



TOWN OF ADAMS

FINANCE COMMITTEE

THURSDAY, March 31, 2016 – 6:00 PM

ADAMS TOWN HALL, 8 PARK STREET, 1st FLOOR, ADAMS, MA 01220

On the above date the *Finance Committee* held a joint workshop with the *Board of Selectmen* at the **Adams Visitors Center** at **6:00 p.m.**

Vice Chairman Leon Parrott presided the Finance Committee Meeting. Present were Members Craig Corrigan, Jeff Lefebvre, John Cowie, Sandra Kleiner, Charles Foster, Mark Chittenden, Rachel Tomkowicz, Amy Giroux, David Allen, and Matt Pitoniak. Absent were Chairman Burdick and Members Paul Demastrie, Brian Johnson, and Joan Smigel.

Members of the audience were *Tom Satko, Rick Blanchard, Jack Guerino* and *Joe Nowak*.

The Meeting was called to order by Vice Chairman Parrott at 6:33 p.m.

Approval of Minutes

- ***March 21, 2016***
- ***March 22, 2016***

Reserve Fund Transfers

Reserve Fund Requests

Town Administrator Mazzucco gave an overview of the *Wastewater Treatment Plant* items needing to be repaired or replaced. He explained there was a valve broken while fixing a leak, and upon inspection determined to have corrosion and rusted. A complete break would cause a fine and was fortunately caught before then. The Town has not allocated money to its departments for maintenance of infrastructure, and these valves were original to the plant from 1962. There was a partial upgrade in 2004 of the treatment process but there is still 1962 equipment there.

Committee Members expressed concern about using Reserve Funds instead of Capital Improvement Funds for this, and noted the Town should have an ongoing maintenance approach regarding roofs and buildings as well. It was noted that the DPW Garage is 70 years old.

Department Heads will be asked to submit a wish list for repairs for next year, and what the outcome would be if the repairs are not done. A good Capital Plan indicates that the Town needs to spend more money than it has, and the money has not been there to do everything needed. The challenge is to build a funding-available capital list. The current capital list includes a police cruiser and DPW truck, and the Town doesn't need to borrow for vehicles and roofs.

Rick Blanchard pointed out that the responsibility can't be put all on the Department Heads because repair lists go unfulfilled.



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Committee Members noted a breakdown in communication over the several years causing the Finance Committee to be blindsided. It was noted that the Finance Committee in the past has gone on a tour to see what needs to be improved, and a process needs to be created to develop a system going forward because the system is broken. Other improvement projects were discussed, including the Town Hall Roof.

The pros and cons of the Freshwater Tank being plastic versus metal were discussed. The possibility of getting a loan and spreading it out over a few years was considered. A brief review of what the DEP is requiring to be replaced and repaired was outlined, and it was noted that the DEP lodges hefty fines for non-compliance. The items need to be running by the end of July, and if approved will be taken care of immediately. Non-compliance would incur court fees, attorney fees as well as the fine. The Chemical Tank, also a DEP requirement was discussed. The Phosphate discharge levels have to be adjusted by next year. The Water District has to put Phosphate in the water to keep pipes from rusting and the Wastewater Treatment Plant must then take it back out. The Plant must have a certain number of days of chemicals so must have two 2000 gallon tanks which reduces the number of deliveries, but is a required redundancy per the DEP. The Clarifier and what it does was explained. The Town only needed one so a second one was shut down in years past. Last year the Town tried to start the second one and it didn't run. The DEP now requires a second operational Clarifier. The air tank is part of the clarifier repair. Recommended phalanges and other items will be taken care of with parts in-house. Recertification is every 10 years.

Motion made by Member Allen to approve the \$63,000 Reserve Fund Transfer to the Wastewater Treatment Plant

Second by Member Cowie

Unanimous vote

Motion passed

FY2017 Budget

Approval of FY2017 Budget

The Budget sections were outlined and Members indicated which sections they wished to hold for further discussion. Sections held were the *Executive, Finance and Technology, General Government, Community Development, Public Safety, Public Service, Public Buildings, Memorial School, Police Station, Public Works, Public Health, and Regional Schools.*

Motion made by Member Cowie to approve all sections not held for discussion

Second by Member Lefebvre

Unanimous vote

Motion passed

Members discussed each held section prior to voting. Discussion was as follows:



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Executive. The budget changed \$250 for Town Counsel due to a software error and has never been utilized. Last year it was taken out and this year the computer did not catch it.

Motion made by Member Allen to amend the Executive budget line with this change

Second by Member Cowie

Unanimous vote

Motion passed

Motion made by Member Tomkowicz to approve the Executive budget as amended

Second by Member Cowie

Unanimous vote

Motion passed

Finance Technology. Member Pitoniak advised he would abstain from voting on this budget.

Motion made by Member Lefebvre to approve the Finance and Technology budget

Second by Member Giroux

Abstention by Member Pitoniak

Voted in favor were Members Corrigan, Lefebvre, Cowie, Kleiner, Foster, Chittenden, Tomkowicz, Giroux, and Allen

Motion passed

Public Safety. The Police Department portion was adjusted from \$36,000 to \$37,000 to cover the full cost of the cruiser as it was slightly more than anticipated. Members noted the presentation by Chief Tarsa was exceptional.

Motion made by Member Allen to approve the Public Safety fund amendment

Second by Member Cowie

Unanimous vote

Motion passed

Motion made by Member Tomkowicz to accept the Public Safety budget as amended

Second by Member Allen

Abstention by Member Kleiner

Voted in favor were Members Corrigan, Lefebvre, Cowie, Pitoniak, Foster, Chittenden, Tomkowicz, Giroux, and Allen

Motion passed

Public Service. The Library Trustees requested a part time staff position. Holli Jayko has been promoted to Library Director, and Lyn Wilson has been moved to the Children's Librarian position for a savings of \$28,000. A part time position would create an addition of \$15,000 so it would be a total decrease of \$13,674.



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Member Cowie advised there was a lot of time spent last week on the budgets and the person in charge of it was there and did not speak up about it. The Town is trying to maintain a Reserve Fund, and after the Town saved money they sent a letter requesting to use it.

Motion made by Member Allen to approve the budget amendment to the Adams Free Library

Second by Member Tomkowicz

Voted in opposition was Member Cowie

Voted in favor were Members Corrigan, Lefebvre, Pitoniak, Kleiner, Foster, Chittenden, Tomkowicz, Giroux, and Allen

Motion passed

Motion made by Member Lefebvre to approve the Public Service Budget as amended

Second by Member Allen

Unanimous vote

Motion passed

Public Buildings. \$3,000 was not reflected for repairs to the Police Station. Town Counsel is being consulted regarding the warranty of the roof being at 17 years of the 20 year warranty.

Motion Made by Member Allen to approve the Police Station budget as adjusted

Second by Member Corrigan

Unanimous vote

Motion passed

Memorial School. Discussion about how much money was spent on the building in the last three years took place. It was noted that the Town has infrastructure falling apart and cannot afford to take on more. This year's expenses will be another \$31,000 for this building on top of insurance costs. When it was open and the Town spent \$68,000 to heat the building and \$12,000 for electricity, with no costs outlined for maintenance or janitors. There are no parties interested in purchasing it currently. It costs more in insurance to mothball it, and opens up the Town for liability. Demolition engineering study advised it would cost over \$700,000 to tear it down. Community Development Block Grants for demolition put a lien on it and you cannot do anything else with the property. Demolition is not an option. The probability of someone purchasing the building that needs a \$500,000 boiler was weighed. The Emergency Shelter is there currently. It was noted that the Town needs to find a way to either fix the building or tear it down because it is useless as it currently is. A suggestion was made to put the option to tear it down for \$700,000 before Town Meeting. Another suggestion was made to close Cheshire School and to use \$1 Million from that to tear down Memorial School. An RFP for this building will be done within the next couple months.

Joseph Nowak gave his opinion that after the Town received the grant to replace the whole roof it would be foolish to tear down the building after the State gave grant money to keep it from deteriorating.



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Motion made by Member Lefebvre to approve the budget for Memorial School Building

Second by Member Cowie

Voted in opposition were Members Cowie, Foster and Corrigan

Voted in favor were Members Lefebvre, Kleiner, Pitoniak, Chittenden, Tomkowicz, Giroux, and Allen

Motion passed

Motion made by Member Tomkowicz to approve the Public Buildings Budget

Second by Member Cowie

Unanimous vote

Motion passed

Public Works. Members discussed the Mass DEP rejection of the staffing analysis and the need for the Town to go from six to seven for staffing at the Wastewater Treatment Plant. The choices are to either add funding for the position or cut staffing from the Highways Division and move someone over to the Wastewater Treatment Plant. The appeal process was briefly outlined, as was the Town's responsibilities if losing the appeal. Mass DEP is making the mandates which are unfair to the Town.

Motion made by Member Corrigan to approve the additional funds in the Public Works budget

Second by Member Cowie

Unanimous vote

Motion passed

Motion made by Member Corrigan to approve the Public Works budget as amended

Second by Member Allen

Unanimous vote

Motion passed

Adams-Cheshire Regional School District. The Board of Selectmen reduced this budget amount to the number that the School District approved due to changes outlined in the wealth equity formula. There was an increase in Cheshire and a decrease in Adams. Brief discussion took place about staffing comparisons between schools, and the benefit budget breakdown. It was noted that many of the staff have the same names. Payroll salaries were discussed and the financial impact of pensions. Union contracts are for three years. Since 2006 salaries and benefits went up around 50%, despite classes being cut and student enrollment declining. Members noted that a salary increase was 54% and by comparison the Town salary increase was a 24% to 30% increase during the same timeframe. School staff stipends were discussed and it was pointed out that ACRSD sports stipends were double that of McCann. Accountability was questioned, and it was voiced that there has been no building maintenance for the money spent and the buildings are in disrepair. The Board of Selectmen and Finance Committee would like to create communication with the schools at the beginning of the budget process, and have meetings in June, July, August and September. Chapter 70 fund breakdowns were asked for several months ago but still have not been provided. The topic of closing a school was also addressed as a point of discussion with the schools.



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Motion made by Member Allen to approve the Adam-Cheshire Regional School adjusted budget

Second by Member Cowie

Unanimous vote

Motion passed

Motion made by Member Corrigan to approve the Regional Schools budget as amended

Second by Member Allen

Voted in opposition was Member Lefebvre

Voted in favor were Members Corrigan, Pitoniak, Kleiner, Foster, Chittenden, Tomkowicz, Giroux, Cowie and Allen

Motion passed

ADJOURNMENT

Motion made by Member Allen to adjourn

Second by Member Pitoniak

Unanimous Vote

Motion passed

The Finance Committee Meeting adjourned at 8:00 p.m.

Respectfully Submitted by Deborah J. Dunlap,
Recording Secretary

Timothy Burdick, Chairman