

**Financial Matters Sub-Committee June 3, 2020**  
**Minutes**

Members present: Christine Saulnier, Chair, James Broderick, Michael Kane, Thomas O'Connor, Mary McNally, Diane Bishop, Ryan Quimby, Kathleen Hill (ex-officio, non-voting)

The meeting was held by virtual participation (Zoom) and was called to order by Chris Saulnier at 10:02am.

Chris began the meeting by asking members to refer to increases in the police department budget (June 3, 2020 updated version). She questioned the addition of \$125,000 in the salary account. Chief Dalessio was invited into the meeting and explained that the increase was due to the need for a greeter at the front of the station beginning July 1 when dispatch operations move to WESTCOMM. He projects the need for 2 full and 2 part time employees to fill this position. This increase in line item will be offset by the retirement of a police officer, and the Chief will leave that vacancy unfilled. The net increase in cost in the salary account will be approximately \$60,000. Questions such as could furloughed employees be used to fill the greeter positions? Do the greeters need to be present from 8:00am to midnight? Can an officer on duty fulfill the responsibility instead? were asked of the Chief. He responded that he does not want to go backwards with the service model that residents have come to expect and appreciate and feels that the greeter model he is presenting will be a good fit to maintain the level of service. Tom suggested that the discussion be flagged for further review in a subsequent meeting.

Chris asked Mary to elaborate on the balances shown by the Recreation Department. Donna Prather has assured Mary that no deficit exists in her accounts but rather that it is a matter of accounting and how receipts and refunds are reflected in the ledger. Tom questioned the account balances in the Recreation Department Revolving Funds. Mary stated that it would be more appropriate for a review of revolving fund accounts at a later date. She noted for the committee that due to COVID-19 and the department's inability to run spring programs, approximately \$70,000 has been issued in refunds. The status of summer programs and the Pine Knoll pool programs were still not defined at the present time.

Chris moved the discussion to a review of the School Department Chapter 70 reimbursement of \$12,102,248 for FY20. Should the committee continue to use that figure for budget planning or the higher figure of \$12,181,538 which is inclusive of \$79,290 in Student Opportunity Act funds. Members of the School Committee and Superintendent Gordon Smith were invited to join the discussion. Rich Freccero stated that no updates on the status of Chapter 70 funds have come from the state. Gordon Smith felt it was prudent to use the lower figure for planning as the SAO funds could be delayed by the Governor if funding cuts need to be made. Chris asked the committee should the town's projected share of \$19,612,551 be used for planning so allow the school department to proceed with its own planning. Jim expressed his hesitance at giving such a firm number at this time. Chris noted that using the FY20 allocation and excluding the SAO portion of the Chapter 70 funding would net an approximate \$236,800 cut for the schools. Rich Freccero stated by comparison using that formula would result in the schools receiving only 1.2% increase compared to other departments receiving 2% increases and felt that the schools were taking a bigger hit. Jim ultimately made a motion (second Mike) to support a \$200,000 decrease in allocation for the school department making the total FY 21 allocation \$31,594,089. Voting Yes were Saulnier, Broderick, Kane, O'Connor and Bishop.

Chris moved on to a review of the Capital Plan proposal. Mike stated that the Capital Plan committee would be making its final adjustments to the Plan and would have them available after their June 8 meeting. That said, this topic was set aside until the Finance Committee meeting on June 10, 2020.

Jim offered 3 questions for the committee to consider: (1) Can Olga break down the non-recurring figure of \$151,000 (includes MEMA/FEMA) reflected on page 2? (2) Where is the CPC offsetting revenue reflected on the budget model? Diane will work with Olga to obtain clarification. (3) Is there anything the Finance Committee needs to do to assist the Town Council on June 9 in passing a 1/12 budget for July 2020? Mary indicated the template provided is very simple to complete and she will have it ready with appropriate figures for the June 9

meeting. Lastly, Jim stated that he felt the Finance Committee should take a stand on a proposed FY21 budget sooner than later. If necessary, amendments will be proposed as more reliable figures are known.

The final item of discussion was review and approval of the minutes of May 28, 2020. The only correction was to delete the wording *inclusive of the additional \$13,000 in stipends* from the third to last sentence at the bottom of page 2. Jim moved to approve the minutes as amended seconded by Mike. Voting YES were Saulnier, Broderick, Kane, and Bishop. Abstaining was O'Connor

Jim made a motion to adjourn (seconded Tom). Voting YES to adjourn were members Saulnier, Broderick, Kane, O'Connor and Bishop. The meeting adjourned at 11:53am

Respectfully submitted,  
Kathleen Hill  
Ex-officio (non-voting)