

# Town of Fairhaven

## Finance Committee

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Minutes of the meeting for <March 3, 2016> at the BPW Administration Building, 5 Arsene St., Fairhaven, MA

Members in attendance:

Chairman-Scott Fernandes, Robert A. Furtado, Padraic Elliott, Kathi Carter, Lisa Plante, John Mota, Thomas Alden

Member absent:

Ann Ponichtera DesNardis  
Tracey Diggins

Town of Fairhaven:

Mark Rees- Town Administrator  
Wendy Graves- Collector/Treasurer/Finance Director

Meeting was covered by government access television.

Chairman called the meeting to order at 7:00 PM. Announced that the meeting was being recorded by government access TV. Chairman has to be notified if anyone else present is recording the meeting by video or audio.

Motion made by Lisa to accept the minutes from February 25, 2016. Seconded by Tom.  
Vote: Unanimous

- Mr. Rees distributes copies of his proposed FY17 budget and copies of his Revenue breakdown with backup information.
- Chairman states that he plans to have the Police Dept. in next week to discuss their budget.
- Mr. Rees states he is having a budget workshop with the Selectmen on March 7, 2016, to discuss the budget
- Mr. Rees gives the committee a run down on the major points of his budget:
  - Mr. Rees recommends funding the Master Plan for \$85,000.

- Mr. Rees recommends expanding the Police & Fire Station study to a Master Facility Study, at the cost of \$45,000. This would study all municipal and school buildings.
- Mr. Rees recommends funding the Capital Planning Article with the addition of the HMS roof project.
- Mr. Rees recommends fully funding the School Dept budget request.
- Mr. Rees recommends reorganizing the command structure of the Police Dept., with an estimated cost of \$35,000, and states that Chief Myers can better explain the change.
- Mr. Rees recommends hiring a full time Information Technology Director to oversee all the Town's systems.
- Mr. Rees recommends, because all the labor contracts are up this year, establishing a \$300,000 Wage & Salary Reserve Fund.
- Tom asks how Mr. Rees came up with an amount of \$300,000.
- Mr. Rees states he does not want to discuss that in open session because the contracts are being negotiated.
- Mr. Rees gives a breakdown of the Revenue.
- Tom questions Reserve Fund Transfers in the past for overtime.
  - Chairman states if the transfer was not made, the amount would come from the following year's Tax Recap Sheet. It was done to keep the expense in the same tax year.
- Chairman questions the Wage & Salary Reserve.
  - Mr. Rees states Town Meeting would still have to approve the money.
- Mr. Rees states the teachers' contract has been settled.
- Chairman asks if there will still be Reserve Fund Accounts for the Sewer and Water.
  - Mr. Rees states yes.
- Discussion of the Reserve Fund.
- Discussion of OPEB funding.
- Discussion of gasoline in the budget.
- Discussion of utilities in the budget.
 

Mr. Rees states he has full funded the request from departments on utilities, because at this time he does not have a complete understanding on the credits from the solar and wind.
- Discussion of gasoline not being its own category any more.
  - Mr. Rees states that depts. must have his permission before spending out of the line item.
- Pat asks why previous years there was always discussion of "hitting the wall", and yet this year we are adding positions and still have a balanced budget?

- Mr. Rees states the health insurance costs have stabilized, and in past years the local receipts were underestimated . He is trying to be more realistic with what the local receipts will actually be.
- Chairman states it is good practice to have the budget generate 3-5% of free cash.
- Lisa states how Veteran Services in past years has needed Reserve Fund Transfers and asks how they are doing this year.
  - Mr. Rees states the Veterans Agent feels he will be fine.
- Pat asks if the committee could see the gasoline spreadsheet as we have in past years?
  - Mr. Rees states he can provide that.
- Lisa asks if the employee salaries will still be listed in the Fin Com booklet?
  - Mr. Rees states yes.
- Mr. Rees reviews the Revenue sheets he provided.
  - Discussion of the various reserved for appropriation accounts.
  - Discussion of the various gift accounts.
  - Discussion of the indirect costs.
  - Kathi questions the account for the Pool Committee.
    - Mr. Rees states he will check into it.
- The committee thanks Mr. Rees for his presentation of the budget.
- Chairman states that Ms. Graves puts Mr. Rees's paperwork together, and if we have any questions she can provide the backup.
- Chairman states Police Dept. will be in next week.
- Next meeting March 10,2016.

8:19 PM. Pat motions to adjourn. Seconded by Tom. Vote: Unanimous

Respectfully submitted by:

Robert A. Furtado  
 Finance Committee Secretary  
 (accepted 3-10-2016)