

Holbrook Board of Selectmen

Minutes of the Regular Session of

Tuesday, February 28, 2012

Present: Timothy J. Gordon, Chairman
Matthew V. Moore, Vice-Chairman
Kevin J. Sheehan, Associate

Absent: Richard B. McGaughey, Associate
Brinsley A. Fuller, Clerk

In attendance: William J. Phelan, Town Administrator
Marjorie E. Godfrey, Selectmen's Secretary

The meeting was called to order at 7:14 pm by Chairman Gordon, in the Selectmen's Meeting Room, 50 North Franklin Street, Holbrook, MA 02343, and began with the Pledge of Allegiance.

The December 13th minutes were postponed to the next meeting.

The Chairman said that Holbrook, which was incorporated on February 29, 1872, celebrated its 34th Leap Year birthday this past Sunday. U.S. CONGRESSMAN STEPHEN LYNCH and the Massachusetts legislative delegation were present. Congressman Lynch presented the Chairman with a FLAG that had been flown over the U. S. Capitol building. Mr. Gordon read the certificate that accompanied the flag.

Mr. Phelan reported that a recent conference call with the MASS. SCHOOL BUILDING AUTHORITY (MSBA) provided insight on the process of a school building project and information on the phase the town is in at this time. The town may have to seek an appropriation for a feasibility project, but things are moving along in the right direction.

Mr. Wayne Darragh, Vice-President of COMMUNITY OPPORTUNITIES GROUP, INC., (COG) explained that the Community Development office has completed the rehab of homes that was authorized when an amount of funding was moved from Program Income to active housing. There has been a huge demand for the service recently. Therefore, he is requesting that the Board allow another \$125,000 to be moved over for active housing rehab projects of four more properties. That budget will allow for \$120,000 in construction and \$5,000 for the cost of keeping the office open through September. Mr. Darragh advised that program income is money people pay back over time, and there is not a lot of flexibility about what it can be used for. Although housing rehab is number 1 with the Dept. of Housing and Community Development (DHCD), Community Development Block Grants (CDBG) can be used for improvements where low and moderate income residents live, or for handicap accessibility projects, infrastructure projects and some economic development. Housing and Urban Development (HUD) money cannot be used for public buildings. Most recently, DHCD has been looking for targeted activities in targeted areas, rather than town-wide projects. While preparing the strategy for a grant application, the Master Plan, Open Space & Recreation Plan, and statistics will all be reviewed. Extra points are available for joining with another community or doing multiple activities. 18% of program income can be used for paying for administration. When less than \$25,000 is paid back during a year, the money is considered Miscellaneous Income. The use of Miscellaneous Income is more flexible.

MOTION: By Mr. Moore, second by Mr. Sheehan, to authorize the Chairman to execute an agreement with Community Opportunities Group, Inc. in the amount of \$20,000 for housing rehab, approve the use of \$125,000 of Program Income for the housing rehab program, and authorize Town Administrator William Phelan to act on the town's behalf on this project

VOTE: 3:0

Town Treasurer/Collector Paul Digirolamo introduced the town's financial advisor from Unibank Financial Services, Ms. Margaret MacLean. Ms. MacLean explained that there is a potential for savings if the Treasurer is authorized to put the 2001 BONDS OUT TO BID. Currently, the interest rate is 4.5% to 5%. The Board would then have to vote to approve the award of the bonds at the next meeting. The term of the bonds would not change, but the interest rate would be lower.

MOTION: By Mr. Sheehan, second by Mr. Moore, that in order to reduce interest costs, the Treasurer is authorized to provide for the sale and issuance of REFUNDING BONDS under G.L. c.44, Sec. 21A to refund all or any portion of the remaining principal of and any redemption premium and interest on any of the Town's \$8,080,000 Municipal Purpose Loan of 2001 Bonds dated as of December 1, 2001, that are outstanding as of the date of this vote, provided that such refunding bonds shall be issued under this vote unless and until the final interest rate(s) and other terms of such refunding bonds have been approved by this Board

VOTE: 3:0

Mr. Frank Biron, CPA, of MELANSON HEATH AND COMPANY was present for an EXIT INTERVIEW relative to the TOWN'S AUDIT for the fiscal year ending June 30, 2011. Mr. Biron reviewed and explained the Annual Financial Statements. He cautioned that the town has close to \$2 million in outstanding real estate taxes, and advised that the properties must be liened or the taxes are at risk. He noted that the town's Stabilization fund is low, and the enterprise funds are okay. Mr. Biron said that bond rating agencies would look for more unassigned and free cash.

Mr. Biron discussed a material weakness reported in the town's Management Letter. The Treasurer's cash book must be reconciled to the bank statements on a monthly basis and then balanced to the Accountant's general ledger. He stressed that this is the most at risk account the town has, and noted that the last month reconciled was September, 2011. Treasurer/Collector Paul Digirolamo explained that he does balance to the bank statements every month, but needs more clerical help in the office to allow him to complete his work. The reconciliations should be completed by the 20th of the following month.

It is also recommended that the town establish a more aggressive tax collection policy. Mr. Biron advised that the liening and foreclosing of properties should begin 60 days after a bill is due. Collecting this money would increase the town's free cash. Mr. Phelan noted that the expense of the foreclosure process does not have to be budgeted, since it can be raised on the recap if necessary.

Mr. Biron said that department head meetings should be held regularly to discuss where the town is at risk due to errors or irregularities.

Mr. Richard Reuss, the Emergency Management Director, explained that the town has been awarded a \$2,000 GRANT, with no match necessary, for the purchase of supplies that have been pre-approved by the Mass. Emergency Management Agency (MEMA).

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MOTION: By Mr. Moore, second by Mr. Sheehan, to authorize the Chairman to execute a contract with the Massachusetts Emergency Management Agency (MEMA) for an FFY2009 Citizen Corps Program (CCP) Grant

VOTE: 3:0

Kevin Costa, the Chairman of the Finance Committee, discussed the process they follow for the development of the annual BUDGET. He said budget requests were due to the Finance Committee by December 31, 2011. The Committee then meets with each department, and should have all budget requests reviewed by the middle of March. They will get direction from the Board of Selectmen when it is time to start cutting from the requests so that a balanced budget can be presented to town meeting.

Mr. Costa said notification was recently received from the Massachusetts Municipal Association (MMA) that the unrestricted Local Aid from the state is going to be level funded, but the level funding will not include the one-time payment of \$90,000 that Holbrook received in the fall of 2011. He asked that the information be placed on the town's website and that residents be asked to contact their legislators and ask that Local Aid be fully funded.

Benjamin Ecord, Supervisor in the Public Works Department, advised that PHASE 5 of the SEWERS has been designed but has not gone out to bid. Mr. Phelan said there is approximately \$2 million available for sewer projects. He will meet with the engineers that designed the project to get an estimate of the project cost. Phase 6 has not been designed. Mr. Phelan will meet with Thomas Cummings, the Superintendent of Public Works.

Mr. Gordon said the light now shining on Mary Wales Holbrook Park looks great.

Mr. Ecord presented the proposals received for a new CHAIN LINK FENCE around Castle Canyon at the Holbrook Playground. Mr. Ecord contacted Ms. Nancy White, who will visit Castle Canyon on March 20th to make recommendations on additional playground equipment. Mr. Ecord said mulch is approximately \$11,000.

The Public Works Department is going forward with WATER METER CHANGES as needed.

Per a request at this meeting, Mr. Phelan said he would figure out the average tax increase for homeowners based on the requested budgets for next fiscal year.

MOTION: At 9:20 pm, to adjourn to executive session to discuss strategy as it relates to collective bargaining with union personnel (Firefighters), conduct contract negotiations with union personnel (Firefighters), discuss strategy as it relates to negotiations with non-union personnel (Salary Administration) and conduct negotiations with non-union personnel (Salary Administration), discuss strategy as it relates to collective bargaining with union personnel (Clerical), and not return to open session

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ROLL CALL VOTE: Mr. Sheehan – Yes
 Mr. Moore – Yes
 Mr. Gordon – Yes

Brinsley A. Fuller, Clerk

Documents:

Agenda FY11 Financial Statements & Management Letter
Draft minutes Refunding Vote Citizen Corps grant contract
Community Opportunities Group agreement