

Finance Committee Meeting

April 3, 2013 7:30 PM  
Veterans Memorial Building, Room 130  
900 Main Street  
Millis, MA 02054

In Attendance:

Craig Schultze, Chairman  
Peter Jurmain, Vice Chairman  
Bud Drummey  
Rick Manburg  
Doug Riley  
Chris Smith  
Jim Smith  
Susan Vecchi  
Charles Aspinwall, Town Administrator  
Charles Vecchi, Board of Selectmen  
Marc Conroy, School Committee

Craig Schultze called the meeting to order at 7:31 PM.

FY14 Budget – Legion & Memorial Day:

Charles Aspinwall:

Legion Expenses:	\$3,935.00
Memorial Day Expenses:	\$1,828.00

Both budgets are level funded.

FY14 Budget – Veterans:

Charles Aspinwall:

Salaries:	\$ 3,618.41
Expenses:	<u>\$38,493.20</u>
Total:	<u>\$42,111.61</u>

The increase in expenses includes additional caseload until the Fall Annual Town Meeting.

FY14 Budget – Conservation Commission:

Charles Aspinwall:

Salaries:	\$11,564.80
Expenses:	<u>\$ 4,777.00</u>
Total:	<u>\$16,341.80</u>

The budget is level funded.

FY14 Budget – Board of Appeals:

Charles Aspinwall:

Salaries:	\$6,776.12
Expenses:	<u>\$2,500.00</u>
Total:	<u>\$9,276.12</u>

Salaries have been slightly decreased due to lack of activity.

FY14 Budget – Oak Grove Farm Commission:

Charles Aspinwall:

Expenses:	\$ 1,636.00
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The budget is level funded. The commission also has a revolving fund for field use fees.

FY 14 Estimated Revenue Summary:

Charles Aspinwall:

The following is based on the Governor's Budget:

State Aid:	\$ 6,105,442.00
Local Receipts:	\$ 1,606,480.42
Transfer in From Sewer Fund:	\$ 103,719.63
Transfer in From Water Fund:	\$ 132,647.69
Enterprise Revenue:	\$ 1,955,198.51
CPA Fund:	\$ 178,589.00
Free Cash:	\$ 460,197.00
Other Available Funds:	\$ 637,296.61
Levy:	\$ 17,181,268.65

Amount Available:	\$ 28,360,839.51
Taxable Valuation:	\$999,286,250.00
Total Tax Rate:	\$ 17.19

Local Receipts Include:

Ambulance Fund:	\$250,000.00
Perpetual Care Interest:	\$ 1,000.00
Cemetery Lot Sales:	\$ 10,000.00
Existing Appropriation:	\$ 20,000.00
Cell Tower Revenue:	\$ 38,610.66
FEMA Reimbursement:	\$ 35,565.00
Chapter 90 Highway Funds:	\$280,110.00
Bond Premium:	<u>\$ 2,010.95</u>
Total:	<u>\$637,296.61</u>

FY14 Estimated Expenditure Summary:

Charles Aspinwall:

Operating Budget:	\$19,265,046.15
Benefits, Tri-County & Tax Rate Debt:	\$ 5,062,729.84
Water Enterprise Fund:	\$ 914,581.39
Sewer Enterprise Fund:	\$ 1,040,617.12
Miscellaneous Articles:	\$ 519,654.01
Net Capital Budget:	\$ 592,697.00
Other Amounts to Raise:	\$ 368,297.00
Allow Abate Exempt:	\$ 100,000.00
State & County Charges:	\$ 318,628.00
CPA Fund:	<u>\$ 178,589.00</u>
Total to be Raised:	<u>\$28,360,839.51</u>

Miscellaneous Articles Include:

Audit/OPEB:	\$ 44,000.00
Revaluation:	\$ 43,000.00
Wage Increases:	\$120,593.00
Stabilization Fund:	\$ 80,000.00
Snow & Ice Deficit:	\$150,000.00
Unpaid Bills:	\$ 2,061.00
Underfunded Current Year Budgets:	\$ 50,000.00
Eminent Domain Court Judgment:	<u>\$ 30,000.00</u>
Total:	<u>\$519,654.00</u>

Wages Increases Include:

Contract & Personnel Plan:	\$ 31,790.00
SEIU:	\$ 20,490.00
Fire Department:	\$ 12,512.00
Police Department:	\$ 22,719.00
DPW:	\$ 9,611.00
Dispatch:	\$ 3,130.00
School Traffic:	\$ 649.00
SEIU FY13:	<u>\$ 19,692.00</u>
Total:	<u>\$120,593.00</u>

CPA Funds Include:

Bandstand Project:	\$ 4,000.00
Budget:	\$ 6,653.00
Dewey Land Debt:	\$ 61,800.00
Historic Reservations:	\$ 13,068.00
Housing Reservations:	\$ 13,068.00
Budgeted:	<u>\$ 80,000.00</u>
Total:	<u>\$178,589.00</u>

FY14 Operating Budget Recommendations:

Line #1 General Government:

The additional hours and stipend amount requested for the Town Clerk's office were not recommended. An additional \$15,000.00 was added to Employee Benefits for the new police officer. The committee discussed an increase in the Town Clerk's annual stipend but felt it is not their place to determine the amount and that the proper avenues to address the situation should be taken to make the appropriate changes for an increase.

Chris Smith made a motion to recommend Line #1, General Government, in the amount of \$5,475,532.53; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

School Department Warrant Articles:

Marc Conroy:

In FY13 \$60,000.00 was appropriated for the School Computer Article of which \$20,000.00 should have been used to purchase IPADs. There was a misunderstanding and \$14,000.00 was

used to lease staff computers and \$6,000.00 was used to lease IPADs. The School Committee's priorities have changed since their last presentation. Their priorities are:

- (1) Lease/Purchase School Busses
- (2) School Computer Leases
- (3) Clyde Brown School HVAC Improvements
- (4) MS/HS Walk In Freezer Purchase
- (5) School Building Repairs

Some article amounts have changed:

Lease/Purchase School Busses:	\$69,000.00
Clyde Brown School HVAC Improvements:	\$18,800.00
School Building Repairs:	\$17,300.00
School Computer Leases (less IPAD Lease):	\$53,813.00

Chris Smith made a motion to recommend approval of Article #31, Lease/Purchase School Busses, in the amount of \$69,000.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend approval of Article #32, School Computer Lease, in the amount of \$53,813.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend approval of Article #33, Clyde Brown School HVAC Improvements, in the amount of \$18,800.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend approval of Article #34, MS/HS Walk In Freezer, in the amount of \$8,000.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend approval of Article #41, School Building Repairs, in the amount of \$17,300.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend dismissal of Article #35, 36, 37, 38, 39, 40, 42 & 43; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

#### FY14 Operating Budget Recommendations Continued:

##### Line #2 Public Safety:

The Police Department budget includes an additional officer and equipment for that officer. The Fire Department budget includes 10 new call firefighters but does not include 5 clerical hours and Dispatch expenses were decreased due to historical use.

Chris Smith made a motion to recommend Line #2, Public Safety, in the amount of \$2,981,979.56; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Line # Millis Schools:

Chris Smith made a motion to recommend Line #3, Millis Schools, in the amount of \$12,965,431.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Line #4, Tri-County, in the amount of \$277,857.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Line #5, Public Works, in the amount of \$901,548.82; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Line #6, Health & Human Services, in the amount of \$231,480.41; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Line #7, Cultural & Recreation, in the amount of \$379,703.38; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Line #8, Debt Service, in the amount of \$1,107,225.84; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend the Total Operating Budget in the amount of \$24,320,758.54; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Article #6 Water Enterprise Fund:

Transfer to General Fund:	\$ 132,647.70
Net Costs:	<u>\$ 914,581.37</u>
Total:	<u>\$1,047,229.07</u>

Chris Smith made a motion to recommend Article #6, Water Enterprise Fund, in the amount of \$1,047,229.07 of which \$132,647.70 is transferred to the General Fund and 914,581.37 is for costs; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Article #7 Sewer Enterprise Fund:

Transfer to General Fund:	\$ 103,719.63
Net Costs:	<u>\$1,040,617.12</u>
Total:	<u>\$1,144,336.75</u>

Chris Smith made a motion to recommend Article #7, Sewer Enterprise Fund, in the amount of \$1,144,336.75 of which \$103,719.63 is transferred to the General Fund and 1,040,617.12 is for costs; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Article #14, Amendments to the Personnel Plan, specifically a 2% wage increase and the change in title of Administrative Assistant to Selectmen/Town Administrator to Operations Director; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend Article #15, Fund Non-Union Employees Wage Increases, in the amount of \$31,790.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Chris Smith made a motion to recommend dismissal of Article #20, Town Building Improvements; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Peter Jurmain made a motion to recommend Article #22, (1) Police Vehicle, in the amount of \$33,000.00; Susan Vecchi seconded. Vote: 7/1 motion carries.

Article #27 Town Funded Highway Improvements:

This article will be discussed and voted on after Chapter 90 funds are firm.

Article #29 Water System Improvements:

The committee would like to review the impact on water rates if this article is recommended.

Article #48 Stabilization Fund:

\$240,000.00 of the Stabilization Fund was used several years ago. Last year \$80,000.00 was appropriated to replenish fund with the intention to replenish the it in 3 years in the amount of \$80,000.00 per year.

Peter Jurmain made a motion to recommend Article #48, Stabilization Fund, in the amount of \$80,000.00; Susan Vecchi seconded. Vote: 8/0 motion carries unanimously.

Article #49 OPEB Trust Fund:

Peter Jurmain made a motion to recommend dismissal of Article #49 OPEB Trust Fund; Susan Vecchi seconded Vote: 8/0. Susan Vecchi made a motion to reconsider Article #49; Peter Jurmain seconded. Vote: 8/0 motion carries unanimously.

The committee agreed to have the Strategic Financial Management Team review this article. The article will be deferred to the November Town meeting.

\*\*To see if the Town will vote to accept the provisions of M.G.L. Chapter 32B, Section 20 authorizing the establishment of an Other Post-Employment Benefits Liability Trust Fund ("OPEB Trust Fund"); to designate the Treasurer as custodian of the Fund; to transfer the balance in the OPEB Stabilization Fund to the OPEB Trust Fund; and to authorize the Treasurer, with the approval of the Board of Selectmen, to invest OPEB Trust Fund monies in the State Retiree Benefits Trust Fund and, towards this end, to authorize the Treasurer, with the approval of the Board of Selectmen, to execute and deliver an Investment Agreement with the Health Care Security Trust Board of Trustees, or take any other action relative thereto

The fund's balance is \$101,000.00, two-thirds of the town could vote to use these funds for a purpose they were not intended unless the Trust Fund is established.

Peter Jurmain made a motion to recommend dismissal of Article #49 OPEB Trust Fund; Susan Vecchi seconded Vote: 8/0 motion carries unanimously.

Old Business/New Business:

The Association of Town Finance Committees is hosting (3) Educational Opportunities for Finance Committee members: May 2<sup>nd</sup>, May 9<sup>th</sup> and May 16<sup>th</sup>.

Town Meeting: May 13, 2013

Minutes Approval:

Susan Vecchi made a motion to approve the March 20, 2013 meeting minutes as written; Rick Manburg seconded. Vote: 8/0 motion carries unanimously.

Susan Vecchi made a motion to approve the March 27, 2013 meeting minutes as written; Chris Smith seconded. Vote: 5/0 motion carries unanimously.

Adjourn:

Chris Smith made a motion to adjourn the meeting at 9:50 PM; Susan Vecchi seconded. Vote 8/0 motion carries unanimously.

Respectfully submitted,  
Deirdre Gilmore