

Finance Committee Meeting

March 14, 2012 7:30 PM  
Veterans Memorial Building, Room 229  
900 Main Street  
Millis, MA 02054

In Attendance:

Chris Smith, Chairman  
Richard Molloy, Clerk  
Bud Drummey  
Peter Jurmain  
Rick Manburg  
Doug Riley  
Jim Smith  
Charles Aspinwall, Town Administrator  
John Wypyszinski, Veterans Services  
Bob Yeager, Legion and Memorial Day  
Peter Koufopoulos, Zoning Board of Appeals  
Chief Keith Edition, Dispatch and Police Departments

Chris Smith called the meeting to order at 7:30 PM.

FY13 Budget Review – Veterans Services:

John Wypyszinski:

The program provides Chapter 115 benefits to qualified veterans and family members. The veteran's agent assists with state and federal applications for veteran's benefits.

FY13 Budget Request:

Salaries:	\$ 3,548.00
Expenses:	<u>\$15,783.20</u>
Total:	<u>\$19,331.20</u>

There is a \$7,263.20 increase in expenses for FY13 due to the addition of a second veteran to the program. Benefits are reimbursed quarterly by the state. In order to qualify for benefits the veteran cannot have any assets. Benefits include \$500.00 in fuel assistance; heat is included in both Millis veteran's rent.

FY13 Budget Review – Legion Headquarters:

Bob Yeager:

The FY13 budget request is \$1,435.00 for expenses. The budget has been level funded for several years and they would like to request a 10% increase. Their total cost is approximately \$14,200.00. Costs are offset by proceeds from raffles, donations and hall use fees. There has been a decline in the raffle proceeds and donations over the last few years. The Legion sponsors the Boys and Girls Scouts and provides the use of the hall for free for all nonprofit groups. Expenses are not reimbursed from the state or federal government. State Law: Chapter 40 Section 9 states the town must provide a place for veterans to meet.

FY13 Budget Review – Memorial Day:

Bob Yeager:

The original proposed budget by Alan Birch is as follows:

3x5 Flags	\$1,250.00	Replace worn flags on Route 109
12" Wreaths	\$ 360.00	To be used at Memorial Monuments
18" Wreaths	\$ 225.00	To be used at Memorial Square
Grave Markers	\$ 100.00	Replace missing and new markers
POW/MIA Flags	\$ 118.85	Replace one missing and two worn flags on town flagpoles
Cemetery Flags	\$ 625.00	Annual replacement of winter damaged flags
Programs	\$ 250.00	Distribute to public and parade participants
Food & Refreshments	\$ 150.00	Breakfast, water and ice cream cups
Total:	<u>\$3,078.85</u>	

The food and refreshments line item does not include coffee, plates, plastic ware or other expenses including food preparation and cleanup. Donations to offset the costs have been received in the past but are not guaranteed. Bills are submitted to the town and paid directly to the vendor.

The \$1,250.00 line item for the flag replacement on Rt 109 should be deleted per Bob Yeager and Buddy Shropshire, leaving a budget total of \$1,825.85. The Legion and Memorial Day presentations will be rescheduled to a later date to clarify their exact request.

FY13 Budget Review – Finance Committee:

Chris Smith:

Salaries:	\$3,446.55
Expenses:	<u>\$6,529.00</u>
Total:	<u>\$9,975.55</u>

The FY13 salaries include a step raise effective 9/30/12 and a reclassification effective 11/7/11. Additional hours have been added due to scanning/posting meeting materials to the town's website. No additional postage costs are expected in FY13.

FY13 Budget Review – Reserve Fund:

Chris Smith: The Reserve Fund is an annual emergency fund of \$75,000.00. The current balance in the fund is \$43,750.00. A transfer of funds in the amount of \$30,000.00 for the library was voted on Monday, March 12, 2012 due to the unexpected cost of dewatering, contamination and testing at the site. A transfer of \$1,250.00 was voted on last fall to cover partial payment of a mower to maintain the Oak Grove Farm House, the request was made by the Historical Commission

FY13 Budget Review – Employee Benefits:

Charles Aspinwall:

FY13 Budget:

Insurance Disability:	\$ 5,100.00
Insurance Health:	\$2,177,912.00
Insurance Life:	\$ 13,500.00
Medicare:	\$ 223,000.00
Retirement:	\$1,059,734.00
Medicare Surcharge:	\$ 1,500.00
Section 125 Costs:	\$ 2,000.00
Medicare B Reimbursement:	<u>\$ 23,000.00</u>
Total:	<u>\$3,505,746.00</u>

The Health Insurance cost has decreased but the Retirement cost has had a significant increase from FY12. The town's decision to join the GIC several years ago was a very good decision.

FY13 Budget Review – Zoning Board of Appeals:

Peter Koufopoulos:

The Zoning Board of Appeals is a permit granting authority. Variances, findings, special permits and appeals are some of the cases the board reviews. Their decisions are based on the Town of Millis' Zoning Bylaw as adopted at the Annual Town Meeting.

Salaries:	\$ 9,684.58
Expenses:	<u>\$ 5,000.00</u>
Total:	<u>\$14,684.58</u>

The salaries line item is for clerical staff and stipends to the board members. The board members are part of the town's personnel plan and receive any cost of living increase the rest of the employees in the personnel plan receive. The expenses include \$1,000.00 for supplies & expenses and \$5,000.00 for advertising public hearings. The board plans to review their fee structure and will send suggestions to the Board of Selectmen for review/approval.

FY13 Budget Review – Dispatch:

Chief Edison:

FY13 Budget Request:

Salaries: \$224,637.28  
Expenses: \$ 8,500.00  
Total: \$233,137.28

There is a budget increase of \$2,868.28 for Police/Fire Dispatch services. Included in this increase is \$500.00 for equipment repair and supplies. Salaries are increased due to step and contractual raises.

FY13 Budget Review – Police:

Chief Edison:

FY13 Budget Request:

Salaries: \$1,396,171.50  
Expenses: \$ 124,114.00  
Total: \$1,520,285.50

Expenses for each line have been level funded with two exceptions:

- (1) Tuition/Training has been increased by \$2,000.00 to achieve the ongoing training needs of the department.
- (2) Fuel has been reduced by \$7,000.00 bringing the budget figure in line with historical usage. The ongoing replacement of vehicles has seen greater fuel efficiency and fewer repair costs.

Salaries are increased due to step and contractual raises plus \$1,000.00 added for lock-up wages.

Service Restoration Request:

The department is requesting an addition of one police officer which has been unfilled for years due to severe budget restrictions (the position has been unfilled since 1990). The demand for services and the nature of calls for service has dramatically changed over time and the department has seen a 30% increase in calls for service over the last 15 years. Hiring an additional officer will reduce overtime costs. The total salary for the officer is expected to be \$58,868.78 including benefits.

Capital Budget Restoration Request:

The restoration of five mobile data terminals: three in patrol vehicles, 1 in the supervisor's vehicle and one for the traffic enforcement officer. The cost is \$3,500.00 per terminal for a total cost of \$17,500.00. After the first year there would be a cost of \$50.00 per month per terminal for the air card which is required to transmit information to and from the computer. Annual cost after the first year is \$3,000.00 per year. The MDTs are laptops configured to access state information. The officers would receive

automatic information for license plates, licenses, etc. The laptops are rugged and their life expectancy is 3 – 4 years.

#### Capital Budget Item Request:

A request for the purchase of a Ford Expedition in the amount of \$36,160.00 to replace the supervisor's vehicle and the supervisor's vehicle would replace a cruiser which in turn could be used by the traffic enforcement officer. This would also allow the Police Department to have two 4-wheel drive vehicles for winter weather conditions and provide the traffic enforcement officer with a vehicle suitable for equipment.

#### Additional Request:

The department is requesting an increase in the department secretary's hours from 20 hours per week to 25 hours per week; annual cost \$5,176.60. This would free up the Police Chief to improve operations and enforce policies. This is a new request not a restoration. The increased hours would not affect the benefits cost.

If the chief had to choose between the MDTs or the replacement vehicle, his choice would be the MDTs.

#### FY11 Audit Review:

Chris Smith: The town received a positive review for FY11. There were two outstanding issues that are being addressed.

#### Town Meeting Warrant Article Review/TA Priorities:

Charles Aspinwall:

Article #2 Amendments to the Personnel Plan and Article #47 SEIU Contract Settlement will be added to the warrant at the next Board of Selectmen Meeting.

Article #20 Well Improvements: The bids are due next week

Article #23 Tree Nursery Phase II: This project disposes of street sweepings and catch basin cleaning debris. The town clears town owned land and plants trees the sweepings and debris are spread over the area. Tests were conducted and there are no contaminations. It has been five years since phase I. The cost to clear the land has not been determined.

Article #26 Treasurer Office Window and Article #29 Police/Fire Station Design Development are awaiting proposals.

Article #32 DPW Salt Shed Doors: Funds left over in the Snow & Ice budget would be used to fund this article.

Article #46 Library Project – Contamination Assessment Estimated Costs:

2 <sup>nd</sup> Quarter Monitoring:	\$ 1,900.00
RAM Status Report No. 1:	\$ 2,500.00
3 <sup>rd</sup> Quarter Monitoring:	\$ 1,900.00
4 <sup>th</sup> Quarter Monitoring:	\$ 1,900.00
RAM Status Report No. 2:	\$ 2,500.00
1 <sup>st</sup> Quarter Monitoring 2013:	\$ 2,100.00
RAM Completion & DPS Statement:	\$ 8,500.00
DEP Fees for DPS:	\$ 1,760.00
Contingency (10%):	\$ 4,209.00
Total:	\$27,269.00

Article #11 Quint (Ladder/Pump Truck) \$675,000.00: This article will have to be put on the ballot. Postponing this article until the November Town Meeting would provide a larger turn out for voting due to the Presidential Election. The Town Administrator is recommending postponing this article until November. Exact cost of the Quint would be provided in November. This article would be paid by a one year tax exclusion. Chief Champagne is retiring in June.

Article #7 Unfunded Health Insurance Liability: This article is recommended for dismissal to fund other capital items.

Revenue Projections:

Charles Aspinwall:

The revenues are coming in better than expected. The governor's budget will be released in April and there will be a better sense of FY13 revenues. Historically the available revenue split was 65% School Department and 35% Municipal. The split has changed in the last few years due to necessity but will most likely return to 65/35 for FY13.

Revenue Summary:

	<u>FY12 Projection</u>	<u>FY13 Projection</u>
State Aid:	\$ 5,447,866.00	\$ 5,657,392.00
Local Receipts:	\$ 1,521,113.00	\$ 1,579,568.00
Transfer in from Sewer:	\$ 88,812.00	\$ 93,253.00
Transfer in from Water:	\$ 105,633.00	\$ 121,778.00
CPA Fund:	\$ 271,927.00	\$ 69,450.00
Free Cash:	\$ 790,685.00	\$ 331,648.00
Other Available Funds:	\$ 1,011,579.00	\$ 763,884.00
Tax Levy:	\$ 15,419,133.00	\$ 16,298,676.00
Amount Available:	\$ 24,656,748.00	\$ 24,915,650.00
Total Taxable Valuation:	\$995,425,000.00	\$995,425,000.00
Tax Rate:	\$ 15.49	\$ 16.37

The FY13 Projected Local Receipts:

Motor Vehicle Excise:	\$857,000.00
Meals Tax:	\$70,000.00
Penalty & Interest Tax:	\$87,337.00
Pay in Lieu of Tax:	\$4,641.00
Trash Disposal:	\$128,598.00
Fees:	\$39,034.00
Rentals:	\$22,231.00
Other Department Revenue:	\$66,624.00
Licenses & Permits:	\$132,000.00
Fines:	\$22,165.00
Investment Income:	\$31,000.00
Miscellaneous Recurring Revenue:	\$118,938.00
Total:	\$1,579,568.00

The FY13 Projected Other Available Funds:

Ambulance:	\$235,000.00	Fund firefighter
Prospect Hill Cemetery Perpetual Care Interest:	\$ 1,000.00	
Cemetery Lot Sales:	\$ 10,000.00	
Existing Appropriation	\$ 50,000.00	Pave roads
Cell Town Revenue:	\$ 35,000.00	
Septic Betterments:	\$ 85,739.00	
Highway:	\$280,913.00	
Miscellaneous (from November Town Meeting):	\$ 64,029.00	
Bond Premium:	\$ 2,203.00	
Total:	\$763,884.00	

The Town Administrator's Operating Budget Recommendations:

- Board of Selectmen/Town Administrator's Office: Restore a Department Assistant II at 16 hours per week.
- Assessors Department: Change the Department Assistant III to a Department Assistant II with an additional 15 hours making the position 35 hours per week.
- Treasurer/Collector: Restore the Department Assistant II to 15 hours per week with an additional 13 hours per week paid out of water and sewer. This position will be 28 hours per week.
- Town Clerk: Restore the Department Assistant II to 20 hours per week.
- Zoning Board of Appeals: Reduce the salary due to a decrease in activity on this board.
- Town Buildings: Restore the 2 hours per week for the maintenance worker.
- Fire Department: Restore the full time firefighter position.
- Building Department: Add an additional 7 hours per week for the Department Assistant I bringing the total hours per week to 11.
- Animal Control: Restore the overnight stipend.
- DPW Highway: Restore summer help \$12,000.00.

- No additional hours for the Library have been recommended.

The Town Administrator's Capital Budget Recommendations:

- Fire Chief Vehicle: \$ 42,000.00  
This cost is expected to decrease to \$39,666.00 by purchasing a Tahoe instead of an Expedition.
- Police Department MDTs: \$ 17,500.00
- Chapter 90: \$280,913.00  
This will be offset by the Cherry Sheet
- Local Road Funds: \$ 50,000.00  
This will be funded by leftover funds from the Crestview Drive and Klifford Circle project.
- DPW Trailer: \$ 8,240.00
- Tree Nursery Phase II: \$ 25,000.00
- School Bus Lease: \$ 78,006.00
- School Computer Lease: \$ 60,000.00
- School Curriculum Materials: \$ 36,500.00  
The original request from the School Department was \$60,000.00
- VMB – Paint the gym ceiling: \$ 25,000.00
- Library Site Contamination: \$ 27,269.00
- DPW Van: \$ 26,000.00  
This will be funded by the Water and Sewer Enterprise Fund

The increase in ambulance fees will increase revenues approximately \$100,000.00 per year of which approximately \$50,000.00 will be used to fill the firefighter position and the remaining funds would be saved for purchasing another ambulance. Creating an Ambulance Stabilization Fund will be considered at the November Town Meeting.

The Town Administrator's operating budget recommendations would partially restore cuts to the municipal side and leave the schools level funded.

FY13 Budget Review – Conservation Commission - Postponed

Correspondence:

Chris Smith: All correspondence to the Finance Committee will be posted on the town's website.

Minutes Approval:

Peter Jurmain made a motion to accept the March 7, 2012 meeting minutes as written, Rick Manburg seconded. Vote: 6/0 motion carries.

Peter Jurmain made a motion to accept the March 12, 2012 meeting minutes as written, Rick Manburg seconded. Vote: 5/0 motion carries.

Upcoming Meeting Schedule:

March 21, 2012 7:30 PM  
Veterans Memorial Building, Room 229

March 28, 2012 7:30 PM  
Veterans Memorial Building, Room 229

Adjourn:

Peter Jurmain made a motion to adjourn the meeting at 10:32 PM; Rick Manburg seconded, Vote 7/0 motion carries.

Respectfully submitted,  
Deirdre Gilmore