

Minutes of Finance Committee-Final

DATE: May 20, 2008

LOCATION: Medway High School Library
Medway, MA 02053

PRESENT: Robert Kenney, Frank Faist, Eric Arbeene, Paul Marble, Ned Myers, Jan Fish, Larry Ellsworth, Mark Brown, Phyllis Cerel, Phil Giangarra, Joy Smith Dahl

ABSENT:

GUESTS: Barbara Durand, Suzanne Kennedy, Andy Rodenhiser, Susy Affleck-Childs

PURPOSE: Review of STM Warrant articles.

Frank Faist called the Finance Committee (Fin Com) meeting to order at 7:05pm.

FinCom Budget Review

See attached spreadsheet.

Phyllis asked to see the budget to actuals from last year, Suzanne directed her to the warrant.

Joy asked if the reserve fund falls to free cash or is it too late to use the option to transfer the money now. Suzanne explained that it is too late and the unused reserve fund will be available when free cash is available in November.

Special Town Meeting Warrant Articles

Suzanne handed out an updated copy of the Warrant for the Special Town Meeting being held at 7:00pm Monday June 2, 2008.

ARTICLE 1

Suzanne explained the reasoning for Article 1 and requests that FinCom motion to dismiss this article. Currently the elections from May 5, 2008 are under legislative review with the hopes that it is passed quickly making Article 1 irrelevant. Town Counsel found that the election was widely advertised and election results proved reasonably comfortable. Town Counsel found that there was no case history in the past 100 years of the legislature overturning the people's votes.

Phyllis asked if Article 1 should be reworded. Joy explained the warrant is closed but would it be prudent to table our recommendation until we meet prior to STM on June 2, 2008. Suzanne explained that she is not asking for votes now, but will on June 2, 2008.

Motion to dismiss Article 1 by Phil, second by Paul, no discussion, all in favor, motion carries.

ARTICLE 2

Suzanne explained this article is setting into motion the desire to proceed with the sewer easement project. \$125,900 will be transferred from Free Cash to fund this article. The funding will come from the \$99,658.00 that Franklin is to reimburse Medway and another \$25,970.00 will be a rebate on design funds that all the towns will be receiving. Barbara is very comfortable with this article as she has already received the checks for the above-mentioned amounts.

It was decided this article would be held until the meeting prior to STM on June 2, 2008 for an exact transfer number.

ARTICLE 3 (related to Article 2)

This article is to fund the Sewer Project Fund and is ultimately used to obtain easements and pay legal fees. This is over and above the approximate \$125,000.00 in Article 2 and if unspent will go to Free Cash, but doesn't have to go to Free Cash.

Motion to accept by Joy, second by Phil, no discussion, all in favor, motion carries.

ARTICLE 4

This article is for the Industrial Park Well. Suzanne requests that we dismiss this article. Suzanne is meeting with Mark Flaherty and Town Counsel on easement acquisitions and how much Mark needs, as he didn't have enough money. Town Counsel wants to make sure that the well project is complete before approving the transfer of any more money.

Motion to dismiss by Phil, second by Ned, no discussion, all in favor, motion carries.

ARTICLE 5

To transfer \$196,000.00 from Free cash to the Snow and Ice FY08 deficit.

Motion to accept by Ned, second by Joy, no discussion, all in favor, motion carries.

ARTICLE 6

Transfer \$11,000.00 from DPS expense to Street Lighting Dept. The Street lighting contract wasn't appropriately appropriated. There are 2 lease payments this year and DPS only put in for 1 payment. There is enough money appropriated in the '09 budget as there is only 1 payment due.

Motion to accept by Ned, second by Larry, no discussion, all in favor, motion carries.

ARTICLE 7

Article is to increase by the sum of \$30,000.00 appropriation for the Ambulance Enterprise Fund. There were shortfalls in Fire and EMS. EMS is bringing in more revenue but more expenses and they can only spend \$296,964.00 because that is all Town Meeting allotted. This is allowing them to spend more of the revenues collected. Expenses have increased due to increase in fuel costs.

Motion to accept by Phil, second by Larry, no discussion, all in favor, motion carries.

ARTICLE 8

Article 8 shows there is a shortfall in the legal budget under the BOS budget. Suzanne has no recommendation of the amount yet but would like to pay April, May and June. Money will be transferred from unspent salary budget.

Hold for a firm number from Suzanne, will vote prior to STM June 2, 2008.

ARTICLE 9

Article 9 will transfer \$125,900 from the appropriation for Health Insurance in Article 3 of the 2007 ATM to Health Insurance Reserve Stabilization Fund in the amount of \$25,000.00 and Storm Reserve Stabilization Fund of \$75,000.00 and \$25,000.00 to conduct a Classification and Compensation Study under the Selectmen's office. The objective is how we can improve our departments and the way we do business. Looking at a professional outside consultant and an operations review committee to review operations and compensation.

Article divided into 2 motions. One motion by Larry to transfer \$25,000.00 to Health Insurance Reserve Stabilization Fund and \$75,000.00 to Storm Reserve Stabilization Fund, second by Robert, no discussion, all in favor, motion carries. Second motion by Ned to transfer \$25,000.00 to conduct a Classification and Compensation Study, second by Phil, no discussion, all in favor, motion carries.

ARTICLE 10

This article is to transfer \$11,161.12 from the appropriation for Property/Liability Insurance in Article #3 of the 2007 ATM to the Agency Fund Police Outside Detail Account in the amount of \$6,099.84 and the amount of \$5,061.28 to the Agency Fund Fire Outside Detail Account. There was a savings in property and liability insurance this year which enables this transfer to cover a shortfall.

There is \$66,000.00 owed to Medway in unpaid invoices. Barbara only shows \$55,000.00 in outstanding accounts. This transfer will get Barbara and the Treasurer Collectors numbers to agree. Some of these bills are a few years old. The research has not been done on them yet. The officers have all been paid for the details worked, the contractors have not all paid to date.

Motion to accept by Phil, second by Larry, no discussion, all in favor, motion carries.

ARTICLE 11

Transfer of money from the salary reserve '08 to fund increase cost items in the new police contract. Joy asked if new health insurance contribution rate for '08 would be retroactive. Barbara advised it would be retroactive.

Motion by Joy to transfer \$52,000.00 from the salary reserve fund, second by Paul, no discussion, all in favor, motion carries.

ARTICLE 12

Presented changes to this article were by Susy Affleck-Childs and Andy Rodenhiser. This is the same article FinCom voted to support with some changes to clean up the article. There were meetings held with the builder community and a public hearing as well as meetings with the Town Moderator who had some suggestions. It was then decided to remove it from ATM warrant, previously Article 26, make the necessary word changes and definition changes and put it on the STM warrant. The changes are to clarify not content and added the density bonus. This has been well supported by the contractors. Another public meeting will be held on 5/31/08 at 7pm.

Motion to accept by Ned, second by Larry, no discussion, all in favor, motion carries.

Motions for ATM Joy asked to clarify motions, Suzanne will e-mail revised motions to FinCom.

Reminder was stated about the meeting with Mark Cerel for all of FinCom and the process of ATM and STM, the majority of FinCom are available to attend.

**FinCom will meet at 6:00pm on June 2, 2008, prior to STM/ATM at the HS Library.
Next regular meeting will take place on Wednesday June 11, 2008 at 7:00pm at Sanford Hall.**

Motion to adjourn at 8:23pm by Larry, second by Frank; no discussion, all in favor, motion carries.

Respectfully submitted,
Wendy Harrington
Finance Committee Secretary