

January 28, 2016

Finance Committee Meeting Minutes

PRESENT: Funkhouser, Martin, Steinberg, Abdella, Cliff, Watkins via telephone due to geographical distance (entered at approximately 8:52 pm).

The meeting was called to order at 7 pm in the Senior Center of the Town Building. No public comment, no response to public comment. Chairman indicated meeting was recorded.

Capital Budget:

DPW reported on wireless meters. Chris Brown indicated that the initial \$180k and later \$800k request has been modified to \$200k for the installation of meters in order to finish out the ongoing meter replacement work. There was ensuing discussion around the water infrastructure projects, including the water main maintenance/repair program, road work, and tank cleaning. There was discussion about manpower needs and the cost of hiring an engineer to offset costs in the capital budget for engineering and oversight.

Operating Budget: Town Clerk request for budget increase

Beth Klein requested funds for a part time position to support four elections versus the regular two elections in a cycle. There was a discussion regarding the need for funds temporarily or as a permanent budget line item going forward and Beth indicated that she is short-staffed. It was suggested that we table this request until a point in the future when specific needs become clearer.

Budget Discussion

There was a discussion about the creation of a 53 E ½ fund for beach and field user fees (recreation) and contributions and how they would be used. Nan Balmer provided information about her understanding of such a setup. Unclear whether it will be included as part of ATM articles. Will be determined by BOS. There was a lengthy discussion about three different spending components of Rec. department including beach, general programs, and field user fees and related expenses and how they may be budgeted. G. Cliff moved that field user fees be budgeted as a Local Receipt in the General Fund, B. Steinberg seconded the motion and the vote was 5-0 in favor. It should be noted this vote was in accordance with both B. Keveny's and N. Balmer's recommendations as well.

B. Keveny shared latest budget adjustments, lowering salary reserve from \$374K to \$130K, IT for a total of \$531K with personnel expense for a total \$79.9 million General Fund budget. There was discussion about salary savings in Recreation and from Kadlik's former position as well as an overlay update confirming a \$600K release and it was noted that the reserve fund budget is \$250K. D. Watkins joined the meeting at this point (8:52 pm) via telephone.

The Committee discussed Ben Keefe's memo in which he requested an Owner's Project Manager for capital projects and where the funding would come from. Discussion ensued and it was agreed that we would consider this in the future but it was too soon to agree on for now. Other updates and discussion followed regarding free cash projection, Ins. Line 32B, the impact of IT spending, and bond issuance costs, cost of hiring a financial analyst for borrowing and debt matters, COLAs in the school contracts and budget, among other items.

There was a discussion and summary of the decisions we have made regarding the capital budget, including adding \$600K for a total \$936K for Happy Hollow road, a lower than budgeted Cochituate apartments expense of \$415K and water spending reductions from \$1,100K to \$200K. Further discussion clarified the capital budget plan totaling \$8,974K of which \$6,313K is from General Fund, \$2,661K from water capital. B. Steinberg moved acceptance of this budget, G.Cliff seconded the motion and there was a roll call vote as follows:

Funkhouser YES, Martin YES, Steinberg YES, Abdella YES, Cliff YES, Watkins YES.

At 10:15 G.Cliff moved to adjourn, C. Martin seconded the motion and a roll call vote was in favor as follows:

Funkhouser YES, Martin YES, Steinberg YES, Abdella YES, Cliff YES, Watkins YES.

Respectfully submitted,

Nancy Funkhouser