

Town of Ayer

Finance Committee

Ayer Massachusetts, 01432



Location: Ayer Town Hall, Meeting Room
Finance Committee Minutes

Wednesday December 7, 2011

Present: Brian Muldoon; Chairman, Scott Houde; Vice Chairman, John Kilcommins; Clerk,
Absent: Michael Pattenden; member
In Attendance: Robert Pontbriand, Lisa Gabree, Gary Luca, Jim Fay, Pauline Conley

Called to order at 7:35 am by Robert Pontbriand

- Budget Meeting Schedule
 - RP Led a review of the FY2013 budget meeting schedule.
 - RP-Everything is draft at this point. We are looking at level funding for now and the RSC will be informed of this. This is consistent with Shirley
- Outstanding Taxes and FY2013 Outlook
 - RP-The BOS will attend the 12/14 Fincom meeting to discuss fees, licenses etc.
 - RP-The free cash will be negative, not the +400K that we anticipated. We need a proactive collection plan. We are reactive in collections and treasury.
 - BM-The collector and treasurer will both be attending the 12/14 meeting. We need to know what their process is.
 - LG-The outstanding real estate taxes had a negative impact on free cash. The tax title process was late; it went through in July not June, which in turn lowered free cash.
 - RP Led a discussion of Ayer's options in regards to rates and fees for various municipal services and permits.
 - RP-IT is working on implementing an on line payment system for the town.
 - RP-The water and sewer enterprise funds have large outstanding balances, we need to pursue these as well.
 - RP-Working on the final capital requests report, this will be forwarded to Fincom.
 - RP-It looks like there will be a savings in health insurance though the unions may not like the changes. The BOS will review this at their 12/15 meeting.
 - RP-Would like to do something with compensation perhaps a 1% increase. This may help prevent arbitration.
 - SH-What is the projected savings in health insurance?
 - LG-Around 560-570K
 - SH-Maybe a 2% increase to net the town 300K? There is a public frustration with the perception of generous benefits. This shows a savings for the town and gives the employees a bump.
 - LG-Where is the RSC in asking for a debt exclusion?
 - RP-We will discuss that at the leadership meeting (12/7).
 - LG-There are changes upcoming for the retiree burden. It used to be that an employee was accounted for based on where they retired. Now it is based on where they worked throughout their career. For planning purposes we will use 7.5% based on history.
 - LG-Stressed that all projections are preliminary and early particularly with the enterprise funds.
- Rates and Fees
 - SH-When were rates and fees last reviewed?
 - RP-While they have been reviewed they have not been changed in over 10 years.
 - SH-What is the deadline to make changes?
 - RP- The first of the year.
 - SH- It's not just the expenses (that can change); we have to consider raising revenues as well.
 - JF-We have to convince people of the justification. It may mean raising fees or letting employees go.

Town of Ayer
Finance Committee
Ayer Massachusetts, 01432



- Town Unions
 - RP-Layoffs are not a dollar for dollar savings. They involve a union process as well. There is a cost to layoffs.
 - BM-A negotiating point is that we are one of the few towns with no layoffs in recent years. The work done by the BOS, RSC, and Fincom kept these jobs.
 - RP-An issue that comes up is when cash is found at the end of the year.
 - BM-The unions don't run the town.
 - GL-Perception is the key.
 - BM-If arbitration is threatened then we go to arbitrations.
 - SH-We need to send a message that it is not their (union) money, it is the town's. Both sides have to negotiate in good faith.
 - LG-Don't be afraid of arbitration.

Brian Muldoon, Chairman _____ Date _____

Scott Houde, Vice Chairman _____ Date _____

John Kilcommins, Clerk _____ Date _____

Michael Pattenden, member _____ N/A _____ Date _____