

Finance Committee Meeting
 March 7, 2008
 1:00pm
 Judge Welsh Meeting Room
 Called to Order: 1:07pm

Membership:

P	E	U	Name	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gary Delius, Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ruth Gilbert, Vice Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Robert Vetrick	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Virginia Ross	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Walt Winnowski	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Edward Gage	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	David Bedard	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano, Alternate	<input checked="" type="checkbox"/> Voting
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle, Alternate	<input checked="" type="checkbox"/> Voting

(Note: **P** = Present **E** = Excused **U** = Unexcused)

Also Present:

Alix Heilala, Finance Director

Order of Business:

1. To finish consideration of the FY 2009 Budget, including the Library, Waste Water Enterprise Fund (WWEF) and any other Departments who have yet to be heard or have been tabled.
2. To consider the Capital Intensive Programs (CIP) Budget
3. To consider any other business which may legally come before the Finance Committee.

Budget Reviews

440 Wastewater Enterprise Fund - Presented by David Guertin, Dana Faris & Ron Gamella

(The Wastewater Enterprise Fund (WWEF) proforma was previously reviewed and discussed at the Committee’s February 13th meeting).

Mr. Guertin pointed out that the personal services budget is level staffed. The State Department of Environmental Protection (DEP) has approved a number of gallons to support economic development, connections of properties with failed systems and optimization of the downtown portion of the system. However, the WWEF does not have the funds on hand to undertake this project and it will require a separate article at Special Town Meeting to raise and appropriate the funds.

Motion #1 : To recommend budget 440 Wastewater Enterprise Fund in the amount of \$2,388,368.			
Motion By: Thomas Coen		Second By: Edward Gage	
For: 5	Against: 0	Abstain: 0	Recuse:

Capital Improvement Program (CIP) Reviews

450-1 Water Enterprise Fund - Block Grant Matching Funds - Presented by David Guertin & Dana Faris

Mr. Guertin discussed the project to add water filtration at the Knowles Crossing well field to lower the levels of manganese and iron in the water. The State is likely to mandate this in the future. Users of Town water will benefit from the elimination of these substances that can shorten the life of their plumbing and heating systems.

The project will obtain most of its funding (\$600K - \$800K) through a Block Grant from the State DEP but it requires that the Town put up \$30,000 to

\$50,000 in matching funds. The Water Enterprise Fund does not have the cash on hand to provide the matching funds.

Motion #2 : To recommend CIP request 450-1 Block Grant Matching Funds in the amount of \$50,000.			
Motion By: Ed Gage		Second By: Thomas Coen	
For: 4	Against: 1	Abstain: 0	Recuse:

220-1 Streets & Sidewalks - Presented by David Guertin & Dana Faris

Mr. Guertin explained that this request is for annual maintenance of streets and sidewalks including line painting and patching which is a matter of public safety. Unlike in prior years, this is being presented as Proposition 2 1/2 one-time capital exclusion.

The Committee questioned why this was not included in the normal DPW budget. Mr. Guertin responded that for the last 21 years this has been funded through a separate Town Meeting article. The sense of the Committee is that it should be included in the base budget going forward.

Motion #3 : To recommend CIP request 220-1 Streets & Sidewalks in the amount of \$50,000.			
Motion By: Thomas Coen		Second By: Edward Gage	
For: 5	Against: 0	Abstain: 0	Recuse:

299-2 DPW Drainage Repairs - Presented by David Guertin & Dana Faris

Similar to the previous CIP request, Mr. Guertin explained that this request is for necessary maintenance of the Town’s catch basins. The Committee agrees that this should also be included in the DPW’s base budget in the future rather than as a Proposition 2 1/2 one-time capital exclusion.

Motion #4 : To recommend CIP request 299-2 DPW Drainage Repairs in the amount of \$50,000			
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Motion By: Edward Gage		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

Budget Reviews (con't)

610 - Library – Debra DeJonker-Berry & Edward Rudd

(This budget was previously reviewed at the Committee's February 27th meeting and was tabled for further discussion).

Ms. DeJonker-Berry presented a revised budget that has been reduced by \$9,934 as follows:

51100 Department Heads	(\$ 1,781)
51110 Vacation Relief	(\$ 2,404)
54103 Stationery/Printing Cost	\$ 100
54601 Books/Subscriptions	(\$ 5,849)

Ms. Heilala noted that the decision has already been made to remove the proposed 3% staff salary increases from all budgets, including the \$1,781 for the Library Director.

Mr. Gaudiano asked whether it is possible to close the library on Saturday or Sunday to reduce costs. Ms. DeJonker-Berry explained that the library is only open from 10-2 on the weekends and is run by on-call staff. Sunday is the highest circulation day.

Ms. Gilbert expressed reservations about the proposed librarian/fund raiser position. The consensus of the Committee is, now that other cuts have been made in the budget to cover the higher salary of the position, we should give it a try and see how successful it turns out to be.

The \$100 increase in the Stationery/Printing Cost appeared to be an error which was addressed in the motion.

Motion #5 : To amend budget 610, Library, as follows:

- Reduce the B Budget (Expenses) by \$100 from the 54103

Stationery/Printing Cost line; And to recommend the revised total amount of \$303,407.			
Motion By: Thomas Coen		Second By: Frederic Biddle	
For: 5	Against: 0	Abstain: 0	Recuse:

910 – Retirement/Benefits/Insurance - Presented by Alix Heilala

(This budget was previously reviewed at the Committee's February 6th meeting and was tabled for further discussion).

Good news: Ms. Heilala presented a revised budget that has been reduced by \$120,874 as follows, based on the latest information provided by the insurers:

51200 Health Insurance	(\$ 12,225)
51204 Worker's Compensation	(\$ 64,650)
52201 Vehicle Insurance	(\$ 6,992)
52202 Comprehensive Insurance	(\$ 36,687)

The Committee resumed an earlier discussion about how we could reduce the Town's 80% contribution toward employee health insurance which alone accounts for roughly 14% of the Town budget. Other towns' contributions range from 65% to 75%. Under State law, this would require that all employee union contracts be renegotiated at the same time.

Motion #6 : To recommend budget 910, Retirement/Benefits/Insurance, in the amount of \$4,530,324.			
Motion By: Frederic Biddle		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 0	Recuse:

710 – Debt Service - Presented by Alix Heilala

There was a brief discussion as this is an uncontrollable expense.

Motion #7 : To recommend budget 710, Debt Service, in the amount of \$1,944,378.			
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Motion By: Edward Gage		Second By: Thomas Coen	
For: 5	Against: 0	Abstain: 0	Recuse:

Next Meeting:	March 12, 2008 @ 1:00pm
Adjourn:	3:20pm
Minutes by:	Thomas Coen

Approved by _____ on _____, 2008
 Ruth Gilbert, Vice Chair