

FINANCE COMMITTEE
Minutes

Date: March 29, 2010

Time: 7:00 p.m.

Present: O'Connor, Girard, Gauthier, Kupcinskis, Hebert, Bartosiewicz

Absent: Hamilton

Meeting called to order at 7:00 p.m.

Bob Spain, Town Manager, and Brian Turbitt, Finance Director, were in at 7:00 p.m.

Motioned by Gauthier, seconded by Kupcinskis to accept the minutes of March 22, 2010 as written.
Unanimous.

Reserve Fund Transfer-\$7600-to Town Clerk's salary

Michael O'Connor: The Town Manager is here to discuss a Reserve Fund Transfer for the Town Clerk's budget and to discuss the updated proforma that he has furnished for us.

Bob Spain: There is not enough money in her budget to pay for her sick time and vacation time, plus pay to have someone take over her position until the end of the fiscal year.

Motioned by Hebert, seconded by Gauthier to transfer \$7600 from the Reserve Fund to account number 01-161-5112-0000. Unanimous.

Michael O'Connor: Last week we discussed level services budgets and reduction of budgets by \$1,013,000. Bob has indicated that he has reduced the deficit amount.

Bob Spain went over the updated proforma

Bob Spain: The Cherry Sheet receipts are down, per the State. I increased the local estimated receipts by \$150,000 to include the meals tax. Revenues are slightly lower than the preliminary budget. I reduced the additional Snow/Ice amount by \$40,000. I will need to cut an additional \$84,298 from my budget still. There is an amount of \$494,201 that the School Department needs to reduce from their budget.

Michael O'Connor: What is the percentage that you used on the deficit?

Bob Spain: It is based on a 60/40 split.

Michael O'Connor: From my understanding, \$525,335 is the actual amount needed for the School Department to reduce their budget.

Bob Spain: I will get to that.

Michael O'Connor: We need a \$298,333 reduction from you and a \$525,335 from the School Department, by the end of the week. We will be voting the numbers next Monday and we are not going to re-vote the budgets again this year.

Bob Spain: Changes can be made on the Town Meeting floor. I also wanted to let you know that if there are any additional warrant articles, they will be put at the end of the warrant.

Michael O'Connor: I want to let you know that under Articles 43 and 44 you need to put that it is written by the Board of Selectmen and the Town Manager.

Michael O'Connor: Will you inform the School Committee that the deficit is \$823,668?

Bob Spain: I will inform them of the deficit.

Michael O'Connor: Do you anticipate any more changes in the receipts?

Bob Spain: I don't think we will see any more changes.

Michael O'Connor: I would like to send the School Committee a letter, once we vote the budgets, to let them know what we voted for their numbers. Do you anticipate a meeting between yourself, the Board of Selectmen and the School Committee?

Bob Spain: I haven't heard anything.

Bob Spain and Brian Turbitt left at 7:25 p.m.

Michael O'Connor: If we send a letter to the School Committee, they won't read it until the 14th of April. They don't understand that the numbers change during the budget season.

Dan Girard: Does this happen every year? This is my second year and I know we went through this last year.

Michael O'Connor: We didn't have a problem until the past two years, due to the Town reaching the levy limit. In the past we have had a joint meeting at the library to discuss where they could cut.

Steve Hebert: We informed them before that we were going to have problems in the years to come. This should come as no surprise to them.

Michael O'Connor: If we have the final warrant, we could vote that first and vote the budget the following week, if you decide to do this.

Motioned by Girard, seconded by Kupcinkas to authorize Michael O'Connor to send a letter to the School Committee explaining the changes in the deficit number, \$823,668, and the dollar amount that is the responsibility of the School Department, \$525,335. Unanimous.

Michael O'Connor: There were a few comments made at a School Committee meeting that I am uncomfortable with. The Superintendent was told to plan on \$400,000 in reductions. She described that they would need to cut a gross of \$519,000 in order to come up with the \$400,000 net. Tom Clawson asked her how the cuts affect the net school spending amount. She stated that with \$400,000 in cuts, she is barely above the net school spending amount. I calculated the FY2011 net school spending amount and they are still \$2.7 million above the net school spending amount. The comment needs to be corrected on record. If I send this letter to the superintendent, it is for clarification, so she would need to get us the answer.

Motioned by Gauthier, seconded by Girard to authorize Michael O'Connor to send a letter to the Superintendent for clarification of Net School Spending projections for FY2011. Unanimous.

Michael O'Connor: There were some very condescending comments made towards the Finance Committee from School Committee Member, Bill Borowski. The Free Cash was also discussed at their meeting. It was stated that the Town side always used up the Free Cash. Bob said he was handling this. The Finance Committee will only be making financial arguments at Town Meeting. Anything else specific will not be handled by us. We also need to put together a narrative to go with the budget at Town Meeting.

Michael O'Connor: By changing what we are voting on next week, gives the Town Manager and the School Committee an additional week to work on their numbers.

Motioned by Gauthier, seconded by Kupcinskis to adjourn at 8:30 p.m. Unanimous.