

Finance Committee Meeting

January 23, 2013 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Craig Schultze, Chairman
Peter Jurmain, Vice Chairman
Rich Molloy, Clerk
Bud Drummey
Rick Manburg
Doug Riley
Chris Smith
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Paula Dumont, Assessor
Jenn Cederberg, BOS/Town Administrator

Craig Schultze called the meeting to order at 7:30 PM.

FY14 Budget Review – Assessors:

Paula Dumont:

The FY14 budget:

Salaries:	\$104,348.00
Expenses:	<u>\$ 7,060.00</u>
Total:	<u>\$111,408.00</u>

The Assessor's Department is responsible for measuring the value of real estate and personal property and insuring that owners of such property pay their fair and equitable share of the tax burden based upon those values. The department is also responsible for meeting the certification requirements of the Department of Revenue. To meet these requirements the Assistant Assessor revalues all properties annually and a state recertification audit is performed every three years. Maps, property record card printouts and abutter's lists typically generate \$600.00 a year; these funds go into the General Fund. New Growth was originally estimated at \$100,000.00 but came in at \$142,000.00. The Assistant Assessor must keep her certification required credits up to date each year by attending various courses.

Expenses are as follows:

Map Updating:	\$1,500.00
Printing:	\$ 500.00
Supplies & Expenses:	\$1,200.00
Postage:	\$ 200.00
Advertising:	\$ 100.00
Dues & Subscriptions:	\$ 160.00
Meetings:	\$1,500.00
Administrative Expense:	\$ 900.00
Mileage Reimbursement:	<u>\$1,000.00</u>
Total:	<u>\$7,060.00</u>

The increase in expenses covers additional required meetings/courses. The Administrative Expense is for annual stipends to the members of the Board of Assessors. Salaries include step raises.

The contract for the GIS has been signed and the program should be live in June. Training is included in the amount of the contract.

For the May Town Meeting, the Assessor's office will be asking to establish a disabled veterans work program; similar to the Council on Aging. Funds for the three year revaluation will be requested as well..

FY14 Budget Review – BOS/Town Administrator:

Jenn Cederberg:

The FY14 budget:

Salaries:	\$251,619.16
Expenses:	<u>\$ 51,889.97</u>
Total:	<u>\$303,509.13</u>

Major Office Responsibilities:

- To provide administrative support to the Board of Selectmen including issuing licenses, scheduling and managing public hearings and coordinating yearly and ongoing committee appointments.
- Process payments and process deposits.
- Manage personnel issues including recruitments, disciplinary actions, complaint investigations and grievances.
- Prepare and manage bids for goods & services
- Manage the Town's insurance program through MIIA
- Annual Town Report.
- Manage unemployment claims and represent the Town at unemployment hearings.
- Sell Transfer Station Permits
- Participate on various Town boards and hold multiple titles.

The salary line item includes the Town Administrator, Administrative Assistant and Department Assistant II. The increase in the line item is due to contractual increases and step raises. Overtime is budgeted at \$1,000.00 to cover vacations and other absences. We also charge Sick Leave Buyback to this line item. The contractual increase relates to the Town Administrator's market study salary increase combined with a reduction in benefits (longevity, life insurance, long-term disability insurance and deferred comp) and the benefit reductions will be rolled into the salary line item. The increase in salary in this budget will be shown as a reduction in the Employee Benefits budget.

Expenses line item:

Physical Exam:	\$ 1,600.00
Maintenance Contracts:	\$10,190.16
Printing:	\$ 500.00
Supplies & Expenses:	\$ 9,222.81
Telephone:	\$12,000.00
Postage:	\$ 2,000.00
Copy Machine Supplies:	\$ 1,800.00
Advertising:	\$ 6,000.00
Dues & Subscriptions:	\$ 5,312.00
Meetings:	\$ 500.00
Equipment:	\$ 1,000.00
Administrative Expenses:	\$ 1,615.00
Auto/Mileage Reimbursement:	<u>\$ 150.00</u>
	<u>\$51,889.97</u>

FY14 Budget Review – Town Buildings:

Jenn Cederberg:

The FY14 budget:

Salaries:	\$ 39,619.20
Expenses:	<u>\$218,207.00</u>
Total:	<u>\$257,826.20</u>

The Town Building account covers maintenance and contractual related items for the Veterans Memorial Building, the Police and Fire station and the Library. Included in this account are building repairs and supplies, contractual obligations such as trash removal, generator maintenance and HVAC maintenance. It also covers the cost of repairs for the above listed buildings in the areas of plumbing, electrical, roofing, telephone, security and HVAC. In addition, the Town Building account pays for fixed costs for the above listed buildings including heat, fuel, electricity, water and sewer.

The only increase in expenses is \$21,250.00 for the library's electricity. The estimated cost of \$42,500.00 is double the FY13 estimate of \$21,250.00. The library's maintenance, heat and electricity are paid out of the Town Building's budget.

Financial Management Committee Report:

Charles Aspinwall:

The committee was created in the late 90's to assist the town with the DOR and reorganize budgets and departments. The committee has recently been looking at a policy for Stabilization Fund. The Stabilization Fund is approximately 1.1 million dollars. The Stabilization Fund plus Free Cash is approximately 7% of appropriations. A draft of the policy follows:

- Schedule A General Fund Expenditures less transfer to other funds plus the Massachusetts Teacher Retirement System paid on behalf of the town, shall be known as Total General Fund Expenditures and will be the base upon which the selected Stabilization fund/Free Cash reserve will be calculated.
- The annual calculation for the Stabilization Fund/Free Cash reserve shall be made as of on January 1 of the current each calendar fiscal year and shall be considered prior to annual fall town meeting appropriation recommendations.
- The Town's goal shall be to have at least 5% of Total General Fund Expenditures on hand in the combination of the Stabilization Fund and in Free Cash as of January 1 of each year.
- If the Town does not meet the 5% goal, then funds shall be appropriated in subsequent Town Meetings to replenish the Stabilization account to the 5% level. A minimum of \$50,000 of Free cash per annual fall town meeting shall be appropriated to the Stabilization fund to reach the 5% goal; provided however, that \$200,000 of Free Cash be set aside first for fixed lease and other costs.
- If the 5% goal is met, then a minimum of \$50,000 shall be appropriated to the OPEB stabilization fund. If only a portion of the \$50,000 is needed for the Stabilization fund then the balance of the funds will be appropriated to the OPEB stabilization fund.
- The Stabilization Fund may be used for any lawful purpose but should typically be used only for unforeseen and emergency purposes.
- If use of the Stabilization Fund for unforeseen and emergency purposes drops the fund balance below the 5% goal than the town shall develop a funding schedule to re-attain the 5% goal within three years or less.

The Board of Selectmen will vote on the policy at their next meeting.

Old Business/New Business:

Rich Molloy made a motion to approve payment to the Community Newspaper Company in the amount of \$18.03; Susan Vecchi seconded. Vote: 9/0, motion carries unanimously.

Upcoming Meeting:

January 30, 2013

February 6, 2013

February 13, 2013

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

Town Meeting: May 13, 2013

Minutes Approval:

Susan Vecchi made a motion to approve the January 16, 2013 meeting minutes as written; Rich Molloy seconded. Vote: 7/0 motion carries unanimously.

Adjourn:

Chris Smith made a motion to adjourn the meeting at 8:21 PM; Rich Molloy seconded. Vote 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore