

FINANCE COMMITTEE  
Minutes

Date: February 6, 2006

Time: 7:00p.m.

Present: O'Connor, Raymond, Hachey, Hebert, Turbitt, Floser

Absent: Tripaldi

Meeting called to order at 7:05p.m.

Motioned by Hachey, seconded by O'Connor to accept the minutes of January 9, 2006 as written. Unanimous.

Hachey: The School Department usually doesn't come to us until after their public hearing. In the past we have invited the School Committee to come in for an informal meeting before their public hearing so that they can get some of our input before submitting their budget to the public. I thought that maybe you could get a hold of David or Sue about getting together.

O'Connor: I have some significant questions for the School Committee. I would like to have an opportunity to ask them before their public hearing. If we cannot get together, then I will ask them the questions at their hearing.

Hachey: Negotiations are more difficult after their public hearing. That is why I would like them to come in before hand.

O'Connor: I was at the last couple of meetings and made copies of the power point presentation and their preliminary budget. I have been in contact with the DOE concerning their website. The School Committee public hearing is scheduled for March 8<sup>th</sup>.

Hachey: They need to have time to look at our recommendations and see what can be negotiated.

**Mary Ann Harris, Paul Guida and Joe Chase were in at 7:20p.m.**

**Reserve Fund Transfer-Unemployment Comp. Insurance-\$7850**

Paul Guida: Public employers pay a reimbursement on this.

Hachey: Is this for 26 weeks?

Paul Guida: This is for 39 weeks.

Hachey: The State sets unemployment at 26 weeks. You need a letter from the State extending it. This is paid by the week.

Paul Guida: It is paid by the claim.

Turbitt: You get a copy of the claim ahead of time and it is paid weekly.

Mary Ann Harris: We pay it monthly. If we don't pay this by Friday, we have to pay interest.

O'Connor: Will the \$7850 all that you will need or will you need more?

Mary Ann Harris: I am looking at \$12,000 at the Town Meeting for May and June's share of the bill.

O'Connor: I just want to know how much you will need from our Reserve Fund. Is this the only amount from the Reserve Fund?

Mary Ann Harris: This should be it unless something else happens.

Paul Guida: I have a claim out that needs to be paid.

Hachey: Where will you get the funds at Town Meeting to pay for May and June?

Paul Guida: We can use the pot hole fund.

Motioned by Hachey, seconded by O'Connor to transfer \$7850 from the Reserve Fund to the Unemployment Comp. Insurance account.

Turbitt: I'm concerned whether this will be enough until the end of March.

Paul Guida: Unless I get another claim, it should cover it.

Vote was unanimous for the transfer.

### **Snow and Ice over-budget**

Paul Guida: This has to be voted on each year. If we do not vote to over spend this budget, then we cannot declare a snow and ice emergency. We cannot go over budget without voting it. I want a balanced budget in May. We will be able to transfer from available funds at the May Town Meeting.

Mary Ann Harris: We can only declare a snow/ice emergency if your budget stays stable or goes up each year. If you decrease the budget, you cannot deficit spend.

Paul Guida: We have a stock of sand and salt this year. We didn't have this last year.

Joe Chase: We have had more inches of snow this year, plus everything went up.

Motioned by Hachey, seconded by Turbitt to allow the Department of Public Works to declare a Snow & Ice Emergency for FY2006, in order to over-expend their budget.

O'Connor: How much do you need to get through the rest of the year?

Joe Chase: I can't tell you that. It depends on the weather.

O'Connor: Where is the money going to come from at Town Meeting?

Paul Guida: We will find it to transfer at Town Meeting.

Mary Ann Harris: I could raise it on the re-cap.

O'Connor: Why can't we do this at our 1<sup>st</sup> meeting of the fiscal year?

Mary Ann Harris: We can't do this until we run short.

Paul Guida: If you are going to meet next week, I'd say hold off. If you are not meeting, this needs to be done.

Vote was unanimous on the motion to over-expend.

### **Reserve Fund Transfer-Highway Department-Other Expenses-\$25,000**

Joe Chase: This is for major repairs to our sweeper. It is our newest sweeper. Our other one is mechanical, where this is hydraulic. If I could interchange parts, I would. We do need 2 sweepers to do the Town.

O'Connor: How much would it cost for a new machine?

Joe Chase: The State bid is at \$120,000. I have some money coming back from FEMA. I have a price on another new sweeper. We are required to sweep the Town. Our storm-water permit requires this.

Hebert: In the future, you should budget for a new sweeper.

Joe Chase: I will be doing that.

Hachey: When do you usually start sweeping?

Joe Chase: We usually start in the 2<sup>nd</sup> or 3<sup>rd</sup> week of March. We may be able to start earlier if the weather stays good.

Floser: Have you looked into out-sourcing?

Joe Chase: The bid is \$125.00 per hour, but I have to dispose of the sand, which we can do at the Upper Blackstone.

Raymond: We could free up 3 men to do other things if we out-source. It's worth looking at.

O'Connor: I would suggest that someone look at doing this.

Raymond: The more we out-source, we may be able to free up other people.

Floser: What if we don't get the money from FEMA?

Mary Ann Harris: We will get it. There is sufficient money in his budget to cover the rest.

Motioned by Floser, seconded by Hachey to transfer \$25,000 from the Reserve Fund to the Highway Department Other Expenses account. Unanimous.

### **Joe Chase left at 8:00p.m.**

Raymond: What is the status of the computer capital for the Police Chief?

Paul Guida: I e-mailed you with that. Compu-Smart will be getting me the numbers for inventory. There have been problems with the computer downstairs.

Mary Ann Harris: It is not just downstairs. We are not compatible up here either.

Paul Guida: As soon as I get the information, I will e-mail you.

Mary Ann Harris: The software licenses are now up-to-date. We have a lot of computers that need to be updated.

Raymond: How is the revenue report going?

Mary Ann Harris: It should be in your packets this evening.

Floser: This includes the schools?

Mary Ann Harris: They have a revolving fund. They have expenditures for each fund.

Paul Guida: They have 2 revolving funds, which do not have to be authorized by Town Meeting.

Turbitt: Where are the Title I, II, and III grants?

Mary Ann Harris: It's in a federal grant account. The School Department is setting up a report for you.

Hachey: We get about \$320,000 in Title I. This is on top of their budget.

Mary Ann Harris: It's about \$460,000. Whatever you give the School Committee from general monies, they should be able to give you all of their accounts. They should show their Title Grants.

Paul Guida: They will always focus on the general fund, not the special funds.

Mary Ann Harris: You need to ask them for all of their grant accounts and their revolving funds.

O'Connor: They are going to go over that on the 15<sup>th</sup>.

Mary Ann Harris: Ask the School Department for their Schedule 1.

Raymond: Do we have a long-term debt schedule?

Mary Ann Harris: I have a copy for you.

Raymond: What about Sewer Department Revenues?

Mary Ann Harris: The Sewer Commission will be coming in. Their billing will be outsourced and the bills will be going out quarterly. We will get the money back faster. Sharon will still be sending out the betterments.

Paul Guida: Aquarion will only handle water customers. They do not bill out the people with wells.

O'Connor: We have gotten some budgets, but the Health Insurance and HMO's are about 10% of our budget.

Paul Guida: Fallon will be going up 7%. Our insurance advisers have a proposal of 14% from Tufts.

O'Connor: I would like to understand what the employee gets from these plans. What could we get for only \$2,000,000. What do we get for \$4,000,000? I have been looking under the DOE, DOR, and the School Budgets to get information. The DOE says that the Town of Millbury should be spending \$1,500,000 for health insurance. This is just one flaw in the contract.

Mary Ann Harris: Ask the School Department for the Schedule 1 for this year.

O'Connor: Someone will have an answer for me. We are paying twice the amount for transportation than what the DOE recommends.

Floser: I have no problem paying for things as long as the paperwork is being done.

Paul Guida: Employee share of insurance increases each year.

### **Paul Guida left at 8:45p.m.**

Hachey: Did the Senior Center apply and were they awarded their grant?

Mary Ann Harris: They were approved for the \$15,000 grant. We haven't received it yet, but we were awarded it.

Raymond: What do we have to do to get an accounting of the Friends account?

Mary Ann Harris: You need to check with Judy O'Connor.

Floser: Who audits this? They need to file taxes on this.

Floser: We received 2 reports tonight. Why don't the 2 reports equal?

Mary Ann Harris: The encumbrances are included in the report.

Mary Ann Harris: Blackstone Valley Tech has \$194,000 coming back to them within the next two years. He sold the bonds and got a deal. I received \$78,000 in December. This was money that was raised as a debt exclusion and has to be used to reduce a debt exclusion. If it wasn't a debt exclusion, it would be able to go back to the general fund.

Hachey: Why is it amortized for the life of the loan?

Mary Ann Harris: The DOR says we have to do it this way.

Floser: Are you happy with the reports that you are getting?

Mary Ann Harris: It's the best I can do and I am happy with it. You need to give me some dates for the DOR. Andy Nelson is waiting on a date.

O'Connor: I never got an e-mail saying that January 31<sup>st</sup> was cancelled. We should only have the meeting if the Selectmen can attend.

Mary Ann Harris: This would be good for this committee to go to.

**The Finance Committee agreed to meet with the DOR on February 22, 2006 at 6:30pm**

Mary Ann Harris: I believe that this will be held at the Library.

**Mary Ann Harris left at 9:15p.m.**

Floser: We should think about these reports that we get weekly. We should have these in binders and have them accessible at our meetings.

Raymond: I will speak to Paul about getting the binders with the budgets he has now and for binders for our other reports. We have meetings scheduled for 2/21/06 and 3/6/06 for our discussions. We also have a meeting with the DOR on 2/22/06.

Motioned by Hachey, seconded by Floser to adjourn at 9:30p.m. Unanimous.