

Finance Committee Meeting

January 16, 2013 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Craig Schultze, Chairman
Rich Molloy, Clerk
Rick Manburg
Doug Riley
Chris Smith
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen

Craig Schultze called the meeting to order at 8:20 PM.

Budget Process Overview:

Craig Schultze:

Revenue:

- Recurring Revenue: Levy, Other Available Funds, Local Receipts, State Unrestricted General Aid and State Chapter 70).
- Non- Recurring Revenue: Free Cash, Unspent Prior Year Articles, Stabilization and Borrowing.
- Revenue with Restricted Use: Water Enterprise Fund, CPA Funds, Sewer Enterprise Fund and Restricted State Aid (School Choice Receiving, Library Aid, School Lunch and Chapter 90).
- Funds Not Considered in the Budget Process: Revolving Funds, Special Revenue Funds, State Grants & SPED Circuit Breaker.
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Expenditures:

- Non-Discretionary Expenditures:
 - In Operating Budgets: Debt Service, Insurance, Employee Benefits and Tri-County Budget.
 - In Capital or Miscellaneous Articles: School Computer Lease, School Bus Lease, Audit, Prior Year Unpaid Bills, Assessors Valuation, Unemployment, Unfunded Current Year Budgets, Chapter 90 Road Work and Fund Deficits.
- Discretionary Expenditures:
 - In Operating Budgets: Operating Budgets Exclusive of Debt, Benefits, Insurance and Tri-County Budget
 - In Capital or Miscellaneous Articles: Capital Articles and Miscellaneous Warrant Articles.
- Spending With No Impact on the Budget: Enterprise Funds, CPA Projects, Revolving Fund Creation and Special Revenue Funds.

Process:

All Sources of Total Revenue less Non-Discretionary Items equals the amount Available for Non-Discretionary Spending less Discretionary Items equals the amount Available for the Budget. The amount Available for the Budget less Prior Years Budgets equals the New Revenue Available for Budgets. That amount is historically allocated 65% School and 35% Municipal. The New Revenue Allocated plus the Prior Years Voted Budget equals what the next year's budget can be.

The FY13 Approved Budgets:

Millis Schools:	\$12,398,045.00
Municipal:	<u>\$ 5,738,758.00</u>
Total:	<u>\$18,136,803.00</u>

Financial Condition Report:

Charles Aspinwall:

Projected FY13 Revenue Summary:

State Aid:	\$ 5,813,422.00
Local Receipts:	\$ 1,541,569.00
Transfer In From Sewer:	\$ 93,252.98
Transfer In From Water:	\$ 121,777.81
CPA Fund:	\$ 391,217.00
Enterprise Revenue:	\$ 2,070,916.51
Free Cash:	\$ 661,284.40
Other Available Funds:	\$ 799,555.51
Levy:	<u>\$16,328,337.33</u>
Amount Available:	<u>\$27,821,332.54</u>

Total Taxable Valuation:	\$999,286,250.00
FY13 Tax Rate:	\$16.34
FY12 Tax Rate:	\$15.49

Projected FY13 Expenditure Summary:

Operating Budget Expense:	\$22,313,003.09
Tax Rate Debt Budget:	\$ 885,993.14
Water Enterprise:	\$ 1,009,047.50
Sewer Enterprise:	\$ 1,061,869.02
Miscellaneous Articles:	\$ 246,944.64
Net Capital Budget:	\$ 1,076,109.00
Other Amounts:	\$ 400,412.00
Abatement Exemption:	\$ 111,081.16
State & County Charges:	\$ 355,253.00
CPA Fund:	<u>\$ 361,620.00</u>
Total Amount to Be Raised:	<u>\$27,821,332.55</u>

Recap Sheet Review:

Charles Aspinwall:

The Real and Personal Property Total Value of \$999,286.25 include:

Residential:	\$894,543,612.00	89.5182%
Commercial:	\$ 64,685,508.00	6.4732%
Industrial:	\$ 17,017,880.00	1.7030%
Personal Property:	\$ 23,039,250.00	2.3056%

*There is a need to increase the town's commercial and industrial tax base.

July 1, 2012 Free Cash Certification: \$789,834.00

FY13 Recap: (\$329,636.40)

Balance of Free Cash: \$460,197.60

The Community Preservation Fund Current Year Revenues and Available Funds: \$391,217.00

The Total Revolving Funds FY13 Authorized Receipts: \$233,500.00

Total Amount to be raised: \$27,821,332.55

Total Estimated Receipts and Other Revenue Sources: (\$11,492,995.22)

Tax Levy: \$16,328,337.33

Old Business/New Business:

Charles Aspinwall:

Due to injuries the FY13 Police Overtime Budget will need a Reserve Fund Transfer to cover the anticipated deficit. Due to an influx of new enrollees the Health Insurance FY13 Budget may see a shortfall. The Snow & Ice FY13 Budget as of today is OK. The DPW was called out on Christmas; under contractual agreement the employees are paid triple time due to the holiday and were paid a minimum of four hours for being called in between 12:00 AM & 7:00 AM. Mr. McKay made the right decision not to call the subcontractors in for today's storm. The DPW staff was able to handle all snow removal.

The May Town Meeting Warrant will open on January 28, 2013.

Upcoming Meeting:

January 23, 2013

January 30, 2013

February 6, 2013

February 13, 2013

February 27, 2013 (no meeting February 20th – school vacation)

Town Meeting: May13, 2013

Minutes Approval:

Susan Vecchi made a motion to approve the November 1, 2012 and November 5, 2012 meeting minutes as written; Jim Smith seconded. Vote: 7/0 motion carries unanimously.

Adjourn:

Rick Manburg made a motion to adjourn the meeting at 9:00 PM; Susan Vecchi seconded. Vote 7/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore