

**Financial Matters Sub-Committee July 17,2020**  
**Minutes**

Members present Christine Saulnier, Chair, James Broderick, Thomas O'Connor, Mary McNally, Diane Bishop, Steve Lonergan, Kathleen Hill

The meeting was held in the Media Room of the Council on Aging, compliant with COVID-19 guidelines, and was called to order by Chris Saulnier at 10:00am.

The first item of discussion was review and approval of the minutes of July 10, 2020. Jim moved to approve the minutes as amended seconded by Tom. The minutes were approved unanimously 4-0-0.

Chris asked Jim to give a review of the Finance Oversight Sub-Committee(FOC) report that will be presented at the July 21 Council meeting. Jim noted that the line by line figures and percentages in the FOC report paralleled those same figures in the Town Manager's Proposed FY21 Budget, with the exception of the school department allocation. The Manager's recommendation is an allocation of \$31,659,202 and the FOC recommended allocation is \$31,602,589 or a difference of \$56,613. He also gave an analysis of the Sources Over Uses indicating \$65,384,758 for sources and \$63,644,001 for Uses leaving a difference of \$1,740,756. The Capital Planning recommendations are the same as that of the Manager for FY21. Chris asked Jim to explain how the Feasibility Study for ELHS was going to be recommended; was it going to the Council for approval first or just packaged as part of the recommended projects? Jim indicated that it appears in the Capital Planning Committee recommendations since waiting until FY22 would effectively disqualify the school department from MSBA project consideration. The recommendation is being treated as a bonded amount with the anticipated hope of a 55% reimbursement through the MSBA. Jim indicated that the full amount of General Fund recommended projects was \$2,597,370 however the amount of \$1,009,940 was the actual impact on the operating budget. He also mentioned that a vehicle for the DPW would be funded through the Vehicle Fund Reserves and a dump truck through a Vehicle Fund Reserves and bonding. Tom asked about a difference in the debt service figures. Mary noted that through some careful analysis by Steve and Olga, \$5486 debt service for the Mapleshade steam pipes project was not due until FY22, and approximately \$45,000 savings with the purchase for the two vehicles from the Vehicle Reserve Funds.

Jim questioned where best to reflect the recommended total amount of Capital Projects in the report. After brief discussion it was decided that in the interest of clarity for the Council and the public, that figure would be placed nearer the \$1,009,940. During the Council meeting on Tuesday, the wording for individual motions to approve the various projects would be spelled out to include totals and subtotals if necessary, as well as funding sources.

Jim asked if the turn backs from each department were known and transferred to the Stabilization Fund. Mary and Steve indicated that an analysis of turn backs was pending and coming very soon. Chris also mentioned that the need to operate on a 1/12 budget system can alter what is available for turn back purposes. Mary also noted that two neighboring towns have recently approved FY21 budgets with the need to draw from their respective stabilization and free cash accounts. She noted that East Longmeadow will be able to recommend an FY21 budget on July 21 without the need to draw from reserve accounts. Tom commended Mary and those who were involved in budget preparation and commented that the need to fall back on the Town's reserves could last for longer than a year. Finally, Chris echoed Tom's remarks about the extraordinary work of Mary, the Department Heads and certain staff who have worked to deliver a conservative budget based on what is needed and best for the taxpayers.

Jim made a motion to adjourn (seconded Tom). The motion to adjourn was approved unanimously 4-0-0. The meeting adjourned at 10:35am.

Respectfully submitted,  
Kathleen Hill