

Town of Lunenburg

Finance Committee:
Brian Laffond, Chairman
Marilyn Stokes, Vice-Chairman
John Male
Barbara Reynolds
Martha McDonald, Secretary
Lars Widstrand
Mark Erickson



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Lunenburg Finance Committee
Minutes
April 29, 2010

*Approved
8/26/10
B. P. 2nd*

Location: Town Hall
Present: Brian Laffond, Barbara Reynolds, John Male, Mark Erickson, Lars Widstrand
Absent: Marilyn Stokes, Martha McDonald
Also Present: Karen Brochu, Barb Lefebvre, Bob Ebersole

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AUG 27 2010

**LUNENBURG TOWN
CLERK OFFICE**

1) Meeting called to order by the Chairperson at 7:00 PM.

2) Sewer Enterprise Budget Review

- Bob Ebersole and Barb Lefebvre presented the sewer enterprise budget. Rates for FY11 have increased 20% but since bills don't go out until the end of the quarter, revenue increases 15%. Late fees are increased from \$5 to \$10. Increases in payroll expense offset somewhat by decreases in DPW expense, as DPW resources are used for sewer maintenance. One-time expense to investigate and mitigate "inflow and infiltration", caused by more water entering the sewer system than is consumed from town water. Concern is that costs could go up significantly if Fitchburg and Leominster exercise their right to bill based on sewer meters, rather than water meters as they do today. Fitchburg rate includes surcharge for capital upgrades, which are also funded from the general rate, causing Lunenburg residents to pay twice for capital improvements. This should be renegotiated when the contract is renewed. Warrant article will include appropriating \$482,233.55 from revenues and \$92,001.71 from retained earnings, for a total of \$574,235.26. Also discussed infeasibility of building our own plant and a recommendation we look into penalties for illegal hookups.

3) Communications/Minutes

- No public discussion
- ATFC luncheon meeting next Tuesday 5/4 in Boston. No one is able to attend.
- Minutes from 3/25/2010 approved. Motion by BR, second by JM.
- Minutes from 4/5/2010 approved as amended. Motion by BR, second by ME.
- Minutes from 4/6/2010 approved. Motion by BR, second by LW.
- Minutes from 4/8/2010 approved as amended. Motion by JM, second by LW.

4) Committee Reports

- School Committee - Lars reported that the School Committee budget is still not set. Additional expense from special needs is adding to unresolved problem. Lars had made a suggestion to consider furloughs to which he has not received a response. SC meets Fri, 4/30 at 6:00 at the Brooks House for further

discussion. Dave Mathews reported that more than 17 positions are being eliminated in the latest budget, with additional unemployment being funded from stabilization. The PEC voted to accept a shift to 77.5/22.5 effective Jul 1, 2010, potentially reducing health care expense by \$111k total including schools. Additional health care savings from layoffs and moving some capital to borrowing may also be considered.

- Service level team (budget working group) – Dave and Mark reported that we had agreed to level fund schools, with additional unemployment expense coming from stabilization. As of our last meeting, the gap had been closed to \$26k. That gap has grown by \$186k to \$212k due to added special needs expense.

5) Old Business

- FY2010 update – Karen Brochu reported that \$188,354.89 is needed to amend the FY10 budget, with \$155,945 transferred from the Sewer Betterment Fund to cover the Meadowwoods expense. No appropriation from the stabilization fund is needed at this time. She did raise a concern that we may not have enough free cash to cover snow and ice.
- FY2011 budget update – Karen Brochu reported that Town Manager recommends appropriating \$25,844,659 for FY11 Omnibus Total as of 4/27.
- Review warrant articles
 - STM Article 1: JM moved to recommend approval, BR second. Carried 5-0.
 - STM Article 2: to be passed over.
 - ATM Article 2: previously voted to recommend approval.
 - ATM Article 3: ME moved to recommend approval, LW second. Carried 5-0.
 - ATM Article 4: JM moved to recommend approval, BR second. Carried 5-0.
 - ATM Articles 5 & 6: to be passed over.
 - ATM Article 7: no action taken
 - ATM Article 8: JM moved to recommend approval, ME second. Motion withdrawn pending additional information on assessors impact.
 - ATM Article 9: JM moved to recommend approval, LW second. Carried 5-0.
 - ATM Article 10: JM moved to recommend approval, BR second. Carried 5-0.
 - ATM Article 11: BR moved to recommend approval, ME second. Carried 5-0.
 - ATM Article 12: JM moved to recommend approval, BR second. Carried 5-0.
 - ATM Article 13: previously voted to recommend approval.
 - ATM Article 14: no action taken
 - ATM Article 15: to be passed over.

6) New Business

- Discussed role of service level team. Feedback has been a benefit; however, the role changed to that of a budget working group, leaving out many BOS members. Minutes may be appropriate if the group continues.
- Dave Mathews suggested we press Town Manager to take a closer look at police overtime to see if we can justify an additional officer.
- JM suggested we press Town Manager to consider pooling admin resources, rather than having them focus in one area or another. May have to negotiate with clerical union to make changes.

7) Next Meeting

- Saturday, May 1, 7:30 am, LHS.

8) Adjournment

- Motion was made by JM and seconded by ME to adjourn at 9:17 PM.

Minutes respectfully submitted by Mark Erickson

*Approved
8/26/10
Baird - 2/11/11*