

Finance Committee Meeting

March 28, 2012 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Chris Smith, Chairman
Craig Schultze, Vice Chairman
Rich Molloy, Clerk
Bud Drummey
Peter Jurmain
Rick Manburg
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Alan Burch, Legion Headquarters
Buddy Shropshire, Legion Headquarters
Dave Baker, School Committee
Nancy Gustafson, School Superintendent
Steve Catalano, School Committee

Chris Smith called the meeting to order at 7:30 PM.

FY13 Budget Review – Legion Headquarters:

Buddy Shropshire:

The Legion's primary income is the Roche Bros. drawing of approximately \$4,000.00 which is a lot less than it used to be. Other income is received through building use fees of approximately \$2,700.00. Annual expenses are approximately \$9,200.00 to cover electricity, fuel/oil, telephone, insurance and miscellaneous items. They are requesting an additional \$1,095.00 in their budget to cover the deficit. The total FY13 budget request is \$2,530.00.

FY13 Budget Review – Memorial Day:

Alan Burch:

The initial FY13 presentation deleted the line item to replace the flags along Rt 109. The flags will be replaced in the spring of 2013 and the cost should be included the FY13 budget. The total FY13 budget request is for \$3,078.85.

FY 13 School Department Warrant Article Review:

Article #33 School Bus Lease: \$78,006.00

This article is an annual article to cover the cost of the bus lease. FY13 is the last year of the bus lease and the School Department may consider contracting out the buses. The cost covers six buses.

Article #36 Medicaid Billing: \$ 2,100.00

The town and school district use an outside agency for complex Medicaid billing which returns a large amount of money to the town, approximately \$30,000.00

Article #34 School Computer Lease: \$60,000.00

\$20,000.00 would be used to pay the 3rd year of one contract and \$20,000.00 would be used to pay the 2nd year of another contract. The goal is to partially fund the purchase of iPads with the remaining \$20,000.00 for 9th graders to use for four years during high school and to fund the replacement of teacher laptops that are 4 – 5 years old. If the Finance Committee does not approve the purchase of the iPads the school department would replace laptops in the computer labs with iPads. The School Department is meeting on April 3, 2012 to vote on how the \$20,000.00 will be used.

There was discussion of the use of the \$20,000.00 to purchase iPads and if the article would allow the support of a 1-1 initiative. There was also concern of additional costs with the iPads such as apps (\$3,000.00 per grade). The School Department stated the use of iPads would save on costs of textbooks and put technology in the hands of their students.

Article #37 School Curriculum: \$60,000.00

The average age of the school's textbooks is 10+ years old. middle school math scores are not where they should be. The last time the middle school series was replaced was in 2007. The Clyde Brown School curriculum materials are in good shape. Textbooks in the Pre-Calculus courses in the high school need to be replaced. At this point in time the department is not exactly sure what exactly would be purchased with the \$60,000.00; they will have a better idea in October. The average cost of a textbook is \$85.00 each, some come with online subscriptions. The department would purchase approximately 300 math books for the middle school and approximately 30 books for the high school. The department has \$60,000.00 in their operating budget for digital curriculum.

The committee recognized that the \$60,000.00 would go beyond the purchase of the textbooks and requested a detail of what exactly would be purchased.

Article #35 Clyde Brown School Carpet Replacement: \$40,000.00

The carpet is 21 years old and there are asbestos tiles under the carpet that will need to be removed and abated. The project has gone out to bid and the bids are expected in before the Town Meeting.

General Insurance FY13 Budget Presentation:

Charles Aspinwall:

The budget is for \$280,000.00 and he is fairly confident it will be a little lower than budgeted. He will have more concrete numbers in the next few weeks.

Review of Revenue and Expenses:

Charles Aspinwall:

The cost of municipal wages for FY13 is \$132,532.05 of which \$46,982.02 was included in some of the department's operating budgets leaving the article cost of \$85,550.03.

Revenue Summary:

	<u>FY12 Projection</u>	<u>FY13 Projection</u>
State Aid:	\$ 5,447,866.00	\$ 5,657,392.00
Local Receipts:	\$ 1,521,113.00	\$ 1,579,568.00
Transfer in from Sewer:	\$ 88,812.00	\$ 93,253.00
Transfer in from Water:	\$ 105,633.00	\$ 121,778.00
CPA Fund:	\$ 271,927.00	\$ 69,450.00
Free Cash:	\$ 790,685.00	\$ 331,648.00
Other Available Funds:	\$ 1,011,579.00	\$ 763,884.00
Tax Levy:	\$ 15,419,133.00	\$ 16,298,676.00
Amount Available:	\$ 24,656,748.00	\$ 24,915,650.00
Total Taxable Valuation:	\$995,425,000.00	\$995,425,000.00
Tax Rate:	\$ 15.49	\$ 16.37

Expenditure Summary:

	<u>FY12 Projection</u>	<u>FY13 Projection</u>
Total:	\$27,082,222.00	\$24,915,649.00

The FY13 Operating Budgets can be: \$22,225,743.00

The FY13 Operating Budgets are: \$22,225,597.00

The Town Administrator's Capital Budget Recommendations:

- Fire Chief Vehicle: \$ 39,667.00
This cost is expected to decrease to \$39,666.00 by purchasing a Tahoe instead of an Expedition.
- Police Department MDTs: \$ 17,500.00
- Chapter 90: \$280,913.00
This will be offset by the Cherry Sheet
- Local Road Funds: \$ 60,000.00
This will be funded by leftover funds from the Crestview Drive and Klifford Circle project.

- DPW Trailer: \$ 8,240.00
- Tree Nursery Phase II: \$ 25,000.00
- School Bus Lease: \$ 78,006.00
- School Computer Lease: \$ 60,000.00
- School Curriculum Materials: \$ 36,500.00
- The original request from the School Department was \$60,000.00
- VMB – Paint the gym ceiling: \$ 26,100.00
- Library Site Contamination: \$ 27,269.00
- DPW Van: \$ 26,000.00
- This will be funded by the Water and Sewer Enterprise Fund

Article #6 Water Enterprise Fund Budget: \$998,791.48

The Board of Selectmen set the water rates and is expecting a 2.5% increase for FY13. The FY13 projected revenue is \$1,065,780.21. The FY13 projected costs are \$998,791.48. There is a \$66,988.73 buffer in the event consumption drops. At the end of the fiscal year any surplus is used on capital improvements.

Article #7 Sewer Enterprise Fund Budget: \$1,105,836.66

The Board of Selectmen set the sewer rates and is expecting a 2.5% increase for FY13. The FY13 projected revenue is \$1,152,863.95. The FY13 projected costs are \$1,105,836.66. There is a \$47,027.29 buffer in the event water consumption drops which affects the sewer revenue.

Revenue Split 65/35:

Further discussion will take place after final costs and revenues are presented.

Old Business/New Business:

Chris Smith made a motion to approve payment of \$688.94 to the Mills Postmaster for postage to mail the May 2012 Town Meeting Warrant, Susan Vecchi seconded. Vote: 8/0 motion carries.

Minutes Approval:

Craig Schultze made a motion to accept the March 21, 2012 meeting minutes as written, Peter Jurmain seconded. Vote: 6/0 motion carries.

Upcoming Meeting Schedule:

April 4, 2012 7:30 PM
Veterans Memorial Building, Room 229

April 11, 2012 7:30 PM
Veterans Memorial Building, Room 229

Adjourn:

Rich Molloy made a motion to adjourn the meeting at 9:55 PM; Susan Vecchi seconded Vote 8/0 motion carries.

Respectfully submitted,
Deirdre Gilmore