

	<i>Town of Lunenburg</i>	
Finance Committee: Terri Burchfield, Chairman John Henshaw, Vice-Chairman Hannah Anderson, Secretary Jay Simeone George Martin Marc Luescher Michelle Walton	 Lunenburg Finance Committee 11-08-18	17 Main Street, P.O. Box 135 Lunenburg, MA 01462-0135 978.582.4139 FAX 978.582.4148

Location: Town Hall

Present: Terri Burchfield, John Henshaw, Hannah Anderson, Michelle Walton, George Martin,
Jay Simeone

Absent: Marc Luescher

Guest: Heather Lemieux, TM.

1. **Open Meeting:**

The Chair called the meeting to order at 7:00 pm. This meeting is being recorded and televised for re-broadcast on the Lunenburg Public Access cable channel.

2. **Communications:**

Public Comment:

Mr. Dave Rogers, 82 Highland street, gave handouts prior to the meeting for his public comment. Mr. Rogers did his own research to see where left over monies from the school budget would go. He would expect any leftover monies would go back to the town through the correct channels that are needed to do so. Part of his concern came from the time that the Lunenburg Bengals came to the School Committee looking for a break in their fees and the School Committee at that time said there was no way of cutting their fees due to lack of extra money in the school budget. Mr. Rogers truly wanted to do this research after reading that the Girl Scouts were being charged \$200+ to meet at the LMHS. Mr. Rogers pointed out that there would be no extra charge for the Girl Scouts to meet as the school utilities are still on when the Girl Scouts would be meeting. He found it frustrating when a school department member asked for money to get a new tractor and the School Committee was able to vote to agree to move funds to get this member the funds but when groups with children come for help it is a battle. Mr. Rogers cares desperately about the kids in this town, the tax payers in this town, and the town in general and is asking that the Finance Committee works with the School Committee and checks and double checks budgets.

John Henshaw asked when Mr. Cassidy would come back with information about what Mr. Rogers has brought up to the School Committee and Finance Committee. Mr. Rogers answered with November 28, 2018 at the School Committee meeting. John Henshaw asked if the turn over was typical or not typical for year to year? Mr. Rogers could not answer that as he was not sure.

George asked Mr. Rogers if the information he brought forward to the Finance Committee was straight salary or if it included benefits. Mr. Rogers replied that as he was told this information was just the salary account.

Terri commented that this information is good to have and to review but on the Finance Committee aspect of it, the hard part is that the Finance Committee only has a say over the Budget Total. Basically, the Finance Committee can vote at town meeting for the Budget Total but once the School Committee leaves, they can then go and move the budget around however they like. Mr. Rogers replied that he understands the School Committee is doing the best job that they can to make the budget but there needs to be a balance. He would like for the town to be more aware of the budget making process and outcome, as this goes forward and to cut where budgets can be cut and to fill in what needs are needed reasonably. He then went on to give an example of Chief Marino giving the town money back last year when he had left over monies from his Police Departments budget. Terri commented how the Finance Committee is trying to take a closer look at and have discussions around OPEB costs, things that really show up as town side costs to try to make it fair as budget representation as well. Terri urges everyone to watch the School Committee meeting on November 28, as well as watch the Finance Committee meeting coming up that talk about the town budgets. Mr. Rogers last point was that in the older days the School Committee used to give a full presentation at the Town Meeting before the budget was voted on so the town was fully informed on what they were voting on. He would also like to see the school budget more defined.

From the Committee:

None

New Communications:

A copy of the Beacon came in the mail and was passed around for other finance committee members to look at.

3. Review Special Town Meeting articles and voting procedures, votes may be taken.

Terri explained that John made a list of the warrant articles with a fill in spot to say why we will or will not take a position on different articles to help give the public a better understanding of our Finance Committee thoughts.

Town Manager spoke on Articles 1 & 2

Article 1 Annual reoccurring budget adjustment and sometimes there are raise an appropriation under that article but at this Special Town Meeting we are only asking to transfer between accounts. One of the Transfers is for software maintenance costs that funding source is from the Liability Insurance Account and that is because we had participation, rewards, and dividend credits that were applied to this years invoice so we had extra funds in that account that we could transfer to cover the software maintenance cost in the technology budget. It was for \$25,500 for the e-permitting software that the town received a grant for last year, but it did not go live until the end of August. The town created a technology revolving account which is 5% fee that will be put into the revolving account which will help subsidize the annual cost of that, but the account needs to build up. There will be an adjustment to this line item at the end of the FY19 but the invoice is due now, so we need to pay it now. This is for all sorts of permits. This was not in the initial budget because the thought was the invoice was going to be due later in the year due to implementation. They counted when we first signed on as the start date even though it was not active until August.

The other transfer is from the Salary Reserve Account to the Library Department to cover a pilot reading program for the 5th grade students at the THES. They started coming to the library during school hours to read more and check out books. There is a zero effect result in the budget. The amount transferred to the library is \$7,200 to run the program throughout the rest of the FY19.

There was discussion about why the money was coming from the Town Salary Budget and not the School Salary Budget.

Mr. Rogers asked to comment as well. Mr. Rogers wanted to point out that just because we have the money it does not mean it needs to be used. Terri mentioned this would be helpful to hear from the library and schools but at the moment Finance Committee is looking at the article itself and a zero sum as far as budget goes.

Discussion from Finance Committee has caused a hold off on a recommendation until Special Town Meeting.

Article 2 Raise and Appropriate Transfer for New Growth to Special Purpose Stabilization Fund- Town Manager said there is additional local aid as well as additional new growth and personal property and change in state assessments and cherry sheet offset numbers for a total of \$199,227. The recommendation would be to raise and appropriate transfer of that amount into the Special Purpose Stabilization Fund. And that fund is to help offset future costs to large capital projects.

Dave Passios, 56 Whiting Street, asked, what the committees' thoughts are on new growth being considered a one-time revenue or something that augments the operating budget and is there for the future versus free cash that may or may not be there?

Terri said Mr. Passios was correct and John responded that new growth was a result of the property taxes that occur during the FY the new growth occurs. Then the houses that generate the new growth that year become base revenue for succeeding years.

Terri replied as well saying Yes it is recurring revenue because right now we are treating it as it is not going to happen again which is not true, but its basically money in our pocket that we don't want to spend for the sake of spending. She went on to say the part that makes the new growth unpredictable is the fact that the town can predict from past years that we would have \$300k budgeted in new growth but then actually have \$330k in new growth, this would leave the town with \$30k left over to play around with. However, it could also go the opposite way. The town could predict and budget for \$300K in new growth but the actual could be \$270k in new growth leaving the town in the hole to find \$30k. The town manager also commented that if you do not raise and appropriate the new growth it is lost.

Mr. Passios commented that he wanted that clarified so he could take it one step further to ask why we would not take that new growth this year and plug it into facilities maintenance where we have so many issues that we let ride for so long that we augment that budget for the FY and get some of the repairs done that are causing these building to deteriorate rather than putting it into the stabilization fund where it earmarks it for one thing and one thing only. Town manager did comment that we did put an additional \$40k into the facilities budget this year but since the staff of the DPW is short, she does not think it would be a good idea to put more money into the facilities budget without having someone to maintain the buildings.

Discussion from Finance Committee concluded with John making a motion that the committee recommend approval at the Special Town Meeting. Hannah Second. Vote 6-0 Recommendation was made because its prudence of unanticipated funds which will reduce probable debt costs down the road for known future capital expenses.

Article 3 Motion to amend or take a vote to fund the first year of the collective bargaining agreement for DPW there was a reduction in that amount from over \$10,000

to \$8,049.80 from the salary reserve fund. Jay motioned to recommend approval. John second that. Vote 6-0
Recommendation was made because it was a legitimate expenditure result of collective bargaining agreement.

Article 4 Finance Committee recommend approval for \$104,659.15 premium from sale of bonds to reduce borrowing in debt service costs for capital projects because anytime we have opportunity to reduce borrowing in debt service costs, we think that's a good idea.

Article 5 No Direct Financial Impact because it is a line item transfer within the Sewer Enterprise Fund.

Article 6 No Direct Financial Impact

Article 7 No Direct Financial Impact as the accrual is reoccurring.

Article 8 Passing Over because the Town Manager found someone to do it for nothing.

Article 9 No Direct Financial Impact

Article 10 No Direct Financial Impact

Article 11 Demolition Delay proposed by the Historical Commission. After discussion with the Town Manager and comments from Mr. Passios, the Finance Committee has decided to wait until Special Town Meeting to vote individually but if we decide as a committee to come forward with a recommendation then we will present that choice at STM after hearing more about this article.

Article 12 No Direct Financial Impact

Article 13 No Direct Financial Impact

Article 14 No Direct Financial Impact

Article 15 No Direct Financial Impact

Article 16 No Direct Financial Impact

Article 17 No Direct Financial Impact

Article 18 Financial Effect is Immaterial

4. Review status of member projects, ie, dashboards, website data
Skip until next meeting on December 13, 2018
5. Review terminology and definitions for website inclusion
Skip until next meeting on December 13, 2018
6. Review of Amended Investment Policy Statement; vote to be taken
Committee reviewed it, no questions from the Finance Committee.
John motion to approve the revised Investment Policy Statement for the town of Lunenburg. Jay second. Vote 6-0

7. Committee/Department updates

Committee/Department	Updates
Public Access Cable—Marc	
Capital Planning—John H.	Schools and Schools IT updated their capital plan for FY20-24. John Londa moved out a couple larger capital requests by a couple years. He also went the extra mile by including an advanced notification of large capital improvement requests from the schools over \$200K from FY25-29 so the town has a little more visibility longer term for those larger requests. Town Manager put together a page or two of instructions on filling out the new google docs form and it seems to be going nicely. Coming events- Police and Fire do their Capital Plans on November 20 th and DPW is on November 27 th , 2018.
Dept. of Public Works—George	
COA – John H	
Library— Michelle W.	
Police Dept – Marc	
Fire Dept - George	
Schools - Hannah	Superintendent had a new twitter with handle @LPS.DR that will link to Facebook. Received a grant for \$6500 from Creating Robust Language Rich Environments for All Students. 105 students went to Natures Classroom. They are planning for a television spot with the Lunenburg Public Access Channel, this will be linked to the district website as well as the School Committee meetings will be linked there as well. There is a Blue Knights Highlights and Spotlights page under the Superintendents info as well as Ledger Articles and Superintendent Updates. It is a district wide communication from a member of the school department. Extended day is capped at the THES & Primary School due to space and safety concerns. There is now a waiting list for any new registrants. Fifth graders are now taking walking fieldtrips to the Lunenburg Public Library to help keep the library and community active. There is a Entry Plan Survey that anyone in the community is welcome to take. Tree Lighting is November 29 th and Gift Mart Ended.
Monty Tech - Hannah	
Green Comm Task Force—Jay	
Sewer Commission —Jay	
Charter Review Comm – Terri	

8. Minutes

Minutes for review by Jay and Michelle postponed for December 13, 2018 meeting.

9. Town Manager/Financial Officer Reports

Applied for grant funding for \$162,000 to update the towns self-evaluation and transition plan as well as projects at public facilities and open space.

Received additional in Ch. 90 funding bring the total to about \$498K

Police chief applied and received a grant for portable radios approximately \$19K to help with communications for school administrators that tie into the same frequency as our public communications infrastructure.

10. Public Comment

From the Committee

PTO is having a Fundraiser on December 6, at Barnes & Nobles and Applebee's from 4-9pm in Leominster.

Cub scouts are raising donations and taking socks at the tree lighting as well as having a coat drive. The coat drive will start the first Saturday of December.

Class of 2019 Clothing Drive- donations spots are at the schools.

From the Public

None

11. Next Meetings

- November 13, 2018 (Special Town Meeting)
- December 13, 2018

12. Adjournment

John made a motion to adjourn. Jay seconded the motion. The committee approved the motion 6-0 at 8:37pm

Submitted by: Hannah Anderson