

Town of Lunenburg



Mark Erickson
5/14/15

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Finance Committee:
Mark Erickson, Chairman
Terri Burchfield, Vice-Chairman
John Henshaw, Secretary
Karin Menard
Caroline Griffis
Jay Simeone

Lunenburg Finance Committee April 2, 2015 Meeting

Location: Town Hall
Present: Mark Ericson, Terri Burchfield, Karin Menard, Jay Simeone, John Henshaw
Also Present: Jamie Toale--BOS Liaison, Kerry Speidel, Town Manager
Absent: Caroline Griffis

1. Mark called the meeting to order at 7:00 pm.
2. Communications:
 - A. Public: Requests for allocation of the \$129,578 additional revenue from new growth and changes in state aid:
 - i. Fire Dept. Chief Sullivan: \$48,000 to fund two 12 hour shifts of EMTs on the weekends.
 - This expenditure would extend EMT staffing at the Fire Station to 12 hours per day, seven days a week--thus extending coverage to the weekends. Currently EMTs are at the station five days a week; they are on call during weekends, and this would reduce weekend call response times.
 - Kerry strongly supports using part of the surplus to increase coverage.
 - ii. Police Department Chief Marino requested \$26,000 to extend desk coverage to Mon-Fri. 7:00 am to 7:00 pm, and an additional \$10,000 in lock-up to extend coverage in light of increased arrests.
 - Kerry stated that the Town routinely runs a deficit in this account.
 - iii. DPW: Jack Rodriquenz requested \$18,000 to cover expected vehicle maintenance costs next year.
 - Maintenance costs have increased in the past few years: The transition of police patrol cars from Crown Victoria cars to SUVs and associated increase in costs to stock parts contributes to this.
 - iv. Library: Dick Mailloux, Vice-Chairman of the Library Board of Trustees requests an additional \$14,250.60 to cover increases in electricity and natural gas costs for the library and to permit the library to qualify for approximately \$12,000 in state grants that are based on the Town's appropriation to the library and on the circulation materials budget—which needs to be at a minimum level relative to the total appropriation for the library.
 - To pay for the non-recurring energy costs the Town may opt to put a line item in the facilities budget so the library budget is at the minimum level to qualify for the state aid. This would lower the baseline on which future state grants depend, and give the Town more flexibility allocating available revenues in future budget cycles.

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B. Committee:

- i. Mark said that the Monty Tech assessment for FY16 had come in at \$832.8 thousand, an increase due in part to seven additional students from our town who will attend Monty Tech the coming school year.
- ii. Mark and Terri will apply for reappointment to the Finance Committee.

3. The FY2016 Budget Public Hearing: This table reflects the result of the Finance Committee discussion regarding dispensation of the \$129,578 additional revenues available to the Town since the preliminary budget in February. This is based on requests from the Fire Department, Police Department, DPW, and Library during the public communications of this meeting (for details refer to section 2, A. above.)

<u>Department/Account</u>	<u>Amount</u>	<u>Explanation</u>
Fire-Staffing	\$48,000	See 2.A.i.
Police-Staffing	\$26,000	See 2.A.ii.
Police Lock-Up	\$10,000	See 2.A.ii.
DPW-Vehicle Repair	\$9,849.40	See 2.A.iii.
Library-Energy Costs, Circulation Materials	\$14,250.60	See 2.A.iv.
Snow & Ice Removal Account	\$15,000	This amount will increase the FY16 Snow & Ice Removal Account to \$275,000. Actual expenditures for Snow & Ice Removal have exceeded \$300,000 in each of the eight prior fiscal years.
TOTAL:	\$123,100	
Stabilization Account	\$6,478	This amount is necessary to keep the amount in the stabilization accounts at 5% of the Town's omnibus budget required by the Town's financial policies in light of the proposed increases in the FY16 omnibus budget.

Note: Motion related to this table is in section 5.A. below.

4. Town Manager Report:

- A. Kerry supports these budget adjustment requests made at this meeting, including a \$6,478 increase in the stabilization account as they increase service levels. Ongoing expenses are funded by recurring revenue sources (e.g. new growth.)
- B. Kerry projected FY15 deficits and surpluses, and the committee will take this up at the May 23 meeting.
- C. Review of the amended capital plan: As painting Town Hall is premature, the Capital Planning Committee recommends using that \$40,000 to fund an upgrade of technology for the school's network, to replace Police Dept. old speed sign, applying the unexpended balance to the street sweeper and dump truck, reducing debt service costs.

5. Motions on Town Warrant Articles:

- A. The FY16 budget adjustment: Karin made a motion to recommend approval to allocate the \$129,578 in additional funding as shown in the table on page 2. John seconded the motion. The committee approved the motion 5-0.
- B. The total FY16 budget, Article 16: Terri made a motion to recommend approval of the FY16 budget in the amount of \$32,025,874. Jay seconded the motion. The committee approved the motion 5-0.
- C. Stabilization Fund, Article 15: Terri made a motion to recommend approval to transfer \$98,232 to the stabilization fund. Karin seconded the motion. The committee approved the motion 5-0.
- D. Capital Plan, Article 14: Terri made a motion to recommend approval to raise and appropriate or transfer from available funds or borrow a sum of money to fund the FY16 capital plan in the amount of \$801,578. Jay seconded the motion. The committee approved the motion 5-0.
- E. Sewer Enterprise Fund, Article 17: Terri made a motion to recommend approval to raise and appropriate \$848,349 for the Sewer Enterprise Fund. Jay seconded the motion. The committee approved the motion 5-0.
- F. Article 26: Rescinding borrowing authorization for the Middle & High School construction project by \$105,975.36, the amount the Town has received in premiums. Terri made a motion to appropriate the premium amount to reduce the borrowing authority. John seconded the motion. The committee approved the motion 5-0.
- G. Articles 43-46 are previously authorized borrowing articles where the project has been completed and the amount borrowed was less than the amount authorized. So the only way to remove these authorized but unexpended amounts from the Town's books is to rescind remaining borrowing authorization at Town Meeting.

<u>Article</u>	<u>Amount</u>	<u>Motion:</u>	<u>Second:</u>	<u>Vote:</u>
43	\$284,263.59	Karin made a motion to recommend approval to rescind the remaining borrowing authorization from Article 2 of the 11/6/2001 Special Town Meeting for engineering and construction of sewers.	Jay	Approved 5-0
44	\$28,207	Terri made a motion to recommend approval to rescind the remaining borrowing authorization from Article 4 of the May 7, 2005 Special Town Meeting for the engineering and construction of sewers.	Jay	Approved 5-0
45	\$125,000	Karin made a motion to recommend approval to rescind the remaining borrowing authorization from Article 4 of the October 1, 2002 Special Town Meeting for the renovation of the heating system of the Turkey Hill Middle School.	Terri	Approved 5-0
46	\$56,550	Terri made a motion to recommend approval to rescind the remaining borrowing authorization from Article 4 of the May 3, 2003 Special Town Meeting for the renovation of the heating system of the T.C. Passios Elementary School.	Karin	Approved 5-0

6. Mark shared his draft Finance Committee Report, in progress given the new information on the FY16 budget. He asked the committee to review it and get back to him with any recommendations no later than Monday as it is due to be completed no later than Tuesday.
7. Minutes of the March 26 meeting: John will have the minutes of this meeting ready for the Finance Committee review before the April 23 meeting.
8. Committee/Department Liaison Updates:

Committee/Department— Reported By:	Update:
Capital Planning--John H.	No report.
Public Works--John H.	No report beyond the DPW request above.
PACC--John H.	No report.
Library--Caroline G.	No report beyond the Library request above.
Council on Aging--Caroline G.	No report.
Public Safety--Terry	No report beyond the Public Safety request above.
Schools--Karin	No report.
Monty Tech--Karin	No report.
Sewer Commission--Jay	No report.
Green Community--Jay	No report.
Building Re-Use--Mark	Next building re-Use meeting will be next week.
School Building--Mark	No report.

9. Future Agenda Items:
 - A. Budget Goals and Opportunities
 - B. Pavement Management Program
 - C. Review contract commitments (E.g. sick leave buy-back.)
10. Next Meeting: April 23—the special meeting we had on April 2 takes the place of the April 9 meeting.
11. Adjournment: Karin moved to adjourn the meeting, the motion was seconded by Terri and approved 5-0. The meeting adjourned at 9:05 pm.

Respectfully submitted by John Henshaw May 6, 2015