

Finance Committee
North Reading Town Hall, Room 5
Wednesday, May 2, 2013

Present: Ms. Hurlbut, Mr. Johnson, Mr. Kelliher, Mr. Pulver, Mr. Koppelman, Mr. Wolpin and Mr. Veneziano

Absent: Mr. Duffy

Guests: Representatives from Parks & Rec. Rita Mullen and Maureen Stevens, and Mike Kirby

Chair opened the meeting at 7:08pm.

Rita Mullen and Maureen Stevens wanted to speak with the Finance Committee about the additional \$10,000 being requested by the Parks & Rec. for their FY14 budget. Ms. Mullen explained that the new personnel would be three counselors for the summer program and 1 person to mow the lawn. Ms. Hurlbut said these employees were not in the Parks & Rec. original budget request and she asked what they were planning to do without those additional employees at that time. Ms. Mullen said without the additions they would have to cut back on kids in the program and cap enrollment at 60. Ms. Hurlbut asked what they will do if the numbers for enrollment don't come in? Ms. Mullen said they will either tell some counselors not to come in or use them if others can't come in for the day. Ms. Hurlbut said the fees are supposed to cover the expense of the counselors. Ms. Mullen said they have to have so many counselors for so many kids.

Ms. Mullen explained that in 2009 the Parks & Rec. budget was cut by \$101,000 which equaled two positions and they were asked to make up the additional funds to cover the medicare and other benefits. She said they were the only department to make cuts. The Parks Director is asked to go out many times after hours at no additional costs to DPW. Ms. Mullen said that Parks & Rec. have put a lot back into their budget with fund raising. Mr. Kelliher said Parks & Rec. have allocated \$60,000 out of \$80,000 of retained earnings for capital and if the employees are that important to the department, they should be willing to spend down retained earnings for them. Ms. Mullen explained that they have emergency repairs that come up and need to have that money for repairs. Ms. Mullen gave out a list of the 86,000 acres of areas in town that is mowed by Parks & Rec.

Mr. Wolpin said that as of two years ago, Parks & Rec. was working out of a Revolving Fund and because of State limitations, they had to become an Enterprise Fund. Ms. Mullen said that when they became an Enterprise Fund they spoke with DOR and they were informed then that it was not illegal to use a Revolving Fund. Mr. Wolpin said, if the department has to come back every year for more money, you're not working as an

Enterprise Fund. Ms. Mullen said they are going to have a meeting with DOR, through Ms. Pavao, to revert back into a Revolving Fund. Mr. Kelliher said that as long as you are an Enterprise Fund, you need to tailor the budget to meet the funds available. He said the department needs to scale back to meet funds whether that means laying someone off or other means. Mr. Johnson asked if Parks & Rec. could receive funding from the Hillview Revenue. Ms. Hurlbut said the revenue from the Hillview is in lieu of taxes. Ms. Hurlbut said, it's not the purview to say how Parks & Rec. runs their department. The Finance Committee has to decide whether to give Parks & Rec. an additional \$10,000. Ms. Mullen said, it is the FinCom purview because they may need to cut programs.

Warrant Articles

Mr. Johnson moved to approve Article 2, in the amount of \$122,793.88 - Fund FY2013 Snow and Ice Deficit, funding source free cash, seconded by Mr. Pulver and voted unanimously in favor.

Mr. Kelliher moved to approve Article 4 - FY2013 Transfer Funds to Water Stabilization Fund, seconded by Mr. Wolpin and voted unanimously in favor.

Mr. Pulver moved to approve Article 6 - FY2013 Appropriate Funds for Overlay Deficit in the amount of \$32,619, seconded by Mr. Wolpin, and voted unanimously in favor.

Mr. Kelliher moved to approve Article 15, Transfer from Free Cash to Supplement the FY2014 Operating Budget, seconded by Mr. Pulver and voted unanimously in favor.

Mr. Kelliher moved to approve Article 16, FY2014 Capital Expenditures, seconded by Mr. Wolpin and voted unanimously in favor.

Mr. Wolpin moved to recommend Article 17, Fund Retirement Obligations, seconded by Mr. Pulver, and voted unanimously in favor.

Members decided to hold off on Articles 21, Fund Repairs to Town Buildings and Article 22 Amend Code – General By-laws – Chapter 104 – Local Fingerprint Submission Requirements for License Applicants until Town Meeting.

Mr. Pulver moved to approve Article 23, Appropriate Funds for Expenses Related to Paramedic Education Costs, in the amount of \$32,000, seconded by Mr. Wolpin, and voted unanimously in favor.

Mr. Kelliher moved to approved Article 37, Appropriation of Bond Premiums to Reduce High/Middle School Project Borrowing Costs, seconded by Mr. Wolpin, and voted unanimously in favor.

Mr. Pulver moved to recommend Article 39, Rescind MGL Chapter 41, Section 100B, seconded by Mr. Kelliher, and voted unanimously in favor.

Mr. Wolpin moved to not recommend Article 40, Citizens Petition – Install Water Main and Fire Hydrant on Summit Road, seconded by Mr. Pulver, and voted unanimously in favor.

Ms. Pavao handed out FY14 Appropriation Projection, dated May 2, 2013, and Revenue and Expenses.

Mr. Johnson moved to recommend Article 14, the FY14 Operating Budget in the amount of \$13,068,237 (Municipal), \$25,624,489 (Schools) and \$17,624,731 (fixed costs) for a total of \$56,317,457, seconded by Mr. Wolpin, and voted unanimously in favor.

Mr. Kelliher moved to accept Mr. Pulver’s Finance Committee Report, seconded by Mr. Wolpin, and voted unanimously in favor.

Reserve Fund Transfer

A reserve fund transfer was received from the Town Administrator’s office for expenses incurred for the Special Town meeting, held March 18, 2013, in the amount of \$8,300 for postage, printing, wiring of the gymnasium, custodians and police & fire.

Mr. Johnson moved to approve a Reserve Fund Transfer of \$8,300 to the Town Administrator’s budget for the Special Town meeting. Mr. Pulver seconded the motion and it was voted unanimously in favor.

Mr. Johnson moved to adjourn the meeting at 10:25 pm. Mr. Pulver seconded, and it was voted unanimously in favor. The next meeting is scheduled for Wednesday, May 22, 2013.

Approved _____ Date _____