

Minutes of Finance Committee-Draft

DATE: March 15, 2008

LOCATION: Sanford Hall
Village Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Ned Myers, Robert Kenney, Paul Marble, Jan Fish, Mark Brown, Eric Arbeene, Larry Ellsworth

ABSENT:

GUESTS: Barbara Durand, Melanie Phillips, other guest listed with their budget sections.

PURPOSE: Budget presentations by various Town Departments

Robert Kenney called the Finance Committee (Fin Com) meeting to order at 8:40am.

Attached to the minutes will be a copy of the entire budget submitted for FinCom review.

Barbara Durand (Town Accountant) reviewed that FinCom would be seeing 3 optional budgets during this process. All departmental budgets will list:

Level Funded based on FY 2008

Level Service key for FY 2009

Program Improvement extras for FY 2009

Town Accountant Department-Barbara Durand

Temporary clerk-elderly resident that works to reduce taxes
½ position-which is an additional data entry clerk

New Financial software to replace access database-This has been submitted to Capital Planning or replacement. Money request for software, conversion and training. Will be integrated with the schools. Barbara will review many different options before she decides will base on a Needs Assessment, which is in the process of being completed.

Q-Where will the improvements be found? In efficiencies and reconciliation's.

Q-Will the operating expenses be reduced? It will not reduce the operating expense, but will reduce the consultant costs.

Q-Are salary budgets built into this budget? There are no increases in this budget in salaries. Salary reserve money is available on page 10 \$190,000 for all municipal contracts and non-affiliated. With the exception of fire, they have a contract already.

Q-Page 33-Why upgrade Assistant Town Accountant-This person should be qualified to take over if the Town Accountant was to leave. The Assistant is working on education to become qualified. Trying to create the position here not just trying to give this person a raise. The Charter requests a Chief Procurement Officer within this position.

MIS TECHNOLOGY-Barbara Durand Barbara manages the budget on this, not the tech.

Page 46 Not an in house position. IT Steve Amrock is the person who handles the school. He is retiring. The Charter requests 1 position Town wide.

- No salaries
 - Contract with Technical Solutions, paid hourly.
 - Budget page 48-Keeping an eye on this budget.
 - Energov Solutions-permitting new software, new for '09
 - All annual software should be in IT budget.
 - New IT person will be responsible for negotiating all of these IT contracts
- Q-Would \$20,000 be available going forward to the IT Director Salary? Yes, School and Town IT combined. May possibly need someone else underneath the Director for maintenance.
- Q-Why a supplies line item? This is all toner and paper for all departments in Town Hall.
- Q-Why a DSL line item? This is the Town Hall Internet Connection
- Q-Why a supplies item for each department? Suggestion by FinCom Member to centralize throughout Town Hall and schools to increase savings.
- Q-Training line item? Company came in to train all departments. Will try to bring back and supply the schools with the same training.
- Q-Technology line item? Not specific needs but to replace some equipment and update. Barbara waits until the end of the year and spends where she thinks the greatest need is.
- Q-If get \$13K CIP money will this \$5000 go away? Keeping \$5K so that if we don't get \$13K will have some replacement money for new replacement upgrades.

Other non-related budget issues:

Continue to hold \$5,623.09 ETR for Police Detail

Barbara and Frank will get together to discuss what will be in the Town Meeting book.

Treasurer/Collector: Melanie Phillips

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- Ebills implementation in FY 2009-Waiting for DOR to decided that it's a legal bill. There will be voluntary sign up, payment link on ebill. Positives: postage, printing and envelope savings, account reconciliation will have less human error and less work involved.
 - Lock box-phasing out due to a \$10K expense
 - Important to implement an Assistant Treasurer/Collector. Melanie hopes to go to Treasurer/Collector, Assistant T/C and clerical. 3 Full time positions. Hopeful to go to payroll/human services in 2010 in line with the Charter.
 - #4 Asst/Tr payroll FY '08 PT to FT '09 a few months PT in '09. Will do this even if the charter doesn't pass.
 - Pg 39-#2 will go to #5 with salary increase if this budget passes
 - Pg 40-Prof Technical-may need someone to work with programming for ebills. May have a volunteer in the community that can do, may not.
- Q-Will IT cover this item for maintenance? Melanie thinks all should be covered for all departments
- Q-Postage-is this the whole town? This line item is anything in the Town Hall Bldg and supplies for the machine.
- Q-Is there a bulk mail permit? This is being looked into; there is currently no bulk rate. If this happens the budget would be impacted.
- Leasing-Mail stuffer/folder. New/used for \$300 per month including maintenance. There is a network link to download to print, fold, and stuff.

- OTH purchased software-contracted service, not software. If replace VADAR this could go away. If purchase a software, hopefully it would include this function.
- Office supplies-envelopes, paper, other item office needs.
- Training-Melanie cross trains in-house. Mass T/C school instate travel
- Bank charges-Fees for bounced checks

Debt Service-Melanie Phillips

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- \$98,000 in 2009 will drop off and be available in 2010
- Spreadsheets with Bond info, expirations, etc., will be sent to Wendy and passed on to Fincom this week.
- Debt Service-Number now is approximately \$20Million.
- Recommended amount for a town our size-5-10% of total budget, not more.
- Water Debt is not here, it is now in the water/sewer debt service.

Police Department-Chief Tingley, LT Boultenhouse

- No current contract, expired 6/30/07
 - Key items:
 - \$7K HS Crossing Guard- Q-could resource officer do? Not necessarily available because he handles the other schools and backs up for court/juvenile cases. This cost is directly related to the new HS.
 - Ballistic Vests-Should account for \$5K Capital request. Going forward this is a critical request, not being considered as a capital request at this time. Per Barbara-pg 158 \$16,000 should be level service not program improvement.
 - To get to 23 officers would be ideal
 - Q-How much to get to that 23? \$50K per officer for salary (\$9,000 for benefits and 1 time training)
 - Q-If more officers would there be a reduction in OT? Theoretically yes. Depending on the new contract, OT may increase because of the Emergency Family Leave days off.
 - Q-At a minimum would two-½ positions cover the 2 retiring a year from now? Yes
 - Q-Any way to build a shelter to store cars to avoid the idling of cars/cost of gas being so high? Larry-CIPC should be the ones to address that issue.
 - Q-Why idle? If snow/ice and an emergency, need to respond ASAP, can't run the risk of a car not starting. Chief says that he is trying to have the officers not idle as much because the cost of gas is so high.
 - Police cruisers-If change make and model of vehicles, set up for lights etc, may not work and then added expense for new lights.
 - Page 158-\$1 buy out-lease for 3 years. Usually this department does this, then transfer equipment if possible. 1st year lease and transfer of equipment, 2nd and 3rd years only lease.
 - Page 157-Crossing guard- \$13.39 x 60 hours. Not all working same amount of hours, additional guard would be \$7000.
 - #7 Senior Sergeant-10% increase, retiring in 3 years.
- Q-Educational credit payments, thought no cost to the town? Barbara says that the town receives some funding reimbursement from the Quinn Bill. This goes into the General Fund.

Police/Fire Communications-Lt Boultenhouse

Q-What is a permanent Intermittent? Reserve Officers that have taken the civil service exam and have gone to the police academy. Permanently on the list for possible hire to police officer.

Q-Rate of pay to replace? Perm PT 7-1 step, new come in at 6-1 step

- Have tried to increase training and received a \$5K grant to do so.

Q-How much money comes from grants or revenue? Community policing grant \$38K, additional money from Homeland security grants. \$28K to cover classes, OT, Salary, to have classes-this grant has specific uses. \$21K hope to use for an automatic finger print machine.

- Billing police details-these are billed not prepaid.

Q-Is the communication equipment up to snuff? Upgrades with state this year e-911 new. Possibly upgrading to a radio system that is digital. Working with state reps for this \$350K system. System now is good for a few more years.

- Internet phone system up and running, all are trained.

Department of Public Services-David D'Amico

Page 106

- Snow and ice-as of 3/14 at \$401,600, budget amount \$210,000.

Page 120 Building Maintenance

Page 122 Custodian Service- \$8K Have a senior citizen do the work.

- Heating and Fuel Cost-Dave looks at 2005 baseline model as a worse case energy use. Cost of 2005 and the DOE forecast number and adjusts his number to a conservative number.
- Other departments were told to use Dave's number for Heating and fuel costs. Dave negotiates prices on gas and electricity as does the school department.
- Paul Marble (FinCom) suggested that Evergreen Technologies in Hopkinton is partnering with municipalities to do solar heating with grants available for assistance.
- Elevator Services-Town Hall, Police, Library and Schools all have separate contracts for elevator services.
- Traffic Signals-Number varies year to year. The money is there to keep the traffic signals functioning. This is not the electricity cost. If hit and damaged they get the insurance companies involved to pay to repair or replace.
- Tree Warden-State required position. If appointed, must have credentials, if elected, anyone can do the job. The consulting fee pays for advice or opinion. Currently an appointed positions.
- Road Repair-Page 116. This has been the same expense number for years. Every 2 years it goes out to bid. Covers curb repair, drainage repair, and pot hole repair is in the snow and ice budget. There is no number as part of this to repair or redo any roads this year.

There is additional money in this budget to participate in a Sampling/testing program. This will test 40 locations where water discharges. The DEP and Charles River Water know towns don't have the money so the DEP is starting a Storm Water Utility fund to improve quality of storm water. The selectmen are not entertaining this idea for a warrant article at this time.

This is not the time to financially ask the taxpayers to pay into this fund.

- Fuel Contract-currently fuel is not under contract because we don't have storage for bulk fuel.
- Tree Work-Increase from \$9K to \$20K. Current budget only accounts for minimal work. This looks at trees over roads and clean up. Verizon and Nstar do their own wire pruning and don't consider the health of the tree.
- Line 5211 and 5212-Electricity and heat cover the highway barn and wash bay

- Snow Removal-Page 132-

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|-----------|-------------|
| \$401,000 | YTD |
| \$495,000 | Winter 2005 |
| \$210,000 | 2007 |

\$191,600 over budget

Pot hole fixing included in this number. Contractors included as well.

- Page 134 line 5487-Savings will show in other areas if purchase a new one. ½ worker in Highway will drive the 2nd tractor.
- Street Lights-Page 112-There was a program a few years ago to replace and involved in a rebate program. There was no money at the time to fund so financed the lighting. Only 1 payment to pay in 2009, none in 2010. This has saved approximately 62% in energy costs.
- Parks-Page 137-
50 Winthrop-No mentioned to Dave yet, so nothing in the budget for that property
Swimming facilities-Water quality testing continues and the swimming quality is being maintained.
Explanation of revolving accounts-to help upgrades and maintain parks. Softball, lacrosse and Popwarner pays to use the fields.

Fire and EMS-Chief Vinton

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- Increases are contractual
- Holiday line 40-by contract required for '09 budget
- OT-more people use because EMT's are in this budget and if they are at the end of their shift and they get a call they have to finish the call/run and thus get paid OT to finish.

Q-Is the equipment ok? There is an engine in the Capital budget. Fire alarm system needs some work, looking to fund through the Planning Board and agreements with developers.

- \$400,000 in Federal grants for protective clothing, exhaust systems and the like. They apply for this every year.
- Page 218-EMS supposed to be a self-funded enterprise fund. Projected that there will be enough revenue in '09 to not have to use the \$50K that was subsidized at FY'08 Town Meeting. If he doesn't need to use it, he will sit on it until next year.

- There are no EMS grants

Q-supplies increase-based on the number of runs, cost of oxygen.

- Fuel estimates come from Dave D'Amico
- Indirect costs-increase in insurance for employees and other benefits.

Motion to adjourn by Joy, second by Phyllis, approved by all present 2:10pm.

Respectfully submitted,

Wendy Harrington
Finance Committee Secretary