



FINANCE COMMITTEE
Town of Grafton
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Finance Committee
 Public Meeting
 Wednesday, December 16, 2015
 Conference Room F
 7:00 P.M.

Public Meeting

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

Finance Committee

Present: Joel Schwendemann, Denise Nault, Jennifer Dorazio, Don Davison, Heather McCue, Lisa Brovelli Kelley, Sue Robbins, Ed Prisby (7:06 P.M.) Roger Currier(7:32 P.M.)

Absent: No members were absent.

Transfer request from the Reserve Fund for South Grafton Community House

Bob Berger, Building Inspector is present to discuss the transfer request for South Grafton Community House.

- 1 set of Pictures of the wall damage was circulated to Finance Committee members by Bob Berger.
- Source of the wall damage:
 The wall damage has an estimated price of \$18,000.00
 The wall has to be opened up to determine if there is an additional damage
 Damage could have been part of the result of an ice dam
 Damage needs to be repaired immediately
- Other funding source to fund this project
 Free Cash would require Town Meeting action.

Motion: Don Davison moved that Finance Committee approve the transfer from the Reserve Fund to the South Grafton Community House in the amount of \$20,000.00.

Seconded: Heather McCue. All in favor. Motion carries.

Member topics

School Department Budget Subcommittee:

- Development of the school budget for FY17

Jennifer Dorazio sent the November 18, 2015 subcommittee budget discussion to all Finance Committee members for review via email.

This information is open for discussion and/or questions at this December 16, 2015 Finance Committee

- Concerns- Budget shortfalls for children moving into district with reimbursement received the following fiscal year- ways to approach this budgetary problem

Sue Robbins offered past history practice of the School Committee- A warrant article at Town Meeting was used as an avenue to handle the shortfall.

Revolving fund concept since there is no gauge for planning.

The Town Administrator and Superintendent of Schools are in the process of discussing the revolving fund concept for this purpose.

Don Davison asked where the reimbursement goes when it finally comes back to the Town.

11/18 School Budget Subcommittee info sent by Jenn:

I have attached the package we went over with Jay Cummings and Dan Gale at the School Budget Subcommittee meeting last night. Some highlights:

- Foundation Budget Review Commission – recommendations from this Commission to the State Legislature. Changes that would affect the Foundation Budget as a whole. Sentiment is that unlikely to pass as is, but any changes help. Recommendations listed in order of magnitude. School Committee is looking to have some grassroots meetings/campaigns to enlist citizen help in lobbying our reps.
- Separate from this is movement to increase the minimum aid funding (where we currently fall). Currently sits at \$25 per pupil (up from original \$20). This is being used for budgeting purposes for next year, but amount per pupil could change.
- Building-Based Allocations (p 7) – this is for basic supplies. Changed budgeting a few years ago to utilize a 'per pupil' model. Has been tight, so building in \$5 per pupil increases for next year.

- Textbooks & Instructional (Curriculum) (p 8-9)
- Decrease in Tech really just a reclassification – not an overall decrease
- Textbooks – driven mainly by purchase of math books for K-8
 - Staffing (p10-12)
- Jay gets full list of requests from schools, pares down before he presents to school committee.
- For this year, received list of about 45 FTEs of which he plans on presenting 12-13 to school committee
- The majority of those are required SPED hirings (slides 4 and 5).
Note we also went through their draft capital planning document. As I mentioned last night, they are modeling it (or parts of it) after Northborough's plan. I don't want to speak for Lisa, but I thought it was well put together; vast improvement over what we see town-wide. They plan to have a final draft sometime before month end – once I receive I can forward along.

January 11, 2016

The Public Hearing of the School Committee to hear/ approve the FY17 proposed budget.

Out of district- increases in cost

More funds are being budgeted to CIPC projects than normal for FY17.

Grafton School District did receive the ASBO(Association of School Business Officials) award for last year's thorough budgeting process

FY17 operational and capital budget

Sue Robbins would like to know when Finance Committee will receive the proposed FY17 operational and capital budgets for review and preparation prior to the February 10, 2016 public hearing?

Visual budget concept approach for FY17 budget – Sue Robbins

- Main purpose:

For the Townspeople to have transparency tool

To provide a visual to show where actual dollars are going in the Town's budget and how the funds are spent.

- Concern

this visual budget software program may not be accepted by the Town Hall website

- Solution

Finance Committee could put a link on their website as a possible solution
It can cost to set up the program but many towns have set it up for their community.

- Finance Committee member feedback:

Sue Robbins finds it to be very revealing and interesting.

Joel Schwendemann stated that it is easy to navigate and straightforward.

Data has to be entered and updated by the Town.

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Ed Prisby loves it and it provides the history necessary to develop patterns.
 IT may be the source for setting up the software
 Sue Robbins volunteered David Robbins to see if the Visual Budget concept is compatible with the Town Hall website and report back to us.
 Dave Robbins stated
 that the program is organized by government and departments
 there are other ways to further break it down to suit the Town's purposes
 A single person should not be responsible but possibly the IT Department can keep the data updated.

Article 5 of the October 19, 2015 Town Meeting- Super Park appropriation :

- Cost factor:

Phase I- estimate of \$390,000.00

Includes Roadway, infrastructure, parking, rubberized play surface and play equipment.

Funding: CPC/overlay surplus

Phase 2- Estimate of \$248,000.00

Includes: Additional play equipment

Funding: Grants/private fundraising/CPC

Total \$638,000.00

Status of project?

Article 16 of the October 19, 2015 Town Meeting- Stowe Road:

The Town signed a contract with Graves Engineering.

DPW is helping with brush clearing

The engineering work should be done by the Spring

The estimate should be ready in anticipation for May Town Meeting.

Cost factor? The amount will be provided in the May Town Meeting warrant article.

OPEB (other post employee benefits)

DEFINITION of 'Other Post-Employment Benefits - OPEB' Post-employment benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee.

The Town has a 1/1/13 actuary evaluation from Stone Consulting.

There is very little in the Town's OPEB fund

An updated report from Stone should be available in another month or so.

Capital projects for FY17

The capital projects list is a formal request from the Town Administrator and Superintendent of Schools to all departments for submittal of all requests in order to begin the process of the Capital planning with the end result of it being reviewed and voted on at May 2016 town meeting.

- Grafton Public Schools (GPS) Capital Plan 2017-2021

Final draft- 5 year plan-

Joel reviewed with Jay Cummings and made a few suggestions, clarifications on reasons for replacement for example,

Determination of resulting value for action taken on replacing a capital item.

Sue Robbins was impressed by the whole presentation and thought that it was a job well done.

- CIPC

Lisa Brovelli Kelley stated that 2 department requests reviews have been completed.

The final CIPC list should be ready for the end of January.

Process verification:

The list of items that did not make it for the year, drops off the list for the following year, unless the department resubmits.

A 5 year plan is not being developed for CIPC at this time.

The Town Administrator has asked each department for a 5 year plan.

- Discussion topics

Sue Robbins- teach people how to provide a 5 year plan through development and training.

Lisa Brovelli Kelley- Fire Department, for example, can foresee their long term needs easier than other departments.

Roger Currier- people should not be selected as department heads unless they can foresee- take care of it, put the plans together.

Ed Prisby needs to study it more

Denise Nault- better pecking order of projects

Don Davison- - immediate needs must be congenial with longer term planning

Guidance-

Are general questions answered by the Town Administrator?

Is a mini workshop needed on this topic for all departments?

Is an educational forum put on by the employer a needed training tool?

Denise Nault- personnel and supplies needed- each departmental budget is not working at a wider scope

Roger Currier- more emphatic about what gets done

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Denise Nault

A separate company can be invited to come to the Municipal Center to evaluate the capital needs- open a capital surplus account to provide a funding source.

Sue Robbins asked Denise if the company would be willing to come out to present to Finance Committee and Town Administrator?

Denise Nault will be happy to call them and ask them if they would come out- Joel stated that this would have to be a joint meeting and administration should be advised first.

Joel- tie in for this discussion-

History of certified free cash

Discussion topics:

Free Cash is designated every year for Capital projects

Free Cash is a planned revenue stream

Free Cash cannot be a part of the fiscal year budget

Adjusting the budget figures has been regularly done through October Town Meeting

Should the Town Administrator budget a little tighter?

Use of Free Cash and the effects on borrowing capabilities and interest rates

Proposal to have a discussion with the Town Administrator relative to the best use practices for the annual budget.

Set up a capital stabilization fund

Concerns about micromanaging departmental budgets

- **Other sources of funding**

Using interest from Stabilization accounts for example

Don Davison asked if interest can be used as a source of funding?

History of Certified Free Cash

The Town Accountant prepared information on Free Cash for Finance Committee

Review of Appropriations list for FY15

Briefly reviewed and full list is in this evening's packets

This information is a tie in to the Free Cash discussion.

Review of the list of old warrant articles

Finance Committee would like to see more movement on these articles to bring some closure to these projects and balances

timeline needed

status needed

Blackstone Valley Vocational Technical Regional School District

- Relative to the budget history request, the information was received. Joel Schwendemann thinks that we will never get the detail that was asked for. General consensus of the committee is for no need to follow up.

- Stabilization Fund for Blackstone payments

Roger Currier inquired about the stabilization fund that was set up for regular deposits.

Don Davison responded that this practice was nixed and the pay as you go policy was decided upon.

- Blackstone Meeting dates for FY17 budget preparation

Sue Robbins is interested in attending the budget meetings but will advise if she can make it.

Review of the schedule of meeting dates of the Finance Committee

- **Wednesday, January 13, 2016**

Subcommittee for school budget with Jennifer Dorazio and Lisa Brovelli Kelley attending

Dave Robbins will further discuss the Visual budget project

Town Report

- **Wednesday, February 10, 2016**

Public hearing for the presentation of the proposed FY17 budget by the Town Administrator.

- **Wednesday, February 24, 2016**

target that date for the discussion with the Board of Selectmen and Town Administrator for free cash and capital discussion

- **Saturday, March 05, 2016**

Departmental budget meeting

- **Saturday, March 12, 2016**

Departmental budget meetings

- **Saturday, March 19, 2016(if needed)**

Departmental budget meetings

- **Wednesday, April 13, 2016**

Public hearing for May Town Meetings

- **Thursday, April 14, 2016**

Public hearing for May Town Meetings

- **Monday, April 25, 2016**

Public hearing for May Town Meetings

- **Wednesday, April 27, 2016**
Public meeting for voting and preparing recommendations for May Town Meetings
- **Thursday, April 28, 2016 (if needed)**
Public meeting for voting and preparing recommendations for May Town Meetings
Other Meeting dates to be confirmed:
- **Special Town Meeting for Monday, February 08, 2016**
1 article for shared electrical services- Energy Aggregation
Needed would be a public hearing on Monday, January 25, 2016 and possible public meeting on Wednesday, January 27, 2016.
Process to complete Finance Committee's obligations
Posting for Friday, January 29, 2016 for February 05, 2016 publication in the Grafton News
Posting at the designated Town locations on Friday, January 29, 2016.

Town Report for Calendar year 2015

Part I Summary

Part II Financial details are in order.

A Draft of the Part I Summary portion of the Town Report was prepared by Roger Currier

- **Discussion of Part I**

Future general joint public meetings

Ed Prisby encouraged Finance Committee to return back to its goal to have Fall joint meetings.

Passing of the Proposition override took place in May 2014.

Bidding of projects for road repair

what was fixed in calendar 2015.

Schools

5.25% annual totaling up to in year 5 the 2 million will total.

Lay out what the deal was and what has happened.

Joel and Susan will write the override portion of the Town Report and review it at the January 13, 2016 public meeting.

Review of minutes:

November 18, 2015

Motion: Denise Nault moved that the Finance Committee approve the minutes of November 18, 2015 as presented.

Seconded: Lisa Brovelli Kelley. All in favor. Motion carries.

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Adjournment

Motion: Denise Nault moved that the Finance Committee adjourn its public meeting.

Seconded: Lisa Brovelli Kelley. All in favor. Motion carries.

The public meeting of the Finance Committee adjourned at 9:03 P.M.

Respectfully submitted,

Susan M. Fiacco