

**Ashland Budget Committee
Draft Minutes
May 22, 2014**

Budget Committee Members – Present [7 voting]

David Ruell *Harold Lamos* *Mark Scarano*
Renee Liebert *David Toth* *Mardean Badger*
Normand DeWolfe *Glen Dion, Alternate (non-voting)*
Absent – Christine Cilley (excused), Sandra Coleman, Steve Felton, Alternate

Town Employees -- Present

Brenda Paquette

Members of the Public -- Present

Fran Newton

The Budget Committee meeting was called to order by David Ruell, Chair, at 5:32 pm.

Review Minutes of April 23, 2014 meeting

No corrections to the minutes. Mr. DeWolfe made a motion to accept the minutes. Badger seconded. Motion passed 6-0.

Review of April Budget Figures

Received Financial Reports from Ms. Paquette. Ms. Paquette reviewed budget accounts and presented the account changes. Presented Town of Ashland Budgeted Expenses packet. All shaded numbers represent changes from the Budget Committee default budget number. Ruell asked if there is a definition between Executive and Financial Administration. Ms. Paquette responded Executive is all Selectmen expense. In the past Financial Administration was bloated because Executive expenses were in there. DRA doesn't tell you where to put the BOS figures, but it should be under Executive. These will be the accounts going forward.

Mr. Ruell asked about LRPC. Why does it appear in Executive Offices instead of planning? Ms. Paquette responded it's annual dues to LRPC for services they provide. Selectmen decide whether or not they want to pay those dues.

Ms. Paquette combined Planning and Zoning to a Land Use category and the offices will be combined to better suit the categories in DRA's reports.

Ms. Paquette wanted to reorganize to get things where they should be to be better suited to the DRA forms. She put Deletes into some categories so that in 3 years those accounts will go away, but if someone posts to that account it will be another 3 years before the account can be deleted. It will streamline the report. Mr. Ruell asked how the Committee is going to compare the new budget figures with the current year. Ms. Paquette responded she could create the budget in BMSI system. She'll have to plug things in manually and will try not to miss anything. Keep Account Change form to make it easier to compare to 2014.

Mr. Scarano said it will be important to communicate budget figures as the committee approves them to Ms. Paquette so that she can update her worksheets. Ms. Paquette said that she really shouldn't be changing anything until the minutes are approved.

Ms. Badger stated that the Committee will have to be more diligent about approving minutes on a regular basis.

Ms. Paquette would like to introduce to the committee the worksheet from the budget module software. The software is much less time consuming than current Excel spreadsheets. Currently she has to plug everything in to Excel, that wouldn't be the case with the software. Ms. Paquette can print a sample so the Committee can look at it. Ms. Badger said that she would like to see a sample. She agrees that it's redundant to enter everything by hand into

Excel. Mr. DeWolfe stated that he likes the BMSI system. Ms. Paquette will email a sample out. She needs to create the 2013 budget in the BMSI system so a comparison will show up. Mr. Scarano said Excel can be helpful to us when looking at budget scenarios. Ms. Paquette is hesitant to export reports into Excel without direction from the Selectmen. She's concerned that figures could be changed and printed out and it would look like it came from her office.

Mr. Ruell raised the question of legalities of selectmen's changes to the default budget and asked for an update. Mr. DeWolfe stated Ms. Paquette rearranged the budget to appropriately reflect what would be spent. Ms. Paquette went to DRA and found out. Speaking with Michelle Clark, she confirmed that the BOS have a right to make transfers and changes within the budget, and that's what they did to better suit the offices and departments involved. Those new figures were changed from the default budget and were submitted on the MS-32 to the DRA. The DRA is only concerned about the bottom-line figure that was approved by the Town Meeting. It's not presented to the voters line by line. The voters approve the bottom-line. Only thing DRA is questioning is whether or not the Selectmen need to resign and resubmit because the Budget Committee did not have the authority to sign the default budget form.

Ms. Paquette commented on the current budget, and stated that the Town is right where it should be for the end of April. Mr. Ruell asked if there are any items that look like they are going to be overspent. Ms. Paquette responded Fire Department Training is \$2,740 over budget on report – but it's not accurate - \$7,250 will be added to the budget number because of the grant that he received – it will show in grant revenue for the fire department. Mr. Dion stated that you have to have a grant line to expend grant money received. Mr. Ruell disagreed. Ms. Paquette stated it's a wash. Mr. Ruell asked which number will be used for last year's expenses. Mr. Scarano said that there have been extra expenses added to the end of the form to explain where additional funds had come from. Ms. Paquette said she can add it to the budget, or she can add it at the end under grant and encumbrances. Ms. Paquette said it's difficult to show grant expenses under a grant line because 90% of grants fall under salary. Mr. DeWolfe recommended adding the grant money to the expense line instead of inflating the budget. Ms. Paquette said the correct thing to do would be to credit the expense account with the grant money, but the auditors don't like it. Mr. DeWolfe asked if a notation could be made in the budget so that the Committee knows what happened. Ms. Paquette said it will require her to make additional journal entries, she will talk with the auditors and tell them that this is what the Committee would like to do and get their thoughts. Ms. Paquette is trying to identify grants instead of just listing as grants. Mr. Ruell said it would be good for the voters to see which departments are getting grants. Ms. Badger recommended having a new page in the Town Report to show which grants were received. Ms. Paquette will put grants under Grant Expenses and make it part of the monthly report. General Fund Budget line will always be what was approved by Town Meeting. The Budget under Grant Expenses will fluctuate. Mr. Dion doesn't want to see the grant as part of the budget because it looks like the department spent more than they were budgeted. He would like to see it separate in the Grant Expenses and not part of the budget.

Mr. Scarano left the meeting at 6:41.

Meeting Times and Scheduling

Mr. Toth wanted to get everyone's preferences on meeting times. Last year the meetings started at 6:15. Mr. Ruell stated most people could start 5:30/6:00 and that was the consensus. Mr. Toth recommended starting the meeting at 5:30 and mid-year reviews at 5:45, and tentatively scheduling them for every Thursday in July. The Committee won't hear from the school until September. Last year the Committee did 5 mid-year review meetings. Mr. Toth will send out a schedule to meet with 3 department heads per night on them and hopefully the department heads can make those meetings. Ms. Paquette asked when the Committee would generally want worksheets. Mr. Ruell said it's the Selectmen's budget by law, so generally after the Selectmen make their recommendations, which is generally around September. Mr. Toth will start sending out the schedule and will let the Committee know.

Mr. DeWolfe commented that last year some of the department heads had different figures from the Budget Committee and he recommends that all the department heads have the end of the month report for June for their mid-year reviews so that everyone is on the same page.

Ms. Badger and Ms. Newton left at 6:54.

Financial Forum

Mr. Toth stated that at the CIP meeting last night they discussed having the financial forum a week prior to the Public Hearing – in January. The purpose would be to educate the public about why the Committee arrived at the budget that it did. Felt that the forum last year was too early, so budget figures weren't available.

Additional Business

Mr. Ruell stated that Ms. Coleman has requested a hard copy of the audit. Mr. DeWolfe stated that he would make one available for her.

Next meeting is on July 10, 2014, 5:30 pm, at the Elementary School Library. Mr. DeWolfe volunteered to take the minutes at that meeting.

A motion was made (Ms. Lieber) and seconded (Mr. Toth) to adjourn the Budget Committee meeting at 6:59 pm.

Minutes taken by Renee Liebert