

YARMOUTH FINANCE COMMITTEE MINUTES
Yarmouth Town Hall, Room A
November 19, 2014

Present: Joseph Goldstein, Chair, Nathan Ladley, Phillip Morris, and Robert Ciavarra,

Absent: Cathy Romboli, Vice Chair/Clerk, Jack Moylan

Administration: Rich Bienvenue, Town Accountant, Town of Yarmouth and Ed Senteio, Financial Analyst, Town of Yarmouth

Guest: Ben Nugent

The meeting was called to order by Mr. Goldstein, Chair at 6:38 p.m.

TRANSFERS:

There were no transfers at this meeting Mr. Bienvenue said.

ADMINISTRATIVE ITEMS:

The Finance Committee considered Sandra Fife's application to be on the Capital Budget Committee. Mr. Morris reported that she was Finance Director in Dennis. Mr. Morris recommended her highly.

MOTION: To appoint Sandra Fife to the Capital Budget Committee

Motion by: Mr. Goldstein

Seconded by: Mr. Morris

Vote: 4-0-0

Liaison Assignments: Capital Budget, Investments and School Committee were done in the past Mr. Morris said. Mr. Goldstein said that last year the Committee had each Department head come in, and Mr. Goldstein said that would be his preference. Mr. Goldstein also said that to begin Police, Fire and DPW should be reviewed. The School Budget, as well as the CCRT Budget should also be looked at Mr. Goldstein and Mr. Morris suggested.

Mr. Bienvenue, filling in for Mr. Hinchey, said that the budget books would be available just after Christmas. He suggested that the Committee begin the budget work before the books were available. Mr. Goldstein said that his preference would be to bring people in after the Committee had the books. Mr. Bienvenue distributed: 1. Table of Contents from the Budget Book 2. FY2016 Budget Schedule 3. Budget Directive

The recommendations for the budget and the warrant are due February 26, 2014, Mr. Bienvenue said.

The Committee discussed this year's School Budget, and Mr. Morris said we are beginning the year without any "savings account". Mr. Bienvenue said that the Committee would have January, February and March to review that budget.

Mr. Bienvenue presented the following:

YARMOUTH TOWN CLERK

15 JAN 20 10:34 REC

FY16 Recovery Update: September 8, 2014

QUANTIFICATION OF NEED		OPPORTUNITIES	
Levy	\$1,257,000		Estimated
New Growth	<u>250,000</u>	Economies	\$400K
Total	\$1,507,000	PILOTS	250K
		Stewarding Debt	319K
DY (2 ½)	\$ 696,000	Fees	250K
CCT	<u>71,000</u>	New Growth(Econ.Dev)	<u>200K</u>
Balance for Town	\$740,000	Totals	\$1,419K
		Estimated Receipts	\$300K
Budget Busters	\$820,000	(excess)	
(Pension, Health Ins., Step & Grade Incr. Schools)		1% COLA =	\$190K
Deficiency	<u>(\$ 80,000)</u>		

DEFICIENCY TALLY

Capital	\$950,000
Operating	80,000
Service	<u>350,000</u>
	\$1,380,000

RESERVES

Stabilization	\$2,000,000
Free Cash Certification	<u> </u>

Notes: 1. Amount, Directives to School 2. Re-Establish Reserve Goals 3. Establish Negotiation Policies

Mr. Bienvenue said that this is a level funded budget. This Recovery Update shows that the Town would be able to fund its deficiencies. The School remains our biggest challenge. The Town plans to stay within the 2 ½ % increase. The Town's objective to increase reserve would favorably affect our bond rating with Standard and Poors.

The Schools are using the Chapter 70 formula, and the Town is using a 2 ½ % increase, and anything above that is subject to an override without the PILOT. Mr. Bienvenue said that the state has a budget deficit; there may be a decrease in state aid, and there is a proposal to reduce state aid to Transportation. With no E & D, the increase in Transportation would fall on the Towns.

Mr. Goldstein asked about the debt drop off of \$420,000, which Mr. Bienvenue said could be used to fund debt without increasing the tax rate. Mr. Senteio said that this debt could be used for capital purposes, if it was not used for the Schools. Mr. Goldstein spoke of the capital needs, such as, new vehicles and the fire department building. The debt drop off within the School Budget stays within that budget, however, some School funding, has been taken on by the Town, such as, the Simpkins School roof.

Ben Nugent, who is interested in serving on the Yarmouth Finance Committee, was introduced.

Mr. Ladley said that the water rates had been the same since 1995. Mr. Ladley felt that the rates should be tied to a cost of living increase. Mr. Senteio said that the water department has \$3.3 million in unfunded capital projects and unfunded pensions. For FY16 the water department will not be adding more to the capital money due to a surplus in the reserves at this time. Mr. Bienvenue said that it would be considered a tax, rather than a fee, if the charge for the service is more than the cost of the service. Mr. Senteio said that his department is trying to quantify all the costs, such as health insurance and unfunded pensions, to these municipal enterprises. Mr. Ladley also asked about the benefit of solar panels. Mr. Senteio said the benefit went to both the Schools and the Town.

MINUTES:

MOTION: To approve the minutes as presented

Motion by: Mr. Morris

Seconded by: Mr. Ciavarra

Vote: 4-0-0

NEXT MEETING:

November 29, 2014, the Capital Budget will submit their budget Mr. Goldstein said.

The next meeting will be December 17, 2014.

The following meetings were scheduled:

January 7, 2014	Police
January 14, 2014	Fire
January 21, 2014	DPW
January 28, 2014	Park, Recreation and Cemeteries

ADJOURN:

MOTION: To adjourn at 8:01 p.m.

Motion by: Mr. Morris

Seconded by: Mr. Ladley

Vote: 4-0-0

Respectfully submitted,



Grace E. Buckler
Recording Secretary
Yarmouth Finance Committee