

Town of Dunstable
Joint Meeting of the Selectboard & Advisory Board
Meeting Minutes
September 6, 2016
Town Hall, Dunstable, MA 01827

Convened: 7:00 pm

Present: Daniel F. Devlin, chair, Walter F. Alterisio, Leah D. Basbanes, member(s); Tracey Hutton, Town Administrator; Christine Muir, chair, Dana Metzler, Harold Simmons, Pam Crocker, Ron Mikol, members Advisory Board; James Dow, Interim Chief of Police; Brian Rich, Fire Chief; Alan Chaney, Conservation Commission; Frank Antonelli, Interim Director of Business & Finance for GDRSD; Michael Knight, Assistant Director of Business & Finance for GDRSD

FY18 Planning Calendar

Mr. Devlin and Ms. Muir called the meeting into order. From there Ms. Muir started off by going over the Advisory Board's meeting calendar for the upcoming year. Mr. Metzler clarified for the budget looking for a timeline of when the preliminary budget will be prepared. Ms. Muir and Ms. Hutton elaborated further noting that January and February will be when meetings with large departments happen. Prior to that time (the fall) Department Heads will be working with Ms. Hutton on the budgets. Ms. Muir noted the tentative budget is planned to be ready for January 9th, 2017. The Board inquired about receiving a copy of the calendar. Ms. Hutton stated she would provide them with a copy.

GDRSD Assessment

Ms. Muir noted the assessment letter came out a few weeks after Dunstable's elections. The actual assessment ended up being about \$35,000 more than was budgeted, but with the override having passed the town should be okay. Mr. Metzler noted that the town wasn't consulted about this difference, but was instead notified by letter. Ms. Muir stated that it would have been nice to have more notice, but it is what it is in this case. Ms. Hutton finished off by briefly reporting on the meeting she recently attended with Superintendent Rodriguez and the Interim Business & Finance Director.

School Finance Primer

Ms. Muir started off discussion by taking the opportunity to introduce Frank Antonelli, the Interim Director of Business & Finance for GDRSD. Mr. Antonelli addressed the boards by introducing himself and his colleague Michael Knight who is his assistant director. Mr. Antonelli noted his experience working with many schools and the fact that he is interim. He then discussed the budget as it currently stands. A preliminary budget is already being worked on, a process that includes meetings. The budget will be brought to the business and finance subcommittee of the School Committee, eventually being submitted to the School Committee for approval and then to the towns. He noted that there is a widespread problem in the Commonwealth of revenues for schools, unfortunately, revenues are not matching expenses. Mr. Antonelli also informed the boards that he was not aware of the \$35,000 issue and implored the boards to contact him if anything like that happens and they have any questions or concerns. He then discussed the several other financial matters regarding employee compensation and special education. Special education in particular is a driver of costs. He has met with the Special Education Director, and will be holding monthly meetings to go over expenses. Health insurance as in the towns is also a major component of the budget driving increased costs. There is also a technology need that is significant.

He also outlined the procurement process and how that impacts expenses like technology, noting that in GDRSD the Chief Procurement Officer is the Superintendent and in Dunstable that role falls to Ms. Hutton. Mr. Antonelli then assured the boards that he will have the budget to the towns in as far as advance as possible and pledges to ensure that the boards have the budget in a timely manner. The Board asked what the cost of health insurance is and if the town is in GIC. Mr. Antonelli noted that the school is in GIC, and elaborated on the cost. Ms. Hutton then noted that Dunstable's costs are not proportionally as high as Groton's due to the

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number of full time employees. Mr. Metzler inquired as to when the books from the last year will be closed out. Mr. Antonelli stated that the books are nearly closed out, but the timeline for that is about October. He noted that sometimes the Commonwealth takes longer, but assured both boards that he will show all of the balances in all of the schools accounts. The Board inquired as to the assessment difference. Mr. Antonelli responded that he meets with the Superintendent daily and explained how the assessment process has worked differently this year due to the budgetary process. Mr. Simmons noted that the \$35,000 issue could have been very bad if the override vote had failed. The Board briefly brought up the issue of sustainability and stressed the need to be aware of these kinds of things as they develop rather than being informed after the fact.

Mr. Mikol then turned the discussion back to concerns about the close out of the year end. Dunstable was told that it would take several months to close out, and has left questions as to what is going on and what is required. He expressed some discomfort about the timeliness of the closeout, the recent departure of Mr. Stanton (Mr. Antonelli's predecessor). Mr. Antonelli assured the boards that the school districts accountant is working on the close out, and explained that this situation as it stands is not unusual. He inquired as to the last time the boards received a financial report. Mr. Metzler responded that only recently did burn sheets get adopted. Mr. Mikol noted that a tri-board exists between the two towns and the school district, but has not accomplished some of its goals. Ms. Muir agreed, asking that a more direct outreach be adopted. Mr. Antonelli was willing to do this agreeing to send reports to Ms. Hutton who would then forward them to the appropriate authorities. Ms. Hutton noted that the School Committee has agreed to change its meeting nights from Wednesday nights so as to avoid conflicts with Dunstable's Board of Selectmen.

Ms. Muir then turned discussion to the formation of the budget and how the process works. Mr. Antonelli explained that budget packets are sent out to principals and directors. They then confirm their staff salaries first. Mr. Antonelli's office then spends time making sure each salary is correct. This part of the process is the most time consuming. In the meantime, principals and directors will also provide materials regarding their budget needs. Mr. Antonelli's office then determines what the budgets will be based on what the needs presented are, and what the revenue is projected to be within the tentative budget. Mr. Antonelli then explained the hearing and vetting process for the budget. Ms. Muir inquired about who makes the financial decision on the budget. Mr. Antonelli responded that the Superintendent makes a recommendation to the School Committee, and the School Committee authorizes the budget. She followed up with a question on zero based budgeting. Mr. Antonelli responded that while he's done that form of budgeting in the past, the process isn't one that's being done this year. Rather the school is looking at past budgets and making decisions based on those budgets and what needs exist. He then noted a few examples of needs the school has to address including some boilers that need repairs and replacement along with other infrastructure and maintenance needs.

Ms. Muir elaborated on the concept of zero based budgeting noting some of the appeal. The primary appeal is that it gets away from expecting growth that is 2 or 3 percent, and forces the budget process to really look at what money is spent on. Mr. Antonelli responded that it is a form of budgeting that should be looked at and considered. Mr. Metzler inquired as to whether it would be helpful to inform the School Committee of the range that the town can afford, noting that right now it appears that the town waits to hear what the budget will be and then has to figure out how to make up any deficit. Mr. Antonelli agreed that keeping in touch with the towns will help make this possible. Ms. Hutton agreed noting that the meetings she's attended are indeed focusing in that direction as a major point. Ms. Muir then elaborated on how this year's calendar will have tentative dates scheduled for meeting with the school for the budget. Ms. Muir expressed the intention of being proactive in requesting meetings this year. The Board briefly turned discussion to the issue of the School Committee being an elected political body and expressed some concerns about the committee's willingness to work with the towns in regards to the budget process. Ms. Hutton responded that it is the Superintendent's job to talk to the School Committee and bring their thoughts, goals, and plans to the boards in regards to the budget. This provoked some discussion about the process and how to improve communication. Ms. Muir asked Mr. Antonelli to keep in the back of his head the thought, "does Dunstable know about this?" whenever something unexpected comes up in the budget process.

Mr. Antonelli had no objections. The Board stressed the need for partnership between the towns and the school. In the past there has not always been an incentive for all parties to work together. This appears, in light of recent events, to be something that is changing. In the last few budget cycles the costs are increasing more than what is sustainable. Simply maintaining things as "is" is exceeding the ability to pay, which impedes

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progress on education. If the Commonwealth is the driver behind cost increases, then this needs to be made clear so that the towns can address it and reach for political solutions together. If information isn't understood, dialogue should be encouraged. Mr. Antonelli stressed his desire to have transparency and to see responsiveness to any questions asked of his department. Ms. Muir noted that budget control was returned by DESE to the school district and the towns are now working under the assessment which was recently released for August. She noted that as a result the town's burn sheet will reflect a different amount than what is assessed. Mr. Metzler clarified that due to the override more money will be available than what will be spent. Ms. Muir responded in the affirmative stating that changing this, at this point, would require a town meeting. Discussion finished with both boards expressing thanks to Mr. Antonelli and Mr. Knight for attending the meeting.

Library Funding

Ms. Muir started off by addressing the email message received from the Library Director. The question asked on August 11th was a request for additional funding to reinstate Saturday hours, add money to Library energy, and other similar requests relating to restoring hours totaling \$11,902. Ms. Muir noted that the numbers cannot be changed without a town meeting. Mr. Simmons responded that since not all departments can be restored to what they were prior to the budget cuts, it would not be fair to re-instate this one department. Mr. Metzler expressed a desire to see more formal adherence to protocol noting that the Library Director should be going through the Library Trustees. The Trustees are aware that restoration of Saturday hours is off the table. Ms. Muir noted that if funding was restored, a waiver would not have to be filed with the Commonwealth. Currently the town is in the process of requesting a waiver. Ms. Hutton noted that from her conversations with the Commonwealth, waivers do not require an act of God. Unless the waivers are substantial enough to require lobbying in Boston, there isn't as much concern about if we will receive one or not. Mr. Mikol returned discussion to protocol and the Library Trustees noting some concerns about membership and who the chair is. Ms. Hutton stated she would increase her attendance of Library Trustee meetings. Mr. Metzler inquired as to the question of the Library emergency exit issue. Ms. Hutton reported on where things stand and the plan that the Fire Chief has worked out for this year with the Library.

Borrowing Philosophy

Ms. Hutton started off by noting that usually the town borrows for 20 years, but when we talk about the public safety complex among other projects, the borrowing ceiling can be higher. Spreading projects out will not cause a hit on interest rates for the towns and may make these kinds of projects more palatable to the public. Mr. Metzler responded that if the interest rate isn't an issue and the life cycle of the buildings works with the borrowing window, there's no reason to object. Discussion then turned to the USDA loan program. This program covers many project types like water and public safety complexes. Ms. Hutton noted that not all projects will be the same, some being 30 or 40 years depending on the project and what is to be built. She also noted that the interest rates are different depending on the abilities of the communities. The rate for Dunstable would be roughly around 2.7 percent. Most private loans right now would be closer to 3 percent according to the Treasurer/Collector, Ms. Hutton reported. She also noted that USDA does level payments, so the payments stay the same every year for the lifetime of the loan. Discussion then finished on what kind of strategy the town should have for how to approach infrastructure. A lot of projects are coming down the pipeline so this is becoming more critical. Ms. Muir noted that Advisory will talk Capital Planning at its next meeting.

School Budget, Tax Rate & Cost Savings

Ms. Hutton explained the tax rate process and how the town will need to decide what to do in light of the budget situation. The Board will need to think about how to proceed with this. There was some discussion over whether the School Committee members for Dunstable were notified of the meeting scheduled between the boards and Mr. Antonelli. Ms. Hutton responded to this inquiry noting that while they might not have been notified directly, they were aware the meeting was happening from the meeting notice. Discussion then turned back to the issue of the tax rate and how to explain to the public what the tax rate will look like in light of the school's budget. Ms. Hutton finished out by elaborating on some cost reductions that have been attained including the police cruiser coming in lower, the bid for the Deputy Collector services, and several grants

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which have either been granted or are in the works. The topic finished with light discussion of the financial impact from the retirement of Police Chief Downes and the process of transition.

Minutes

Advisory Board considered minutes from July 11th, 2016 and 13th, 2016.

Mr. Metzler moved to approve the minutes from July 11th and July 13th. Mr. Simmons seconded the motion and the motion passed unanimously.

Transfer Station

Mr. Simmons inquired as to the Transfer Station and how sales have gone. Ms. Hutton reported that the situation is not as bad as predicted. It appears that the Transfer Station is close to the 300 customers they usually have. They are still under, but sales of permits and stickers continue.

Public Safety Complex

Mr. Metzler updated on where things stand. The biggest item right now is location. Several sites have been identified as possible candidates. These sites include some owned by the town and some that would need to be acquired in part or whole. Consideration of site includes location in the town and feasibility. There has also been discussion of building modularly to allow the project to be smaller at first with the possibility to increase the size.

Affordable Housing

Mr. Metzler reported that the plan is to have eight townhouses, with three two story rental buildings that will have eight units. The location for this construction would be the MUD. The design is also proposed to have a senior center incorporated. There will also naturally, be parking included. The Board inquired as to whether a builder has been selected yet. Mr. Metzler responded that the Affordable Housing Committee hasn't reached that point yet. There was a question about where this would put us with the 40B requirements. Mr. Metzler stated that it wouldn't sedate the need, but it would put the town in a better position for 40B.

Both boards formally made motions, which passed unanimously, to adjourn at 8:32 pm. Mr. Metzler so moved for Advisory Board with Ms. Crocker in second. Mr. Devlin so moved for Board of Selectmen, with Mr. Alterisio in second.

Respectfully submitted by



Jakob K. Hamm
Admin. Assistant to the Selectboard & Town Administrator

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