



## APPROPRIATIONS COMMITTEE

### MEETING MINUTES

Thursday, March 31, 2016

DPW Garage

6:00 pm

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Present: Chairman, Elaine Kelly  
Rick Nieber  
Tony Poteete

Absent: Bob D'Amico  
Janice Hight

Also present: John Coderre, Town Administrator  
Dan Nason, Public Works Director  
David Robillard, Highway Superintendent  
Tim Davison, Water & Sewer Supervisor  
June Hubbard-Ward, Finance Director

**DPW FACILITY TOUR:** Dan Nason, DPW Director led the group on a tour of the DPW facility.

The meeting was called to order at 6:30 pm by Ms. Kelly.

### **APPROVAL OF MEETING MINUTES**

Minutes from the March 24, 2016 meeting will be taken up at the next meeting on April 7, 2016.

### **PRESENTATION: FINANCE DEPARTMENT BUDGET, DEBT SERVICE AND HEALTH INSURANCE, JUNE HUBBARD-WARD**

Ms. Hubbard-Ward presented the Finance Department's FY2017 budget which is decreasing by \$27,897 or 3.69% primarily due to completion of the triennial recertification of property values (revaluation) in FY2016. A revaluation is the process of conducting the data collection and market analysis necessary to bring values of all properties within the Town up to date and in line with the market for the purpose of fairly distributing the tax burden. The process is overseen by the Massachusetts Department of Revenue, Bureau of Local Assessment staff to ensure the proposed values were derived utilizing a methodology based on generally accepted Massachusetts appraisal practices, and are supported with current market evidence and are uniformly and equitably applied to all property. Beyond the reductions to the FY2017 Assessing Division Budget, there are no significant changes in the Finance Department. The departmental budget as presented contains no wage increases, which have been budgeted centrally pending successful contract negotiations.

Ms. Hubbard-Ward proceeded to describe the total Debt Service budget for the General Fund is \$3 million, an increase of \$435,710. This increase is necessary to provide for the second and final permanent bonding for the Lincoln Street School addition/renovation project. The total amount financed for the Town's share of this project, which was originally budgeted at \$14.85 million, was finalized and

permanently financed at an all-time low interest rate and at only \$14.2 million due to the significant premiums received at the time of the bond issuance.

The Lincoln Street School Debt service is scheduled to peak at \$1,144,882 in FY2017. In preparation for this significant School building project and to minimize the tax impact for this debt excluded project, issuance of debt for smaller capital projects has been curtailed and in accordance with the Town's Free Cash Policy for the past five years, these smaller capital items have been purchased using available funds.

Ms. Hubbard-Ward also reviewed the Health Insurance Budget. The FY2017 health insurance budget request of \$5.1 million represents a total increase of \$148,471 or 3% from the amount budgeted last year. In FY2017, the trending healthcare costs once again required negotiation of further plan design changes to temper the effect of the health insurance premium increases. Effective July 1, 2016, the Town expects to implement higher co-payments for office and emergency room visits as well as higher deductibles for inpatient and outpatient services. The FY2017 budget reflects these changes.

The Committee thanked Ms. Hubbard-Ward.

#### **NEXT MEETING DATE AND COMMITTEE MEETING SCHEDULE**

The Committee meets next on April 7th at 7:00 pm where the Community Preservation Committee requests will be discussed. The Committee will also begin discussion regarding their report and recommendations for Town Meeting.

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

None.

#### **ADJOURNMENT**

Mr. Nieber moved to adjourn; Mr. Poteete seconded; motion was unanimous.

7:00 p.m. – adjourned.

Respectfully submitted,

*John W. Coderre*

John Coderre, Town Administrator

#### Documents used during meeting:

1. March 31, 2016 Agenda
2. Finance Department Budget
3. Undistributed Expense Budget