

## **Finance Committee Meeting Minutes – Jan 19, 2016**

**Meeting brought to order at 7:00 pm.**

Present: Dylan, Skip, Ralph, John, Bill, Mary, Jeff

Absent: None

- 1) The minutes from the Jan 12<sup>th</sup> meeting were reviewed and accepted**
- 2) The first item covered was a review of the Local Receipt estimates. Dylan and Brenda had discussed them, and agreed to estimates which had some small changes on particular line items, but were unchanged in the aggregate from the previous week's Finance Committee discussion, at \$1,475,000.**
- 3) The next item covered was the Deerfield Elementary School Roof Project, which was passed over the previous meeting as more information was sought. Marti Barrett and Patti Cavanaugh joined the Committee for the second half of this conversation. The project design team and Town Building Inspector were not available for this meeting.**
  - Frustration was shared by all sides regarding the tight timeline this project was under, which was in large part dictated by the MSBA grant process. For this reason, it is especially important that the various town and school departments and committees work together and keep communication open throughout the process
  - Agreement was found on the importance of the Elementary School, and the reality that the previous roof was towards the end of its useful life.
  - Specific questions were asked about the increasing costs of the project from previous estimates. Patti shared some information that showed this to be a result from increasing the project contingency costs
  - Dylan verified the timelines after talking with the MSBA, and also that the vote at town meeting must be for the amount listed on the budget in order to proceed with the grant process – any change to the total would pause our application and very likely cause the town to miss the grant deadlines
  - The Finance Committee felt that some clarity was still lacking, in part on the planning side but also on the process side. That said, the committee also felt that voters deserve a recommendation either for or against the project from the Finance Committee – even if some information was still outstanding at the time of Special Town Meeting
  - A suggestion was made to schedule a Finance Committee meeting for right before the Special on Monday the 25<sup>th</sup> for the purpose of voting on this issue, and to spend the time until then trying to get any additional information that would help with this matter

**A motion to pass over this item until the next meeting on Monday Jan 25<sup>th</sup> at 6:30pm passed unanimously**

- 4) Re-allocation of Costs:**

Doug presented the idea of allocating the costs of various departments for items such as Health insurance and Retirement Costs, as these are currently all rolled up to the town budget, and make it difficult for departments to know true costs of their hires, and for voters to know the true costs of various departments. This seemed especially important with something like the school, as the town does not have any role in its hiring practices.

There is some question of if this could be done in time for the FY17 budget, or if more time is needed.

There is also a privacy issue of departments with a small number of employees – the town may not break out such information if it infringes upon the privacy of the particular employees in question, whose particular health plan costs could be known if broken out as a line item by itself. There are solutions to this problem, such as allocating just an average per employee and not actual costs per employee - or else only allocate costs for departments large enough that the total would not provide information about particular individuals.

#### **5) SCEMS – Indirect Costs**

- The Town Administrators of Deerfield, Whately and Sunderland discussed three options for SCEMS indirect cost formulas, and they have come to agreement around one of them. That formula is being presented to the SCEMS Board of Oversight, and if accepted would be used as part of the FY17 budget, and a payment would be made from SCEMS Retained Earnings for previous year's indirect costs based upon this same formula

**Meeting adjourned at 9:45pm. Next meeting scheduled for 6:30pm on Monday, January 25<sup>th</sup>.**