



Town of Wilmington

Finance Committee

121 Glen Road Wilmington, 01887

Meeting Minutes Tuesday, December 18, 2018

Finance Committee Chairman, John F. Doherty III, called the meeting to order at 7:00 pm in Room 9 of Town Hall. Members present were Theresa M. Manganelli, Marianne Gallezzo, Bernard P. Nally, Michelle Kincaid, Leigh Martinson, Secretary Neal Couture, and Hirak Shah. Kevin Stokes was absent.

REPORT ON PLAN FOR REPLACEMENT OF FIRE SQUAD ONE

PRESENT IN INTEREST: Jeffrey M. Hull, Town Manager; Michael Morris, Town Accountant; Joseph McMahon, Fire Chief; William Cavanaugh, Deputy Chief.

At the last meeting the committee discussed several options to replace Fire Squad One that was taken off of the road after a manufacturer inspection. They recommended putting the purchase out to bid and include three trade in vehicles. The three trade in vehicles will reduce the cost to under \$600,000.00. That will allow the Finance Committee to transfer funds from the reserve account to purchase this. Mr. Hull updated the committee that the net cost will be \$581,518.00. He recommended that the finance committee transfer \$585,000.00 from the reserve account to allow for any additional unforeseen costs. If the finance committee approves this transfer a contract can be signed to start the purchase. It would take from 365 to 400 days to construct and they would have access to a loaner vehicle in the interim.

A motion was made by Theresa Manganelli, and seconded by, Leigh Martinson it was unanimously:

VOTED: To approve the transfer of \$585,000.00 in funds from the Reserve Account to purchase the new Fire Squad One.

REVIEW OF FREE CASH

PRESENT IN INTEREST: Jeffrey M. Hull, Town Manager; Michael Morris, Town Accountant

Documents: Email from the Massachusetts Department of Revenue Division of Local Services Dated 11/16/2018. Letter from Michael Morris dated November 21, 2018

Mr. Morris presented a memo from the state regarding the free cash account. The state has officially certified the amount of \$23,608,625.00 in our free cash account. Mr. Hull stated that accruing this amount of money is an achievement. Mr. Doherty stated that he and Mr. Hull would like to replenish the now depleted reserve account at the Annual Town Meeting. A request would be made to transfer \$1,500,000.00 from the free cash account to the reserve account. There was a brief discussion regarding the facility master plan and how we could use this money towards those goals.

DISCUSSION RE: TAXATION TO THE LEVY LIMIT

PRESENT IN INTEREST: Jeffrey M. Hull, Town Manager; Michael Morris, Town Accountant

Mr. Doherty introduced the topic of not taxing to the levy limit. The levy limit allows you to raise the real estate taxes up to 2.5%. The town could tax 2% rather than 2.5%. The Board of Selectmen recommended looking in to this at their last meeting. Mr. Hull discussed

this with Karen Rassias, Town Assessor, and had her look at the actual saving to the average homeowner. The savings would be \$38.00 a year for the average homeowner, businesses would save a bit more. Ms. Manganelli stated that businesses do not see Wilmington as favorable due to the high tax rate. Having a lower increase may attract new businesses. Mr. Hull stated that we have the 17th highest tax rate in the state. However the property values in other communities such as Andover are higher. A business may still pay less at the higher rate in Wilmington. Mr. Doherty asked Mr. Hull to get the current number of vacant buildings in Wilmington for the next meeting.

Mr. Doherty was not in favor of lowering the rate of increase. He suggested that when we do a capital project, we could use some of the free cash to offset the cost for the tax payer. They could pay for half of the project in cash and bond the remaining balance. They discussed some of the recommendations in the Facility Master Plan.

APPROVAL OF MINUTES

The Finance Committee reviewed the minutes from the November 20, 2018 meeting. Ms. Manganelli asked to add the title of Secretary to Neal Couture. She would also like the Revolving Accounts Document added to them for future reference.

A motion was made by Theresa Manganelli, seconded by Marianne Gallezzo, to amend the minutes with an addition of the revolving accounts document, it was unanimously:

VOTED: To approve the minutes from November 20, 2018.

NEW BUSINESS

Mr. Doherty ask to have the Union Contracts on the Web Site.

OLD BUSINESS

There was no old business

At the conclusion of the discussion, and there being no further business to come before the Committee, a motion was made by Theresa Manganelli, and seconded by, Marianne Gallezzo it was unanimously:

VOTED: That the Finance Committee adjourn.

Meeting adjourned at 7:40 pm

Respectfully Submitted,

A handwritten signature in cursive script that reads "Elizabeth Lawrenson". The signature is written in dark ink and is positioned above the printed name and title.

Elizabeth Lawrenson
Recording Secretary