



Town of Medway

FINANCE COMMITTEE

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March 9, 2016 – 7:00 PM
Sanford Hall, Town Hall
155 Village Street

Present: Frank Rossi, Chair; Ellen Hillery; Meghan Hoffman; Jeff O’Neill; and Michael Schrader.

Absent: Todd Alessandri, Clerk; Rohith Ashok; Chris Lagan, Vice Chair; Jim Sullivan.

Others Present: Michael Boynton, Town Administrator; John Foresto, Chair, Board of Selectman; Jeffrey Lynch, Fire Chief; Dennis Crowley, Selectman.

Capital Improvement Planning Committee: Michelle Reed, Chair; Peter Sigrist, Vice Chair; Dan Perkins.

Chairman Rossi called the meeting to order at 7:02 PM.

CIPC – FY2017 Recommendations:

The committee reviewed a document entitled “Town of Medway – Fiscal Year 2016/2017 Free Cash Projections”, dated 2/23/2016.

Present: Capital Improvement Planning Committee: Michelle Reed, Chair; Peter Sigrist, Vice Chair; Dan Perkins.

Ms. Reed stated there were some small tweaks in the spreadsheet since it was originally produced, mostly associated with ambulance costs and funding. Mr. Boynton added there were some additional revenues that have come in from FY15 but after the start of FY16.

Ms. Reed reported they have met with department heads, Town Administrator and the Board of Selectmen. The bucket truck was not originally on the list, but it became unusable so a change needed to be made. She noted that, if there is an additional snowstorm that will use up the balance in Snow and Ice Budget, adjustments may be necessary. Otherwise, any remaining balance in Snow and Ice will fall to free cash. Ms. Reed briefly reviewed the other changes that have been made.

Brief discussion followed on tennis courts, and equipment at various fields and playgrounds. An original quote from Gale Associates for improving all venues was \$8 million. This figure has been reduced to about

half due to strategizing and prioritizing projects. Additionally, there is \$1 million available through a state funding mechanism which, if secured, will be utilized in two increments of \$500,000 to split projects into two phases. The middle school tennis courts will be done later as part of a larger project.

Addressing his question to Chief Lynch, Mr. O'Neill asked what would be included in the cost of refurbishment of the 14-year-old fire truck. Chief Lynch responded the refurbishment would include repainting, new lighting, some issues with seats and seatbelts, and some hoses. That should add 8 years of life to the truck.

Mr. O'Neill asked about proposed security measures for the schools. Mr. Boynton responded that it involved enhanced security to entry ways with the addition of physical barriers and other measures to restrict entry. This initiative is also being done to meet ADA requirements with the security systems. The Finance Committee asked for a more formal presentation of the proposed measures. Mr. Boynton will talk to Dr. Pires and Mr. Aicardi. Selectman Crowley suggested that perhaps a presentation could be made at a School Committee meeting.

It was noted that Information Technology proposals need to be separate articles because the funding comes from different sources. The same was the case for several other articles as their funding sources were not from free cash.

Ms. Hillery asked about the resurfacing of the courts and quotes for the work. Ms. Reed responded she has the quotes.

Responding to question from Chairman Rossi, Mr. Boynton stated that the Town needs to make sure our vehicles are in good running order. Because of Department of Revenue regulations and other restrictions, getting a new vehicle could take several months.

Discussion followed on trash bags and collection costs. Mr. Boynton noted that more information and data is needed before a decision can be made on increasing the rates or not.

The classroom furniture would be purchased in phases over several years.

Selectman Crowley complimented the group on their diligence and hard work. Ms. Reed noted that the committee starts working on the list in September and October. They met with department heads, and toured the schools with staff including food service.

FY17 Operating Budget Discussion and Review – Town Administrator:

The committee reviewed the FY17 Operating Budget Book.

Present: Michael Boynton, Town Administrator.

Each committee member received a copy of the proposed budget in a three-ring binder. Chairman Rossi stated that the committee will get together in two weeks and meet with several department heads to review individual budgets.

Mr. Boynton reported that the biggest impact is the net metering agreement. We are a large stakeholder in a project down in Carver. He provided a brief explanation of what net metering is. Eversource has invoked a clause within the statute whereby the program is supposed to bring us reimbursements or credits off our energy bills. Unfortunately there is a clause in the agreement that states that they will not

credit our invoices, instead issue a check for payment. It will be at least \$311,000, and we are not allowed to deposit as anything other than general fund receipt. Brief discussion followed.

Mr. Boynton indicated there are no major shifts within the budget this year and listed some of the changes where costs are featured. Salaries are a big concern as there are people retiring and new positions are being added. Specifically, there will be a new position of GPS Coordinator, and increasing the position of Council on Aging Director to full time. Additionally, new police officers will be trained prior to a long-time officer retiring. Lastly, the position in the Town Administrator's office was changed from Operations Manager to an administrative assistant.

In reviewing the summary pages, brief discussion followed on positions in the Department of Public Services. Mr. O'Neill was curious as to what was not reflected in the summary. Mr. Boynton reported that there are a lot of high-end numbers for road maintenance and costs which is not necessarily a bad thing but the reality is that we have to keep the costs down. There will be other things coming up for discussion in the next year or two regarding personnel shifts in a couple of departments.

Mr. Boynton asked committee members to keep in mind that the Board of Selectmen has tried to minimize the overall tax impact to residents each year. There was a drop in debt exclusion which is a direct savings to the taxpayers. This is a balanced budget with \$350,000 in levy capacity untouched. Selectman Crowley noted that the meals tax revenue is being applied to our OPEB commitment. It was noted that there will also be expenses associated with compliance with new federally-mandated stormwater regulations from the EPA. There will be costs for these unfunded mandates for several more years. Discussion followed.

General discussion followed on a new ambulance as well as solutions to requests for emergency transfers (Fire and Veterans) by increasing their annual budgets.

Mr. Boynton encouraged committee members to contact him if there were any questions. Ms. Pratt, Finance Director, is also available for answers and clarification.

The committee looked at the book briefly. For the benefit of new members, Chairman Rossi briefly explained that the Finance Committee typically meets with various department heads to review their individual budgets and get detailed answers to any questions.

Budget/Annual Town Meeting Calendar

After brief discussion, the committee decided to hold the public hearing on April 6 in order to receive input from the public on the financial articles presented at 2016 Annual Town Meeting and Special Town Meeting.

The committee will meet on March 23 for budget review with several departments. Questions should be forwarded to Chairman Rossi by Friday, March 18.

Chairman's Report:

Chairman Rossi reported that he has not attended Board of Selectmen meetings lately, but he plans to get together with Chairman John Foresto soon.

Clerk's Report:

Filling in for Mr. Alessandri, Chairman Rossi reported that the Finance Committee Reserve Fund has a balance of \$43,600.

Liaison Reports:

Liaison reports were postponed.

Upcoming Meeting:

In addition to March 23, the committee may also meet on March 30. Ms. Galliardt will secure meeting locations.

At 8:17 PM Mr. O'Neill moved to adjourn; Ms. Hoffman seconded. No discussion. VOTE: 5-0-0.

Respectfully submitted,
Jeanette Galliardt
Night Board Secretary