

Auburn Finance Committee
Minutes of the Meeting – February 27, 2019
Auburn Town Hall Selectmen’s Meeting Room
104 Central Street, Auburn, Massachusetts

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

The meeting was called to order at 7:00 P.M. by the Chairman Kevin Hussey.

Chairman Kevin Hussey gave an overview of the meeting agenda. The first order of business was consideration of departmental transfer requests.

Department of Development and Inspectional Services (DDIS) - #01292 Animal Control Unit:

\$370.00 from Acct. #012922-5338 Vaccinations to Acct. #012922-5430 Kennel Maintenance (Motion to approve by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

DDIS - #01175 Planning Division:

\$2.55 from Acct. #011752-5421 Miscellaneous Supplies to Acct. #011751-511102 Clerical (Motion to approve by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

\$0.21 from Acct. #011752-5421 Miscellaneous Supplies to Acct. #011752-573202 CMRPC Assessment (Motion to approve by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

\$3,963.95 from Acct. #011322-5782 Salary and Wage Reserve to Acct. #011751-511101 Planner Salary. Mr. Kazanovicz explained the transfer, which was needed as the result of a resignation, rehire and reallocation of salary from Municipal Aggregation for the part time Energy Manager. Ms. Cavanaugh made a motion to approve the transfer. Mr. Kennedy seconded the motion and the Finance Committee voted in favor 4 to 0.

Deputy Fire Chief Glenn Johnson was present and explained the SAFER Grant application for FY2018 federal money. He said that the grant request would be for two (2) firefighters with a total salary over the 3-year grant period being \$377,967.00 and total estimated benefits over the 3-year grant period being \$180,000.00 for a total of \$557,967.00.

Mr. Hussey asked about the certainty of the estimated benefits number. Mr. Kazanovicz replied that for the health benefits the administration has estimated the highest cost for a family plan in the calculation.

The Deputy Chief said that the intent of the program is to achieve safer staffing levels (Safer, Adequate, Fire, Emergency, Response or SAFER).

Kevin Kennedy asked about the Town's chances of getting one of the grant awards. Glenn Johnson said that it is a competitive grant that changes every year. Last year the Department got good feedback even though the Town did not get an award. There is a set pool of money that is divided up depending on the number of requests. FEMA considers the needs of the departments that are applying and how they match up.

CFO Kazanovicz added that the awards will be announced over the summer.

Mr. Kennedy asked about the town's obligation to keep the added employees once the federal funds are paid out over the three years. Mr. Kazanovicz said that there is no obligation to keep the individuals once the federal money is done.

The Finance Committee continued its review of transfer requests:

Department of Public Works (DPW) - #01491 Cemetery

\$2,149.00 from Acct. #014211-511103 Wages-Fulltime to Acct. #014911-511102 Clerical, to eliminate the deficit. Mr. Kazanovicz explained that the Clerical Account was underestimated in the budget because one position is paid from multiple accounts. The Finance Committee voted to approve the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Coleman) voted in favor 4 to 0.

\$2,100.51 from Acct. #011322-5782 Salary and Wage Reserve Account to Acct. #014911-511102 Clerical, due to the underestimated appropriation as previously described by the CFO. The Finance Committee voted to approve the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01910 Employee Benefits:

\$250.00 from Acct. #019101-5172 Unemployment to Acct. #019102-5180 OPEB Actuarial, for the OPEB (Other Post-Employment Benefits) Report. The Finance Committee voted to approve the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01151 Law Department:

\$10,000.00 from Acct. #011322-5781 Reserve Fund to Acct. #011512-5308 Negotiator. Mr. Kazanovicz explained the transfer that is needed for a personnel matter that has been in arbitration for 1.5 years and will hopefully be finished soon so that the transfer will get the account through the rest of the fiscal year. The Finance Committee voted to approve the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

\$9,959.26 from Acct. #011512-5309 Special Litigation to Acct. #011512-5308 Negotiator, to cover the current deficit and for additional funds for the union arbitration case. The Finance Committee voted to approve the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01199 General Services:

\$5,000.00 from Acct. #011992-5480 Gas and Oil to Acct. #011922-5242 Equipment Maintenance, to cover the cost of repairs for a leaking heating pipe and for alarm repairs in Town Hall and the Merriam Building. The Finance Committee voted to approve the

transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

CFO Ed Kazanovicz gave an overview of the Town of Auburn FY2020 Budget that included projected revenues, expenses and estimated Cherry Sheet State Aid numbers. He said that the budget addresses a continued priority to fund staffing needs on the municipal side working collaboratively with the School Department. To that end, there is funding for one (1) full time Solid Waste & Recycling Coordinator, one (1) part time Clerical with a focus on Solid Waste, one (1) full time Engineer dedicated to Stormwater and one (1) full time Veteran's Services Director (shared). As of now there are 9 requested new positions in the School Department.

The Chief Financial Officer said that the administration has estimated conservatively on New Growth. He talked about the impact of the new Reliant building at the mall and other New Growth factors. Mr. Kazanovicz advised that the budget relies on an increase in trash fees to be set by the Board of Selectmen because there is an expectation of increased solid waste collection and disposal costs upon the end of the current contract that expires one year from June 30th. The bond rating agency Standard & Poor's has said that the Town has a strong economic outlook and even though they recognized that the Auburn Mall was a major employer, they felt that it was not being overly relied upon.

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 FY2020 (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01122 Selectmen - The Finance Committee voted to recommend approval of a total budget appropriation of \$11,287.00 for FY2020 as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01129 Executive Office of Town Manager - The Finance Committee voted to recommend approval of a total budget appropriation of \$380,683.00 for FY2020 as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01131 Finance Committee - The Finance Committee voted to recommend approval of a total budget appropriation of \$815.00 for FY2020 as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01135 Finance Department - CFO Kazanovicz gave an overview of the Finance Department budget requests for the Accounting, Assessing and Treasury/Collections Divisions. The Finance Committee voted to recommend approval of a total budget appropriation of \$660,728.00 for FY2020 as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

#01152 Human Resources - The Finance Committee voted to recommend approval of a total budget appropriation of \$74,232.00 for FY2020 as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

CFO Ed Kazanovicz discussed the Draft Debt Management Policy.

Chairman Hussey proposed that once the tax levy annual contribution to CIP reaches a Cap of 2 million dollars the Town should make annual contributions to the Town's Capital Improvement Trust Account. He asked to keep the item on the agenda for further discussion with the full committee.

Mr. Hussey asked if there were any corrections to the minutes of November 28, 2018. There being none, the Chairman accepted the minutes of November 28, 2018 without corrections.

The meeting was adjourned at 8:10 P.M. (Motion made by Ms. Cavanaugh; motion seconded by Mr. Kennedy) voted in favor 4 to 0.

Submitted: Sharon A. Kwiatkowski
Assistant to the Town Manager, Admin.

The following documents were part of the Finance Committee's Meeting of February 27, 2019 and are retained in the Executive Office of the Town Manager:

- February 27, 2019 Agenda
- Transfer Requests – Department of Development & Inspectional Services (DDIS) Planning Division and Animal Control Unit; DPW Cemetery; Executive Office of Town Manager; Law Department; Employee Benefits; General Services
- Town of Auburn FY2020 Budget Presentation
- FY2020 Department Budget Requests – Moderator, Selectmen, Executive Office of Town Manager, Finance Committee, Finance Department (Accounting, Assessing and Treasury/Collections) and Human Resources
- Information Sheet on SAFER Grant for FY2018 Federal Money
- Draft Debt Management Policy recommended by Chief Financial Officer
- Minutes of November 28, 2018