

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

January 20, 2016

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Meeting Date: January 20, 2016

Called to Order: 5:00 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Fred Bowman, Greg Garrison and Patricia Pruitt. Chris Menegoni was absent. Ms. Pruitt left at 8:06 PM

Selectmen Present: Chris Boutwell and Rich Kuklewicz were absent. Michael Nelson arrived at 6:38 PM.

Others Present: Town Accountant Carolyn Olsen

Minutes

Finance Committee Moved:

To approve the minutes of January 13, 2016.

Vote: 4 In Favor 0 Opposed 1 Abstained

Review Schedules I and II

Note: All union contracts expire on June 30, 2016. No cost of living adjustments have been discussed for union or non-union staff.

Changes for Fiscal Year 2017 requests are:

1. The requested stipend for Selectmen has been increased from \$1,500 to \$2,040 per the January 6, 2016 vote of the Finance Committee.
2. The Treasurer/Collector (currently at the top step of the wage scale) has requested an increase of \$1,338 (approximately 2%). Mr. Hanold asked if the committee wanted to continue to recommend equal treatment to elected and non-elected officials. They do.
3. The Town Clerk's requested wage includes a step increase but no COLA.
4. The Tree Warden is again requesting an increase from \$1,300 to \$1,500 (not approved by town meeting last year).
 - Mr. Hanold does not feel the \$1,500 is merited.
 - The following questions were raised:
 - i. What exactly are the duties of the Tree Warden?
 - ii. How many trees were trimmed, removed and planted in the last year: How many tree hearings were held?
 - iii. How much of the above work is done by DPW employees?
 - iv. How much Tree Warden work is done while Mr. Stevens is being paid as a DPW employee?
 - v. A list of duties and time requirements will be requested.
5. Schedule II wage ranges for hourly rates show an increased minimum of \$10 to reflect the state minimum wage (which goes to \$11 per hour on January 1, 2016).
6. The list of Salaried Employees in Schedule II now includes the proposed Police Lieutenant position, but a wage range has not been set.

7. Issues to be decided: recommendations for Tree Warden stipend, Town Clerk, Treasurer/Collector, COLA recommendations

Initial Review of Actions in Support of Financial Policies

Financial Policies recommend:

- a. One-time revenues to be used for Capital Improvements, Reserves, or as legally restricted. – no action needed
- b. Total Stabilization Funds plus Free Cash shall be maintained at 5-10% of PYGOR. Current balances = 8.13% of PYGOR; will be 6.64% after using \$250,000 for Fiscal Year 2017 operating budgets.
- c. General Stabilization Fund shall be maintained at a minimum of 5% of PYGOR. Current balance (5.36% PYGOR) allows for only \$60,360 to be used without falling below minimum. Occurs to Mr. Naughton that we are going to be really challenged this year to use just taxation to fund all of our needs, but it seems possible to decide to use some of these funds, but if done, it should be with a plan.
- d. Annually appropriate 0.3% of PYGOR to General Stabilization as part of operating budget. Fiscal Year 2017 amount is \$50,574. Consider appropriation to OPEB Trust Fund instead of General Stabilization. This could also be a source of funding for other needs.
- e. Free Cash in excess of 3% of PYGOR should be used for non-recurring or emergency expenditures. Not applicable at this time.
- f. Annually appropriate 0.2% of PYGOR to Town Capital Stabilization as part of operating budget. Fiscal Year 2017 amount is \$33,716.
- g. In annual budget, debt service plus PAYGO capital projects should be 6-8% of PYGOR. For Fiscal Year 2017, this amount should be between \$1,011,489 and \$1,348,653. Debt service (including Montague's share of GMRSD debt), plus expected DPW Discretionary of \$75,000 = \$852,557. An additional \$158,932 of PAYGO capital projects is needed to meet the minimum recommendation.
- h. Building Renewal and Equipment Replacement will be budgeted at 2% of Fiscal Year 2017 estimated GOR or \$364,522. An additional \$157,825 of PAYGO Building/Equipment is needed to meet the minimum recommendation.
- i. Mr. Hanold noted that two significant items are what the actual state aid numbers are, and whether the school districts come in as estimated.

Fiscal Year 2017 Non-Capital requests, formulate list of questions for departments

Mr. Nelson was asked what was being done in terms of the larger scope of all building needs.

- Mr. Nelson, David Jensen, Tom Bergeron and Walter Ramsey brainstormed the needs of town properties.
- They identified the Shea Theater and Town Hall as needing roof repair or replacement in the next few years.
- In discussing how repairs to the Shea roof would be approached, and how much could be done with the available appropriation, Mr. Bowman reiterated that the Town should engineer to the project, not engineer to available funds.
- If we keep senior center, there are a lot of things that need to be addressed.

- Mr. Naughton asked if Mr. Nelson foresees coming up with some sort of schedule. There is a tentative list, which will be forwarded to committee members. Mr. Naughton is leery of piece-mealing requests and would like to see a coherent overall plan.
- Mr. Nelson has done as much as he can; now the process needs to go to Mr. Bergeron and Mr. Ramsey for further details.
- Mr. Bowman asked the specifics of the lease for the Hillcrest School and what the town is responsible for, specifically modifications to the stage and enlargement of the parent parking lot. Mr. Nelson will ask Ms. Bogusz to find the lease and distribute copies.
- Mr. Naughton suggested we ask the building inspector for a narrative, and perhaps a copy of what he includes in the town's Annual Report.

Mr. Hanold asked thoughts on additional DPW employees.

- Mr. Bowman noted that the DPW employee numbers are still low.
- Mr. Hanold is less supportive of two additional people for grounds maintenance because reduction of grounds maintenance does not have the long term negative effects of neglecting building maintenance.
- Mr. Naughton thinks it would be helpful for the Personnel Board to review whether increased staffing in one area could be offset by a reduction of services elsewhere.

Non-Capital requests submitted to date:

Non-Capital Special Articles

\$20,000	WPCF Discretionary Account-similar to articles for Police, DPW and IT
\$14,000	Library Masonry- Montague Center Library
\$20,000	Library Painting – all three libraries
\$10,000	Library Roof Repair - Carnegie
\$10,000	GMRSD Sheffield Pillars- Mr. Hanold feels is low priority
\$10,000	GMRSD Hillcrest leaking pipe
\$6,600	BOH Health Inspection software (estimate)
\$8,000	Building Inspector Inspection software (estimate)
\$24,000	IT Discretionary

Operating Budget supplemental requests

\$48,891	DPW Grounds Maintenance Employee-Includes estimated benefits
\$48,891	DPW Grounds Maintenance Employee
\$48,891	DPW Building Maintenance Employee
\$16,743	WPCF Staff Reorganization
\$1,516	Library – summer Saturdays at Carnegie
\$1,137	Library – additional morning hours at Carnegie
\$4,000	Planning – Graduate level intern

Patricia Pruitt left at 8:06 PM

Operating Budget requests for increases/additional items requested in budget

\$66,721	BOS – Placeholder for possible retirement
\$20,000	Colle – increase in Building Repair & Maintenance
\$2,800	COA – increase for needed Building Repair & Maintenance

Final Affordable Assessment for GMRSD

The estimated Affordable Assessment is \$8,767,167. Mr. Hanold noted that changes to the revenue estimates will not be available before the GMRSD has to complete their budget process. Mr. Hanold will notify the district that the assessment number will not change.

Topics not anticipated within in the 48 hour posting requirements

Mr. Naughton reported from the GMRSD budget discussion last night.

- They are changing where some expenses are allocated and reassigning some employees.
- Their overall calculation started with a \$67,000 gap between what they needed and their expected revenues (including the affordable assessment). By meeting time the shortfall was reduced to around \$27,000, but then they discovered that their E&D came in under the amount estimated. So the original proposed use of E&D will be re-evaluated. District is also assuming that the town will fund the all of the special article requests. The possibility was raised that some items in the budget (\$100,000 to upgrade their wi-fi system) could be treated as one-time expenses, with the money requested separately from the towns.

Next Meeting:

- January 27th
 - Board of Health, IT Administrator and Building Inspector-software
 - Planner – intern, demolition of 38 Ave A and Strathmore buildings, DPW facility
 - Parks & Recreation
 - Review Governor’s proposed budget,
- February 3rd – Police & Dispatch – Operating budget, other requests
- February 10th – DPW– Operating budget, other requests
- February 17th – WPCF– Operating budget, other requests

Future Items:

- Discuss how to handle process for the appropriation for WPCF Capital Stabilization Fund, use of revenues from solid waste process.
- Finalize revenue estimates

Meeting adjourned at 8:50 PM**List of Documents and Exhibits:**

- Minutes of January 13th