**FINANCE COMMITTEE**

**Meeting Minutes**

**Tuesday, March 17, 2015, 6:30 PM**

**Lower Conference Room**

**Members Present:** John Heffernan (Chair), William Podolski, Maureen Hanlon, Dave Roberts, Liz O’Donnell, Steve Bilafer, Sue Carney and Kevin Hughes.

**Members Absent:** Russell Stamm

Mr. Heffernan called meeting to order at 6:30 PM.

6:38 PM:ARTICLE THIRTY-FIVE**-** *By the Board of Selectmen. To see if the Town will vote in accordance with the provisions of G.L. c.32B, §20(b)(iii), to designate the Health Care Security Trust (HCST) Board of Trustees as the custodian of its Other Post Employment Benefits Fund, created under Article 19 of the 2009 Annual Town Meeting, and further, to authorize appropriate Town officials to negotiate an Investment Agreement with the HCST Board of Trustees and execute the same on such terms and conditions as the Town deems acceptable, and to take such other action as may be necessary to carry out the vote taken hereunder including the withdrawal and transfer of monies in the OPEB account as may be directed by the HCST Board of Trustees and the execution of any and all instruments as may be necessary to effectuate the purposes of the vote taken hereunder, or take any other action relative thereto. Referred to Finance & Warrant Committee for study and report.*

Mr. Bilafer asked when the funds will go into the HCST fund. Ms. Lepardo responded that the funds are pooled together and the town would give authority to the custodian of the funds. Mr. Bilafer explained that he wants to make sure that the money is not leaving the town.

Ms. Carney confirmed with Ms. Lepardo that the custodian is assigned by the Board of Trustees, and currently Ms. Lepardo is the custodian. Ms. Lepardo explained that she does not expect the returns to be as high as they were in the past; they are investing more cautiously. This article allows the Town to take advantage of this if they want to.

Ms. Carney asked Ms. Lepardo to look into what would look like if they split the funds between Rockland Trust and the PRIT fund. Ms. Lepardo explained that both are good options, and she is aware of others who have split between the two.

Lauren Goldberg, town counsel, suggested checking the language to see if it must be adjusted in the motion and to see what other towns that have split between the two have done within the language.

Ms. Carney commented that they don’t want it to preclude flexibility.

6:50 PM: ARTICLE THIRTY-SIX**-** *By the Town Manager. To see if the Town will vote to authorize the Board of Selectmen to submit to the General Court a Home Rule Petition for Special Legislation relative to placement in the Robin Reyes Fund of local options meals and room tax receipts in a form substantially similar to the following: (see warrant)*

Mr. Heffernan received clarification that this would be for the direct deposit of the funds.

Ms. Goldberg confirmed that they are not creating a brand new fund; they are just saying the money is going to go in there.

Discussion of Finance Department and Town Manager budgets-

7:00 PM: Town Manager Budget-

Mr. Kern explained that “Personnel” remains the same besides the hiring of a new Town Manager.

Money has been moved from “Purchase of Services” to fund one of the extra days for the Town Nurse. Mr. Kern explained how he thinks having the Town Nurse full time is a necessity, and that this is already a benefited position.

10,000 is being allocated towards a record retention system with King that will purge files as necessary and build a records retention system so each department can better manage their records. He explained the requirements for retaining physical copies of most information.

Mr. Kern explained that as required every 6 years by bylaw, the annual town audit went out to bid .

Mr. Hughes asked why the Fire Department and Police Department are not covered under worker’s compensation. Mr. Kern explained that is because they they are covered under section 111F. Mr. Hughes also asked why the workers compensation rate increases by $100,000. Mr. Kern responded that it is based on a three year rolling average; the amount is not way out of line for a town of this size.

7:25 PM: Central Purchasing-

Ms. Carney asked about the elimination of the sick leave incentive and what was given in return. She commented that she thinks it is strange that it was given up for nothing.

Mr. Hughes asked about courier services for $18,000. Ms. Baker responded that appears to be an error and she will look into it.

7:30 PM: Legal-

Ms. Baker explained that they are budgeting FY16 legal fees to be roughly same level as the FY14 actual with the anticipation of having increased activity relevant to the new municipal campus.

7:30 PM: BPCC-

Ms. Baker explained that this budget is level funded.

7:31 PM: Economic Development-

Ms. Baker explained that this budget remains level funded.

Ms. Hanlon asked about the increase of $6,000 under “Purchase of Services”. Ms. Baker responded that that money is there to support the ongoing efforts for the East Dedham Revitalization which will continue as a multi-year effort.

7:35 PM: Civic Pride-

Ms. Baker explained that Civic Pride remains level funded.

Ms. Hanlon confirmed with Ms. Baker that they do not submit an income statement.

7:35 PM: Cultural Council-

Ms. Baker explained that the Cultural Council remains level funded.

7:36 PM: Finance Department-

Ms. Coppola explained that code red was a duplicate item and there is a net budget decrease of $4,518.

Ms. Carney confirmed with Ms. Baker that there is only one remaining member of the BOS that is receiving a stipend, and no exceptions were made. This individual will lose his stipend even if he becomes re-elected.

Ms. Carney explained that she would like to see a cost-center breakdown for Health Insurance. It is the second highest cost to the Town, Schools it first, as it should be. She thinks this information would be beneficial to have as it is easy for a department to claim they need to add FTE’s, but they are not seeing the full cost to the Town with is being included in a separate line item.

Mr. Heffernan asked if there would be a way to keep it centralized, but to provide the Finance Committee with a sheet that breaks it down.

Ms. Carney asked how many elected officials are participating in the Town’s health insurance. Ms. Baker responded there will be 1 only until next month when they will lose eligibility.

Ms. Hanlon commended the Finance Department on their efforts by noting that in spite of everything the Finance Department has gone through in the last couple years they had a big job to do.

Jane Lepardo, Treasurer, explained her area’s accomplishments including sewer bills going online, and improvements that have been made to the manual entry process. She explained that they have finally caught up and falling behind is not an option. Next she plans to start working on tax takings which have not been done in a long time. She explained the funding required for legal purposes to achieve this.

Mr. Roberts asked about the car allowance for technology. Ms. Coppola responded the car allowance was part of an agreement for both the IT director and Assistant Director from when they were hired.

Ms. Hanlon commented on New World not being used to its full capacity and asked why they are not using the payroll module.

Ms. Lepardo responded that they are currently using Harper’s for payroll. She did have a demo with New World recently, and agrees it is a very impressive system. She explained that it would take a year in preparation to change over to that system and the Town may consider this in the future.

Debt Service- No questions

8:30 PM: ARTICLE FIVE- *To see if the Town, in accordance with the provisions of the General Laws, Chapter 41, §108, will vote to fix the salary and compensation of all elected officials of the Town, or take any other action relative thereto. Referred to Finance & Warrant Committee for study and report.*

Ms. Baker explained that the Town Clerk’s salary has to get voted as part of Article 5. There were no questions.

8:31 PM**:** ARTICLE FIFTEEN: *To see if the Town will vote to authorize the use of the following revolving funds pursuant to G.L. c.44 Section 53E ½ for the fiscal year beginning July 1, 2015, such funds to be credited with receipts from the following revenue sources, to be expended under the authority and direction of the following agencies or officials, for the following stated purposes, not to exceed the following spending limits, respectively: (see limits in TM warrant)*

Mr. Roberts received confirmation that for surplus vehicles and equipment, the Town goes though auction/surplus bidding instead of trading.

Ms. Carney asked about the monthly rental income for the old Avery School. Ms. Baker confirmed they pay $175 per month. Mr. Heffernan commented that it is his understanding that what they vendors are not paying in rent they are paying for improvements. Ms. Baker confirmed that the Mother Brook Arts and Community Center takes in more rent from the vendors than the $175 per month and the Center is responsible for covering costs at the building. She added that they have invested over a ½ million dollars in the building since they have been there. Mr. Heffernan added that the intent is for the rent to go up over time, and the lease agreement can be found online.

ARTICLE NINETEEN: *By the Town Manager at the request of the Treasurer/Collector. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the purposes of the costs associated with tax takings, or take any other action relative thereto. Referred to Finance & Warrant Committee for study and report.*

Ms. Lepardo explained that as mentioned earlier in the meeting, she plans to work on tax takings, but will need funds to be appropriated to cover the legal fees associated with the 170 plus tax takings she would like to address. Mr. Heffernan asked if they will have a number to vote on. Ms. Lepardo responded that she is requesting $50,000.

Ms. Hanlon asked if $50,000 will be enough to get through FY16 for the ones that are still outstanding. It was confirmed that they can reevaluate prior to the Fall town meeting.

ARTICLE TWENTY-ONE: *By the Town Manager at the request of the Director of Engineering. To see if the Town will vote to rescind the authorized but unissued $356,395.00 balance of the $6,100,000.00 borrowing approved under Article 4 of the May 16, 2011 Annual Town Meeting Warrant for the Dedham Square Improvement Project, which balance is no longer required to complete the project for which it was authorized, or to take any other action relative thereto. Referred to Finance & Warrant Committee for study and report.*

Ms. Baker explained that this article would rescind the remainder of the authorization of the $6.1 million. There is no money to reallocate, it is just an authorization that should be rescinded and the town never borrowed the money. Mr. Kern added that it is always a good idea to rescind the remaining authorizations.

Mr. Hughes complemented the Finance Department on a fantastic job with the level of detail provided in the Finance Committee books. He thought that the information was easy to follow and could tell that a lot of work went into this.

8:55 PM: Mr. Podolski made a motion to adjourn, seconded by Ms. Carney**. It was voted 8-0.**