

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

March 7, 2012

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Meeting Date: March 7, 2012

Called to Order: 6:02 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Andrew Killeen, Lynn Reynolds and Roy Rosenblatt

Board of Selectmen Members Chris Boutwell and Mark Fairbrother

Others Present: Carolyn Olsen (Town Accountant), Nadine Ekstrom (Gill-Montague Regional School District Superintendent), Andrew Paquette (President, Management Solutions), Valeria "Timmie" Smith and Tupper Brown (Gill Finance Committee), Paul Nowill (Gill resident), Joyce Phillips, Jeff Singleton, Marge Levenson, Jane Oakes (Gill-Montague Regional School Committee), Acting Chief Chris Williams

Gill-Montague Regional School District

Superintendent Ekstrom presented the preliminary budget proposal (handout)

There are a couple of budget numbers at this point. The School Committee approved a total budget of \$16,774,424 on January 24, 2012. A second draft budget, not approved by the School Committee, has a total of \$16,745,218. A third budget that will be going to the School Committee for approval in the next few weeks totals \$16,567,640.

The Compact assumes a 2.5% total budget increase for the district. The most current proposed budget has an increase of only 1.5%.

The proposed budget includes:

- \$250,000 used from the Excess and Deficiency account
- \$10,000 of investment income
- \$200,000 for transportation revenue
- \$581,449 for Erving tuition
- 3.9% increase in wages
- 5.5% increase in insurance and benefits
- 3.9% increase in transportation costs
- Moving 1 Preschool Teacher salary into the operating budget

The assessment allocation between Gill and Montague is set by the district agreement.

There is a written agreement for Erving regarding the tuition costs for their students.

Mr. Brown asked about projections of fixed costs increase for Fiscal Year 2014. Mr. Brown is concerned about needing to adjust the compact to incorporate the failure of the state to provide 3% increases in education aid.

Ms. Ekstrom is focusing on the compact. We need to continue to look at it closely. Enrollment plays a main part. Ms. Ekstrom would like more frequent conversations with

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the towns to continue problem solving. Ms. Ekstrom noted they came in below Compact budget projection and she is trying to keep the budget as low as possible while meeting the needs of students.

Mr. Brown then asked if Ms. Ekstrom found any unusual savings that are not likely to recur. None were noted.

Fiscal Year 2013 is the last year of employee contracts. There are no current projections for wage increase in Fiscal Year 2014.

Mr. Hanold asked about the school census. The school age population is dropping, and an increase in home schooling population reduces enrollment further. Whereas charter and choice students are still counted in student population, home schooled students are not.

Mr. Brown spoke in support of Ms. Ekstrom's efforts and noted that the loss of state aid from the projection in the Compact was almost entirely offset by the proposed budget coming in under the compact projection. .

Mr. Hanold asked if proposed budget has too much risk, or if it is realistic. As long as cherry sheet stays close to current numbers, Ms. Ekstrom is confident in the proposed budget numbers.

Mr. Hanold noted that a current teachers' contract has wage increases tied to Chapter 70 aid increases. Mr. Hanold is concerned that this reduces the School Committee's flexibility for determining how to allocate future Chapter 70 increases. Ms. Ekstrom said that a new teacher evaluation tool is to be used, which will be part of determining wage increases in the future.

Mr. Singleton said the main issues we face have to do with state aid and enrollment declines which have the potential to remove the gains from the compact. We need to continue to look long term, and he has some ideas for short term improvements. We need to go beyond the budget issues. There is a political opening in that some of the richest districts are getting large increases in Chapter 70. Putting this on table could pay off down the line.

Mr. Brown asked if the old assessment format could continue to be provided. It will be.

Minutes

Selectmen Moved:

To approve the minutes of February 22, 2012.

Vote: 2 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To approve the minutes of February 22, 2012.

Vote: 5 In Favor 0 Opposed 0 Abstained

Special Town Meeting

A Special Town Meeting has been scheduled for April 4, 2012. We lose a night to debate the budget, but gain an opportunity to take care of some recurring issues.

Police Department Reserve Fund Transfer

The Police Department is requesting a transfer of \$12,000 from the reserve fund, with \$6,000 to be added to the 211-5250 budget line item for equipment repair and maintenance and \$6,000 to be added to the 211-5480 budget line item for vehicle supplies and maintenance. The Board of Selectmen voted to recommend this transfer on Monday, March 05, 2012.

Chief Williams explained the need for additional funding for equipment repair and maintenance due to an unforeseen \$1,900 radio problem and an unplanned software upgrade of \$1,600. Prior to those expenses he estimated a \$200 shortfall in that account.

In the vehicle supplies and maintenance account, gas prices are killing them. Gas is running between \$3,000 and \$3,500 each month, and they're already down to 17.5 % left in that account.

While some accounts are currently running with a surplus, there are still a lot of upcoming expenses including training and in-service training for all officers and overtime for vacation coverage.

Mr. Hanold asked if the Board of Selectmen had any comments. Mr. Boutwell thinks we need to get a green policy to conserve fuel. Mr. Fairbrother thinks we have one, but doesn't think technology has caught up.

There was a discussion on cruiser use and the potential for more efficient options in the future.

Mr. Hanold noted the alternative of putting this on the Special Town Meeting warrant instead of using the reserve fund.

Finance Committee Moved:

To transfer \$12,000 from the reserve fund, with \$6,000 going to the Police Equipment Repair and Maintenance account and \$6,000 going to the Police Vehicle Supplies and Maintenance account.

Vote: 5 In Favor 0 Opposed 0 Abstained

Recommendations from Board of Selectmen in capacity of Personnel Board

The Board of Selectmen recommended a range of \$14.00 per hour to \$17.00 per hour for Reserve Police Officers and \$13.00 per hour to \$15.00 per hour for per diem Dispatchers.

Schedule I (Wages for Elected Officials)

**SCHEDULE I
 Elected Officials**

<u>TITLE</u>	<u>FY11 ACTUAL</u>	<u>FY12 BUDGET</u>	<u>FY13 REQUEST</u>	<u>FY13 RECOMMEND</u>
MODERATOR	327	327	327	327
BOARD OF SELECTMEN				
Chairman	1,000	1,000	1,000	1,000
Second/Third Members	1,000	1,000	1,000	1,000
BOARD OF ASSESSOR				
Chairman	1,000	1,000	1,000	1,000
Second/Third Members	1,000	1,000	1,000	1,000
TREASURER/COLLECTOR	60,942.82	61,848.80*	63,068.20**	63,068.20
	*60,496.80 (8-17) plus Treasurer/WPCF stipend of 1,352			
	**61,712.60 (8-18) plus Treasurer/WPCF stipend of 1,352			
TOWN CLERK	57,286.91	58,130.80*	59,313.80**	59,313.80
	*(8-15)			
	**(8-16)			
BOARD OF REGISTRARS				
Town Clerk	772	772	772	772
TREE WARDEN	1,267	1,267	1,267	1,267
BOARD OF HEALTH				
Chairman	1,000	1,000	1,000	1,000
Second/Third Members	1,000	1,000	1,000	1,000

Selectmen Moved:

To recommend Schedule I for Fiscal Year 2013 as shown above.

Vote: 2 In Favor 0 Opposed — Abstained

Schedule II (Wages for Appointed Officials)

**SCHEDULE II
Appointed Officials**

<u>TITLE</u>	<u>FY11 ACTUAL</u>	<u>FY12 BUDGET</u>	<u>FY13 REQUEST</u>	<u>FY13 RECOMMEND</u>
<u>ANNUAL STIPENDS</u>				
BOARD OF REGISTRARS (3)	338	338	338	338
EMERGENCY MGMT DIRECTOR	5,490	5,490	5,490	5,490
BURIAL AGENT	670	670	670	670
ANIMAL INSPECTOR	1,339	1,014	1,500	1,500
BARN INSPECTOR*		325*	500	500
*Included in Animal Inspector in previous years				
COMPUTER ADMINISTRATOR			5,000	2,000
FOREST WARDEN	1,584	1,584	1,584	1,584
<u>HOURLY RATES</u>				
ASST. BUILDING INSPECTOR/Inspect.	27.06	27.06	27.06	27.06
GAS INSPECTOR/Inspection	27.06	27.06	27.06	27.06
PLUMBING INSPECTOR/Inspection	27.06	27.06	27.06	27.06
ELECTRICAL INSPECTOR/Inspection	27.06	27.06	27.06	27.06
	<u>Ranges/hr.</u>	<u>Ranges/hr.</u>	<u>Ranges/hr.</u>	<u>Ranges/hr.</u>
EXTRA CLERICAL	8.00-10.00	8.00-10.00	8.00-10.00	8.00-10.00
ELECTION WORKERS	8.00-10.00	8.00-10.00	8.00-10.00	8.00-10.00
SUMMER HIGHWAY	8.00-12.00	8.00-12.00	8.00-12.00	8.00-12.00
SNOW PLOW DRIVERS	15.00-25.00	15.00-25.00	15.00-25.00	15.00-25.00
PART TIME POLICE OFFICERS	14.62-16.00	14.62-16.00	14.50-17.00	14.50-17.00
PART TIME DISPATCHERS			13.00-15.00	13.00-15.00
PARKS & RECREATION	8.00-25.63	8.00-25.63	8.00-25.63	8.00-25.63

**SCHEDULE II
Appointed Officials**

<u>TITLE</u> <u>RECOMMEND</u>	<u>FY11</u> <u>ACTUAL</u>	<u>FY12</u> <u>BUDGET</u>	<u>FY13</u> <u>REQUEST</u>	<u>FY13</u>
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NON-UNION EMPLOYEES NOT SHOWN ABOVE

	<u>Grade</u>	<u>Range FY2012</u>		<u>Range FY2013</u>	
		<u>Start</u>	<u>End</u>	<u>Start</u>	<u>End</u>
<u>SALARIED</u>					
TOWN ADMINISTRATOR	11	64,555.40	90,363.00	64,555.40	90,363.00
TOWN ACCOUNTANT	8	44,080.40	61,716.20	44,080.40	62,644.40*
CHIEF OF POLICE	10	61,661.25	86,362.29	61,661.25	86,031.40
DPW SUPERINTENDENT	10	61,661.25	86,362.29	61,661.25	86,031.40
DIRECTOR OF HEALTH	8	44,080.40	61,716.20	44,080.40	62,644.40*
LIBRARY DIRECTOR	9	44,651.88	62,483.40	44,651.88	62,244.00
WPCF SUPERINTENDENT	10	61,661.25	86,362.29	61,661.25	86,031.40

*includes 1.5% increase for employees on top step for at least one year as of anniversary date

HOURLY

SELECTMEN'S SECRETARY	5	16.35	22.86	16.35	22.86
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Informational Only: Fiscal Year 2013 budgeted wages

TOWN ADMINISTRATOR	87,869.90	DIRECTOR OF HEALTH	62,644.40
TOWN ACCOUNTANT	62,644.40	LIBRARY DIRECTOR	62,224.00
ACTING CHIEF OF POLICE*	68,621.70	WPCF SUPERINTENDENT	79,094.12
DPW SUPERINTENDENT	73,411.98	SELECTMEN'S SECRETARY	31,836.00

*plus additional 20% educational incentive pay

Selectmen Moved:

To recommend Schedule II for Fiscal Year 2013 as shown above.

Vote: 2 In Favor 0 Opposed 0 Abstained

Finance Committee Moved:

To recommend Schedule II for Fiscal Year 2013 as shown above.

Vote: 5 In Favor 0 Opposed 0 Abstained

Budget Adjustments

Mr. Hanold reviewed the following adjustments that have been made to the requested budget:

1. The budget now shows the actual Franklin County Technical School assessment.
2. The line item for Town Hall natural gas was reduced from \$16,665 to \$10,000.
3. A duplication of \$14,000 in total DPW wages was eliminated.
4. The budget for Veterans' Benefits was reduced by \$10,000 to reflect changes in use.
5. The Franklin Regional Council of Governments budget was amended to the current request.

We are still waiting for updated estimates for Workers Compensation Insurance and other non-employee insurance budgets.

Franklin County Technical School Stabilization Fund

- The Franklin County Technical School Stabilization Fund was created at the June 5, 2010 Annual Town Meeting using \$24,459 from the Tech School assessment budget that was not needed.
- The current balance in the stabilization fund is \$24,482.11.
- The assessment increase for Fiscal Year 2013 is larger than usual, which raises the question of whether the town should use some or the entire stabilization fund towards the assessment.
- Ms. Reynolds asked about current bottom line, and is concerned that we may have more need for it later.
- Mr. Killeen recalls the fund was created not as a serious means to prepare for future deficits but a means to use a current windfall to offset a future increase.
- Mr. Naughton supports using the FCTS stabilization fund. Mr. Naughton's to do list includes an historical analysis of enrollment and assessment for the tech school to get a sense of whether we are above or below average in a given year with the idea of, when we are below average, putting the savings into this fund and pulling from it when the cost is above average.

Finance Committee Moved:

To recommend using \$24,000 from the Franklin County Tech School Stabilization Fund towards the Fiscal Year 2013 Assessment.

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To recommend using \$24,000 from the Franklin County Tech School Stabilization Fund towards the Fiscal Year 2013 Assessment.

Vote: 2 In Favor 0 Opposed 0 Abstained

Supplemental Requests

At the February 22, 2012 meeting, the Finance Committee and Board of Selectmen recommended supporting the following supplemental requests:

- \$2,000 for Streetscape Maintenance
- \$2,000 for a stipend for the Computer Administrator
- \$37,482 for a DPW Lead Mechanic (recommended by Finance Committee only)
- \$17,000 for a P/T health agent (recommended by Finance Committee only)
- \$4,000 for Library Children's programs
- \$8,000 for Library Technology

Various members gave their preferences for priorities but there was a general consensus to hold off making any prioritizations until the whole budget was available and there was a better understanding of the available funds.

Town Share of Energy Improvements

Discussion of the funding for this was postponed until more information is available.

Streetscape Maintenance

There was a discussion of whether to place this in the Board of Selectmen's budget or the DPW budget.

Mr. Killeen said that the more obvious way of doing it would be to put it in the DPW and structure accountability to make sure it's handled correctly. It seems like a management issue. Mr. Hanold agreed and would prefer to budget and manage it where it belongs.

Mr. Fairbrother said it would be easier to manage in the Selectmen's budget because the volunteers that care for the streetscape are used to dealing with the Selectmen's office. Putting it in the DPW budget would just create another layer.

Finance Committee Moved:

To incorporate the streetscape maintenance as a line item in the Selectmen's budget.

Vote: 4 In Favor 1 Opposed 0 Abstained

Selectmen Moved:

To incorporate the streetscape maintenance as a line item in the Selectmen's budget.

Vote: 2 In Favor 0 Opposed 0 Abstained Vote:

Placement of Board of Health Budget

Director of Health Gina McNeely requested that the Board of Health budget be shown in the Public Safety category of the town operating budget rather than the Human Services category. This was discussed on February 8, 2012.

There was a short reiteration of the points raised in the earlier meeting.

Finance Committee Moved:

To show the Board of Health budget within the Public Safety Category of the Town Operating Budget presented to town meeting.

Vote: 5 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To show the Board of Health budget within the Public Safety Category of the Town Operating Budget presented to town meeting.

Vote: 2 In Favor 0 Opposed 0 Abstained Vote:

Meeting Adjourned at 8:20 PM

List of Documents and Exhibits –

- Minutes of February 22, 2012
- Gill-Montague Regional School District Preliminary Budget Proposal
- Gill-Montague Regional School District Preliminary Assessment Sheets

Next Meetings

- 6:00 PM March 14, 2012 Capital Improvements Committee
Revenue estimate update
Use of reserves
- 6:00 PM March 21, 2012 Decide recommendation for GMRSD
Make recommendations on supplemental requests
Make recommendations on special articles
- 6:00 PM March 28, 2012 Balance the budget
Write Finance Committee Report to Town Meeting