

**Finance Committee Meeting**  
**April 30, 2012**  
**7:30 PM**  
**Municipal Center – Selectmen's Conference Room**

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**Present:** Chair, Paul Helmreich; Vice-Chair, Lee Tarantino; Robert Camp; Peter Carignan; Thomas DeLuca; Jackie Desrochers; Stephen Evans (late arrival); Michael Flaherty; Wayne Graf; William Rotondi; Michael Thomas.  
Also present: Town Manager, Michael Yunits.

**Absent:**

**Call to Order**

Meeting was called to order at 7:30 pm.

**I. Approval of Minutes**

**Motion** was made by Mr. Tarantino to approve the April 18, 2012 Finance Committee minutes as written. Seconded by Mr. Graf. Vote: All in favor, with Mr. Camp, Mr. DeLuca, Mr. Flaherty, and Ms. Desrochers abstaining. **Motion carries.**

**Motion** was made by Mr. Flaherty to approve the April 23, 2012 Finance Committee minutes as written. Seconded by Mr. DeLuca. Vote: All in favor, with Mr. Evans abstaining. **Motion carries.**

**Motion** was made by Mr. Flaherty to approve the April 25, 2012 Finance Committee minutes as amended. Seconded by Mr. DeLuca. Vote: All in favor, with Ms. Desrochers abstaining. **Motion carries.**

**II. New Business**

**Reserve Fund Transfer –**

**Motion** was made by Mr. DeLuca to recommend the transfer of \$4,410.24 from the FinCom Reserve to Account #001-910-510-5170 (Employee Benefits). Seconded by Mr. Camp. Vote: All in favor. **Motion carries.**

**Finance Committee Report –**

Mr. Tarantino submitted the draft for the FinCom fiscal report for review by the committee.

**Motion** was made by Mr. Camp to accept Mr. Tarantino's draft as the Annual Finance committee Report in the Annual Town Meeting Warrant. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

**III. Old Business**

**School Department Budget and Other**

Dr. Ansary addressed the FinCom regarding some questions that have arisen in the discussion of the FY13 School Department budget as follows:

- The positions funded by grants are not figured into the regular budget.
- Most grants pay for salaries, very few pay for expenses.
- Some grants are unknown and are awarded after the budget is in place. When this happens, salary money is transferred to expenses.
- For FY12, 292 positions were paid through the budget and 36 were paid from other sources.
- Grants are for specific purposes only.
- Revolving Funds reduce the funds that the School Department has to ask for from the town
- Monthly balance sheets give a false picture of available funds because most expenses for repairs and replacements of supplies happen in the spring when it is known that the funds are available. Therefore the balance at the halfway point of the fiscal year is a lot more than half of the total budget. Also noted was that teachers are paid through the month of August from that same budget.
- There will be an estimated increase of \$228K in special education costs in FY13.

It was noted that the School Department has the authorization to pre-pay special education tuitions but that there is not a reduced rate given for doing so.

**Discussion on What to Do With the Remaining \$74K<sup>+</sup>**

The possibilities discussed were to put the funds in the School Department budget, Capital Improvements Fund, Stabilization Fund, or the Finance Committee Reserve.

It was noted that the Free Cash balance is \$313,975.

Also, it was noted that the balance in the Capital Improvements Fund (after the town meeting vote) would be \$369,347.

Mr. Tarantino suggested putting the Free Cash into the Capital Improvements fund and put the \$74K+ into the FinCom Reserve fund.

Mr. Yunits suggested putting the \$74K into the Capital Improvements Fund, stating that it would strengthen the town's bond rating.

**Motion** was made by Mr. Rotondi to reconsider Account #300 (School Department). Seconded by Mr. Thomas. Vote: 6 members in favor, with Mr. DeLuca, Mr. Camp, Mr. Tarantino, and Mr. Graf opposed. **Motion carries.**

**Motion** was made by Mr. Rotondi to recommend the \$74,284 be put into Account #300 (School Department). Seconded by Mr. Evans.

**An amendment** was made by Mr. Thomas to change the amount in the motion to \$39K, to cover supplies. Seconded by Mr. DeLuca.

Discussion: Mr. Tarantino said that he doesn't agree with the pre-payment of the special education tuitions because there is no advantage to it.

Mr. Bob Kimball, Selectman, said that he feels it is crucial to put funds into the Capital Improvements Fund. He noted that the Police Department needs a new HVAC system and that the Town Hall needs new rugs and other updates.

Vote on the amendment: 9 members in favor, with Mr. Camp and Mr. Flaherty opposed. **Amendment carries.**

Vote on the amended motion of \$39K: 9 members in favor, with Mr. Camp and Mr. Flaherty opposed. **Motion carries.**

It was noted that there is now be \$35,284 remaining for allocation.

**Motion** was made by Mr. Camp to put the remaining \$35,284 in the Capital Improvements Fund. Seconded by Mr. Flaherty. Vote: 10 members in favor, with Mr. Evans opposed. **Motion carries.**

#### **Article 15 – Capital Improvements Fund Appropriation –**

**Motion** was made by Mr. Tarantino to reconsider Article 15 of the Annual Town Meeting warrant. Seconded by Mr. Camp. Vote: All in favor. **Motion carries.**

**Motion** was made by Mr. Camp to add \$35,284 to the Capital Improvements Fund, Article 15. Seconded by Mr. Thomas. Vote: 10 members in favor, with Mr. Evans opposed. **Motion carries.**

#### **Annual Town Meeting Warrant**

##### **Article 13 –**

**Motion** was made by Mr. DeLuca to reconsider Article 13 of the Annual Town Meeting warrant. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

**Motion** was made by Mr. Thomas to recommend \$300K for Article 13. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

##### **Article 17 – FY13 Operating Budget -**

**Motion** was made by Mr. DeLuca to recommend Article 17 in the amount of \$45,371,093. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

##### **Article 18 – Personnel By-Laws Amendment –**

Mr. Yunits explained that the amendment would raise the bottom numbers by 1% and the top number by 4% to give room for growth over the next few years. He said if both numbers were raised by only the 1% then it would need to be re-voted each year. He pointed out that this is for non-union employees.

Mr. Camp and Mr. Carignan expressed that they were not comfortable with the 4% increase of the top numbers.

**Motion** was made by Mr. DeLuca to recommend Article 18 as newly proposed. Seconded by Mr. Flaherty. Vote: 8 members in favor, with Mr. Camp, Mr. Evans, and Mr. Graf opposed. **Motion carries.**

**Special Town Meeting Warrant**

**Article 2 – FY12 Operating Budget Supplements –**

**Motion** was made by Mr. Flaherty to reconsider Article 2 of the Special Town Meeting. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

**Motion** was made by Mr. DeLuca to recommend, under Article 2, Account #151-570 (Legal Services) in the amount of \$40K from Free Cash. Vote: All in favor. **Motion carries.**

**Motion** was made by Mr. DeLuca to recommend, under Article 2, Account #420-510 (Highway) in the amount of \$9,033 from Free Cash. Vote: 9 in favor, with Mr. Camp and Mr. Evans opposed. **Motion carries.**

**Motion** was made by Mr. DeLuca to recommend, under Article 2, Account #750-594 (Debt Interest) in the amount of \$767.00 from Free Cash. Vote: All in favor. **Motion carries.**

**Motion** was made by Mr. DeLuca to recommend, under Article 2, Account #423-570 (Snow Removal) in the amount of \$1,525 from Free Cash. Vote: All in favor. **Motion carries.**

**Article 7 – MBTA/SHPACK –**

It was noted that the balance in the account is not \$30K because a set of maps were made right at the beginning of the account. The balance is \$29,601.52.

**Motion** was made by Mr. Graf to move \$29,601.52 from the MBTA account to the SHPACK account. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

**Article 8 – Johnson Road –**

**Motion** was made by Mr. Thomas to recommend Article 18 using \$1 from Free Cash. Seconded by Ms. Desrochers. Vote: All in favor. **Motion carries.**

**Article 9 – JCS/MSBA Project –**

**Motion** was made by Mr. DeLuca to reconsider Article 9. Seconded by Mr. Camp. Vote: All in favor. **Motion carries.** Mr. Helmreich explained that the process for this project to replace the roof on the JCS would be just like the High School renovation process (first it needs to be voted on, then the project manager is selected, then the state needs to approve it, etc.). He said that Dr. Ansary said that the *minimum* reimbursement would be 40%, and if that were to be the case, the final cost to the town would be about \$555K.

**Motion** was made by Mr. DeLuca to recommend Article 9 in the amount of \$925K to be raised by bonding. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

**Next Meeting**

The next meeting is scheduled for May 14, 2012 at 6:00pm, prior to Town Meeting.

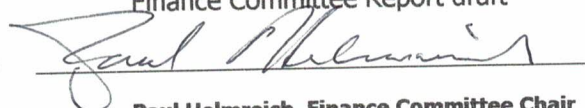
**Adjournment**

**Motion** was made by Mr. Thomas to adjourn at 9:45 pm. Seconded by Mr. DeLuca. Vote: Unanimous. **Motion carries.**

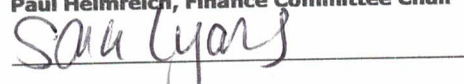
**Documents Referenced:**

- Minutes of April 23, 2012
- Minutes of April 25, 2012
- Updated Control Sheet
- Updated Estimated Revenues and Expenditures
- Reserve Fund Transfer Request
- Johnson Road correspondence
- Proposed Personnel By-laws amendment
- Finance Committee Report draft

Respectfully Submitted by:



Paul Helmreich, Finance Committee Chair



Sara Lyons, Finance Committee Secretary