Rowe Finance Committee
August 4, 2020
6:00 P.M. via Remote Participation

Present: Chair Wayne Zavotka, Vice-Chair Loretta Dionne (Joined at 6:16), Paul McLatchy III, Laurie Pike
Absent: Christopher "Selmi" Hyytinen
Audience of Citizens: Rosemary Gordon

Note: Due to the national COVID-19 pandemic, this meeting was held via remote participation as authorized by executive order of the governor. All votes are taken via roll-call vote.

Call to Order: Chair Zavotka called the Finance Committee meeting to order at 6:04 P.M., with a quorum of the committee present.

Audience of Citizens: Chair Zavotka welcomed Rosie Gordon to the meeting. No comments/questions were raised.

Agenda: Members reviewed the agenda. No changes were made, and it stood as presented.

Budget Calendar/Process: Chair Zavotka has already been speaking with some of the departments who have larger budgets and going over a draft budget schedule (attached). Everyone seemed fine with the general direction of the schedule, though perhaps some small tweaks may be needed. Members agreed to move the deadline for budgets to the end of December or the beginning of January, but to be stricter about submission. Members also expressed a desire to meet and review the budgets *prior* to budget hearings so that questions may be formulated.

Join Meeting: Vice-Chair Dionne entered the meeting at 6:16.

Budget Calendar/Process (Continued): The Town passed a bylaw at the annual town meeting that shifts control over the budget to the Finance Committee. Chair Zavotka wants to reach out to the Board of Selectmen to gauge their desire for involvement. Mr. McLatchy said that he would like to see the Board involved as much as they would like to be and has no desire to exclude them from the process, as he feels the more people involved, the better. Vice-Chair Dionne felt that the joint budget hearings were productive and beneficial.

Ms. Pike would like to see a written explanation from departments whenever a special project is requested or whenever there is a larger-than-expected increase in a budget line (i.e. more than 2.5%). This was supported by the other members.

Chair Zavotka has spoken with Executive Secretary Janice Boudreau, who is willing to help with some administrative support during the budget process, including sending out the initial budget worksheets. Selectboard Chair Chuck Sokol is willing to be involved in maintaining the online spreadsheet that was used last year.

A request was made by Mr. McLatchy that if any members of either the Finance Committee or Board of Selectmen miss a budget meeting, they be directed to read the minutes rather than spending time reviewing the material at the following meeting. He felt that a lot of time was wasted this last budget season rehashing what had happened at prior meetings due to absences. It was suggested by Chair Zavotka that members should be reviewing minutes prior to meetings regardless as a refresher and for information.

After further discussion, it was agreed that the Budget Advisory Group (BAG) meeting be set for October 22nd, the board/committee roundtable meeting be held on October 29th, budgets be submitted by January 1st, and that the budget process be completed no later than April 7th.

Using the draft hearings list (attached), it was agreed to move the Municipal Light Plant Board hearing to February 8th and the Cemetery to January 18th. The rest will stay the same, though the school may need to move to February 22nd. This list will be presented to the Selectmen to see if they want to use those dates or move them to another night that they aren't meeting.

Minutes: The minutes of July 14th were presented. With no changes or additions, they were approved as presented.

Liaisons: After brief discussion, liaison roles were divvied up as follows:

Chris Hyytinen	School, Fire, and Emergency Management
Wayne Zavotka	General Government and Planning Board
Loretta Dionne	Police and Library
Paul McLatchy III	Board of Health and Cemetery
Laurie Pike	Park Commission and Board of Assessors

Accountant Reports: Due to the shift to a new accounting program, reports were not available. They should be ready by the end of this week after the warrant is run.

Capital Improvement, Repair, and Property Plan (CIRPP): Members reviewed the draft guidelines for the CIRPP plan. Chair Zavotka felt that they looked good, and could be used for this year's budget process. A motion was made by Chair Zavotka to adopt the plan guidelines as presented. Ms. Pike seconded the motion, and the votes were as follows:

Loretta Dionne	Yes	Laurie Pike	Yes
Paul McLatchy III	Yes	Wayne Zavotka	Yes

Members reviewed the draft form that Mr. McLatchy had created. A line was added under the capital improvements section asking when the requester thought this project would be needed. Chair Zavotka made a motion to accept the request form with this change. Mr. McLatchy seconded the motion, and the votes were as follows:

Loretta Dionne	Yes	Laurie Pike	Yes
Paul McLatchy III	Yes	Wayne Zavotka	Yes

Members discussed the ideal time to send this out. If it was sent out too soon, departments would forget. If sent out too late, people wouldn't have the time to put together their requests. Ms. Pike suggested early September, and members agreed on September 8th to send it out. A cover letter to be written by Chair Zavotka will accompany the form and guidelines.

Projects/Research: Members reviewed the areas that the Committee would like to spend some time focusing on in the next year or so, and divided out responsibilities.

Other Post-Employment Benefits (OPEB): Ms. Pike will look into what this plan needs to contain, how much should be funded, some ideas about how to formulate a plan, etc.

Highway Plan: Mr. McLatchy is willing to work with the Board of Selectmen on this, as he has already done much of the work for it.

Salary Scales: Vice-Chair Dionne will research what departments have in place or are looking at in terms of salary scales and future wages. Perhaps other towns will be examined as well.

Financial Policies: Chair Zavotka expressed interest in reviewing the policies and leading the charge on this project.

School Planning: As he is already the school liaison and seemed to express interest in working with them previously to help in financial planning, Mr. Hyytinen was designated with exploring school budget planning options with School Committee Chair Susan Zavotka and Board of Selectmen Chair Chuck Sokol.

Next Meeting: The committee will meet on Tuesday, September 8h at 6:30 P.M. The plan has been to meet the first Tuesday of each month, but the state primary election will be held on September 1st.

Adjourn: A motion was made by Ms. Pike and seconded by Vice-Chair Dionne to adjourn the meeting at 7:09 P.M. The votes were as follows:

Loretta Dionne	Yes	Laurie Pike	Yes
Paul McLatchy III	Yes	Wayne Zavotka	Yes

Respectfully Submitted,
Paul McLatchy III, Secretary

Approved: September 22, 2020

Paul McLatchy III, Secretary

Unable to be signed by entire committee due to COVID-19 pandemic.

Attachments:

- Agenda
- Draft Budget Calendar
- Draft Budget Hearing List
- CIRPP Guidelines
- CIRPP Draft Form

Town of Rowe, MA
Rowe Finance Committee
Agenda. August 4, 2020 at 6:00 PM
Virtual Meeting

REMOTE PARTICIPATION INFORMATION:

Meeting Host:	zoom.us
Meeting ID:	288-065-7034
URL:	https://zoom.us/j/2880657034
Telephone:	312-626-6799

1. Call to Order
2. Agenda Approval
3. Announcement of visitors online
4. Audience of Citizens
5. Budget Process calendar
6. Committee Liaison Assignments
7. Review Accountant monthly report
8. Review CIRPP worksheets.
9. Who will begin investigations for:
   a. OPEB fund
   b. Highway Plan
   c. Salary Scales: checking with what exists in different departments
   d. Town Financial Policies: set month to review
10. Any unforeseen business from the last 48 hours

Wayne Zavotka, Chairman

Posted and filed at 4:00 PM on Friday, July 24, 2020 by Paul McLatchy III

ROWE BUDGET CALENDAR FY21

WHEN	EVENT	WHO	
9/30/2019	Free Cash Certification	Town Accountant	*Submitted budgets were not reviewed properly bfore hearings*
10/22/19	Financial Roundtable	BOS, Fin Com and Assessors	When to report conerns back to dept/committees
10/28/2019	Hold Elected/Appointed Officials Form to share information assessment of financial picture	BOS, Fin Com, Dept. Heads	Date for pasting ATM warrant. April 27 Date to deliver annual report: may 4
Oct 31st	Begin Budget Process for FY 21	BOS, Dept. Heads, Fin Com, School	
Oct 31st	Set Tax Rate	Assessors, BOS	
Oct 1 - Nov 15	Help & Review Departmental Budgets Send out Notices and meet with BOS & Fin Com Liaisons	all Depts.	
Nov 1st	Begin Capital Planning process- including 5 year projections	BOS, Fin Com, Acctnt, all Depts.	
Dec 6th	Submit FY 21 Budget & Capital Requests	all Departments	Too early? Jan 1 a better deadline?
Dec 15th	Prepare initial revenue/expenditures projections including capital expenditures	BOS, Fin Com, Accountant	
Jan 1st	Release "House 1" first indication of state aid for FY21	Governor	
Jan-Feb 1	Meet with Dept. Heads to review Budget Recommendations	Fin Com, Dept. Heads	
March	If Legislature passes Local Aid Resolution, Cherry Sheets Issued	State Legislature, DOR	
March	Prepare final revenue/expenditure projection for FY21 in preparation for Annual Town Meeting	BOS/Fin Com	
March	Prepare Town Meeting Warrant Recommendations	BOS/Fin Com	Too rushed this year
April	Finalize Budget		
May	Annual Town Meeting. *May 11*		
June	Make any reserve fund transfers necessary, to complete fiscal year		

Budget Hearings
2021

Thursday, Jan 18, 2021
- Highway Dept
- Council on Aging
- Library

Thursday, January 25
- Cemetery commission
- Conservation commission
- Planning Board
- Muni Light Plant
- Board of Health
- Board of Assessors

Thursday, Feb 1
- Park
- Police
- Emergency Mgt
- Fire
- Town Clerk

Thursday, Feb 8
- Tax Collector
- Treasurer
- Accountant
- Boar of Selectmen (General Govt)

Thursday 15. (Feb 29?)
- School Committee

The Capital Improvement, Repair, and Property Plan (CIRPP)
Proposed Guidelines for the use of the Capital Stabilization Fund

Capital Improvement: Major upgrades to town buildings, properties, and permanent fixtures that are valued at at least $25,000, have a useful lifespan of 20 years or more, and have at least one of the following properties:

- Increases the lifespan of the overall building/property
- Increases energy efficiency or provides cleaner energy sources, AND reduce operating expenses
- Improves work efficiency/quality
- Improves community/government use of building/property
- Adds additional space that has a proven need
- Replaces an existing building or property at the end of its expected lifespan

New projects (that are not on the original CIRPP) must be requested in advance based on the value:

- $25,000-$49,999: Presented 1 year or more in advance
- $50,000-$99,999: Presented 2 years or more in advance
- $100,000-$249,999: Presented 3 years or more in advance
- $250,000+: Presented 4 years or more in advance

Note: Emergency needs may be exempted.

Capital Repair/Replacement: A repair or replacement of a building or portion of a building that is valued at at least $15,000, has a useful life of at least 10 years, and has at least one of the following properties:

- Brings a building up to code if not in compliance
- Major repairs due to damage or wear from time
- Replacement of fixed/stationary major building components (heating systems, roofing, windows, stairs, doors, carpeting, etc.) that have reached the end of their lifespan or would save on operating expenses to replace

Property: Replacement or purchase of town property* that is valued at at least $10,000, has a useful lifespan of 7 years or more, and has at least one of the following properties:

- The item is required for the work of town officials/staff
- The item greatly improves the efficiency of town officials/staff
- Not replacing the property would hinder work or make certain services unavailable

**Property being defined as any equipment, vehicle, technology, or other physical object that would not be considered part of a building.*

Notes:

- Priority will be given to projects where equipment and/or facilities are utilized/benefited by multiple departments (sharing)
- Capital improvements under $25,000 and/or useful life of 20 years should be requested as a special project** from free cash***
- Capital repairs/replacements under $15,000 and/or useful life of 10 years should be requested as a special project from free cash
- Property replacements under $10,000 and/or useful life of 7 years should be requested as a special project from free cash
- Replacement does not necessarily mean with an identical item: upgrades or different styles/models are acceptable (i.e. tile instead of carpets, propane vs. oil boiler, Chevy vs. Ford, etc.)

**Special Project being defined as a non-recurring, non "operating" cost.
***Free Cash is the total of all unspent funds, receipts, etc. from the previous fiscal year.

Rowe Capital Improvement, Repair, and Property Plan (CIRPP) Request Form

The CIRPP is a plan formulated by the Finance Committee in conjunction with the town's various departments and committees to help budget for future capital projects and replacement of existing assets. A detailed definition of what qualifies for a CIRPP project can be found on the back of this form.

Project Title: _____ Department: _____

Project Category: □ Capital Improvement □ Repair □ Property

Age & Life Expectancy (In Years)

Expected Lifespan, In Years: _____

Current Age, If Applicable: _____

Project Cost

Price For Project Today: $_____

Source of Estimate: _____

For Capital Improvements ONLY:

How does this project improve the community or otherwise meet the objectives of the CIRPP?

_____

_____

_____

For Repairs ONLY: (Circle your answer)

How urgent is the need for this repair? *Not Urgent* 1 2 3 4 5 *Extremely Urgent/Emergency*

Is this repair necessary (i.e. by law), helpful/useful, or a nicety? Necessary Helpful Nicety

For Property ONLY: (Circle your answer)

Does the town currently own or lease this or a similar item? Yes No

How urgent is the need for replacement? *Not Urgent* 1 2 3 4 5 *Extremely Urgent/Emergency*

What benefit(s) would be lost if this asset was not purchased/replaced? _____

_____

_____

Finance Committee Use Only Received: _____ Date Acted On: _____

Status: Approved Approved With Changes Rejected Needs More Information

Notes: _____

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