vote – 3 Yeas

Item 4. Discussion of Debt Management Policy. The Town’s Financial Advisor, Joseph Cuetara, presented a comprehensive overview of debt and proper management thereof to the Committee. Mr. Cuetara advised that debt is not bad and in fact, when properly managed, is viewed positively by the rating agencies and bond investors. Discussion ensued on the various debt ratio statistics that could serve as the basis for a debt management policy, including: as a percentage of the Town’s equalized assessed value, as a percentage of annual operating expenses and/or calculated on a per capita basis.

The Committee thanked Mr. Cuetara for his insight and advice relating to debt management and directed staff to work prepare a draft policy for their review at the next meeting.

Item 5. Discussion of Police Union Contract Negotiations. Upon motion by M. Wood, seconded by R. Ahlquist, the Finance Committee entered into Executive Session at 9:25 am to review the status of collective bargaining negotiations with the Police Union. Staff members present for the Executive Session were: Thomas Hall, Town Manager and Ellen Blair, Human Resources Director.

The Finance Committee adjourned the Executive Session at 10:00 am and returned to open session.

Item 6. Future Agenda Items. It was agreed to focus attention on the Debt Management Policy. Town staff was directed to prepare a draft policy for review and consideration by the Finance Committee at their next meeting.

Item 7. Adjourn. Motion by R. Sullivan, seconded by M. Wood, to adjourn at 10:02 am.
Vote – 3 Yeas.

Thomas J. Hall,
Town Manager/Recording Secretary