



Ware

MASSACHUSETTS

Finance Committee
126 Main Street
Ware, MA 01082

Finance Committee Meeting

Meeting Location: Selectmen's Conference Room
Ware Town Hall – 126 Main Street

Meeting Dates: Wednesday, April 21, 2021

Meeting Time: 6:00 pm

Due to the outbreak of corona (Covid-19) virus, the Governor has announced an emergency order temporarily lifting the requirement of the Open Meeting Law mandating public access to the physical location of the meeting, provided there is a means of remote access.

The instructions to join the meeting virtually or by phone (via Zoom) are:

<https://us02web.zoom.us/j/87185129850?pwd=ZnMxMFp0aXFmeW9qYy9YSTJTWmxtUT09>

By Phone: +1 929 205 6099

Meeting ID: 871 8512 9850

Passcode: 696954

Meeting Agenda items to be discussed:

1. Discussion of Finance Committee FY 2022 budget goals
2. Discussion of FY 2022 budget
3. Review and vote on Articles for April 24th STM
4. Review and approval of prior meeting minutes
5. Review of any emails or correspondence

At the time of posting of this meeting notice and agenda the above items were the only items known. Should an additional item be brought forward, unless of an emergency nature, it will be placed on a future docket. The general public is invited to this and all meetings of the Ware Finance Committee.

Submitted by

Lynn Nenni
Finance Committee Chair

April 21, 2021 Meeting Minutes

Finance Committee Members Present: Lynn Nenni, Devin Peterson, Ken Willette

Special Guests: Stuart Beckley, Town Manager; Tracy Meehan, Town Accountant

The meeting was called to order at 6:15pm

Item 1) Discussion of Finance Committee FY 2022 budget goals

The committee reaffirmed the attached budget goals and calendar for FY 2022. There was discussion of the advisory role of the finance committee according to the charter, and the need to have an overall understanding of the town’s financial position in order to make informed decisions. There was also discussion concerning the need to balance an understanding of town departmental expenditures without becoming too involved with the day to day operations of a department. The committee also reiterated the desire to work towards reducing the number of Special Town Meetings, and including capital expenditures in the warrant articles of the Annual Town Meeting.

Item 2) Discussion of FY 2022 budget

The committee reviewed a report prepared by the Town Accountant of projected revenues and expenditures for the general operating budget and water and sewer funds for ensuing fiscal years to FY 2025. She discussed the assumptions used to prepare the report including state aid, the 2.5% property tax increase, and new cannabis revenue and minimal new growth in assessments. There were no fee increases factored into the water and sewer rates, however the new debt service for the water treatment plant at \$13.3 million was factored in. It was also noted there was no spending allocated for capital items. The report is summarized below:

		General Operating Budget Estimates			
Total	Base	Preliminary	Estimated	Estimated	Estimated
Revenue	Budget	Budget	Budget	Budget	Budget
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	32,311,641	33,098,564	33,923,953	34,562,297	35,359,373
	Change	786,923	825,389	638,344	797,076
	Percentage	2.44%	2.49%	1.88%	2.31%
Total					
Expenses	32,193,160	32,651,462	33,535,457	34,516,271	35,483,104
	Change	458,302	883,995	980,814	966,833
		1.42%	2.71%	2.92%	2.80%
Net Surplus/(Deficit)		447,102	388,496	46,026	(123,731)

Combined Water and Sewer Funds					
Total	Base	Preliminary	Estimated	Estimated	Estimated
Revenue	Budget	Budget	Budget	Budget	Budget
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	2,100,900	2,010,900	2,010,900	2,010,900	2,010,900
Change		0	0	0	0
Percentage		0%	0%	0%	0%
Total					
Expenses	2,197,401	2,137,097	2,625,162	2,608,567	2,624,081
Change		-60,304	488,065	-16,595	15,514
Percentage		-2.74%	22.84%	-0.63%	0.59%
Net Surplus/(Deficit)		(126,197)	(614,262)	(597,667)	(613,181)
Combined Total					
Net Surplus/(Deficit)		320,905	(225,766)	(551,641)	(736,912)

The committee agreed that new spending needed to be carefully considered.

The committee also requested a 5 year capital plan from the Town Manager. He noted past expenditures were primarily for equipment but that future spending needs would need to address building repairs. It was noted that the Capital Planning Committee was responsible for approving capital expenditures and was suggested that it would be beneficial to work with them going forward in order to prioritize spending.

Item 3) Review and vote on Articles for April 24th STM

Article 1) Move to Approve: Ken Willette, Second: Devin Peterson Approve 3-0

Article 2) Move to Approve: Lynn Nenni, Second: Devin Peterson Approve 3-0

There was discussion of Articles 3-6; the committee was reluctant to commit to spending \$450,000 a year for 40 years to pay for a new treatment plant, especially considering the fiscal constraints noted earlier in the meeting. It was noted the water was tested on a regular basis, met all health standards and that flushing the water lines had vastly improved discoloration that had occurred in the past. Furthermore, the additional revenue provided from cannabis outlets was uncertain and should not be relied on, and that with no additional revenue sources and the loss of Mary Lane, the water rates would need to double in the next few years to pay for the new debt. There was also concern raised that in the next few years the town may also need to make an unavoidable costly repair to the sewer plant. The committee also agreed that it would like to consider depositing a percentage of cannabis fees to a capital stabilization fund that could be utilized for both enterprise fund and general capital projects.

Article 3) Move to Approve: Ken Willette, Second: Devin Peterson Approve 3-0

Article 4) Move to Approve: Devin Peterson, Second Ken Willette Approve 3-0

Article 5) Move to Disapprove: Ken Willette, Second: Devin Peterson Disapprove 3-0

Article 6) Move to Disapprove: Devin Peterson, Second: Ken Willette Disapprove 3-0

Article 7) Move to Approve: Lynn Nenni: Second: Devin Peterson Approve 3-0

Item 4) Approval minutes from April 8th meeting

Move to Approve: Ken Willette, Second: Devin Peterson Approve 3-0

Item 5) Review of any e-mails and correspondence

None noted.

The meeting was adjourned at 8:41pm

Respectfully Submitted

Lynn Nenni