



## CARVER FINANCE COMMITTEE JOINT WITH CAPITAL OUTLAY MINUTES OF APRIL 8, 2024, MEETING

Present: Chairman Alan Germain, Vice Chair Elizabeth Sulger, Walter Cole, Tony Macrina, Patrick Meagher and Barry Struski.

Present for Capital Outlay: *Chairwoman Elizabeth Sulger*, Vice Chair John Cotter, Jennifer Cullum and Jackie Lake.

Also Present: Interim Town Administrator Elaine Weston, Finance Director Karen Preval and Recording Secretary Ashley Swartz.

Mr. Germain opened the meeting for Finance Committee at 7:01 PM.

Ms. Sulger opened the meeting for Capital Outlay at 7:01 PM.

Pledge of Allegiance.

### **Public comment**

Alan Dunham asked to not have his budget cut (COA) since he is only increasing \$14,000. He made a statement that the seniors have been “short changed” and said they can’t afford to have their budget cut.

Gail, a resident who participates in COA services and added some additional information regarding the struggles of the COA director and explained the services are needed.

### **Town Administrator and Finance Director updates**

Our new Finance Director Karen Preval and Interim Town Administrator Elaine Weston began by thanking the former Town Administrator and Interim Finance Director. Elaine explained that we have a budget shortfall and it appears to be a commonality in the area. They are looking at larger budgets to cut first and then will assess before touching smaller budgets. Karen quickly reviewed the paperwork in front of the committees. She is working through budgets one department at a time looking at salaries to ensure they are in line with their contracts. She further explained that budgets are dictated by revenue and are awaiting the state aid. They will include an index and revenue summary for the Town Warrant to provide transparency for everyone. Mr. Meagher asked about the assurances they can give the Committee to have confidence in the budget and decisions they are making. Karen said the FY '23 actuals were submitted and approved. The financial software was changed during FY '23 so they are working out of two systems to get the numbers. Karen further explained additional measures she is taking to ensure

they are checking and re-checking numbers for accuracy. Karen also said free cash has been certified and has all the numbers. Mr. Meagher asked about the “known deficit” and Karen said her goal is to present a balanced budget – they are working on putting together that balanced budget and there should not be a deficit. In terms of state aid, she said there could be a reduction since some of the surrounding towns have seen a reduction of around three percent.

Ms. Sulger asked about the deficit but Karen said she can provide the revenue but not a deficit. Mr. Germain asked if the numbers provided today are “best guesses” or if they are budgets. Karen said the numbers for the planned department for tonight’s meeting are the budgets. She will do further investigation in order to get the completed Town budget. She said when they meet with other departments, those budgets will be established prior to the meeting. She plans on including an index that shows the expenses as well as the revenue for those particular departments / line items. When Karen proposes the entire FY ’25 budget, she hopes that it will be very transparent as to where money is coming from and going to. Mr. Cotter asked if they could vote on these numbers today – Karen explained that the budgets today have been vetted and once they have state aid they can determine if cuts need to be made (from larger budgets). Ms. Sulger asked about the IT person who have moved from the School to the Town – asking if the percentage between School and Town has been adjusted. Mr. Germain said they are meeting on this tomorrow night. Elaine said they could vote on these budgets tonight, with the note that it is dependent on no state aid changes. Mr. Macrina asked about salaries and Elaine said the numbers for salaries were not inputted correctly so FY ’25 numbers will be skewed. Karen explained this is why she is reviewing every town employee’s salary and will provide them to the Committees. Mr. Germain said he does not like the use of “Other” on any of the budget sheets. He said he would like to eliminate the shadow of doubt and any line item that says, “Other” should have sub items explaining what is in there. Karen addressed that comment by saying, “Housekeeping needs to be done” and there are certain budget codes that should be used for these line items and that’s how she plans to move forward (stating she wants to provide a level of detail that reduces any mistrust in the numbers). There was a discussion amongst the committee members that they are not comfortable voting on anything tonight. Karen explained that the revenue covers the services that keep the town operating – the deficit comes from the articles of the warrant of how to allocate the other funds. The discussion about when to finalize the budget continued. Elaine explained that they do not have a timeline regarding state aid. Mr. Germain stated that tonight would just have to be a review and not a vote because there are too many variables. Mr. Germain said he would like to vote on the budget at the meeting on April 30.

**Budget discussion and possible vote for the following departments:**

***COA: Connie and Alan***

“Other Purchased Services” are unexpected expenses and Connie has pulled items out of this line item and recategorized most of this. Mr. Germain asked for descriptions or subcategories for the “Other” just to give clarity around the expenses. Mr. Macrina asked about the dues and member fees – Connie said the dues are part of the Senior Center that has a fee and wasn’t in the budget before (first two years of the program). Ms. Sulger asked about Capital expenses but Connie said it was covered. Mr. Germain noted that he had no problem with the COA budget. Rather than a vote, Mr. Germain asked if everyone on the Finance Committee was okay with the budget (not approving). All members agreed to the budget proposed.

***O&M: Dave***

The FY '25 was reduced by \$47,000 to help close the gap for the town. Some items reduced include: summer help, building repairs and maintenance, capital maintenance, and supplies. The capital maintenance is what is used for fields and buildings that is essentially maintenance expenses. The "Other Professional Services" is primarily police details for their department when they are doing road work.

The utilities budget has also been cut (\$51,682) and Dave is going to confirm if the gasoline budget is a contractual amount or if it fluctuates. Mr. Germain asked about the metering credits – Elaine said this is Ever Source schedule Z and need the schedule changed (which is difficult to do).

Snow & Ice has no change and is a budget that cannot be decrease (only can increase).

Ms. Sulger asked about the truck numbers – Dave said they could have ordered the vehicle if Town Meeting had happened. There will be a \$5,000 increase if they cannot get a 2024 vehicle (and have to get 2025). Dave said his needs are the truck (number one), the lighting (number two) and the feasibility study (number three). The feasibility study would include the old fire station, the COA building and the EMS services – which is an architectural firm that comes in and assess the resources and infrastructure (and see if buildings can be repurposed, torn down, etc). Ms. Sulger asked about the energy efficiency study for the school and if that would be in their budget or the school's budget. Dave said that will be under O&M. Mr. Cotter asked about the lighting project. Some was funded by the DOER grant – insulation and weatherizing, as well as converting lighting to LED lighting. Mr. Germain asked to push the feasibility study and shift some of that money to the Town Hall's floor. Dave said he has that project slotted for next year but Mr. Germain said he would like to see that fixed before it becomes a major expense. Ms. Lake expressed a concern about the cut for Building Repair and Maintenance. Dave clarified that this is a cut that he can justify for one year only. He said he thinks he can comfortably do this and Mr. Germain said they can help with the reserve fund if things come up (without cutting too much and having greater problems later).

***Fire: Craig Weston***

There is a reduction by \$10,000 from the originally proposed budget. The salary changes are due to the contracts and changes in grade. Craig went into some of the details of the salaries as well as the step and grade changes for certain employees. \$137,180 is the operating budget (\$10,000 less than originally proposed). Station three needs repairs and renovations using the capital funds – Craig said they do all the labor but if the \$15,000 needs to be cut he can afford to do it but if he does the work this year he will not need it for next year. Mr. Germain asked if they were setting aside money for PPE. Craig said they are not but hope to have it replenished every ten years.

The capital budget includes four projects – rehab the existing brush breaker (number one), rehab of existing water rescue boat (number two), rehab the training facility burn rooms (number three), and purchase a ladder apparatus (number four). Craig is asking for a Capital Stabilization fund to be set up to start planning to save for this ladder apparatus. Mr. Cotter agreed that this plan should be put in place for projects like this. Mr. Germain agreed that they had to find a way to fund these projects instead of "continuing the kick the can". Craig clarified that the article

from last year was to rehab brush breaker #28 / #29 and they decided to rehab #28 this year (to be completed by May) and then they will need to rehab #29.

***Finance Department: Karen / Elaine***

The “Other Professional Services” include projections provided for contractually obligated salary increases and the software budget should be in IT rather than in the Finance Department’s budget. Karen reiterated that housekeeping needs to be done to understand where the revenue is coming in for certain line items to understand who should be funding them. Karen would also like to review the contracts for the copiers and talk with other vendors to understand if there are discounts they can get based on who else is using the same vendor. Mr. Meagher said the copier contracts should be part of the state bid list. Mr. Germain said when the budget is finalized some of the items may get removed from the department, as well as have a break down for the larger line items and understand where the costs are coming from. The audit from last year is still being worked on and will provide the update as soon as the information becomes available.

For the Assessors budget, there is a large increase for salaries because of contractual obligations. The “Other Professional Services” and “Contract Hire / Consultants” will be reviewed by Karen. Mr. Germain said he believes everything related to software and computers should be under IT.

Treasurer / Collector – Mr. Germain asked about detailing some of the line items for this budget as well. Karen said when they meet with other departments, they are using the money for the actual description of funds. This may require additional categories/ accounts created in Vadar in order to really understand the detail of where money is being spent. Mr. Germain asked if the “Legal – Tax Title” budget be cut since it is not met year over year – explaining that they could dip into the reserve account (making it \$250,000 and getting tighter on the budget). The “Financial Disclosure” line will also be reviewed.

***Select Board: Elaine***

Elaine clarified that health insurance was recommended to be budgeted at 12% which is why we are in the situation we are in. Ms. Sulger asked about the totals being hard coded rather than summed by the software – Karen explained she can say how things were voted versus the intent of the vote may not be aligned – voted by Town meeting versus what the number should have been.

There was a discussion about how interim hours and leave of absences get paid and how to fund each. Mr. Cotter stated the 2021 and 2022 actual hours for seasonal/temp/overtime to justify the numbers budgeted for this upcoming year. Contracted Consultants was taken from “Other Professional Services” and include fees like the headhunter hired by the town (for a flat rate). Project management is for unforeseen costs (change orders). The Municipal Insurance covers all insurance including Fire and Police departments.

The warrant articles are itemized on a spreadsheet as well as understand the intent of the articles. The payroll summary schedules will be sent when they are all completed.

**Assessors: Edaville transfer request for modification of original approved dates (no increase in requested amount).**

They are revising the assessor request to include FY '24 and FY '25 – there is no monetary increase but they need to accept the additional dates. Motion made by Ms. Sulger, seconded by Mr. Macrina, approved unanimously 6-0-0.

**Motion to adjourn Capital Outlay, made by Ms. Lake, seconded by Mr. Cotter, approved unanimously 4-0-0.**

**Approval of minutes of meeting: 02-05-24**

Motion to approve the minutes made by Ms. Sulger, seconded by Mr. Macrina, approved 5-0-1 with Mr. Struski abstaining.

Next meeting: April 22, 2024 with the School and Police, April 25, 2024 with remaining departments, April 29, 2024 for any changes made, April 30, 2024 with the Select Board.

Old Colony was certified and the new number is in the budget.

Motion to adjourn made by Ms. Sulger, seconded by Mr. Meagher, approved unanimously 6-0-0.

**Adjournment 9:51 PM.**

**Minutes submitted by Ashley Swartz.**

Voted and Approved