HOLLISTON FINANCE COMMITTEE
MEETING MINUTES
April 1, 2014

The Committee convened in Room 105 at the Town Hall at 7:00 PM. Present from the Committee were Chairman Ken Szajda, Vice Chairperson Michelle Zeamer, Dan Alfred, Bill Dowd, Beth Liberty and Brendan Shea. Clerk Charlie Kaslow was absent.

- Chairman Szajda broke down the outstanding minutes and assigned the duties of writing the minutes to members of the Board. FinCom is still without a secretary.

- An observation was made by Chairman Szajda that if FinCom funded every request by all town departments there would be a roughly $375,000.00 deficit , not including Chief Moore and the Police Department's "realistic" budget.

- The Wastewater Treatment Facility budget was delivered by Town Administrator Paul LeBeau. The majority of the budget is comprised of water testing, contracted services for staffing the facility a few hours a day which includes routine maintenance and the filing or the monthly reports.

- The projected impact of the salaries for non-union town employees relative to the Stone Consulting Report was discussed. The Town has decided to try and move forward with implementing salaries at the middle/average of the information presented by Stone and move forward with a 1% annual increase.

- Bill Dowd commented on the implementation of the Stone suggestions piece by piece rather than as a whole and the potential impact of implementing portions but not all of the report. Specifically installing portions that raise Town costs, but not the sections that would reduce Town costs.

- Town Administrator LeBeau and Selectman Leary delivered a potential Department of Public Works (DPW) budget which will comprise the budgets of the Water Department and Highway Department. The Highway Department's was roughly business as usual while the Water Department's would change quite a bit.

- A sample of indirect costs that can be associated with the water department was discussed. If the town moved forward with a 5% rate increase in water bills and realizes roughly 3.5% of the increase (residents may become more conscientious about conserving) the town would net roughly $350,000.00. Also efficiencies would be recognized if the town repaved roads and replaced water mains at the same time. Also, it was suggested that $15,000.00 could be reduced from professional services because the Water Department will be less likely to hire out a backhoe operator during water main breaks. A schedule should be made and kept to clean a well every year so that the town can avoid having to pay for several at once. Currently, the

town does not pay for its own water usage and moving forward that could change when the organization is restructured. A skilled DPW Director could potentially realize further favorability in the budgets once merged.

- A discussion of moving SPED costs from the school's budget on to a separate line of the town's budget began. This would put the town in the position to absorb the cost of students that need to be removed for a special placement. Also, most of the costs on the town side of the budget are town wide i.e. healthcare but those SPED costs are specific to the education of a student.

- Bill Dowd mentioned that he would like to see no salary increases on the budget guideline without signed collective bargaining agreements and that the agreements should be presented prior to the signing of the agreement.

- Chairman Szajda pointed out that the contractual agreements, even if backloaded, do not necessarily need to be funded because it will be the obligation of the department to work within their approved budget.

- The discussion to remove some money from our OPEB obligations to fund the deficit between the guideline and the requested budgets was raised and discussed. Factors addressed included rating agencies view of Holliston fully funding its obligations which leads to a higher bond rating. Also, level funding OPEB over the set period of time in practice allows the Town to basically remove it from the operating budget and view it as a given annual cost. It would also prevent underfunding over a period of time that would later need to be made up.

- Dan Alfred moved that the FinCom vote on the budget guideline of $29,999,742.00 for the Schools. It was not seconded. Further debate was needed.

- The discussion was based around the vote of the school's budget at 1.5% increase over the previous year.

- Chairman Szajda suggested that during the one week off between meetings the members who were not ready to vote the guideline budget prepare a scenario to get the proposed budget to balance.

- At 10:26pm Dan Alfred motioned to adjourn and the motion was seconded by Vice Chair Zeamer. Preceded to a vote, all were in favor.

- Approved____10/7/14_____