

Finance Committee

Meeting minutes – January 28, 2010

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

Absent: Alan Leao Jr

Guests: Joseph Hallisey (Board of Selectmen)

Also present: Town Accountant Thomas Wilson

Chris DeSimone called the meeting to order at 7:20 pm.

Acceptance of Minutes: On a motion from George Zacharakis, seconded by Chris Johnson, the minutes from the December 3, 2009 meeting were approved by a vote 4(Aye) - 0(No), 0 abstained.

Business: Chris DeSimone moved the meeting to discuss the first ten budgets as planned. Chris DeSimone noted that the amended 5-year-plan that the committee received last week that showed a deficit of \$74,000 needed to be updated. The state has come up with a suggested projected amount for schools, which for Pepperell for both school systems is \$150,000. That increases the deficit of \$74,000 to \$224,000 in the amended 5-year-plan.

In reviewing the Selectmen department budget, Melissa Tzanoudakis questioned what the dues cost was for. Joseph Hallisey answered that he was not sure.

Chris DeSimone noted that the cover letter for the entire budget mentioned a net savings of \$7074, which was additional compensation to the previous town administrator due to their not being on the health plan. George Zacharakis questioned if it was a net savings, which Joseph Hallisey confirmed it was. Chris DeSimone reviewed other items in the cover letter; custodial services, an increase in the unemployment insurance, the closing of the town hall annex, and the street light issue.

Continuing with the Selectmen department budget, Melissa Tzanoudakis noted that the memberships budget for 2009 and 2010 had a budget of \$1,301. Chris DeSimone commented that this amount was for the state selectmen membership and paid for the dues only for the annual convention.

In reviewing the Town Administrator department budget, Melissa Tzanoudakis questioned the legal notices account and whether the \$475 that was left was still needed since the position was filled. Melissa Tzanoudakis commented that the cover letter explained why the 5% reduction was not done for this department. Melissa Tzanoudakis questioned again what the dues were for, noting that they have almost doubled in the last few years. Melissa Tzanoudakis noted that \$137 of the budgeted \$200 have already been paid out this year.

Continuing with the Town Administrator department budget, Melissa Tzanoudakis questioned the wages/hourly account and why there was no cut in previous years like other departments. There was a discussion about the Administrator filling in and how the Administrator received an increase to fill-in temporarily. Chris Johnson noted that this case was a different case and a bit of a bizarre situation. Thomas Wilson questioned if the 10% salary reduction was across the board in the previous year's budget. Melissa Tzanoudakis answered that it was not. Chris DeSimone noted that the Administrators budget increase also included a step grade.

Continuing with the Town Administrator department budget, Chris Johnson questioned why the data processing/sundries account was raised from \$330 to \$450. There was a brief discussion.

On a motion from Chris DeSimone, seconded by Chris Johnson, the data processing/sundries account in the Town Administrator department budget (100-12900-54425) is recommended to be lowered from \$450 back to \$330 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 4(Aye)-0(No) and 0 abstained.

In reviewing the GIS department budget, Melissa Tzanoudakis questioned how they went from a budget of \$3500 to \$3325.

In reviewing the Law department budget, Melissa Tzanoudakis questioned if travel was included in their fees. Joseph Hallisey did not think it did, and did add that their hourly rate was very low, \$125/hour. Melissa Tzanoudakis agreed that hourly rate was very low. Melissa Tzanoudakis wanted to know if travel was included in their fees and what was involved in their consulting fees. Joseph Hallisey noted that anyone could contact them. Melissa Tzanoudakis commented that should fall under town counsel fees. George Zacharakis questioned why the jump to \$14,000, which Melissa Tzanoudakis agreed with noting that there might be a lot in litigation. Joseph Hallisey confirmed that there was a lot going on right now, and he could provide a list later. Melissa Tzanoudakis commented that consulting fees depended on many things, and pointed out that something like a slip on ice would typically be covered by insurance. Thomas Wilson will research these issues.

Chris Johnson pointed out that the deeds budget has never been spent. Melissa Tzanoudakis noted that can be an astronomical expense, and in this economy there will be some expense in that budget.

In reviewing the IS department budget, Melissa Tzanoudakis noted that the department had a 4.05% reduction. Melissa Tzanoudakis had met with the IT person. Melissa Tzanoudakis questioned if it was cheaper for the town to have a non-40 hour person and have the service. Joseph Hallisey explained that there had been a committee that researched and decided this was the recommended service and preferred route for the town. Melissa Tzanoudakis noted that there was three places in the budget that all were defined as data processing, and how was the Finance Committee to know what the differences were. Chris Johnson agreed that there were other budgets that had similarities and it was very difficult to know what each line item was and what the differences were. Chris DeSimone suggested they have the department head come in for the next meeting to help clarify the budget. Joseph Hallisey noted that the department head has been with the selectmen several times because the systems are in such terrible shape and the need to figure out what to do.

Holly Seiferth arrived at the meeting at 8:00.

In reviewing the Town Hall department budget, Melissa Tzanoudakis noted the 5% OT of \$4,738 being removed and what impact that had. George Zacharakis questioned which employee it was. Joseph Hallisey noted it was Albert.

Michael Landino arrived at the meeting at 8:00.

Continuing in reviewing the Town Hall department budget, Melissa Tzanoudakis noted that the electricity had been reduced by \$589, which might be due to reduced hours. Chris DeSimone commented that was risky since costs were going up and that would just mean a transfer at the end of the year to fill the gap. Melissa Tzanoudakis noted that the oil budget had spent \$3,643 year-to-date so far, which left about \$8,000 so there would be a surplus in that budget line item. Melissa Tzanoudakis then questioned where the town got their oil rates from and if they shopped around. Joseph Hallisey answered that the previous town administrator had shopped around for oil rates as part of his job. Chris Johnson questioned if the town bought from different vendors for different town buildings. George Zacharakis questioned if it would be possible to go with the same vendor as the schools.

Melissa Tzanoudakis questioned what the subscriptions were in the Town Hall department budget, noting that \$758 had been spent so far out of a \$2,000 budget. Melissa Tzanoudakis then questioned what the office equipment was for, to which Chris Johnson replied it was for leases. Melissa Tzanoudakis questioned if the town used the same vendors, did they shop around, and what were the rates. Chris DeSimone noted that the Heating/Air Conditioning Equipment budget had a budget of \$1,218 and spent \$157 year-to-date. Chris DeSimone asked Melissa Tzanoudakis if she would like to

follow up with the town administrator on the Town Hall budget, to which Melissa Tzanoudakis replied that she would. Joseph Hallisey questioned if some of this equipment be shared with other offices. George Zacharakis questioned what the photocopy budget was for, to which Melissa Tzanoudakis replied that was the actual paper.

Chris DeSimone questioned why in the Town Hall department budget there was no year-to-date expenses for the solid waste disposal budget of \$1,400. Chris DeSimone also questioned the Hardware \$100, Paint \$300, and Other Custodial and Grounds keeping budget, which has gone over-budget. Chris DeSimone wondered if the Garden Club could do some of the grounds keeping. Holly Seiferth noted that the Garden Club did do some grounds keeping. Chris Johnson commented that the Hardware budget could be cut since it had never been spent.

In reviewing the Town Reports department budget, Melissa Tzanoudakis had nothing to comment on. Chris DeSimone noted that this department budget had been cut out the previous year.

In reviewing the Other Town Buildings department budget, George Zacharakis would like to motion to zero this department's budget and have them move in a five months time frame. It was noted that a high-school student could be hired to scan all of the documents. On a motion from George Zacharakis, seconded by Chris Johnson, a motion to recommend to zero this department's budget and have them move in a five months time frame and it was approved by a vote 6(Aye)-0(No) and 0 abstained.

In reviewing the Personnel Board department budget, Melissa Tzanoudakis questioned what the Advertising. Legal Notices budget \$1,240 (\$240 spent year-to-date) was for. Joseph Hallisey noted that he is the Chairman of the Board, and he has no idea what this is for. He commented that the Personnel Board met once last year. Chris DeSimone asked if Joseph Hallisey would research and find out what this is for and what the expenses have been so far. Joseph Hallisey replied that he would.

In reviewing the Sealer of Weights & Measures department budget, Melissa Tzanoudakis questioned the Mileage budget line item. In 2008 it was \$25, in 2009 it was \$30, and in 2010 and 2011 it was \$100 but had no actual. Melissa Tzanoudakis questioned the Form line item and why there would be a cost for forms in this day and age when forms could be downloaded online. Chris Johnson replied that these were actually the stickers that went on the pumps. Michael Landino noted that the salary line item could not be reduced for 5% because of the contract.

Business: For the next meeting, Chris Johnson volunteered to be the primary in-depth person for the second 10 departments, starting with Constable department. Holly Seiferth volunteered to be the backup in-depth person for the second 10 departments.

Upcoming Meetings: 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 George Zacharakis, seconded by Michael Landino, the meeting was adjourned at 9:04 pm and it was approved by a vote 6(Aye)-0(No) and 0 abstained.

Respectfully submitted,
Lynne Henderson