

Finance Committee

Meeting minutes – January 21, 2009

Present: **Committee Members:** Chris DeSimone (Chair), Chris Johnson (Vice Chair), Holly Seiferth, Melissa Tzanoudakis, George Zacharakis

Absent: Alan Leao Jr, Michael Landino,

Guests: John Moak (Town Administrator), Joseph Hallisey (Board of Selectmen)

Chris DeSimone called the meeting to order at 7:02 pm.

New Business: Chris DeSimone opened the meeting with a brief discussion with John Moak. John Moak spoke about meeting with different members of different departments to make up specialized teams, such as emergency team and finance team. These different teams will focus on each area; bringing different perspectives to the table in order to best come up with solutions and ideas going forward. The finance team consists of the town accountant, treasurer, assessor, and the town administrator. The finance team has started looking at forecasts for the past two years (with no information from the schools) with a goal of how they could get the \$325,000 gap down. They found that services could be an area that could be used to get the gap down. The ideas that the finance team has come up with certainly depend on what the schools do. John Moak also noted that it was quite clear how all departments are very tight, and there cannot be anymore hitting the stabilization account to bail the town.

Melissa Tzanoudakis arrived at the meeting at 7:06pm.

Chris DeSimone noted that Tom Wilson, the new Town Accountant was planning on coming to the meeting, but had a family emergency.

John Moak noted that Tom Wilson has great ideas and was working hard. John Moak commented that it was a guessing game on what state aid would come through and how it would affect the schools. The finance team was challenging each other and getting a great start working as a team.

Chris DeSimone questioned the difference in the two versions of the 5-year-plan that they were given in their packages – one had a \$324,000 deficit and one had a \$75,000 deficit. John Moak replied that the differences were what the finance team had found and proposed so far; the unemployment insurance did not have to be as high as originally planned, a difference in free cash, and an increase in local revenues.

Chris DeSimone questioned if the finance team has considered increasing the fees in the town. John Moak answered that there were some increases. The demand notices had increased last year. George Zacharakis questioned how the towns' fees compared to other towns. John Moak continued that the clerk fees were comparative, possibly a bit lower. The building permits could go up some, but they needed to remain competitive. The excise taxes were decreasing a bit each year – the first commitment was just sent out.

There was some discussion raised by Chris Johnson about the override. John Moak answered his question based on the spreadsheets. Chris DeSimone noted that the overrides get built in forever.

Acceptance of Minutes: On a motion from Chris Johnson, seconded by George Zacharakis, the minutes from December 3, 2009 meeting was approved by a vote 5(Aye) - 0(No), 0 abstained.

On a motion from Chris Johnson, seconded by Holly Seiferth, the minutes from December 10, 2009 meeting was approved by a vote 4(Aye) - 0(No), 1 abstained.

Business: Chris DeSimone moved the meeting to discuss the budget and their packages. Their packages included four things from each department head – level funding estimate, 5% cut funding estimate, organization chart, and a narrative about the cost drivers for the department. There were two budgets missing – Communications department and Transfer Station department.

There was a discussion about how to go through the package. George Zacharakis proposed looking at the 5% cut funding estimates as a starting point. Chris DeSimone questioned if that meant looking at all 5% cut funding estimates. George Zacharakis thought that they should only look at some in each meeting. Chris Johnson proposed that they look at the entire package for a department by splitting them up amongst the Finance Committee members. They could all review the selected ones before the meeting, but one person would be in charge of looking in-depth at the department. Chris DeSimone commented that was a system he had used previously and it had worked well. Melissa Tzanoudakis commented that she had a colleague who had also used the same method and had success also. Holly Seifert added that she liked the sub-divide idea, noting that some departments might need more in-depth work than others. Melissa Tzanoudakis felt that it also gave the Finance Committee a knowledgeable person for each department come Town Meeting time. Joseph Hallisey noted that it might be a good idea to have a backup person looking at the department in-depth also. This was agreed on by everyone.

George Zacharakis pointed out that the Unexpected Appropriation sheet that they had in their files had some good information – the money that was returned from departments at the end of the year. Melissa Tzanoudakis noted that they could use that file when they were looking at departments’ budgets in-depth.

Chris DeSimone suggested that they aim for 10 departments per week. For the next meeting, Melissa Tzanoudakis volunteered to be the primary in-depth person for the first 10 departments, starting with Town Administrator department. George Zacharakis volunteered to be the backup in-depth person for the first 10 departments.

Chris Johnson pointed out that it is important when looking at the budgets in-depth, to look at things like heating budgets – if they have \$2,000 budgeted but they have already used \$1,700. It is important to put the right amounts in the right places in budgets, not just cut things out that will then need transfers later in the year.

Chris DeSimone moved the meeting to the sub-committees. Holly Seifert updated the Finance Committee that the Regionalization sub-committee had attended a Regionalization meeting that was not found to be very useful or meaningful. Chris DeSimone pointed out that it might be good to see what Hollis, Brookline, and Mason think of their Regionalization efforts and how it works for them. Chris Johnson noted that the Outsourcing sub-committee had not done much due to the Holidays, but would get things going again now. Chris DeSimone reminded the sub-committees to get their meetings posted with a minimum of 48 hours notice.

Upcoming Meetings: Thursday, January 28, 7:00pm
Thursday, February 4, 7:00pm
Thursday, February 11, 7:00pm
Thursday, February 18, 7:00pm
Thursday, February 25, 7:00pm

Adjournment: On a motion from Chris Johnson, seconded by George Zacharakis, the meeting was adjourned at 8:22 pm and it was approved by a vote 5(Aye)-0(No) and 0 abstained.

Respectfully submitted,
Lynne Henderson