



Town Of Webster Massachusetts

Est. 1832

Finance Committee

350 Main Street
Webster, MA 01570

Earl Gabor, Chairman
Sarah Sansom, Vice Chairman
Christine Jackel, Recording Secretary
Joseph Beresik
Julie Dell'Anna

Neil Dixon
Michael Finamore
Carole Marchand
Stanley Lenky

MINUTES
January 5, 2017

Present: Joe Beresik, Neil Dixon, Mike Finamore, Earl Gabor, Carole Marchand, Sarah Sansom and Stanley Lenky

Absent: Julie Dell'Anna

The meeting of the Finance Committee was called to order by Chairman Earl Gabor at 7:00 PM on Thursday, January 5, 2017 in the Board of Selectmen's Meeting Room in the Town Hall. Town Administrator Doug Willardson was in attendance.

Minutes

Chairman Gabor asked for a motion to accept the minutes. Correction: Under special note: Change the word Town Manager to Administrator. Motion was made by Mike Finamore and seconded to approve the minutes of the December 8, 2016 meeting with the correction. Vote was unanimous; motion carried.

December Monthly Budget Review: Town Administrator Doug Willardson distributed copies of the budget through the end of December that he had prepared. Each line item was reviewed and on the ones where Finance Committee members had questions, T/A Willardson stated he would provide answers for the next meeting.

Old Business

Resignation: Chairman Gabor received notification (via an e-mail to the Town Clerk) that James Bazinet was resigning from the Finance Committee. Motion was made by Mike Finamore and seconded to accept his resignation and have a letter of appreciation sent to Mr. Bazinet for his time served on the Finance Committee. Vote was unanimous; motion carried. The Secretary will prepare a letter from Chairman Gabor.

Response to Questions from November Monthly Budget Report: T/A Willardson addressed the following:

145 Treasurer: (0114552 Treasurer Expenses (-51.8%) will be at zero when all journal entries are made; 177 Code Enforcement: (0117752 Code Enforcement Expenses (69.1%) professional tech high; 220 Fire: 0122058 Fire Capital Outlay (100%) T/A will look into which being replaced; Ford Explorer purchased was budgeted under capital outlay; Chief has rental; 541 Senior Center (0154152 Senior Center Expenses 48.1%) Paying for heat in both buildings; 630 Parks & Recreation (0163052 Recreative Expenses 76.9%) Summer concert series; 810 Federal Assessments & Charges (0181052 Inter-governmental 100%) Federal and State not appropriated; charge is from the state, deduct from revenue, state gives aid and also assessment, 0 all towns accounted for on cherry sheet (T/A said did the same in Grafton is reflected in budget); 912 Worker's Compensation (0191251 Worker's Compensation 96.6%) insurance premium a little extra; 913 Unemployment (no amount expended, January no expenditures – T/A will look into and follow up with school.

Free Cash Update: FY2015 balance sheet was submitted to the DOR and should be completed in January. Free cash is not available until review is complete. **June 2016 revised monthly budget by Town Accountant:** This item has been on the agenda for months with no response.

Stabilization Funds: An e-mail from a resident of the Town, Bob Whitelaw was sent to Chairman Gabor and shared with the committee regarding the Stabilization Fund. One of the items stated was “Treasurer Chauvin reported in the 2015 Annual Town Report that the Stabilization Fund totaled \$1,289,846.12.” In the Guide to the Warrant for the June 6, 2016 Special Town Meeting, that was distributed to all in attendance at that meeting, it was stated “Article 13 – we are recommending that this article be approved in the amount of \$150,000.00 as a transfer from the Stabilization Fund (current balance \$850,333.27). The difference between what Treasurer Chauvin reported in his annual report and that in the guide to the warrant for the June 6, 2016 special town meeting is \$439,512.85. Mr. Whitelaw stated that when he asked for an explanation from Treasurer Chauvin, he responded to him via e-mail on July 11, 2016 that his department “just holds the money in the fund” and the “Town Accountant/Town Administrator would be able to explain the ins and outs of the stabilization account to you.” Receiving this, he sent an e-mail to, at the time, Acting T/A Ms. Leduc and she responded on August 16, 2016 with statements including the stabilization fund reconciliation balance per the Treasurer and a separate balance per ledger with the same amount, \$853,645.09. Mr. Whitelaw indicates this is another balance number that does not match what was presented in Article 13. It was the request of the committee to include an update on the Stabilization Fund on the agenda every month. A “Stabilization Fund Reconciliation” sheet dated 9/30/16 was distributed showing an ending cash value of \$1,027,550.64 with no outstanding transfers added. Total outstanding transfers out totaled \$320,068.41 with the balance per the Treasurer and General Ledger stated as \$707,482.23. The T/A said policy will be set on what this should be; the DOR likes to see around 8%. A sheet with the Town Hall Improvements Stabilization Fund Reconciliation had an ending cash value of \$60,989.99 (this does not include the solar farm payment for FY'17). Edison went bankrupt and NRG took over.

FY18 Budget & Capital Plan Update: T/A Willardson sent a memo to all department heads requesting their preliminary requests be sent to him no later than January 20, 2017. Department heads need to complete capital forms (5 years). Budget process to begin February 1. Library \$3m town can do short term 5 years (what %). T/A will get a list of buildings and vehicles and put on replacement timeline. The T/A said he will be getting quotes from BCBS, MIA and Hampshire. Former T/A McAuliffe had looked into GIC plan, which has been solvent the past two years; Grafton and Somerville moved to GIC.

Request for FinCom Members to Release E-mails: Chairman Gabor received a request on December 8, 2016 from Town Accountant Pamela Leduc, which stated “*compilation of all e-mails sent or received by each member of the Finance Committee to/from any other member(s) of the Finance Committee, Board of Selectmen, Town Administrator Screening Committee, the Town Moderator, any finalist for the position of Town Administrator, the recently appointed Town Administrator, Mr. Doug Willardson, and/or the Department of Revenue for the period of January 1, 2016 to December 11, 2016.*” Chairman Gabor responded to Ms. Leduc on December 17, 2016 stating that “in accordance with 950 CMR 32.06(2), the Town estimates the cost for search time and segregation time necessary to comply with your request will exceed \$10,00, the Town will provide a good faith estimate of the applicable fees and will require payment in full of the amount of the good faith estimate prior to complying with your request.” Chairman Gabor indicated he complied with this request and had approximately 1,500-1,700 e-mails. Mr. Beresik said as members of the Finance Committee, we are indemnified as town officials, whether elected or appointed. He requested that Chairman Gabor, through T/A Willardson, receive a written legal ruling from Town Counsel. The T/A said he will follow up on this.

New Business

DOR Audit: In 2008 the DOR did a financial audit and will be doing one again and giving us a report, will focus on finances. **Fire Department Tower Truck:** Quote to BOS \$1.5m for tower truck. **Transfer Station Contract with Little River Recycling, Inc.** Contract expires on 9/30/17. Mr. Finamore said when the contract was signed, it was all 1-sided with the Town responsible for all maintenance and had to pay for garbage. T/A Willardson will look at DPW doing compost.

At the December meeting, Mike Finamore requested a report of legal expenses incurred by the Town from July 1, 2016 to present be provided to the committee at the December meeting. He stated that under past Town Administrators, via a memo several years ago, that town counsel could not be used unless authorized. No report received to date.

Next Meeting

The next meeting of the Finance Committee will be held on ***Thursday, February 9, 2017 at 7:00 PM in the Board of Selectmen’s meeting room in the Town Hall.***

There being no further business, meeting was adjourned at 9:00 PM.