



FINANCE COMMITTEE
Town of Grafton
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2016 APR 12 AM 10 08

Approved Finance Committee minutes o of February 24, 2016 on March 12, 2016

AGENDA

Finance Committee
Public Meeting/Public Hearing
Wednesday, February 24, 2016
7:00 P.M.
Conference Room F

7:00 P.M.

Public Meeting of the Finance Committee called to order

Open the Public Hearing

Presentation of the proposed FY17 Operating and Capital Budgets by the Town Administrator.

Public Discussion following the presentation

Continued public meeting

Outstanding bills:

Holden Landmark

Ed Prisby—not needed

Review of minutes:

February 08, 2016

Member topics:

Feedback from Ed Prisby : January ATFC meeting- not needed

Review of agendas for the upcoming departmental budget reviews

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Public Meeting

The public meeting of the Finance Committee was called to order at 7:03 P.M. by Chairman Joel Schwendemann.

Finance Committee members present:

Joel Schwendemann, Denise Nault(7:11 P.M.), Jennifer Dorazio, Roger Currier, Don Davison, Lisa Brovelli Kelley, Heather McCue(7:15 P.M.) Ed Prisby.

Finance Committee Member absent:

Sue Robbins

Public Hearing

Motion: Don Davison moved that the Finance Committee open its public hearing.

Seconded: Ed Prisby. All in favor. Motion carries.

The public hearing of the Finance Committee opened at 7:04 P.M.

FY17 Proposed operating and capital budgets

Presentation by Town Administrator Tim McNerney and Assistant Town Administrator Doug Willardson

- The Board of Selectmen has not received the detailed information on this proposed budget to date.

Discussion topics as the FY17 budget were reviewed:

- **Tab 1**

Pages and 6 and 7 of the budget book a conservative approach to FY17

Tricia Fay, Town Accountant is no longer working for the Town of Grafton and is responsible for the majority of the information on pages 6 and 7

- **State Aid**

2/3 of the district qualified for minimal aid- a serious political subject.

- **OPEB and liability**

- **TAB 4**

Particulars of the budget

Neither stabilization funds nor Free Cash are sources of funding for the Operating budget

- **Tab 5**

Policies

- **Tab 6**

More comprehensive than the annual

List of all vehicles

List of all buildings

Maintenance expenses will be determined by approximately 1% of the building value.

- **School Department Budget**

March 08, 2016 is the anticipated evening that voting will take place on the School Department budget

- **Tab 2**

The Budget table will become the May Town meeting Warrant Article for the FY17 budget

Tab 2 lists every single revenue line

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Trash

Future is destined to save \$10 of thousands and not \$100s of thousands.

It will be a Board of Selectmen decision to look at Harvey Services instead of the continued Use of Wheelabrator

To increase the price of trash bags is a consideration.

- **Medicaid**

Is a delay (prior year) due to GIC

- Health Insurance % increases will be announced in March 2016

- **County Retirement**

Increase of \$105,000 for county retirement 193 account page 13.

The Town only pays for Town of Grafton retirees

Pension fund has administrative requirements- both for legal and approved investments

- **GIC**

GIC overall went up 9% but the Town increase was 5%

Majority of those enrolled is on the Fallon plan

Deductibles and copays remained the same

Hospitals are the more important issue

Discussion relative to the GIC Fallon plan vs. the previous Fallon plan offered

Incentives have been offered by the Town to employees to take alternative health plans other than the Town plan.

- **Majority of Town's costs**

Personnel is 76% of the budget

School side of the budget is growing at 5.25% per year

With an increase in benefits

Town side of the budget is growing at 3% per year

With an increase in benefits

Contracts:

Clerical unit contract carries through June 30 2018

OPEB is not addressed in this budget

- **Snow and Ice**

Over spend of \$50,000.00 in FY16.

In the process of purchasing salt for the roads

Salary money will likely cover the deficit of snow and ice

Finance Committee will vote on the over expenditure of the Snow and Ice account at their March 05, 2015 meeting.

Brief discussion to increase the Snow and Ice budget

- **Opeb(Other Post Employment Benefits)**

\$3.3 million is currently in Grafton's main Stabilization Fund

How to approach- a near future discussion for the Board of Selectmen and Finance Committee is needed

OPEB will not work against us as long as the funds are set up in a stabilization fund

An OPEB stabilization fund cannot be used for any other project

Suggestion by the Administration-at the End of each fiscal year- whatever is left or a percentage in the health insurance line can be placed in the OPEB account

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- Discussion on OPEB

Start to report Town status in 2017

Impact (penalty fees, etc.) begins in 2019

Start the funding process now- legal vs. prudent

- **Tab 3**

Breakout of expenditures

Pg. 38 deals with the roads- a good portion of the override for roads

Pg. 30 is the upcoming roads that will be addressed

Interest is from \$1.5 million override funds

- **Unemployment compensation**

- **Free Cash**

Due to budgeting closer to the needs of the Town, Free Cash has been less per year.

- **Capital**

Matter of priorities

Review of list of projects

Fire tanker tried for a grant for 2 years and it did not happen

Suggesting a need for an **override** to fund the tanker

CPC funds to handle some of the list of capital projects:

Recreation's **beach needs** is an option

Planning for 1 vehicle to be replaced for DPW but community wide support can pass both vehicle requests

DPW Barn on Adams Road

Library

Patio

Self-service check out device

Use of Free Cash as a funding source for Capital

School capital list

School created their own capital plan

Based on their factors (the school)

Needs vs wish list

Funding source?

- **Source of Funding for May 2016 Town Meeting articles**

One source: To close out warrant articles no longer needed as a result of completed projects to reuse any article fund balances

Close out of articles and to reuse the funds will be a town meeting article

- **Long term capital plan**

Looked at all vehicles and equipment

Average amount of funds needed is \$547,000.00 annually

Building determining need as 1% of the building value for maintenance projects

\$2.1 million is needed each year to fund capital projects

2019 Plan to borrow long term for DPW

2022-2023 Library addition to fund the Town's portion of the cost

2032 Pension costs should be funded

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- **Property development**

- **Super Park**

- Seek a grant to see if we can match out dollars

- **Creeper Hill**

- Sell this property and take advantage of generated excise tax.

- **Tufts/Centech Park/ Science Park**

- There is some interest being generated

- Tools are needed to incentivize

- TIFS are available

- **Collector/Treasurer and Human Resources**

- Discussion FY16 vs. FY17

- FY17 Number has not gone down in Collector/Treasurer's office

- FY16

- Human Resources funding came from Town Administrator's Professional and Technical 5 FTEs in Collector/Treasurers Office

- **Board of Assessors**

- \$100,000 warrant article

- Increase in expenses- why?

- CAMA needs a software conversion update- \$10,000.00

- **Conservation/Planning**

- These 2 offices have been physically merged

- 14.5% expenses

- \$ 2,000.00 to open up trails

- Fees fund the Conservation Commission

- **Building Department and Board of Health**

- Future plan to merge these offices in order to bring the permitting process available in one office.

- **South Grafton Community House**

- Is this an adequate budget for FY17?

- The budget should be fine to maintain the building

- The repair that needed a transfer request from the Reserve Fund was unexpected

- Possible future repairs may arise and may require another reserve transfer.

- **Stowe Road**

- Large repairs needed for Stowe Road

- The Town Administrator stated that the work is being completed through Chapter 90 funds and the Stabilization account for roads funds.

- Road is 60% designed.

- This project may not be an article on the May Town Meeting Warrant

- These can be Board of Selectmen decisions.

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- **Fire Department- capital request**

General thought that we had ample hydrants throughout the town- what is the need for the tanker?

What is the drive to fund it today? Or in the future?

Town Administrator says that it is not a safe vehicle

Joel Schwendemann wants to know what are the drivers to make it on the CIPC list?

Skip Currier explained the history of the tanker.

*Ask the Fire Chief about the capital list- tanker at the March 5th budget review meeting.

- **Police Department**

One replacement cruiser is through the capital budget

One replacement cruiser is through the operating budget

The Town Administrator stated that there was a need to present a balanced budget and moving the cruiser to Capital accomplished this.

- **Recreation**

Recreation is a self-funding department with the exception of the Beach programs.

- **Override funds**

Brief discussion spearheaded by Joel Schwendemann:

Taxing to the levy limit of the left over override and having to extend that money to make up Minimal state aid is a major concern.

How do we begin to prepare for beyond FY19?

Joel would like to plan for that- have discussions to plan for FY19 and beyond.

The Town Administrator stated that the solution is to develop CenTech Park and the Science Park.

Zoning amendments are needed to not inhibit growth of the Town's commercial base.

The Town Administrator does not feel the need to have an in house economist.

Mass.com and MASS econ and the Tufts pilot continue to increase connections of companies

That is interested in Grafton.

Close the Public Hearing

Motion: Don Davison moved that the Finance Committee close its public hearing.

Seconded: Ed Prisby. All in favor. Motion carries.

The public hearing of the Finance Committee closed at 9:08 P.M

Outstanding Bills

Bills from Holden Landmark

Motion: Lisa Brovelli Kelley moved that the Finance Committee approve payment to Holden Landmark for three bills in each amount of \$40.00, \$88.00, and \$40.00 in the total amount of \$168.00.

Seconded: Don Davison. All in favor. Motion carries.

Bill from Ed Prisby

Ed Prisby did not submit a bill since he did not attend the seminar.

Review of Minutes

Minutes of February 08, 2016

Motion: Lisa Brovelli Kelley moved that the Finance Committee approve the minutes of February 08, 2016 as presented.

Seconded: Jennifer Dorazio. All in favor. Motion carries.

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Training Session on April 14, 2016

The Open Meeting Law, Public Records Law and Ethics training needs to be attended by all Boards and Committee members on this date. It was decided that Finance Committee's public hearing will begin at 8:00 P.M. so that Finance Committee members can attend the 6:30 P.M. session.

Adjournment

Motion: Lisa Brovelli Kelley moved that the Finance Committee close its public meeting.

Seconded: Ed Prisby. All in favor. Motion carries.

The public meeting of the Finance Committee adjourned at 9:25 pm

Respectfully submitted,

Susan M. Fiacco



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PLEASE SIGN IN
Wednesday, February 24, 2016

Public Hearing Sign in Sheet

Name **Address** **Operating or Capital Budget interested in:**

Barry Smith 7 GARDEN Atc

Bruce Spinner 71 Pollock Hill Rd