

TOWN OF WRENTHAM  
COMMONWEALTH OF MASSACHUSETTS

REPORT AND RECOMMENDATIONS

of the

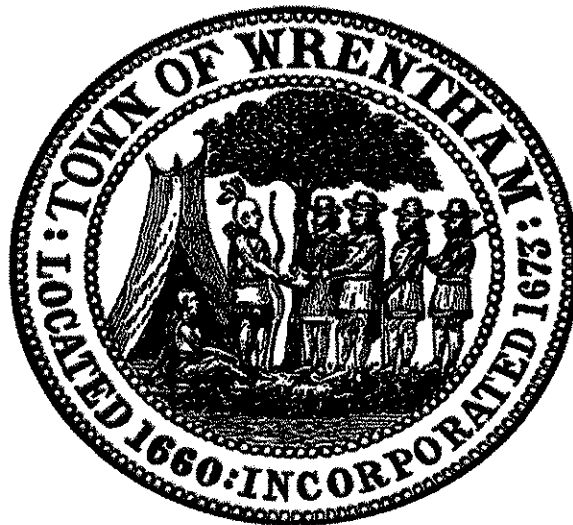
FINANCE COMMITTEE

for the

Special Town Meeting

***Tuesday, November 13, 2012***

King Philip High School  
Wrentham, Massachusetts



Submitted by the Wrentham Finance Committee  
Jerome McGovern, Chair; Andrea Sweed, Secretary;  
Ken Arnold, Mark Keilen, Arthur Robison, Jay Scollins, and Kelly Williams,  
Members

**Town of Wrentham, Massachusetts**  
**Motions and Recommendations of the Finance Committee**  
***Special Town Meeting***  
**Tuesday, November 13, 2012**

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**Article 3:** Move that the Town vote to indefinitely postpone action on this article.

**Discussion:** At the time that this report was written, there was pending procedural action still to be taken with regard to the Personnel Bylaws salary schedule.

**Recommendation:** *The Finance Committee recommends that the Town vote to indefinitely postpone Article 3.*

**Article 4:** Move that the Town vote to indefinitely postpone action on this article.

**Discussion:** At the time that this report was written, there was pending procedural action still to be taken with regard to the Personnel.

**Recommendation:** *The Finance Committee recommends that the Town vote to indefinitely postpone Article 3.*

**Article 5:** Move that the Town vote to appropriate the following sums to supplement the FY2013 operating budget:

From unappropriated funds in the treasury the sum of \$68,446. Said sum to be distributed as follows:

Request	Amount	Discussion:
Board of Selectmen Expenses	\$1,100.00	Provides unanticipated funding for postage and printing expenses related to the Town Government Study Committee Citizen Survey.
Police Department Salaries	\$25,000.00	At the June ATM, the Town voted a budget that added one police officer. This new position had the effect of providing a new detective. The funding here supplements the special police investigation budget line that had previously been reduced due to the lack of a detective.
Aquatic Properties Maintenance Expenses	\$10,000.00	This funding supports the annual milfoil and tapegrass treatment provided each spring for Lake Pearl.
Communications Department Salaries	\$5,000.00	This funding supports the 2% union salary increases for the Communications Department. This negotiation was completed after the beginning of the fiscal year and thus were not included in the annual budget at the time of the ATM.

Inspector's Department Salaries	\$20,000.00	This funding is to support additional hours required for electrical, gas, plumbing and mechanical inspectors due to increased demand. This funding will be recouped via fees and returned to the general fund.
DPW Expenses	\$7,346.00	This funding is to support the replacement of portable radios used by DPW on remote job sites. The current radios are no longer supported by current frequency and communication parameters.

From Water Enterprise Retained Earnings the sum of \$15,000.00 to supplement Water Personnel Services.

**Discussion:** This funding is to support the replacement of a water department employee that is sick. It is anticipated that the absence will be long term and the job responsibilities require a certified replacement. Since it is a water department employee, the recommended source of funding is the Water Enterprise Retained Earnings Fund which is similar to unappropriated funds in the treasury (and commonly referred to as "free cash").

And by raising and appropriating the sum of \$45,099.00 to supplement Debt Interest.

Discussion: In FY2008 and FY2009 the Commissioner of Revenue submitted values on poles and wires over public rights of way owned by Verizon. As such Towns collected property taxes on these poles. Verizon protested through an Appellate Tax Board proceeding and then by a court action. The court has ruled that the Commissioner improperly valued this property for taxation and that under the law at the time the proper value for such property was 0.

As a negotiated settlement throughout the Commonwealth, Towns only need to repay the collected tax for FY2009, plus interest. At the time, Wrentham collected these taxes, most of the amount was placed in our Reserve for Abatement and is now available for return to Verizon. However, the interest is not in the Reserve and must come from another source. The Finance Department has determined that there is sufficient amount in our current levy limit to source this amount by raising and appropriating.

**Recommendation: The Finance Committee recommends that the Town vote to approve Article 5 and all of its components and sources described here.**

**Article 6:** Move that the Town vote to appropriate the total sum of \$265,000 for FY13 Capital Requirements according to the following sources and distribution.

From unappropriated funds in the treasury the sum of \$218,000.00 to be distributed as follows:

Requirement	Cost	Discussion
Replacement of Finance Department Information Technology Equipment	\$78,000.00	This funding is to support the replacement of seven year old server equipment (that is two years past its planned service life). The equipment supports accounting and assessor applications as well as email for the Town Hall.
Replacement of DPW Fueling Equipment	\$35,000.00	This funding is to support and aging and nearly antiquated fueling station that serves all Town vehicles. DPW is no longer able obtain parts for its upkeep and maintenance.

Replacement of Council on Aging Vehicle	\$12,000.00	This funding is to support the replacement of an aging and unreliable vehicle used by the COA to help senior citizen transportation requests. The current vehicle is a former police cruiser that passed its service life.
Replacement of Fire Department Engine #1	\$78,000.00	This funding is to support the replacement of Engine #1, a 1995 vehicle. Its maintenance requirements are causing it to be kept out of service for ever increasing periods of time. It's anticipated that it will be completely unserviceable by next summer. A replacement engine costs approximately \$500,000. The costs listed here is the annual amount to acquire a replacement on a seven year lease.

The sum of \$30,000 for a replacement 4x4 pick up for DPW, said sum to be sourced per the following:

- From unappropriated funds in the treasury - \$15,000
- From Water Enterprise Retained Earnings - \$15,000

**Discussion:** This funding would replace a 1998 vehicle whose condition is such that it will not pass its next required inspection. The vehicle is used primarily by the DPW Superintendent. The funding is split between general fund and water because his duties are similarly split between public works and the water department.

From the Police Vehicle Revolving Fund the sum of \$32,000.00 for the scheduled replacement of a police vehicle.

Discussion: This funding supports the annual replacement of one of seven police vehicles. The Police Vehicle Revolving Fund which is sourced by the Wrentham Outlets has regained a level to support this funding.

Said sums to be expended under the direction of the Board of Selectmen.

**Recommendation: The Finance Committee recommends that the Town vote to approve Article 6 and all of its components and sources described here.**

**Article 12:** Move that the Town vote to appropriate from unappropriated funds in the treasury the sum of \$200,000.00 to be allocated as follows:

- To the Town Stabilization Fund - \$50,000.00
- To the Municipal Capital Stabilization Fund - \$150,000.00

Discussion: As shown on the table that follows, the certified amount of unappropriated funds in the treasury (also known as "free cash") as of July, 1 2012 is \$1,375,174. Upon completion of the Special Town Meeting, if all Finance Committee recommendations are approved, the Town will have \$1,088, 728 remaining in free cash.

The Finance Committee feels that it would be very prudent and fiscally responsible to use \$200,000 of this to replenish our stabilization accounts. This would leave \$888,728 to meet any additional FY13 requirements to include the always potential need to supplement the Snow and Ice account.

**Recommendation: The Finance Committee recommends that the Town vote to approve Article 12 for the amounts listed.**

**November 2012 STM FINCOM Recommendations and Sources**

Article	Description	Recommendation	Free Cash	Water Retained Earnings	Other	Note
3	Amend Personnel By Law Salary Schedule	IP				
4	Amend Personnel By Law	IP				
5	Supplementals					
	BOS - Postage	Approve	\$1,100.00			
	Police Special Investigation	Approve	\$25,000.00			
	Lake Pearl	Approve	\$10,000.00			
	Inspector Salaries	Approve	\$20,000.00			
	Communications Salary	Approve	\$5,000.00			
	DPW Radio Upgrades	Approve	\$7,346.00			
	Water Pers Svc to Water Ent	Approve		\$15,000.00		
	Interest on Abatement	Approve			\$45,099.00	Raise and Appropriate
	<b>Supplementals Totals</b>		<b>\$68,446.00</b>			
6	Capital					
	Finance Dept IT Equip	Approve	\$78,000.00			
	Police Cruiser	Approve			\$32,000.00	From Revolving Fund
	DPW Fueling System	Approve	\$35,000.00			
	DPW 4x4	Approve	\$15,000.00	\$15,000.00		
	COA Vehicle	Approve	\$12,000.00			
	Fire Engine 1	Approve	\$78,000.00			
	<b>Capital Totals</b>		<b>\$218,000.00</b>			
12	Stabilization	Approve	\$200,000.00			

**Total** **\$486,446.00**

Free Cash Beginning \$1,375,174.00

Free Cash Requests \$486,446.00

Remaining Free Cash \$888,728.00