

Finance Committee Meeting

June 29, 2011 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Chris Smith, Chairman
Jennifer Soule, Clerk
Peter Jurmain
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Andrea Wagner, Board of Selectmen
Nancy Gustafson, School Superintendent
Maria Melchionda, School Committee
David Baker, School Committee

Chris Smith called the meeting to order at 7:35 PM

Minutes Approval:

Susan Vecchi made a motion to accept the May 9, 2011 meeting minutes as written; Jennifer Soule seconded. Vote: 5/0 motion carries.

Invoice Approval:

Jim Smith made a motion to approval payment of \$54.63 to Community Newspaper Company; Jennifer Soule seconded. Vote: 5/0 motion carries.

FY11 Budget Update:

Charles Aspinwall:

A Reserve Fund Transfer will not be necessary; however several Inter-Function Transfers will need to be processed.

- The Selectmen's Budget is over by \$4,568.08, funds will be transferred from the General Insurance Budget to cover the deficit.
- Any deficit in the Finance Committee's Budget will be covered by an Inter-Function Transfer.
- The Reserve Fund balance of \$73,280.00 will be turned back to the General Fund.
- The Finance/Accounting Budget does not have any surplus or deficit.
- The Assessor's Salary Budget has a minor deficit and will be covered by any leftover funds in the Assessor's Expense Budget.

- The Treasurer's Budget will turn back approximately \$4,000.00 to the General Fund.
- The Legal Expense Budget will be finalized after the receipt of the June invoice and is expected to turn back approximately \$20,000.00.
- The Data Processing Budget surplus of approximately \$7,000.00 will be applied to an article in the fall addressing the numerous system issues.
- The Town Clerk's Budget, Election Budget and Registrar's Budget will not have any surplus or deficit.
- The Town Clerk's Article amount (\$20,000.00) is for the voting machines appropriated at last year's Fall Town Meeting.
- The Conservation's Expense Budget will turn back approximately \$2,000.00.
- The Planning Board's Budget will require an Inter-Function Transfer.
- The Zoning Board of Appeals' Budget will turn back approximately \$2,000.00 from salaries and \$2,000.00 from expenses.
- The General Insurance Budget received approximately \$14,000.00 in credits due to participation in the MIIA Rewards Program.
- The Town Report Expense Budget will not turn back any funds.
- The Town Buildings' Budget will require an Inter-Function Transfer due to necessary repairs to the Police/Fire Station.
- The Employee Benefits Budget will turn back approximately \$110,000.00 due to lower enrollment in Health Insurance. The FY12 Budget may be over budgeted.
- The Police Department's Budget will turn back approximately \$25,000.00 after \$13,000.00 is allocated for recruitment for a new Police Chief. The Police Salaries Budget will require an Inter-Function Transfer from the Police Expense Budget.
- The Fire Department's Salaries Budget, specifically the Shift Coverage line item, will have a deficit of approximately \$20,545.00. This is due in part by Firefighters out on injuries. The Overtime and On-Call line items will have leftover funds of approximately \$28,000.00 - \$30,000.00 which will cover the Shift Coverage deficit. On-Call Salaries have decreased over the past few years and consideration should be given to using the surplus to fund a full-time Firefighter position. There are twelve On-Call Firefighters and only about one-quarter respond when an event occurs. As far as the Fire Department's Expense Budget, approximately \$10,000.00 will be turned back.
- The Dispatch Salary Budget will turn back approximately \$5,000.00 due to a grant. The Dispatch Expense Budget will turn back approximately \$3,000.00.
- The Building Inspector's Salaries Budget will require an Inter-Function Transfer due to a step increase not originally budgeted. Their Expense Budget will require an Inter-Function Transfer after June's mileage has been processed.
- The Animal Control's Salaries Budget will require an Inter-Function Transfer due to a step increase not originally budgeted. Their Expense Budget will not have a surplus or deficit.
- The DPW's Highway Salaries Budget will require an Inter-Function Transfer, approximately \$5,000.00, from the Street Lighting Budget and their Expense Budget will turn back approximately \$6,000.00
- The Street Lighting Budget will turn back approximately \$7,000.00 or will be used as part of an Inter-Function Transfer.
- The Transfer Station's Budget will turn back approximately \$10,000.00 - \$15,000.00. FY11 was budgeted conservatively due to anticipated kinks to the new system that was installed.

- The Board of Health's Salaries Budget will require an Inter-Function Transfer due to a step increase not originally budgeted. Their Expense Budget surplus will cover the Salaries Budget deficit.
- The Council on Aging Salaries and Expense Budgets will not turn back any funds or require an Inter-Function Transfer.
- The Library's Salaries and Expense Budgets will not turn back any funds or require an Inter-Function Transfer.
- The Debt Services Budget surplus is due to the refinancing of loans. These funds will be used to pay back taxes to the residents after the tax rates have been reduced. This will be an article for November's Town Meeting.
- The Sewer Expense Budget will turn back funds to the Sewer Surplus Account as follows: an approximate \$22,000.00 credit from the Charles River Pollution Control District, \$12,000.00 in unused Engineering Services and refinancing the Sewer Debt approximately \$32,000.00.
- The Water Expense Budget will turn back approximately \$25,000.00 due to savings in electricity and supplies and expenses.

Department Heads have been cautious about spending throughout the year. In FY10, approximately \$400,000.00 was turned back to the General Fund from the municipal departments.

FY11 School Department Budget:

Nancy Gustafson:

The FY11 Budget will be finalized in September and will be presented to the School Committee. The School Department had a \$68,000.00 surplus in FY11 due to energy savings. Through a consortium, oil and natural gas were reserved at a lower rate. This surplus will be used to purchase the ELA materials that were not funded at May's Town Meeting.

In the past, the School Department has not turned back left over funds to the Town. The School Department can carry funds over from year to year or the surplus can be applied to other line items that are in their budget. Instead of Freshman Sports, a Middle School Sports Program will be offered to 7th and 8th graders. As a result, fewer games will be played during the year.

Chris Smith voiced concern that a surplus from over budgeted line items would be used for items dismissed at Town Meeting.

FY12 Municipal Department Cuts \$76,037.00:

Charles Aspinwall:

The following cuts will be made effective July 1, 2011 totaling \$76,037.00:

Selectmen/Town Administrator:	\$18,336.00	Eliminating one position
Town Clerk:	\$ 9,600.00	Reduced hours
Assessor:	\$20,611.00	Reduced hours
Treasurer:	\$13,850.00	Eliminating one position

Recreation/DPW: \$13,000.00 Eliminating the Park Expense line item in the DPW Budget making the Recreation Department responsible for cost of field maintenance and watering by increasing user fees.

Public Safety – Police Department: \$ 1,000.00 Eliminate dues for Police Institute (training). An arrangement has been made through the State Police for training.

Public Safety – Fire Department: \$ 5,000.00 Reduce Fire Equipment Budget
 \$ 3,160.00 Reduce Police Department defibrillator training
 \$ 4,000.00 Reduce Gas/Diesel Budget

Add \$14,320.00 Miscalculation in the department's Stipend Budget

Town Building: \$ 1,800.00 Reduce hours

The hours the Town Hall will be opened to the public have changed due to the cuts:

Hours: Monday: 9:00 AM – 7:00 PM
 Tuesday – Thursday: 9:00 AM – 4:00 PM
 Friday: 9:00 AM – 12:00 PM

Employees will continue to work one half hour before and one half hour after the Town Hall will be open to the public in order to catch up on additional work due to staff cuts. A reverse 911 call will be sent out notifying residents of the new hours.

FY12 School Department Cuts \$459,149.00:

Nancy Gustafson:

Teachers: \$165,551.00
 2.9 FTE (Full time employees) spread across seven teachers.

Tutors/Paraprofessional: \$ 57,000.00
 3.5 FTE spread across four employees.

Freshmen Sports: \$ 16,379.00
 Eliminate coaches for Freshmen Sports Programs.

Student Activities: \$ 10,000.00
 Eliminate stipends for Student Activities.

Team Leaders: \$ 2,700.00

Professional Development/
 Training Curriculum: \$ 20,000.00
 Reduce the budget for teacher development, training and curriculum.

Technology: \$ 15,000.00
 Reduce the technology budget.

Supplies/Instructional Materials: \$ 15,000.00
 Reduce the budget for supplies and instructional materials.

Operation: \$ 15,000.00
 Reduce the operations budget.

Retirements: \$ 80,000.00
 Three retirements can be hired at lower levels.

School Choice: \$ 62,519.00
 Utilize school choice funds for salaries

Andrea Wagner: Transparency and credibility are necessary in the budgeting process. In order to ensure this, cuts need to be made in the areas that were presented to the residents of Millis.

Chris Smith: Requesting an FY13 override will require credibility and transparency; over budgeting on certain expense line items and salaries should be reviewed this upcoming year.

Chris Smith and the Committee have requested a Quarterly Budget Update for FY12, budget vs. actual from both the School Department and Town Administrator by October.

Upcoming Meeting Schedule: TBD

Adjourn:

Susan Vecchi made a motion to adjourn the meeting at 9:40 PM; Peter Jurmain seconded. Vote 5/0 motion carries

Respectfully submitted,
Deirdre Gilmore