

FINANCE COMMITTEE MINUTES DECEMBER 6, 2011

The meeting was called to order at 7:30 PM in the Selectmen's Meeting Room of Town Hall. The following members were present: Ken Szajda, Tom Meehan, Michelle Zeamer, Pam Zicko, Mark Schultz and Kathleen White.

Pam Zicko, seconded by Tom Meehan, made a MOTION to approve the minutes of November 1, 2011. Passed 5-0-1 (K. White, abs).

Pam Zicko, seconded by Mark Schultz, made a MOTION to approve payment of a bill submitted by Faith Antonioli, for meetings and minutes totaling 2.5 hrs. for the week ending November 19, 2011.

School Superintendent Brad Jackson, along with Erica Plunkett, Chair of the School Committee, attended the meeting to update FinComm on financial effects of the contracts of the 7 bargaining groups within the schools. He also updated the FinComm on the status of the capital purchases approved at Fall Town Meeting – the Mac's have been delivered and the HP's are in transit. Dr. Jackson gave each FinComm member a binder containing the collective bargaining agreements. Of the 7 units, 3 are still open – the Secretaries, HEAU and Maintenance. He also mentioned that the Secretaries had just joined the HFT. He also wanted it noted that the FinComm secretary was a member of the Secretaries Association. Dr. Jackson gave FinComm members a draft list of the budget drivers for FY13, with payroll being the largest. He said that it is a true draft and has not been shared with the entire School Committee – only the budget subcommittee. Payroll would have to increase \$775,000 - \$430,000 for steps; \$65,000 for lanes; and \$280,000 for COLA. Dr. Jackson said that transportation has to go out to bid this year and that he anticipates an increase in utilities. (In FY12 they locked in \$.40 higher than they had budgeted for.) FY13's budget is expected to be about \$925,000 over FY12's. This does not include new initiatives and the \$435,435 stimulus money spent in the budget in FY12 that will no longer be available. This totals a 4.94% increase over FY12. Tom Meehan commented on the large gap in the budget. Mark Schultz asked about costs associated with the new "bring your own device" program at the High School and Dr. Jackson said he didn't think there would be any additional costs. Ken Szajda thanked him for bringing the copies of the contracts and said that the FinComm would spend some time going through the contracts at a less hectic time of the year. Ken also asked about the estimated cost of some of the provisions in the contracts and was told they have been figured into the payroll numbers.

Paul LeBeau talked about some of the figures he is using for FY13. He used \$325,000 as the figure for new growth, which he considers conservative. This is a \$125,000 increase from last year. Paul said the tax levy is \$34,955,864; estimates state aid to be about \$850,000 (no change from FY12); \$2,263,760 from SBAB; and excluded debt to be about \$2,733,369. He is estimating receipts to be \$2,965,539. This excludes Water. Permit fees held steady this year for the Building Dept. Paul is using \$250,000 (same as FY12) as the figure for free cash (very conservative), and \$350,000 for Capital. Paul LeBeau said he is anticipating a net revenue increase of \$1,240,000 over FY12. For fixed

benefits, he is assuming a 10% increase in county retirement and group insurance. Paul also asked FinComm to review the base line for the Snow and Ice budget and possibly setting aside \$350,000 - \$500,000 for future liabilities. If free cash is kept at \$250,000 the town could sustain a 1.5 % increase in the operating budgets. Ken Szajda said he thought that with the figures presented, they could sustain: 1- a reduced trash bill (by \$15.00); 2- a Snow and Ice reserve increase to \$250,000; 3- \$400,000 set aside for OPEB liability.

At 9:30 PM, Pam Zicko, seconded by Kathleen White, made a MOTION to adjourn the meeting. Passed 6-0-0.

Respectfully submitted,
Faith Antonioli, Secretary

Date Approved: January 17, 2012