

**Town of West Boylston
Finance Committee
Meeting of June 20, 2016**

A joint meeting of Fincom and CIB was convened at 7:05 pm in the town hall. Attending were Chris Berglund, Ray Bricault, Pat Bryant, Dave Eckhardt, Pavel Loven, and Pete Murphy. Absent were James Bedard, Bill Fay, and Jim Marinelli.

The minutes of meeting for May 16 were reviewed and approved 5-0 on a motion by Chris Berglund.

Anna Shaw, Library Director, presented a FY16 budget transfer request of \$1600 from Library Salaries to Purchased Services. Salary money was available due to the retirement of the previous Director. Outstanding bills for services, including the HVAC servicing, will be paid with the funds. An additional \$337 to pay for services was received from donations. Dave Eckhardt moved to approve the transfer, seconded by Chris Berglund with a vote to approve of 5-0.

Town Administrator, Anita Scheipers, and Town Accountant, Leslie Guertin, attended to discuss the Sewer Enterprise finances. Financial information was presented and reviewed.

Operating revenue forecasts are based on user fees, license fees, and investment income. One-time revenues are not included. Interest income is from the \$3.7 million reserve fund. Betterment fees are also included in revenue but are reserved only to service debt. The anticipated betterment payments will not fully service the outstanding debt. An additional \$1 million will be required, probably from retained earnings. The debt balance was not shown in the financial information presented. Operating expense is primarily salaries and operations, which includes the service fees paid to the contractor. Capital funds have been budgeted annually but there have been few capital expenses. Questions were asked about the condition of the system and the need for capital expense. At the moment no capital projects are anticipated.

A sewer rate study is expected in 2017. A rate increase will likely be needed to meet increased costs from the Blackstone regional sewer district.

The financial information helped the Fincom better understand the current sewer enterprise financial situation, but many questions remain about the future forecast. A joint meeting with the Board of Selectmen, acting as the Sewer Commission, will be scheduled for the fall.

Several additional FY16 budget transfers were considered:

- 1) From Municipal Fuel to Snow and Ice \$1857. Low prices created a fuel cost savings. A motion to approve was made by Ray Bricault, seconded by Pat Bryant, approved was voted 6-0.
- 2) From Finance Director Purchased Services \$3250 to Building Inspector \$2250 and Building Inspection Services \$1000. A motion to approve was

made by Chris Berglund, seconded by Dave Eckhardt, approved was voted 6-0.

- 3) From Election Other Services to Election Salaries \$600. A motion to approve was made by Chris Berglund, seconded by Dave Eckhardt, approved was voted 6-0.
- 4) From Town Clerk Purchase Services to Salaries \$500. A motion to approve was made by Chris Berglund, seconded by Dave Eckhardt, approved was voted 6-0.

The ZBA decision lawsuit on Wayne's Weaponry currently has unknown legal costs for FY16. A July meeting may be necessary to consider a budget transfer to cover these costs.

The Town Administrator reported:

- Candidates are being interviewed for DPW Director. The engineering license restriction has been a problem, but there are qualified candidates.
- The grant request for the school generator was denied.
- The Fire building garage doors were under \$20,000 (\$17,000) and would not normally be a CIB item. The committee decided to let the project proceed as approved.
- ESCO project savings did not meet plan with a shortfall of \$7000. Corrective actions have been identified and there will be a meeting soon with ABM.
- The impact of ESCO on the school budget is an open discussion item between the schools and the Town Administrator.

The Ambulance receipts were discussed. The reason for the recent decline is still unknown, but the amount of the decline is less than previously reported. Current FY16 revenue is \$320,000, and the forecast for the balance of FY16 is an increase to \$344,000 versus the budget of \$400,000. The situation for FY17 is still under review.

The cost of a new ambulance is \$245,000. A purchase is expected in FY18. \$195,000 is expected in the ambulance fund at the end of FY17. An additional \$50,000 will be needed.

Dave Eckhardt resigned from Fincom and CIB effective June 30. Dave was thanked for his service on both committees and on the ESCO project.

Elections were held for Fincom and CIB officers. Chris Berglund was elected as chair, Jim Marinelli as Vice Chair, and Pete Murphy as Secretary for both committees. Ray Bricault moved to elect the slate and the vote was 6-0 for Fincom, and 6-0 for CIB.

The meeting was adjourned at 9:05 pm.

Pete Murphy
Secretary
Fincom & CIB