

**Finance Committee Meeting**  
**March 16, 2011**  
**7:30 PM**  
**Municipal Center – Selectmen’s Conference Room**

**Present:** Chair, Thomas DeLuca; Vice-Chair, Paul Helmreich; Jackie Desrochers; Michael Flaherty; Wayne Graf; Brett Franklin; Lee Tarantino; Town Manager, Michael Yunits.

**Absent:** Jackie Desrochers; William Rotondi; Michael Thomas.

**Call to Order**

Meeting was called to order at 7:30 pm.

**I. Approval of Minutes**

**Motion** was made by Mr. Graf to approve the March 2, 2011 Finance Committee minutes as amended. Seconded by Mr. Tarantino. Vote: All in favor, with Mr. Franklin abstaining. **Motion carries.**

**II. New Business**

It was announced that, with regret, the resignation of Ms. Cheryl McFaun was received by the Finance Committee.

**Annual Town Meeting Warrant Articles -**

**Article 7 – WPAT Administrative Costs** – Mr. Leon Dumont, Health Agent, addressed the FinCom regarding Article 7. The article requests a transfer of \$10K from the Water Pollution Abatement Trust Program Reserve to support the administrative costs of the program. He stated that there is currently \$85K in the account.

**Motion** was made by Mr. Tarantino to recommend Article 7 in the amount of \$10K. Seconded by Mr. Helmreich. Vote: All in favor. **Motion carries.**

Mr. Keith Silver, Highway Superintendent, addressed the Finance Committee regarding 2 articles on the warrant as follows:

**Article 14 (formally 16) – New Revolving Fund: Road Openings** – Mr. Silver said that currently when a road repair emergency occurs, the Highway Department immediately fixes the problem, drawing on Highway funds when doing so. He said that when the town is reimbursed for this action, the money goes into the general fund not back into the Highway Department's budget. This article is requesting that a revolving fund be established so that when such emergencies occur, the funds used would come from this account and then when the town is reimbursed the funds would be replaced into this account.

It was noted that the way a revolving fund works is that the funds are set up to be used for something specific and cannot be used for anything else. Mr. DeLuca suggested that Mr. Silver find out what the cap is on such a revolving fund and *exactly* what the funds could be used for.

**Article 27 (formally 32) – By-law Amendment: Snow Removal** – Mr. Silver explained that this article addresses the problem of snow being plowed or shoveled onto public areas in town, particularly sidewalks. He said that the change in the by-law would allow for the Highway Department, Selectmen, and Police to enforce penalties for doing so, as follows: First Violation – verbal warning, Second Violation - \$100 fine, Third Violation - \$200 fine, and a Fourth Violation - \$300 fine. He explained that this would be valid for a 24-hour period.

Mr. Helmreich suggested changing the time period to one-year. Mr. Tarantino suggested the by-law to read as “Twelve (12) months”. He asked who would be issued the penalty – the homeowner? The plow driver? The contractor? Mr. Tarantino also said that he feels that the \$25 fee for providing false information should be much higher. Mr. DeLuca asked how this by-law would be enforced. He asked that the article be re-worked, including having town counsel look at it, and then be re-submitted.

**Article 28 (formally 33) – Senior Citizens Property Tax Work-Off Program** – This article would change the dates of the work period to January 1<sup>st</sup> – November 1<sup>st</sup> so that the workers would get taxed in the same

year in which they worked. It was further explained that the seniors who take part in this are taxed on the \$500 they earn as a part of this program.

**Motion** was made by Mr. Tarantino to recommend Article 28. Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

**Article 3 – Employee Benefits Liability Trust Fund** – Mr. Yunits explained that this article sets up the account. He said that Standard and Poor's is strongly encouraging cities and towns to have this fund.

**Motion** was made by Mr. Helmreich to recommend that \$1K come from Free Cash to enable this Employee Benefits Liability Trust Fund. Seconded by Mr. Graf. Vote: All in favor. **Motion carries.**

#### **Fixed and Shared Expenses –**

In a discussion of the town's fixed and shared expenses, Mr. Helmreich requested that Mr. Yunits get a comparison of the town's current health plan and the state's group health insurance (GIC – Group Insurance Commission).

**FY 12 Estimated Revenues and Expenditures** – Mr. Yunits reviewed the Estimated Revenues and Expenditures for FY12 with the FinCom. He noted a surplus of \$331,170 which, because of the 70-30 split, would mean about \$100K for the town side. Mr. Yunits said that there is a deficit of \$154K for snow removal. It was stated that the current Free Cash balance is \$169K. If the snow deficit is paid with Free Cash, there is a balance of \$15K. Add that to the \$100K surplus and the total is \$115K.

Mr. Tarantino said that he would like to remove the \$400K Free Cash that is in the FY12 budget and balance the budget without it. He reiterated that a budget should not be made with non-recurring funds. He suggested that anything extra should be put into Stabilization or Capital Improvement accounts.

A discussion was had on whether funds would be put into the Stabilization Account or the Capital Improvements Account for FY12. Mr. Yunits said that something, no matter how small, should be put into the Stabilization Account. Mr. Helmreich agreed, stating that a town receives a higher bond rating when the bonders see money being put into Stabilization and Capital Improvement funds.

#### **Budget –**

Mr. Helmreich suggested putting an enabling article on the June 6<sup>th</sup> Special Town Meeting warrant to allow for changes in funding from the state that would occur between the May 9<sup>th</sup> Annual town Meeting and the June 6<sup>th</sup> meeting.

**Motion** was made by Mr. Helmreich to place an enabling article on the Special Town Meeting within the Special town Meeting that would allow the budget to be re-opened. Seconded by Mr. Tarantino. Vote: Mr. Helmreich, Mr. Franklin, and Mr. Flaherty in favor, and Mr. Tarantino, Mr. DeLuca, and Mr. Graf opposed. **Motion fails.**

#### **FinCom Transfer –**

Additional office hours in the Assessor's office were needed during the abatement period.

**Motion** was made by Mr. Helmreich to transfer \$2,007 from the Finance Committee reserve account to acct. # 141-510-5115 (Assessors Department – Office Salaries). Seconded by Mr. Flaherty. Vote: All in favor. **Motion carries.**

### **III. Old Business**

#### **Next Meeting**

The next meeting is scheduled for March 23, 2011 at 7:30pm.

**Adjournment**

**Motion** was made by Mr. Tarantino to adjourn at 9:00 pm. Seconded by Mr. Flaherty. Vote: Unanimous.  
**Motion carries.**

**Documents Referenced:** Minutes of March 2, 2011  
Warrant for the Annual Town Meeting  
Handout of fixed and Shared Expenses  
Handout of FY12 Estimated Revenues and Expenditures  
Finance Committee Reserve Account transfer request

Respectfully Submitted by: \_\_\_\_\_

**Tom DeLuca, Finance Committee Chair**

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**Sara Lyons, Finance Committee Secretary**