

Finance Committee

Meeting minutes – March 25, 2010

Present: **Committee Members:** Chris DeSimone (Chair), Chris Johnson (Vice Chair), Michael Landino, Alan Leao Jr., Holly Seiferth, Melissa Tzanoudakis, George Zacharakis

Guests: Debra Spratt (Library Director), Sharon Mercurio (Council of Aging Director), Robert Lambert (Board of Health Chairman), John Marriner (Board of Health Board Member), Sandra Grogan (Board of Health Secretary)

Also present: Thomas Wilson (Town Accountant)

Chris DeSimone called the meeting to order at 7:01 pm.

Business: Chris DeSimone started the meeting with discussing the Council of Aging budget. Sharon Mercurio noted that she appreciated what the Finance Committee does, but she had some concerns about how the process went this year. Last year she was never contacted when the Council of Aging budget was zeroed out – she found out when someone in town called her because they had heard about it. This year again, she did not hear about the cuts that were made to her departments budget when they were made. The Council of Aging department was taking a week furlough to put the money back into the various line items that it had been taken from. Chris DeSimone explained the process the Finance Committee had been following this year – 1 member took the lead responsibility for 8-10 budgets which they investigated on their own time. The committee then met and discussed the different budgets and voted if appropriate. If there was questions, if follow-up information was needed, or if there were too many questions, than a department head was called in. Chris DeSimone noted that only a few department heads came in.

Michael Landino arrived at the meeting at 7:04 pm.

Chris DeSimone noted that only line items had been reduced from the Council of Aging budget. Chris DeSimone also noted that the department heads were certainly welcome to rearrange the line items; that was their job. It was pointed out that the Finance Committee tried very hard to ensure that no reductions would hit the staff or services. Chris DeSimone acknowledged Sharon Mercurio's complaint and apologized for the lack of communication. Sharon Mercurio appreciated the acknowledgement by the Finance Committee and felt very strongly as a department head that it was very important for them to know when their department gets a reduction. Chris DeSimone added that due to the length of time and the number of budgets they had to get through, he felt that this seemed like a fair approach to take, especially with almost all new members in the Finance Committee. Chris DeSimone noted that next year would be different and appreciated her point. Chris DeSimone explained that the reason for asking for 2 budgets this year from department heads was to help with the process – the Finance Committee knew they needed to find as much money as possible. Sharon Mercurio added that she understood the reason for the process and that communication was the issue; she appreciated the Finance Committee taking the time now to listen.

Chris DeSimone moved the meeting to discuss the Library budget. Chris DeSimone noted that when Debra Spratt left the previous week, there was possibly a compromised solution but a possible hang-up; would the state board allow the work-around. Debra Spratt noted that when she talked to the state board they were enthusiastic to hear such a creative solution. It was a win-win situation. It helps to maintain a level that avoids a waiver process and saves the town money.

George Zacharakis gave a handout to Finance Committee members and Debra Spratt on some information he found out about waivers. Debra Spratt noted that some of the comparisons were kind of like comparing apples to oranges. George Zacharakis noted that he found this information out because in the last meeting he felt that she had indicated it was nearly impossible to get a waiver, which is not what he found out. Debra Spratt corrected that she had said it was not guaranteed. George Zacharakis pointed out that only 5 out of 355 towns in the past few years did not get waivers. Debra Spratt added

that there is a limited number of waivers, and in the past 2 years that number has been increased. In previous years it was not such a problem (the number of towns applying for waivers), where recently it has become a big problem. George Zacharakis noted that from the information he obtained that 24 out of 26 in the previous year had gotten a waiver, and the year before that 18 out of 19 had gotten a waiver. George Zacharakis added that those towns that did not get a waiver had extremely high budget cuts – the minimum cut was 28%. Debra Spratt felt that it was like comparing apples to oranges. George Zacharakis commented that this information was all within the state. Debra Spratt noted that with the reduction in hours the net reduction was more than 5%.

Chris DeSimone commented that he thought it appropriate to take a motion on the agreement made last week and if that passed than the Finance Committee would be all set. If the motion did not pass, than it would seem appropriate to not have any other motions for a week so that the committee had some time to look at everything it had received this week and also so that Debra Spratt had time to recollect. Debra Spratt noted that next year would be harder. George Zacharakis felt that by cutting this year, than next year would be at a lower point to start from. Debra Spratt added that in good times the budget cuts made in previous years were never recovered thus worse years would only be worse.

On a motion from Melissa Tzanoudakis, seconded by Alan Leao Jr., to reduce the entire Library department budget (100-61100) by \$3,220.11 was put into motion to be recommended to be discussed and voted on. Michael Landino questioned if the library could charge for renting films and videos. Debra Spratt replied that the library could not. They only had old videos and they used to have old filmstrips. They had a wall hanging rental program at one point. She can investigate as to other rental programs that could be done like the wall hanging program. The fax program is a new revenue producing item for the town. George Zacharakis questioned what the minimum purchasing requirements were. Debra Spratt replied it was children's books, adult books, and audio books on discs (books on tape). The bottom line was that the library needed to stay competitive with book stores, video stores, and so on. That is the market and that is what the public wants. There was no additional discussion and it was not approved by a vote 2(Aye)-5(No) and 0 abstained.

There was a brief discussion about the information George Zacharakis brought to the meeting and what reductions could be made, up to a 7% reduction which was about \$35,000.00. Holly Seiferth suggested the library come back with a budget reduction of \$40,000.00. Chris DeSimone pointed out that was their level funded budget.

On a motion from George Zacharakis, seconded by Melissa Tzanoudakis, to reduce the entire Library department budget (100-61100) by 5% (\$21,826.00) was put into motion to be recommended to be discussed and voted on. Holly Seiferth questioned if their 5% reduction budget cut more than hours. Debra Spratt answered that their union contract would end up having a \$40,000.00 reduction in the end run due to first being level funded and then with the 5% budget, the step raises that would be in place even for non-union employees would be affected. Chris Johnson felt that there would be \$30,000.00 in books that would be affected by this 5% reduction; the reduction would change the formula for the state discussion. Chris DeSimone pointed out that the outstanding warrants were relevant – this would make it about a \$13,000.00 reduction. Michael Landino added this would create a lower number for calculating the formula for next year. Debra Spratt noted that the formula for next year may not be reduced next year necessarily – the warrants would be added back in. Michael Landino thought that the total budget would be reduced for the formula and a new warrant could put back some of the money that would be reduced. Thomas Wilson commented that the money should not be raised and appropriated but taken out of free cash. There was no additional discussion and it was approved by a vote 4(Aye)-3(No) and 0 abstained.

Chris DeSimone moved the meeting to discuss the Emergency Management Agency budget. Chris DeSimone noted that the Data Processing line item was for the reverse 911 system. Chris DeSimone explained that there were two buildings in R&M-Building & Grounds (100-29100-52241). The first building is by the White Hen and the Boy Scouts use it. This building has no electricity. The second building is the garage behind the trailer. The Boy Scouts do things like pain the second building to thank the Emergency Management Agency department for letting them use the first building. Chris DeSimone explained that the Training (100-29100-54515) line item was for 3 employees for training and that there was a letter explaining this in the Finance Committee member's package this week.

George Zacharakis questioned what the reduction in Misc. Other Intergovernmental (100-29100-56699) in the 5% reduction budget was for. Chris DeSimone explained that the Emergency Management Agency department worked with other towns in the case of an emergency and this was a place they could save money.

Chris Johnson noted the reduction in Repl Equip-Departmental (100-29100-58872) in the 5% reduction budget for \$920.00. On a motion from George Zacharakis, seconded by Chris Johnson, to reduce the Emergency Management Agency department budget Repl Equip-Departmental (100-29100-58872) by \$920.00 to \$0.00 was put into motion to be recommended to be discussed and voted on. The motion was withdrawn pending more information on a motion from George Zacharakis, seconded by Chris Johnson.

Chris DeSimone moved the meeting to discuss the Board of Health budget. Robert Lambert discussed the Board of Health's budget and the possibility of increasing the secretary's hours. Chris DeSimone pointed out that the Finance Committee could not discuss the increasing hours for an employee; that was a discussion that would need to occur with the Board of Selectmen. Sandra Grogan noted that the attorney had indicated that the Board of Health set up staffing. Chris DeSimone explained that the Finance Committee makes recommendations for the town meeting. The Board of Selectmen set the policy. If the Board of Selectmen indicated the increase in hours is fine, then it can be discussed at the Finance Committee. Melissa Tzanoudakis questioned if there was a hiring freeze in the town then could the hours be changed. Holly Seiferth thought that if the Board of Selectmen indicated the Board of Health was exempt from the hiring freeze, then it would be discussable. George Zacharakis questioned if a motion was needed in order for the Board of Health to go to the Board of Selectmen.

Chris DeSimone noted that the Board of Health's budget had only the increased salary left, they had reduced many other line items so that there was basically nothing left in the budget except for the salary line item. Sandra Grogan commented that they did not need many things, for example the phone was for a previous employee and therefore was not needed anymore. The Public Safety was police detail which would not be needed anymore since the veterinary offices would be paying for police details. George Zacharakis commented that it seemed like they were in a difficult place since the town had voted against the hours last year.

Chris DeSimone moved the meeting to discuss the Animal Control budget. Holly Seiferth noted that questions had mainly been around the building. Holly Seiferth had found out that the building was used back in 2003 for dog kennels, but since the animal control officers do not live in the area anymore the buildings/kennels are not used anymore. The animal control officers live in Lunenburg. The dogs are kept on the animal control officers own property. The building is in very poor shape and is not used anymore. The building is kept lit at night for safety, and there is water still at the building too. The building seems more like a transfer station annex; not sure why it is still charged to the Animal Control budget.

On a motion from George Zacharakis, seconded by Chris Johnson, to reduce the Animal Control department Electricity-Building (100-29200-52211) by \$450.00 to \$0.00 was put into motion to be recommended to be discussed and voted on. There was no additional discussion and it was approved by a vote 7(Aye)-0(No) and 0 abstained.

On a motion from Michael Landino, seconded by Chris Johnson, to reduce the Animal Control department Town Water (100-29200-52231) by \$60.00 to \$0.00 was put into motion to be recommended to be discussed and voted on. There was no additional discussion and it was approved by a vote 7(Aye)-0(No) and 0 abstained.

On a motion from Michael Landino, seconded by Chris Johnson, to reduce the Animal Control department R&M-Building & Grounds (100-29200-52211) by \$96.00 to \$0.00 was put into motion to be recommended to be discussed and voted on. There was no additional discussion and it was approved by a vote 7(Aye)-0(No) and 0 abstained.

Holly Seiferth explained that the Veterinarian Services (100-29200-52321) contained an estimate for an average of 20 dogs for checkups. The veterinary services were done by a vet in Lunenburg to save costs. If a dog was hit by a car, than the cost for veterinarian services was about \$1,200.00.

Chris DeSimone noted that the Finance Committee had now gone through all department budgets and voted on everything. There was nothing for them to do with the Enterprise budgets. There was an increase in the Town Clerk budget of about \$249 and he would get more information.

Thomas Wilson noted that Lois Libby was willing to contract for \$60.00/hour. Chris DeSimone commented that the Board of Selectmen would need to make the final approval.

Chris DeSimone noted that the warrant articles were coming together – many were for zoning. The warrant articles were not quite ready for the Finance Committee to review yet.

Acceptance of Minutes: On a motion from Melissa Tzanoudakis, seconded by Holly Seiferth, the minutes from the February 25, 2010 meeting were approved, by a vote 5(Aye) - 0(No), 2 abstained.

On a motion from Holly Seiferth, seconded by George Zacharakis, the minutes from the February 18, 2010 meeting were approved, by a vote 5(Aye) - 0(No), 2 abstained.

Upcoming Meetings: Tuesday, March 25, 7:00pm
Thursday, April 1, 7:00pm
Thursday, April 8, 7:00pm
Thursday, April 15, 7:00pm

Adjournment: On a motion from George Zacharakis, seconded by Michael Landino, the meeting was adjourned at 9:02 pm and it was approved by a vote 7(Aye)-0(No) and 0 abstained.

Respectfully submitted,
Lynne Henderson