



## **APPROPRIATIONS COMMITTEE**

### **MEETING MINUTES**

Thursday, February 4, 2016

Selectmen's Meeting Room

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Present: Chairman, Elaine Kelly  
Rick Nieber  
Janice Hight  
Tony Poteete

Absent: Bob D'Amico

Also present: Town Administrator John Coderre

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

#### **APPROVAL OF MEETING MINUTES**

Mr. Nieber moved approval of the Meeting Minutes of June 18, 2015; Mr. Poteete seconded; motion approved unanimously.

The committee reviewed the minutes of the December 17, 2015 joint meeting where the Financial Trend Monitoring Report was presented. As a quorum of the committee was not present at the meeting no action was taken.

#### **REVIEW OF CIP INSTRUCTION MANUAL**

Mr. Coderre reported that all departments were provided with the CIP Instruction Manual for upcoming Fiscal Years 2017-2022. Departments were instructed to review, update and resubmit all existing requests for FY2017-2021 and add any new requests for FY2022. All CIP requests were to be returned to the Town Administrator by November 10, 2015. At this time, preliminary requests have been submitted; however, numbers are still being firmed up by some departments. Once a draft summary of the updated plan is complete, including the proposed FY2017 Capital Budget, copies will be distributed to the Appropriations Committee for review.

#### **REVIEW OF FY2017 BUDGET MANUAL**

The Town Administrator reviewed the FY2017 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 FY2017 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.

#### **DISCUSSION OF PRELIMINARY FREE CASH PLAN**

Mr. Coderre presented the preliminary FY2017 Free Cash Plan for consideration and use during the upcoming budget process. The FY2105 year-end Free Cash was certified at approximately \$3.2 million. This substantial Free Cash is a result of positive actual performance in both appropriations not spent as well as revenues realized in excess of the budget.

Mr. Coderre reviewed the preliminary Free Cash plan in conjunction with the draft FY2017 Capital Budget which is still being formulated by the Financial Planning Committee (FPC). The one significant project contemplated for FY2017 is the Church St. bridge/culvert replacement estimated at \$1.5 – \$2 million. The Committee briefly discussed various financing options for the bridge but will wait to see the FPC's recommendation. It is anticipated that the Free Cash Plan will allow for approximately \$1.8 million in FY2017 pay-as-you-go capital investment with no additional tax impact.

#### **DISCUSSION OF STATE AID**

Mr. Coderre reported on Governor Baker's address at the MMA Annual Meeting and Tradeshow the previous weekend in Boston. Although State Aid information is typically received when the Governor releases his budget the fourth Wednesday in January, Governor Baker pledged during his address to increase Unrestricted General Government State Aid (primarily lottery funds) by 4.3%. With that being said, the impact on Northborough will be minimal since the majority of Northborough's aid comes in the form of Chapter 70 School funding. Using the numbers released at the MMA conference would mean an increase of \$78,156, or 1.54%. Mr. Coderre noted the State is projecting \$1 billion budget deficit for FY2017, which is why Northborough is unlikely to see much of an increase in State Aid.

#### **DISCUSSION OF FY2017 HEALTH INSURANCE BUDGET**

Mr. Coderre reviewed the FY2017 projected Health Insurance budget increase of 7-8%. Negotiations are ongoing with all employee bargaining units in an attempt to implement plan design changes that would largely negate premium increases in FY2017. Mr. Coderre indicated that he is pleased with the spirit of cooperation during negotiations. More information will follow later in the month.

#### **TOWN MEETING CALENDAR**

Mr. Coderre reviewed the Town Meeting Calendar and noted that all warrant articles are due to the Town Administrator by February 1, 2016. Annual Town Meeting will be held on April 25, 2016.

#### **ANY OTHER BUSINESS TO COME BEFORE THE COMMITTEE**

The Committee discussed its meeting schedule and times. The consensus was to continue meeting on Thursday evenings but move to 7 p.m. instead of 7:30 p.m.

#### **NEXT MEETING**

The next meeting is scheduled for Saturday, February 27<sup>th</sup> at 9:00 a.m. to review the K-8 School Budget and the ARHS assessment. The meeting will take place in the Selectmen's Meeting Room.

#### **ADJOURNMENT**

Ms. Hight moved to adjourn; Mr. Nieber seconded; motion was unanimous. 8:55 p.m. – adjourned.

Respectfully submitted,

*John W. Coderre*

John W. Coderre, Town Administrator

#### Documents used during meeting:

1. February 4, 2016 Meeting Agenda
2. June 18, 2015 Meeting Minutes
3. December 17, 2015 Joint Meeting
4. Preliminary Free Cash Plan memo.
5. Capital Improvement Program memo.
6. Budget Manual Instructions memo
7. FY2017 State Aid Memo
8. Town Meeting Calendar
9. DRAFT Meeting Schedule