

FINANCE COMMITTEE MEETING
TUESDAY, OCTOBER 8, 2019

A meeting of the Finance Committee (FC) was held on Tuesday, October 8, 2019 in the Municipal Center. Mr. D'Amico called the meeting to order at 7:00 PM.

ATTENDANCE:

PRESENT: Howard D'Amico (Chair), Michael Hutnak (Vice Chair), Carol Gogolinski, Sandy Kuipers, Heather Morin, Lynne Mussulli, Dick Vanden Berg

ABSENT:

NON-VOTING: Matt Wojcik (Town Administrator), Jeanne Lovett (Finance Director)

The members of the FC introduced themselves.

1. OVERVIEW OF FY2021 BUDGET YEAR PROCESS

Mr. D'Amico asked for a summary as to how the Town budget works. Ms. Lovett presented the sheet used to project the budget. She described how the Town receives revenue from: Tax Levy, State Aid (Chery Sheet), Local Receipts, and Transfers. She reviewed the budget process. She stated that she will never state a number that she does not have in front of her, but will be happy to follow up.

A discussion was held regarding New Growth and the 40B 164-unit condominium project on North Street.

2. TOWN ADMINISTRATOR FINANCIAL UPDATES

Mr. Wojcik explained his approach to budget planning. He feels that a FC's mission is to set a tone for a long-range plan for a town's finances and hold everyone to their word and their plans to achieve that. He read a definition of a balanced budget. He spoke about obtaining choice employees, asset management, and a town's contribution to the school system. He explained, if you do not maintain or repair your assets, you diminish operational capacity.

Mr. Wojcik spoke about the signs of a declining school district, which leads to declining property values and financial weakness. A competitive school district is more financially self-sustaining.

Mr. Wojcik explained how he gets to the first round of the budget process. He presented a summary of new revenues, where they are spent, and the Town accounts that grow most rapidly. Contracts and COLAs are an open number for FY2021. Mr. Wojcik presented an FC timeline.

Mr. Wojcik stated that the Police Dept. is on track to receive an increase to their base pay by FY2020 by achieving accreditation during the life of the contract.

Ms. Lovett stated that Free Cash has been certified at \$1,551,312.

3. DISCUSS SPECIAL TOWN MEETING (STM) OF NOVEMBER 18, 2019

Ms. Lovett described the process of the production of the Finance Committee flyer that will be mailed to taxpayers prior to STM.

4. REVIEW WARRANT ARTICLES FOR STM

Mr. Wojcik reviewed the Tree Warden expense, Fire and Ambulance, and dam maintenance/inspection. Ms. Lovett spoke about OPEB.

Mr. Wojcik presented Article 5, which relates to leverage for the Town's share of a MassWorks project to install water and sewer for industrial land at Davis Street and Northeast Main Street for a potential project to go forward. The main objective of the Town's five-year

budget plan is to not use Free Cash for the ongoing operations of the Town and Article 5 is critical to meet this objective. The funding source will be a transfer from Free Cash. This money will not be spent unless the Town receives a MassWorks grant.

Mr. D'Amico asked for the Chair of the Economic Development Commission (EDC), Bob Minarik, and Mr. Wojcik to speak to Article 5 at the next meeting.

Article 1 relates to additional funds needed for the FY2020 budget.

Regarding Article 9, Mr. Wojcik stated that Douglas had a successful year obtaining Green Communities Grants in the amount of \$220,000 for three projects. Those projects qualified for National Grid incentives, which need to be closed into Free Cash and then transferred to pay for the primary school LED lighting project.

5. RESERVE FUND TRANSFERS/ VOUCHERS

There were no transfers or vouchers.

6. OLD BUSINESS/NEW BUSINESS

Old Business: There was no old business.

New Business: Ms. Lovett stated that the voucher for postage will need a signature. Mr. D'Amico replied to Ms. Lovett's inquiry that he does not want the meeting minutes emailed in advance of the meetings; he would prefer that they be brought to the meetings for review.

Mr. Vanden Berg asked Mr. D'Amico's opinion regarding FC members speaking to department heads on their own time regarding financial issues. Mr. D'Amico had no issue, as long as they do not violate any Open Meeting Laws or have a rolling quorum. Mr. Wojcik feels there should be some disclosure. It was decided that any FC member that meets with a department head on their own time to discuss financial issues disclose and summarize that meeting at the next FC meeting.

Next Meeting Dates: 10/22/19 7:00 PM, prior to STM 11/18/19 6:30 PM, 1/14/20, 1/28/20, 2/11/20, 2/25/20, 3/10/20, 3/24/20, 3/31/20, and 4/14/20. The FC does not need department heads at the 10/22/19 meeting, only the EDC. Mr. D'Amico asked to have the School Committee present on 12/10/19. Mr. Wojcik recommended that the FC meet with the Worcester County Retirement Fund in January, 2020.

Mr. D'Amico will send the schedule of dates to the FC.

7. MINUTES:

Mr. Hutnak made a motion to approve the June 25, 2019 Finance Committee meeting minutes as presented. Ms. Mussulli seconded the motion. Vote: Aye-7.

8. ADJOURNMENT

Mr. Hutnak made a motion at 8:18 PM to adjourn the Finance Committee meeting. Ms. Morin seconded the motion. Vote: Aye-7.

Respectfully submitted,

Mary Wright
Recording Secretary