

FINANCE COMMITTEE
Minutes

Date: April 26, 2010

Time: 7:00 p.m.

Present: O'Connor, Kupcinkas, Gauthier, Girard, Hamilton, Hebert, Bartosiewicz

Absent: None

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

Motioned by Gauthier, seconded by Kupcinkas to accept the minutes of April 12, 2010 as written.
Unanimous.

Brian Turbitt, Finance Director, was in at 7:00 p.m.

Michael O'Connor: We have a balanced budget to bring to Town Meeting. The agreement is equivalent to a 50/50 split. The Town Manager assumed a risk by cutting a revenue line. The overlay was reduced by \$82,000. Brian offered to come in and explain the overlay balance.

Brian Turbitt: The Overlay is raised on the recap sheet every year. Last year there was about \$325,000 raised. This is raised for exemptions and abatements every year. We looked at the original \$325,000 and there is a level of risk changing the amount to a proposed \$244,000. We could end up with a deficit which would have to be raised next year. Appeals are figured into the amount, but once the cases are settled, the figure doesn't go down to zero.

Daniel Girard: How much did you use last year?

Brian Turbitt: We used \$293,000 plus reserve. Most of it is Telecom cases. Although it is a risk, the deficit would be recovered by cases that are settled. We have always reserved 100%.

Donald Gauthier: How much is in the overlay right now?

Brian Turbitt: There is \$553,000, which is locked up in reserves for potential losses.

Donald Gauthier: How much was abated this year so far?

Brian Turbitt: The elderly and veteran abatements and exemptions, so far this year is \$193,000.

Donald Gauthier: Will we be in decent shape taking the \$82,000 out?

Brian Turbitt: I think we will. It is a risk, but an acceptable risk.

Steve Hebert: is this a one year thing?

Brian Turbitt: We cannot do this every year. This is only for next year.

Michael O'Connor: What has been the average abatement amount each year over the past 5-7 years?

Brian Turbitt: It is about \$244,000.

Donald Gauthier: I spoke to Bob on Friday. We gave the school \$30,000 last year and we are giving them \$80,000 this year. We are not forcing them to do the cuts needed. We keep giving in to them.

Brian Turbitt: The School Committee is making the decision as to where the cuts will be made in their budget. They are not having the Superintendent do the cutting.

Michael O'Connor: Based on the \$82,000 cut, Bob came to an agreement for an equivalent of a 50/50 split.

Michael O'Connor: There are a couple of items that need to be re-voted this evening.

Budget 21-Police Department

Motioned by Hebert, seconded by Kupcinkas to rescind the vote on Capital Outlay of \$65,635.

Unanimous.

Motioned by Hebert, seconded by Kupcinkas to recommend to raise and appropriate for Capital Outlay \$34,500 for a total of \$1,916,332 for the purpose of funding this budget. Unanimous.

Motioned by Hebert, seconded by Gauthier to rescind the vote on the Total for Public Safety of \$2,810,774. Unanimous.

Motioned by Hebert, seconded by Gauthier to recommend a total for Public Safety of \$2,779,639.

Unanimous.

Budget 31-School Department

Motioned by Hebert, seconded by Gauthier to rescind the total for the School Department of \$16,864,031. Unanimous.

Motioned by Hebert, seconded by Gauthier to recommend to raise and appropriate a total of \$16,977,532 for the School Department. Unanimous.

Motioned by Hebert, seconded by Kupcinkas to rescind the total for Public Education of \$17,640,499.

Unanimous.

Motioned by Hebert, seconded by Kupcinkas to recommend a total for Public Education of \$17,754,000. Unanimous.

Motioned by Hebert, seconded by Kupcinkas to rescind the total for the General Fund of \$32,881,174.

Unanimous.

Motioned by Hebert, seconded by Kupcinkas to recommend a total for the General Fund of \$32,963,540. Unanimous.

Motioned by Hebert, seconded by Kupcinkas to rescind the total for the General Fund and Enterprise Fund of \$34,095,735. Unanimous.

Motioned by Hebert, seconded by Kupcinkas to recommend a total for the General Fund and Enterprise Fund of \$34,178,101. Unanimous.

Motioned by Hebert, seconded by Kupcinkas to rescind the total for Article 4 of \$34,095,735.

Unanimous.

Motioned by Hebert, seconded by Kupcinkas to recommend a total for Article 4 of \$34,178,101.

Unanimous.

Motioned by Hebert, seconded by Girard to rescind the Article 4 Budget Recommendation. Unanimous. Motioned by Hebert, seconded by Kupcinkas to move that the town will vote to raise the sum of Thirty Four Million One Hundred Seventy Eight Thousand One Hundred One Dollars (\$34,178,101) necessary to defray the expenses and charges of the Town of Millbury in Fiscal Year 2011, the period of July 1, 2010 through June 30, 2011, including the salaries of Town Officers, costs of public education, debt and interest payments, and providing municipal services; and to authorize the Board of Sewer Commissioners to appropriate the sum of Two Million Three Hundred Sixty Three Thousand Forty Eight Dollars (\$2,363,048) from the Fiscal Year 2011 Millbury Sewer Enterprise Fund User Revenue, and to authorize the Board of Sewer Commissioners to raise said Two Million Three Hundred Sixty Three Thousand Forty Eight Dollars (\$2,363,048) for the expenses of the Sewer Department, including indirect and debt services costs, and further to meet said appropriation as follow:

- A. Raise and appropriate the sum of Thirty One Million Seven Hundred Thirty Three Thousand Four Hundred Eighty Nine Dollars (\$31,733,489);
- B. Transfer the sum of Nine Hundred Thirty Nine Thousand Five Hundred Sixty One Dollars (\$939,561) from the Fiscal Year 2011 Millbury Sewer Enterprise Fund User Revenue Account for the Sewer Department's operating expenses and charges;
- C. Transfer the sum of One Hundred Ninety Seven Thousand Three Hundred Fifty Eight Dollars (\$197,358) from the Fiscal Year 2011 Millbury Sewer Enterprise Fund User revenue Account for the indirect costs of the Sewer Department;
- D. Transfer the sum of One Hundred Twenty One Thousand Nine Hundred Fourteen Dollars (\$121,914) from the Fiscal Year 2011 Millbury Sewer Enterprise Fund User Revenue Account for debt service costs in the General Fund;
- E. Transfer the sum of Two Hundred Seventy Five Thousand Dollars (\$275,000) from the Millbury Sewer Retained Earnings Account for the Sewer Department's operating expenses and operating charges;
- F. Transfer the sum of Eight Hundred Twenty Nine thousand Two Hundred fifteen Dollars (\$829,215) from the Fiscal Year 2011 Millbury Sewer Enterprise Fund User Revenue Account for debt service costs in the General Fund;
- G. Transfer the sum of Eighty One Thousand Five Hundred Sixty Four Dollars (\$81,564) from the Reserve for Debt Service Account to the budget line #52, Debt Service Account.

Unanimous.

Michael O'Connor: I copied a new letter for our recommendation book for you to look at. The voters that come to Town Meeting will have updated copies of the changes that we made this evening. All of these changes were agreed upon after our recommendations went to press. Everyone knew our schedule in December.

Donald Gauthier: Can we send a letter to the School Committee to get a copy of the Superintendent's contract? I would like to see if she received a raise.

Michael O'Connor: We can ask if she is getting a raise without seeing her contract.

Brian Turbitt: She said she wasn't taking a raise for next year.

Michael O'Connor: Can I find out for you without asking for her contract?

Donald Gauthier: You can do that.

Donald Gauthier: do we have any idea on the reduction of students for next year?

Michael O'Connor: We have gone down about 30-40 students from last year.

Michael O'Connor: We will open our meeting at 6:30pm on the night of the Town Meeting in case there is anything that needs to be voted on.

Motioned by Gauthier, seconded by Girard to adjourn at 8:00 p.m. Unanimous.