

Finance Committee Meeting

February 1, 2012 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Chris Smith, Chairman
Craig Schultze, Vice Chairman
Richard Molloy, Clerk
Peter Jurmain
Rick Manburg
Doug Riley
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Jeff Cannon, Treasurer/Collector
Kathy LaPlant, Accounting & Data Processing

Chris Smith called the meeting to order at 7:32 PM.

FY13 Budget Review – Debt Services - Postponed:

FY13 Budget Review – Treasurer/Collector:

Jeff Cannon:

The Collector issued the following bills throughout the fiscal year:

	<u># Of Bills:</u>	<u>FY11 Collection:</u>
Real Estate Tax Bills:	12,824	\$14,987,435.00
Personal Property Tax Bills:	961	\$ 338,309.00
Motor Vehicle Excise Tax Bills:	9,659	\$ 968,486.00
Water/Sewer Bills:	<u>9,392</u>	<u>\$ 1,761,625.00</u>
Total:	32,836	\$18,055,855.00

There was a \$313,140.00 increase in collections from FY10 to FY11. Revenue from 297 municipal lien certificates produced \$7,425.00 in collections in the 2011 calendar year.

The Treasurer's Department is responsible for the following:

- All Town/School receipts (cash, checks and wire transfers)
- All Town/School expenditures are funded through the office
- All cash and receivable accounts are reconciled monthly

- The department manages 18 bank account with a balance of \$9,748,451.00 as of June 30, 2011
- Miscellaneous receipts and wires processed were \$18,729,522
- 1,974 payroll checks are processed
- 7,659 accounts payable checks are processed
- Provide administrative support to 299 subscribers to the town's health insurance
- Provide administrative support to 368 life insurance subscribers

The Department also interfaces with the following agencies:

MA Department of Revenue - bi-weekly, quarterly and annually
 MA Department of Unemployment Assistance – quarterly and annually
 Internal Revenue Service - bi-weekly, quarterly and annually
 Social Security Administration – annually
 US Department of Commerce – quarterly
 Medicare - bi-weekly, quarterly and annually
 GIC – Group Insurance Commission – weekly, monthly, quarterly and annually
 Other Payroll Withholding Vendors – bi-weekly
 Com Star – Ambulance Billing Vendor – monthly

The Treasurer/Collector's staff consists of the following:

Collector/Treasurer – 37.5 hours per week
 Assistant Collector/Treasurer – 35 hours per week
 Water/Sewer Clerk – 28 hours per week This position is funded through the Water & Sewer Enterprise Funds.

**Please note the department lost a Collection Clerk (15 hours) as of July 1, 2011 due to the failed override. Losing the position has resulted in a reduction in hours the office is open to the public.

FY13 Budget Request:

Salaries:	\$148,489.00
Expenses:	<u>\$ 27,475.00</u>
Total:	<u>\$175,964.00</u>

The FY13 Budget Request is less than 1% more than FY12. The salaries increase is due to step raises and expenses have been increased by \$350.00.

The Expenses are as follows:

Service Note Certification:	\$ 1,300.00
Printing:	\$ 3,200.00
Supplies & Expenses:	\$ 3,400.00
Postage:	\$11,250.00
Advertising:	\$ 825.00
Dues & Subscriptions:	\$ 650.00
Meetings:	\$ 600.00

Equipment:	\$ 5,250.00
Tax Title:	<u>\$ 1,000.00</u>
Total:	<u>\$27,475.00</u>

The postage line item is necessary; bills have to be mailed. The town receives an affidavit from the bill printer that the bills were mailed. There are approximately 35 – 40 tax title accounts. Of those accounts, 10 – 12 have homes on the property. In order to collect taxes on the property they would have to go into foreclosure.

The following are the Capital Items and Service Restoration Requests for FY13:

- Drop Box for Taxpayer Payments:
The location would be outside the main entrance to the Town Hall. This collection receptacle will allow taxpayers to drop off payments to the Collector on a 24/7 basis. It will reduce the number of taxpayers lining up at the counter to pay their bills; reducing congestion during periods of peak bill paying. It will permit the collection staff to better control and batch payments for processing. The estimated cost is \$2,000.00.
- Taxpayer Security Payment Window:
The location would be adjacent to the main office entrance door. The proposed payment window will keep taxpayers outside of the office unless they have asked for access to meet with one of the staff. A locked office door that can be opened electronically by one of the office staff would be utilized. Currently, all visitors come through the main office entrance. This often promotes congestion and confusion and does not foster a secure environment. The estimated cost is \$15,000.00
- Part time Department Assistant II:
With the elimination of this position in July 2011, customer service has been impacted and the instances when only one person is in the office has increased, something to be avoided as much as possible in an office so substantially involved in money handling. Scheduling of staff vacation and personal time has been juggled to try to have as much staff as possible on hand. Most importantly, the loss of this position has resulted in the 28 hour a week water/sewer billing and collections clerk spending more time at the counter and on the telephone servicing property tax and excise tax customers. Time has been lost researching water/sewer account problems. The water/sewer billing and collections clerk is paid out of the Water & Sewer Enterprise Funds. The cost to restore the Part time Department Assistant II position is \$14,212.00.

The Treasurer/Collector would choose the restoration of the position over the installation of the security window.

FY13 Budget Review – Accounting Department:

Kathy LaPlant:

The FY13 Budget Request:

Salaries:	\$187,358.00
Expenses:	<u>\$ 3,688.00</u>
Total:	<u>\$191,046.00</u>

The salaries increase includes staff step raises and contractual obligations to the Finance Director's salary. A rise in expenses is simply due to the rise in overall costs. The department staff consists of a Finance Director and two Department Assistant III.

The Expenses are as follows:

Expenses:	\$1,500.00
This includes office supplies, printer cartridges, adding machine tape, copy paper and toner.	
Dues:	\$ 260.00
This includes Membership to the following:	
MA Municipal Auditors & Accountants Association for 2 staff members	
MA Governmental Finance Officers Association for 2 staff members	
Government Finance Officers Association for 1 staff member	
Plymouth/Norfolk/Bristol County Auditors Association for 1 staff member	
Meetings:	\$1,928.00
This covers attendance at the following:	
U-Mass Annual Education Conference for 2 staff members	
MMAAA June conference	
Various meetings/seminars	
Total:	\$3,688.00

FY13 Budget Review – Data Processing:

Kathy LaPlant:

The computer upgrade article is currently in discussions, therefore this is a draft budget request. When the article is complete actual numbers for support costs will be presented. Staff includes a Systems Administrator and an Assistant.

The FY13 Budget Request:

Salaries:	\$ 14,579.64
Expenses:	<u>\$ 85,691.00</u>
Total:	<u>\$100,270.64</u>

The Expenses are as follows:

Maintenance for Hardware:	\$ 5,040.00
Maintenance for Software:	\$72,651.00
This includes the following:	
MUNIS support – year two of a three year contract \$44,410.00	
Vision Appraisal Support for the Assessor's Office \$5,025.00	
Verizon Internet Access \$1,800.00	
Getfused – email hosting \$1,200.00	
Virtual Town Hall – website hosting \$2,750.00	
Estimated Support for the computer upgrade \$15,000.00	
McAFee \$2,466.00	

Consulting Services:	\$ 2,000.00
Supplies & Expenses:	\$ 2,800.00
Meetings & Training:	\$ 2,200.00
Equipment Repair/Supplies:	<u>\$ 1,000.00</u>
Total:	<u>\$85,691.00</u>

The Data Processing Budget does not include a line item for equipment replacement. If replacements are needed the funds appropriated at a previous Town Meeting would be used.

FY12 Q2 Budget Review:

Charles Aspinwall:

- Selectman's Articles: Please note the town is waiting on an EPA ruling before starting the Storm Water Management Project. The Actuarial Study came in under bid and will turn back the remaining funds to Free Cash. There should be funding left of approximately \$13,000.00 in Fire Contract Wages.
- Assessor's Salaries: There is a deficit in the clerical staff line item due to a payout of accrued vacation time of the retiree. The deficit as of December 31, 2011 is \$4,481.90 and approximately \$12,000.00 in clerical salaries for the remainder of FY12 is expected.
- Data Processing Articles: There is \$14,685.20 in Town Computer Upgrades available for equipment replacement as of December 31, 2011.
- Town Building Expenses: There is a \$14,571.90 deficit in VMB Repairs as of December 31, 2011 due to the HVAC system and its repairs.
- Police Department Salaries: The percentage of overtime used as of December 31, 2011 is 64.1%; typically this should be approximately 50%. The deficit for the fiscal year for this line item will be offset by the Department Head's salary line item; no police chief's salary for the majority of FY12.
- Police Department Articles: \$25,000.00 has been appropriated for the Police Station Feasibility Study. The study has been awarded however, the St. Paul's Church has been sold so review of that site is not necessary; the cost of the study will be reduced by \$5,000.00 - \$10,000.00.
- Dispatch Salaries: A deficit of \$845.80 as of December 31, 2011 is a result of new requirements for dispatcher training.
- DPW Highway Expenses: Additional funds were added to the Supplies & Expenses line item for costs incurred from Hurricane Irene. The line item is at 10% as of December 31, 2011.
- Transfer Station Expenses: The Diesel Fuel line item is in a deficit. This is due to the fuel costs associated with hauling the comingled & paper containers with the new roll off truck. The estimate for this additional cost was too low for FY12. This will be offset by other budget line items.
- Veteran's Services Expenses: Another veteran will be receiving benefits in FY12. The cost will be approximately \$600.00 per month.
- Sewer Fund Expenses: The overall percentage as of December 31, 2011 is 69.1% this is due to a timing issue. The Charles River Pollution Control District's quarterly invoice is paid prior to the beginning of the quarter.
- Water Department Articles: The Well Cleaning/Inspection Project will be complete in 4 – 6 weeks. The Board of Selectmen have awarded the bid for the Water System Improvements I & II.

- Snow & Ice: In general, any funds left are used to pave roads.
- Hurricane FEMA costs have been submitted and if all documentation is accepted the town should receive \$72,828.88 in reimbursement (75% of costs). These funds will be part of Free Cash.

Old/New Business:

Charles Aspinwall:

An item on the upcoming Board of Selectmen's meeting is the bandstand at the Town Park. It is in need of repair and continues to be vandalized. It has not been used as a bandstand for many years and is a magnet for graffiti. The Board of Selectmen may consider tearing it down.

Chris Smith:

A new union has been established in town for certain staff members that were part of the Town's Personnel Plan. There will still be a need for the Personnel Plan; there are employees who did not meet the criteria to join the union.

Charles Aspinwall:

The owners of the property at the corner of Exchange and Main Street are contesting the property value assessment of the pay off of the property. Town Counsel has advised that typically when an issue like this goes to trial, a jury typically splits the difference between both parties. The Permanent Building Committee has budgeted if there is a split between parties.

Upcoming Meeting Schedule:

February 8, 2012 7:30 PM
Veterans Memorial Building, Room 229

February 15, 2012 7:30 PM
Veterans Memorial Building, Room 229

Minutes Approval:

Craig Schultze made a motion to accept the January 25, 2012 meeting minutes as written, Susan Vecchi seconded. Vote: 8/0 motion carries.

Adjourn:

Peter Jurmain made a motion to adjourn the meeting at 8:55 PM; Susan Vecchi seconded, Vote 8/0.

Respectfully submitted,
Deirdre Gilmore