

COUNCIL MEETING MINUTES
March 19, 1991

PRESENT: Chm. Robert C. Fay, Sel. Dennis Abbott & John Monteith, Paul Morgan, Ginny Pare', Jerry Pare', Tom Jones, Dawn Tilton, Rudy Ross, Joel Patterson, Steve Kasprzak, Millard Genthner, Dale Witman, Doug Foglio, Sr., Fred Fay, Bertha McAloon, Arthur Smith, Debra Miles, Bob Gobeil, Pat CARON, Dwayne Morin, Dianne Holden, Frank Allen.

Chm. Fay opened up the meeting with introductions. Copies of the new purchase order policy was given to everyone present. Dwayne Morin explained the policy. There will only be once a month billing except for payroll and Fred's trucks. Supplies will be bought on a three month basis to be bid out. There will be a \$100. a month petty cash to take care of things that come up. Joel feels that purchase orders will help out, especially for the bills that come in late, but there could be a problem with petty cash. Dwayne explained that it would be for the town office personnel only. Art smith stated that the company that he worked for figured it cost \$35.00 to process a purchase order and feels that they should not be used for nickle and dime items. The Fire Dept. needs repairs and Sel. Abbott suggested having an open purchase order with a limited amount to businesses that do repairs for the Fire. Dept. Jerry also raised the question of a problem that could arise with one person in charge of purchase orders, after the dept. head has okayed the purchase order can he deny the purchase order. Sel. Abbott explained that using purchase orders will give a better handle on money, if the money is not there then the purchase order will not be signed for approval. Chm. Fay stated that this policy will hopefully save some money. Bob G. asked if Dwayne should become the purchase agent. For example last year both he and Fred were getting prices on fences, this way only one person would be getting prices. Question was asked on who fills out the purchase order. Sel. Abbott stated that it is up to the dept. heads to fill out and submit the purchase order. Joel suggest that the purchase orders be in five parts, 1 for the vendor, 1 for the dept. head, 3 to the office where they can be filed. If the purchase order and the actual bill does not agree then it is up to the Selectmen to okay issuing a check. Using this system will let everyone know what bills are paid and what needs to be paid and what is left for a balance. Every business that the town deals with must be let known that there is a deadline for bills and need to be billed on a timely basis. All dept. heads need to keep track of their purchase orders. Rudy stated that if the dept. head writes up a purchase order and there is not enough money in the account then Dwayne will have to back to that dept. head and let him know. Nothing can be ordered without first obtaining a purchase order. Joel stated that it is hard to use a purchase order for attorney's, but need to contact the attorneys and let them know that the bills have to be submitted by a certain date. There was \$40,000. worth of 1990 bills paid in 1991. Doug stated that it is hard to change a system that. He suggests giving the attorney a purchase order for each account to be submitted monthly and also CMP and telephone to also have the account numbers on the order. Money from the road accounts are being used to pay for the tractor and feels that Parks & Rec. should pay back the road accounts for the salt shed on the Old Alfred Road. Also the tractor is being used for other committees also. Chm. Fay also stated that there is a need for a better computer system and Dwayne is looking into it.

Dawn asked if the computer system is set up before June meeting so the Finance Committee can have figures and would like the purchase order numbers applied to the account numbers. Dianne suggested that the Fire Dept. use purchase orders and submit bills directly, now bills are getting three months behind. Joel stated that if there is a contract that the purchase order amount is tied up whether it is for one payment or for three payments. Art asked if some bills can be paid several times. Joel stated not so much with a purchase order system. Jerry asked if each dept. head could get a report each month on what has been spent and what is for a balance. Millard asked if this will take care of any deficits at the end of the year. Joel stated that there will be still over runs i.e. telephone, electric. Doug stated that if the Fire Dept. bills are submitted directly to Dianne, then who will keep track of what has been ordered and what has been delivered. Dale asked if at the end of year if all accounts are going to have a zero balance. Sel. Abbott stated that it will have to be discussed. Tom stated that each dept, need special rules, doesn't see how one policy will work, need to sit down with each dept. head to see how it should be handled. Fred suggested Dwyane calling other towns to see how they handle purchase orders. Pat asked if Dwayne can handle purchase orders, the bills and payroll. Chm. Fay opened up the discussion on zero balances. Dianne explained that the balance at the end of the year is put into the general account and the new budget requests would be without balances figured in. Dianne also stated that dept. heads start in Oct. early Nov. to see how much money is left in their account. Steve stated that he doesn't like the zero balance. Would rather see balance carried forward. Joel stated that if a dept. has had money budgeted for something and it didn't get done and the money is a balance then next year would have to submit a budget minus the balance and figure the money back into the budget. Sel. Abbott stated that he would like to see some hard facts before going to a zero balance budget. Doug feels that zero balance budgeting is automatic when you change the fiscal year. Dianne feels that it would be easier for the Finance Committee to only have to work with current year budget versus last years budget without figuring in balances. Hollis has a zero balance and the first year it was in effect there was dept. heads asking for money in their account and the Selectmen didn't say no but discouraged it and now there is no problem with dept. heads spending what they have in their account. Sel. Abbott stated there will be a tighter control on what will be paid and what will not be paid due to the cash flow problem. If the money is not there, even though it was appropriated at Town Meeting, it will not be spent.