

**FINANCE COMMITTEE MINUTES
OCTOBER 23, 2012**

The meeting was called to order at 7:37 PM in the Selectmen's Meeting room of Town Hall. The following members were present: Ken Szajda, Charlie Kaslow, Michelle Johnson, Michelle Zeamer, Kathleen White and Dan Alfred. Anita Ballesteros was absent from the meeting.

Kathleen White, seconded by Charlie Kaslow, made a MOTION to approve the minutes of October 9, 2012. Passed 6-0-0.

Michelle Zeamer, seconded by Kathleen White, made a MOTION to approve payment of a bill submitted by Faith Antonioli, totaling 4.75 hours for the meeting and minutes of October 16, 2012. Passed 6-0-0.

Ken Szajda reported to the FinComm that Free Cash is at \$1,818,966. There are several reasons for this large amount of Free Cash: because of the winter we had last year, Highway only spent \$105,000 of the amount budgeted for Snow & Ice, so \$200,000 came back to the town; the Reserve Fund usually gets eaten up by Snow & Ice but that didn't happen so the Reserves have more left than usual; there was better than anticipated revenues; planned very conservatively; legal activity is down; and about \$200,000 more state aid than anticipated.

Ken Szajda handed out a budget sheet comparing appropriations from FY09 to FY13, budget by budget. The reserves are about 5% higher than anticipated once the money parked for OPEB liability is discounted. There is favorability in state aid and free cash. There is a decision to be made as to what should be done with the \$2 million dollar surplus and should it be put into stabilization. There are two articles in the warrant that could tie into this -- one article dealing with special legislation for the establishment of the OPEB trust and the second article dealing with establishing the OPEB trust under the existing legislation. Can the money be moved into the OPEB trust from where it is now?

Dan Alfred asked how stabilization money is invested; Paul LeBeau said that Mary Bousquet would have to answer that. Because October Town Meeting is not the time to have financial discussions, Ken Szajda feels that the Firefighters' stipend issue should wait for the Spring Town Meeting. The issue has been put off for a few years, so as a committee, they want the Firefighters' to know that they support them, but this is not the time. Ken said that there is a perception that the town has extra money "out there" and that the schools are getting money. Ken Szajda also questioned why this was not brought up in May. Charlie Kaslow asked if their requests are realistic compared to a dept. with a similar set up. He added that he doesn't think FinComm has enough information at this time to make a recommendation. Ken said that he thinks they will have the info on Monday night at Town Meeting. Charlie asked what the plan is. If they ask the Firefighters to wait until spring, should there be a memorandum of agreement? Are the Board of Selectmen okay with the FinComm gathering data and helping with a proposal? Dan Alfred asked what a fair rate increase would be, for example a 1-2% increase like the rest of the town employees. Ken Szajda expressed that the concern of the Committee is that dealing with it now, instead of the spring, will cause problems because there

are other depts. who are looking for increases also at this time and they are being told to wait until spring. Selectman Jay Leary said that of the 50 firefighters on the dept., 34 or 35 are certified to go onto a regular full time dept. and they have gotten this certification on their own. Jay Leary asked if the firefighters waited until May, would FinComm consider including a waiver to make increases retroactive to January 1, 2013. Charlie Kaslow questioned if this could legally be done.

Dan Alfred asked if they could be given a specific amount of money now, to show goodwill, i.e.\$25,000. Michelle Zeamer said she is concerned with setting precedents. How do you justify it to the rest of the town employees who have seen the Compensation and Benefits Study which says that they are underpaid? FinComm discussed paying for firefighters training until FY14. This would be approximately 4 hrs. of training a month for 8 months; totaling 32 hrs. per firefighter at \$18.50 per hour for 50 firefighters, totaling \$29,600. FinComm will revisit the compensation in May.

Michelle Johnson then asked how the money for the Clerk in the Town Clerk's Office can be justified; Ken Szajda explained that the position will be gone as of 12/31/12 because the funding will be gone. Charlie Kaslow commented that isn't the \$30,000 to pay for their training the right thing regardless of everything else. Ken Szajda asked if all members were in agreement that firefighters should be compensated for training and they said "yes". If doing it, it must be compensation for training going forward, but not retroactive.

Dan Alfred, seconded by Kathleen White, made a MOTION to reconsider Art. 2. Passed 6-0-0.

Dan Alfred, seconded by Kathleen White, made a MOTION to recommend that the Finance Committee recommends that the town raise and appropriate \$10,000 to the Selectmen's budget; raise and appropriate \$2,000 to the Treasurer/Collector's budget; raise and appropriate \$7,348 to the Town Clerk budget; raise and appropriate \$750 to the Police Dept.budget; raise and appropriate \$233,464 to the School budget; raise and appropriate \$36,999 to the Debt Service budget; reduce the Employee Benefits budget by \$155,283; transfer \$20,166 from reserved for appropriation to the Water Dept. budget; transfer \$190 within the Auxiliary Police budget; and raise and appropriate \$29,600 to the Fire Dept. budget. Passed 6-0-0.

FinComm then discussed capital items for the Senior Center. Lena Arena-DeRosa had said the Council on Aging is no longer looking for the sanitizer at this time. FinComm had previously voted to recommend \$3600 for Keefe Tech to do some work at the center believing it would take care of a safety issue, but the Board of Selectmen did not have a second to that motion at their meeting so that is no longer being requested. Charlie Kaslow, seconded by Kathleen White, made a MOTION to reconsider Art. 7. Passed 6-0-0. Michelle Zeamer, seconded by Charlie Kaslow, made a MOTION to recommend that the Finance Committee recommends that the town appropriate \$98,000 for three Police Dept. vehicles from the Capital Expenditure Fund; \$2,200 from the Capital Expenditure Fund for equipment for the Police Dept.;\$25,000 from the Capital Expenditure Fund for improvements to the Central Fire Station; \$57,900 from the Capital Expenditure Fund for School Technology; \$10,000 from the Capital Expenditure Fund for repairs to the Placentino/Miller Cafetorium wall; \$170,000 from the Capital Expenditure Fund for an excavator and dump truck/plow for the Highway Dept.; \$7,678 from the Capital Expenditure Fund for lighting improvements to the Public Library; and \$2,500 from the Capital Expenditure Fund for heating system improvements at the Senior Center. Passed 6-0-0.

A member of the audience asked if the Police Chief had gotten back to the FinComm with information regarding buying police vehicles perhaps at Imperial. Ken Szajda said that the Chief had spoken to someone at Imperial and they are not ready to sell to towns.

Paul LeBeau and FinComm members discussed capital spending and whether they want to fully fund capital. Paul said that about 8% of the operating budget (\$4,231,820) is for OPEB liability. Paul LeBeau also commented that the town should be able to sustain what has been added to the omnibus going forward. There is an obligation of about \$188,000 to the omnibus. There is a good balance between reserves - it's at 3.8 million, which is about 7% of the town's operating budget.

There are still many questions concerning the town website before the FinComm will make a recommendation on Art. 14. Hopefully, they will have the information when they meet prior to Town Meeting.

Kathleen White, seconded by Dan Alfred, made a MOTION to reopen Articles 3,4,& 5. Passed 6-0-0.

Art. 3: Dan Alfred, seconded by Kathleen White, made a MOTION to recommend that the Finance Committee recommends that the town transfer \$1,819,966 for the purpose stated in Art.3. Passed 6-0-0.

Art. 4: Kathleen White, seconded by Dan Alfred, made a MOTION to recommend that the Finance Committee recommends that the town raise and appropriate \$1,309,000 for the purpose stated in Art. 4. Passed 6-0-0.

Art. 5: Kathleen White, seconded by Charlie Kaslow, made a MOTION to recommend that the Finance Committee recommends that the town raise and appropriate \$434,246 for the purpose stated in Art. 5. Passed 6-0-0.

The FinComm will meet at 6:30 PM in the Holliston High School Library on Oct. 29, 2012 prior to the of Town Meeting.

At 10:00 pm. Kathleen White, seconded by Dan Alfred, made a MOTION to adjourn the meeting. Passed 6-0-0.

Respectfully submitted,
Faith Antonioli, Secretary

Date Approved: November 27, 2012