

**Finance Committee Meeting
October 17, 2012
7:30 PM
Municipal Center – Selectmen’s Conference Room**

Present: Chair, Lee Tarantino; Vice-Chair, Michael Flaherty; Peter Carignan; Thomas DeLuca; Richard Dorney; Michael Flaherty; Paul Helmreich; Michael Thomas.
Also present: Town Manager, Michael Yunits.

Absent: Robert Camp; Jackie Desrochers; Steven Evans; William Rotondi.

Call to Order

Meeting was called to order at 7:30 pm.

I. Approval of Minutes

Motion was made by Mr. to approve the , 2012 Finance Committee minutes as written. Seconded by Mr. .
Vote: All in favor. **Motion carries.**

II. New Business

A. Article 13 – Waste Management TIF

A representative from Waste Management and a representative from the Norton Commerce Center addressed the FinCom regarding the possible TIF (Tax Increment Financing program) agreement.

This would be just a property tax exemption for the Waste Management trucks, etc. The facility is currently under construction and will be consolidating 3 facilities into this Norton site. It will have 130 employees. The estimated value of the building improvements is \$5.5M. Because of these improvements, the estimated property tax Norton that would receive would be \$883,457 (over 10 years) and the Property Tax savings that Waste Management would receive would be \$502,917. The TIF Exemption would decrease each year from 90% the first year to 35% the tenth and last year.

B. Article 12 – JCS Roof Repair

Interim Superintendent Martes and Mr. Barry Nectow, presented this article to the FinCom, explaining that the article is requesting an additional \$575K to do a complete roof replacement.

Superintendent Martes explained that most of the roof is from 1978, with the exception of a part that was replaced after a fire in the 90s.

He went on to explain that it was decided that they would participate in the expedited MSBA program. As part of this program the MSBA provides an architect and project manager. If approved, the work would begin this summer and be finished before the first day of school in September.

The reimbursement rate would be about 56%. Therefore, the MSBA would pay about \$830K and the town would pay about \$662K.

The roof would be a PVC roof system with a 20 year warranty on the product, with a 3-5 year warranty on the labor.

The request of an increase in funding for this project is due to the omittance of additional costs that are associated with dealing with the MSBA, partially because the project was submitted quickly.

Superintendent Martes noted that the reimbursement from the MSBA is quick.

He also said that he would be very prepared to answer all these kinds of questions on the town meeting floor.

C. Free Cash Allocation

Mr. Yunits informed the FinCom that the present amount of certified Free Cash is \$2,357,256. He recommends that it be distributed as follows:

- \$200K - Held in anticipation of snow
- \$3,003 – Unpaid Bills (Article 1)
- \$3,916 – Collective Bargaining (Article 2)
- \$108,754 – Operating Budget Supplements (Article 3)

- \$300K – Capital Improvements (Article 6)
- \$21,377 – Separation Expenses (Article 8)
- \$40K – OPEB Contribution (Article 9)
- \$3,400 - Assessing Database (Article 15)
- \$25K – Legal Fund for 40B (Article 17)
- \$2 – Two street acceptances
- \$13,500 – Codification Services (Article 20)
- \$4K – Voting Machine (Article 21)
- \$700K – FY14 Budget
- \$200K – Stabilization Fund (Article 27)
- \$60,882 – Veteran's

The balance of uncommitted funds is \$674,336.

Mr. Helmreich questioned whether funds should be put in both Stabilization as well as Capital Improvements. Mr. Yunits stated that the Stabilization balance is \$927,804 but that the desired balance would be about \$1.3M more than what it is. He also said that the present balance in the Capital Improvements fund is \$713,803 but that \$306,745 is being proposed to be coming out of the Capital Improvement fund for Article 7.

Mr. Yunits explained that the Free Cash balance is so high because the Medicaid reimbursement was higher than expected as well as a one-time reimbursement received.

D. Capital Improvements Recommendations

Mr. Yunits reported that the following has been recommended by the Capital Improvements Committee:

- \$92K – Conservation Commission dam project
- \$25K – Town Hall design and replace heating
- \$70K – Town Hall carpets
- \$16K – Highway Dept. door openers
- \$30K – Fire Department thermal imaging cameras – will come from the Ambulance Fund
- \$22K – Fire Department – JAWS of Life
- \$30K – Yelle School fireproofing
- \$41,745 – Highway Department – dump truck with plow
- \$32K – Library carpet replacement

Total from Capital: \$306,745

Total from Ambulance Reserve: \$52K

TOTAL: \$358,745

E. Other Warrant Articles

Article 3 – FY13 Operating Budget Supplements -

The total of the supplements is \$108,754, the largest one being \$80K for a water bodies study for weed control. Mr. DeLuca asked whether there has been another study in a town with a similar weed problem as Norton has. He suggested finding such a study and using the information/conclusions of the study instead of paying \$80K for another study on the weeds. He also mentioned that there have already been similar studies done in Norton in past years. Mr. Tarantino and Mr. Helmreich agreed with Mr. DeLuca, questioning whether Norton's bodies of water are that unique.

Mr. Carignan said that he would like to see exactly where the \$80K goes towards. Mr. Yunits said that the study looks at all the lakes, what weeds are in the lakes and what is the best treatment for them.

Article 24 – By-Laws: Personnel By-Law Amendment – No Action will be taken on this article.

Article 25 – Town Meeting By-Law Amendment -

The By-Law and the newly revised Charter do not match up on the scheduling of town meetings. This article would align them.

F. Warrant Article Votes

Article 3 – Operating Budget Amendments - **Motion** was made by Mr. DeLuca to recommend Article 3 in the amount of \$108,754. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

Article 6 – Capital Improvements Funding - **Motion** was made by Mr. Helmreich to recommend Article 6 in the amount of \$500. Seconded by Mr. DeLuca. Vote: 5 in favor, Mr. Flaherty opposed. **Motion carries.**

Article 7 – Capital Plan Amendments - **Motion** was made by Mr. DeLuca to recommend Article 7 in the total amount of \$358,745 - \$306,745 from Capital Improvements and \$52K from the Ambulance Fund. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

Article 11 – Land Acquisition - **Motion** was made by Mr. Flaherty to recommend Article 11 as written. Seconded by Mr. DeLuca. Vote: All in favor. **Motion carries.**

Article 12 – JCS Roof Repair - **Motion** was made by Mr. Flaherty to recommend Article 12 in the amount of \$575. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

Article 13 – Waste Management TIF - **Motion** was made by Mr. Helmreich to recommend Article 13 as written. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

Article 24 – By-Laws: Personnel Amendment - **Motion** was made by Mr. Thomas to recommend NO ACTION on Article 24. Seconded by Mr. Helmreich. Vote: All in favor. **Motion carries.**

Article 25 - By-Laws: Town Meetings Amendment - **Motion** was made by Mr. Helmreich to recommend Article 25 as written. Seconded by Mr. Thomas. Vote: All in favor. **Motion carries.**

Article 27 – Stabilization Fund - **Motion** was made by Mr. Helmreich to recommend Article 27 in the amount of \$0. Seconded by Mr. Thomas. Vote: 5 in favor, with Mr. Flaherty opposed. **Motion carries.**

III. Old Business

Next Meeting

The next meeting is scheduled for October 29, 2012 at 6:00pm.

Adjournment

Motion was made by Mr. DeLuca to adjourn at 9:15 pm. Seconded by Mr. Flaherty. Vote: Unanimous. **Motion carries.**

Documents Referenced:

TIF Proposal
Capital Recommendations
Warrant
JCS Roof handout

Respectfully Submitted by: _____

Lee Tarantino, Finance Committee Chair

Sara Lyons, Finance Committee Secretary