

Auburn Finance Committee
Minutes of the Meeting -February 26, 2020
Auburn Town Hall Selectmen's Meeting Room
104 Central Street, Auburn, Massachusetts

Members Present: Anne Cavanaugh, Kimberley Holstrom, Ed Coleman, Kevin Kennedy, Trevor Sansoucy and Michael Marshall
Absent: Malory O'Brien
Also Present: Chief Financial Officer Ed Kazanovicz, Town Manager Julie A. Jacobson and Adm. Assistant to Town Manager Sharon Kwiatkowski

The meeting was called to order at 7:00 P.M. by the Chairman Anne Cavanaugh. Ms. Cavanaugh gave an overview of the meeting agenda.

The Finance Committee considered the following transfer requests.

Department of Public Works (DPW) #01421 Highway Division:

\$750.00 from Acct. #014211-511103 Wages to Acct. #014212-5490 License, for additional licenses needing to be renewed. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$2,500.00 from Acct. #014211-511103 Wages to Acct. #014212-5421 Misc. Supplies, to purchase two computers. Ms. Holstrom made a motion to approve the transfer and Mr. Sansoucy seconded the motion. Under discussion, Ms. Holstrom asked about the availability of funds in the Wages Account since many of the transfers are being requested from that account. Mr. Coyle explained that funds are available because one employee has been out on a Worker's Compensation claim all year. The transfers are needed because of two new employees that will be starting shortly. The Finance Committee voted 6 to 0 to approve the transfer.

\$600.00 from Acct. #014211-511103 Wages to Acct. #014212-5310 Drug & Alcohol Testing, due to mandatory testing, the account has a \$30 balance. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Coleman) voted in favor 6 to 0.

\$7,000.00 from Acct. #014211-511103 Wages to Acct. #014212-5430 Building Maintenance. Mr. Coyle explained the transfer, which was to pay for office upgrades and equipment for staffing changes due to new employees and retirements. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$5,000.00 from Acct. #014211-511103 Wages to Acct. #014212-5430 Building Maintenance. Bill Coyle explained the transfer, which was for unforeseen building maintenance repairs. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

DPW #01411 Engineering Division:

\$129.20 from Acct. #014211-511103 Wages to Acct. #014111-511101 Engineer's Salary, to eliminate the deficit in the account. The Finance Committee voted to

recommend approval (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

DPW #01421 Highway Division:

\$19.04 from Acct. #014211-511103 Wages to Acct. #014211-511114 Highway Superintendent Salary, to eliminate the deficit in the account. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$2,500.00 from Acct. #014211-511103 Wages to Acct. #014211-5130 Overtime. Mr. Coyle explained that there is a deficit in the account because one employee was upgraded from Fleet Mechanic III to Fleet Mechanic II in the last union contract and his differential pay comes from the Overtime Account. The transfer would eliminate the deficit. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

DPW #01651 Parks:

\$72.42 from Acct. #016511-511221 Seasonal Parks to Acct. #016511-511102 Wages, to cover the cemetery clerical position. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$40.00 from Acct. #016512-546001 Parks Maintenance to Acct. #016512-5780 Education, to cover class reimbursement. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$4,598.24 from Acct. #011322-5782 Salary and Wage Reserve to Acct. #016511-511103 Labor/Parks, to address the deficit in the account because of salary increases per the union contract. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

DPW #01427 Fleet Maintenance Unit:

\$10,000.00 from Acct. #014211-511103 Wages Full-Time to Acct. #014272-5241 Fleet Motor Vehicle Repairs. Mr. Coyle explained the transfer, which was needed for repairs to DPW vehicles that had to be outsourced because the unit couldn't perform them in-house. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

DPW #601 Sewer Division:

\$15,294.58 from Acct. #01601-5782 Contingency/Salary to Acct. #01601-511101 Salary Superintendent, to cover deficit due to payment of earned time upon retirement of Jeff Mitchell. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01210 Police Department:

\$14.89 from Acct. #012101-511106 Dispatchers to Acct. #012101-511104 Chief Salary, to offset year end payroll shortfall. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$355.62 from Acct. #012111-519009 Physical Fitness Bonus to Acct. #012111-511135 Command Stipend, to offset deficit resulting from the provisional sergeant appointment. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

\$567.64 from Acct. #011322-5782 Salary and Wage Reserve to Acct. #012101-511102 Clerical, for Government Employees' Union (GEU) contractual increase. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01291 Emergency Management:

\$1,500.00 from Acct. #011322-5782 Salary and Wage Reserve to Acct. #012911-5130 Overtime, for unanticipated costs relating to Town-wide generator maintenance and repairs. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01302 Bath Path:

\$1,593.00 from Acct. #011322-5781 Reserve Fund to Acct. #013022-5691 Bay Path Assessment, for Auburn's increased minimum contribution based on state final budget. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

Town Manager Julie Jacobson gave an overview of the FY2021 Budget, including some of the items agreed to by unions in the latest contract negotiations:

- 75% Town contribution and 25% employee health insurance contribution (from 76% Town -24% Employee)
- Employee contributions to the Other Post-Employment Benefits (OPEB) Trust Fund

Ms. Jacobson noted that the Mary D. Stone project will be starting and will mean a reduction in the town's costs to maintain and insure the building.

CFO Ed Kazanovicz presented the Town of Auburn FY2021 Budget to the Finance Committee that included projected revenues, expenses and estimated Cherry Sheet State Aid numbers. He said that there was increased funding for Solid Waste but the employee benefit numbers were estimated at this time.

Mr. Kazanovicz discussed the FY2021 budget objectives and concerns:

Objectives

- Mitigate level of Levy Taxation
- Monitor New Growth
- Utilization of additional Local Receipts if available
- Offset in reduced employee benefits cost
- Any additional State Aid above Governor's estimates

Concerns

- Potential reduction in Federal Medicare/Medicaid state reimbursements
- Any costs associated with union mediation settlements
- Pending Litigation costs
- Downturn in Federal, State or Local economy
- Uptick of Veterans Services Benefits
- Solid Waste and Recycling Disposal Cost
- Reduction in Hotel/Motel Tax-Fairfield Inn closed indefinitely
- Unanticipated SPED Costs

The Finance Committee reviewed and voted on the following budgets:

#01114 Moderator: The Finance Committee voted to recommend approval of a total budget appropriation of \$296.00 for FY2021 (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01122 Selectmen: The Finance Committee voted to recommend approval of a total budget appropriation of \$11,287.00 for FY2021 as presented in the Recommendation of Town Manager (Motion made by Mr. Sansoucy; motion seconded by Mr. Kennedy) voted in favor 5-0-1. Ms. Holstrom abstained.

#01129 Executive Office of Town Manager: The Finance Committee voted to recommend approval of a total budget appropriation of \$398,469.00 for FY2021 as presented in the Recommendation of Town Manager (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01131 Finance Committee: The Finance Committee voted to recommend approval of a total budget appropriation of \$815.00 for FY2021 as presented in the Recommendation of Town Manager (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

#01135 Finance Department - CFO Kazanovicz gave an overview of the Finance Department budget requests for the Accounting, Assessing and Treasury/Collections Divisions.

Anne Cavanaugh asked about the increase in the Update Valuations Account in the Assessing Division. CFO Kazanovicz explained that the increase was due to new regulations. He also pointed out that \$35,000.00 was transferred to the Bill Printing Account in the Treasury/Collections Division from the General Services Postage Account.

Town Manager Jacobson discussed her recommendation for a Town Accountant position to be hired January 1, 2021. She said that this was the only new position proposed in the entire budget. She said that besides taking some of the workload off Mr. Kazanovicz who serves in three positions as CFO, Assistant Town Manager and the Town Accountant, it is part of a plan to build the workforce for the future. Ms. Jacobson stated that it has been difficult state-wide to hire people as Town Accountants because so many individuals have no experience in municipal budgeting and finance. She said

that by hiring someone now he or she would have time to learn and gain experience in municipal finance.

The Finance Committee voted to recommend approval of a total budget appropriation of \$756,412.00 for FY2021 as presented in the Recommendation of Town Manager (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

Ms. Holstrom asked if there were some non-union salaries in this FY2021 budget that needed adjustments. Ms. Jacobson replied that there were some adjustments made in this budget for discrepancies that were obvious to the town administration. She said that the administration was still gathering information on other positions and adjustments would be phased in. She noted that, as she had advised the Committee at a previous meeting, there was still work to be done on the salary schedules for the by-law employees.

The Town Manager discussed with the Finance Committee having joint meetings with the Board of Selectmen regarding the public safety facilities project.

The Chairman asked if there were any questions or changes to the minutes of June 19, 2019 and July 17, 2019. There being none, Chairman Cavanaugh accepted both the minutes of June 19, 2019 and July 17, 2019 without changes.

The meeting was adjourned at 8:25 P.M. (Motion made by Ms. Holstrom; motion seconded by Mr. Sansoucy) voted in favor 6 to 0.

Submitted: Sharon A. Kwiatkowski
Adm. Assistant to the Town Manager

The following documents were part of the Finance Committee's Meeting of February 26, 2020 and are retained in the Executive Office of the Town Manager:

- February 26, 2020 Agenda
- Transfer Requests - Police Department; DPW Engineering, Highway, Parks, Sewer Divisions and Fleet Maintenance Unit; Emergency Management; Bay Path
- Town of Auburn FY2021 Budget Presentation
- FY2021 Department Budget Requests - Moderator, Selectmen, Executive Office of Town Manager, Finance Committee and Finance Department (Accounting, Assessing and Treasury/Collections)
- Minutes of June 19, 2019 and July 17, 2019