



## APPROPRIATIONS COMMITTEE

### MEETING MINUTES

Thursday, November 21, 2013

Selectmen's Meeting Room

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Present: Chairman, Elaine Kelly  
Rick Nieber  
Janice Hight  
Bob D'Amico

Absent: Dan McInnis  
Tony Poteete

Also present: Town Administrator John Coderre  
Patty Cress, Northborough K-8 School Committee Chair.

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The meeting was called to order at 7:30 p.m.

#### Approval of Meeting Minutes

J. Hight moved approval of the Meeting Minutes of June 19, 2013; B. D'Amico seconded; motion approved unanimously.

#### Discussion of Preliminary Free Cash Plan

The Town Administrator reviewed the previously distributed Preliminary Free Cash Plan memo dated October 4, 2013. The plan calls for \$150,000 to be used for the Reserve Account, \$500,000 for the FY2015 operating budget and up to \$924,920 in pay-as-you-go capital projects. Based upon the plan, the Town's financial reserves will remain at 8% of the operating budget. The Town's financial policy requires financial reserves to be between 5-10% of the operating budget.

Following some discussion, Committee members commented that the Free Cash Policy continues to meet its purpose as originally conceived and is one of the keys to Northborough's financial success.

#### Review of CIP Manual

The Town Administrator reviewed the FY2015-FY2020 Capital Improvement Program instruction manual, which is updated annually. The manual called for all departmental submissions to be received by October 17<sup>th</sup>. The Town Administrator is reviewing the submissions and compiling the requests for discussion and review by the Financial Planning Committee, which began meeting on November 7<sup>th</sup>. Once a draft summary of the updated plan is complete, including the proposed FY2015 Capital Budget, copies will be distributed to the Appropriations Committee for review.

### Review of Y2015 Budget Manual

The Town Administrator reviewed the FY2015 Budget instruction manual, which was distributed to the all departments. The manual instructs departments to submit budget requests sufficient to maintain the current level of services. No additional personnel or significant service expansions should be included in the FY2015 base requests. However, if an overriding need exists, departments seeking additional resources may submit a supplemental budget request detailing such needs. As the budget process unfolds, we will be meeting with departments to review the requests. The manual provides information about the forms to be completed and the information to be provided. All budget requests are due to the Town Administrator's office no later than December 13<sup>th</sup>.

### Review of Town Meeting Calendar

The Committee reviewed the 2014 Annual Town Meeting schedule. All warrant articles are due to the Town Administrator's Office no later than February 3, 2014. The Selectmen will close the warrant on March 10<sup>th</sup> and the Joint Budget Hearing between the Appropriations Committee and the Selectmen will be held on March 24<sup>th</sup>. Town Meeting will begin on April 28<sup>th</sup> with the local Election on May 12<sup>th</sup>.

### Update on Lincoln Street School Building Project

The Town Administrator reviewed the November 20, 2013 approval letter received from the Massachusetts School Building Authority (MSBA). The letter indicates MSBA approval for the Town's preferred design option for the project. Based upon the approval, the architect has begun the schematic design work necessary to bring a project and cost estimate forward to the 2014 Annual Town Meeting. It was noted that the preferred design option was enthusiastically supported by MSBA.

### Next Meeting Date

The Committee discussed the upcoming December 10<sup>th</sup> meeting to discuss the Town's Financial Trend Monitoring System, as well as new, multi-year financial projections. The meeting will be held at the Library at 7:00pm with the Selectmen, Financial Planning Committee and Northborough K-8 School Committee. The joint meeting is intended to set the table for the FY2015 budget cycle.

The Committees full meeting schedule is being drafted and will be distributed at a subsequent meeting.

### Any Other Business to come before the Committee

The Committee reviewed the annual Legislatives Priorities memo dated November 21, 2013. All Town Departments, Boards and Committees were asked to submit ideas for inclusion in the letter to our Legislators by December 20<sup>th</sup>. Generally, the Legislative Priorities letter includes the Town's position on various State mandates or regulations that we would like to see changed to provide relief to the Town. These include, but are not limited to, amendments that would save the Town money, facilitate raising additional revenues such as updated fees, or generally providing flexibility for us to manage our own affairs.

### FY2013 Audit Results

The Town Administrator reviewed the November 18<sup>th</sup> Board of Selectmen meeting with the independent auditor. For the fifth consecutive year, the Town has receive a clean audit with no material deficiencies or issues. The Town Administrator stated that this audit is as clean as a municipality could possibly receive. The comment was made that the auditor was very complementary toward the Town's financial planning; specifically, its financial policies and plans to begin addressing Other Post Employment Benefit (OPEB) liability.

FY2014 Tax Classification Hearing and Rate Setting

The Committee reviewed the presentation materials from the November 18<sup>th</sup> Tax Classification Hearing. The average single family tax bill is expected to increase just \$44 this year. In fact, the average single family home has seen an increase of just \$233 total, over the last four years. Committee members expressed their appreciation of the fiscal planning that has resulted in these positive results.

Adjournment

J. Hight moved to adjourn; R. Nieber seconded; motion was unanimous.

8:45 p.m. – adjourned.

Respectfully submitted,

John W. Coderre, Town Administrator

Documents used during meeting:

1. November 21, 2013 Meeting Agenda
2. June 19, 2013 Meeting Minutes
3. Preliminary Free Cash Plan memo.
4. Capital Improvement Program memo.
5. Budget Manual Instructions memo
6. 2014 Annual Town Meeting memo.
7. MSBA letter.
8. Legislative Priorities memo.
9. Tax Classification memo.