



## APPROPRIATIONS COMMITTEE

### MEETING MINUTES

Thursday, April 2, 2015

Selectmen's Meeting Room

7:30 pm

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Present: Chairman, Elaine Kelly  
Janice Hight  
Dan McInnis  
Rick Nieber  
Tony Poteete  
Bob D'Amico

Also present: John Coderre, Town Administrator  
June Hubbard-Ward, Finance Director  
Dan Brogie, Town Assessor  
David Kane, MIS Director

The meeting was called to order at 7:30 pm by Ms. Kelly.

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

Mr. Poteete indicated that he was not present at the meeting on March 19<sup>th</sup> and moved to amend the minutes to reflect this. Ms. Nieber seconded. Motion approved unanimously.

Ms. Hight moved approval of the March 19, 2015 minutes as amended. Mr. McInnis seconded. Motion approved 5-0-1 with Mr. Poteete abstaining.

#### **PRESENTATION: MIS BUDGET, DAVID KANE, MIS DIRECTOR**

Mr. Kane introduced the overall MIS Department budget as decreasing by \$70,700 or 14.17%. Factors contributing to the reduction include termination of the dark fiber lease with Charter Communications and cost savings attributed to the virtualization and PC replacement efforts in FY15.

Mr. Kane also reported on the implementation, which began in 2015, of the new integrated View Permit software system. The new system will improve and modernize the permitting process through better use of technology. The ability to submit and check the status of permits online is highly anticipated.

A new wide-area-network(WAN) was installed along Main Street, replacing the leased I-Net from Charter Communications. Core network infrastructure linking the Police Department, Town Hall, Library and Fire Department was put in place, updating equipment installed in 1999. This project was approved at the 2014 Annual Town Meeting and completed in the fall.

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

June Hubbard-Ward introduced the Finance Department's FY2016 budget as decreasing \$10,217 or 1.34% primarily due to completion of the conversion of the Assessor's revaluation software in FY2015. During FY2015 the Assessing Division began the work required for the triennial recertification which will take place in FY2016. Beyond the reductions to the FY2016 Assessing Division Budget, there are no significant changes in the Finance Department except the 2% wage increase for union and non-union

employees. Assessor Dan Brogie reviewed the revaluation software conversion in more detail and discussed the benefits of the new system.

Ms. Hubbard-Ward proceeded to describe the total Debt Service budget for the General Fund as \$2.59 million, an increase of \$547,080. This increase is necessary to provide for the initial estimated \$675,000 debt service required in FY2016 to fund the \$14.85 million Town portion of the Lincoln Street School addition/renovation project. The estimated Lincoln Street School Debt service is projected to peak at \$1,324,000 in FY2017. The \$7.5 million first phase of the bond issuance is scheduled for June 2015 and the Town's rating will be reviewed at that time. In preparation for this significant School building 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 and indicated that the FY2016 health insurance budget request of \$4.9 million represents a total increase of \$144,148 or 3.00% from the amount budgeted last year. Plan design changes and the adoption of Chapter 32B, Section 18 in FY2010 have continued to limit budgetary impacts for the seventh consecutive year. In fact, the average annual increase for the last seven years has only been about 2.5%. Prior to FY2010 it was common to experience health insurance increases of 8-10% each year, which would consume \$450,000 or more of new revenues. Given the reasonable FY2016 premium increases, there are no immediate plans to modify health insurance plans in the coming year. However, market trends appear to be pointing toward more substantial increases in the coming years as many communities that joined the State's Group Insurance Commission are facing an 8-10% increase in FY2016.

The Committee thanked Mr. Kane, Ms. Hubbard-Ward and Mr. Brogie for their presentations.

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

The Committee meets next on Thursday, April 9, 2015 at 7:30 pm where the Community Preservation Committee requests will be discussed. The Committee will also begin discussion regarding the report and recommendations for Town Meeting.

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

None.

#### **ADJOURNMENT**

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

9:10 p.m. – adjourned.

Respectfully submitted,

John Coderre, Town Administrator

#### Documents used during meeting:

1. April 2, 2015 Agenda
2. March 19, 2015 Meeting Minutes
3. MIS/GIS Budget
4. Finance Department Budget