

Minutes  
**STOW FINANCE COMMITTEE**  
March 27, 2012  
7:30 PM  
**Approved**

**Call to Order**

Chairman Ann Deluty called the meeting to order at 7:07pm. Present were,  
*Members:* Richard Connelly, Christopher Sarno, Peter McManus and Richard Rollins  
*Associates:* Bruce Walbridge  
*Secretary:* Elizabeth Tobey  
*Guests:* *George King, Michael Wood, Mike McLaughlin*)

**Correspondence**

- RFTR – From the Selectmen's office for \$400
- Letter from a concerned citizen asking for questions to be asked to NRSD budget
- Notice of NRSD hosting public informational forums
- Notice of the next Tri-town meeting on April 11, 2012

**Meeting Minutes**

After a review of the minutes Richard Rollins moved to approve March 13, 2012 minutes as amended. Christopher Sarno seconded the motion.  
The motion carried for (Deluty, Rollins, Sarno, McManus and Connelly).

**Reserve Fund Transfer Requests**

Selectmen – Police/Fire Medical Expenses - \$400.00

The amount requested is to be used for payments to D'Ambrosio Eye Care. This expenditure is extraordinary and/or unforeseen for the following reasons: FY12 budget already increased by over 100% in anticipation of more eye care. It fell short.

Discussion:

All members agreed that this was unforeseeable.

Christopher Sarno moved to approve the Reserve Fund Transfer in the amount of \$400.00 for medical bills.. Peter McManus seconded the motion.  
The motion carried unanimously (Deluty, Rollins, Connelly, McManus and Sarno)

**Nashoba Regional School District Budget Review**

Ann expressed concern that the NRSD capital budget will be on the warrant article. Mr. Wood explained the bond had passed by the school committee for \$ 2.2mil. This will be for Renovation of the existing track, an artificial turf field, upgrading the tennis courts (moving them into the athletic complex) and a concession stand with restrooms.

The timing of this was planned. We will have a deficit bond coming off of the books in FY13. FY14 will have a new bond half of the current bond. Twenty years, \$190k maximum divided 3 ways. There will be no change in the net to the taxes specific to that event. Mr. King stated that it is a fifteen year bond by schedule, half of the deficit bond.

Peter questioned whether the savings from the maturing of the deficit bond should be used as justification for borrowing.

We listened to the communities, narrowed our options down. We will be starting forums this Thursday and will be rolling out the majority of the plans. The bathrooms will tie into the existing systems

Mr. King then explained that the New Year began with a new contract with the teachers. There are significant changes in health care. There is some savings from renegotiating a three year contract with the teachers.

Concerned Citizen Question: When the NRSD budget was presented to the community last year for review, it was my understanding that two administrative positions would be eliminated: the Assistant Director of Special Education and the Assistant Superintendent. I reason to believe that those individuals are still functioning in these roles. If these budget cuts were presented to the public and subsequently not made, how are we to have confidence in any budgets proposed by NRSD?

### Questions:

1. Do these continue to be paid positions?
2. If so, were other areas cut in the budget, without public notice, to compensate for these salaries?

### Answers:

1. Mr. Wood explained a special education position was eliminated. A retirement employee moved into that position.
2. George King's position was merged at Hale School with the assistant superintendent's position. George King holds both positions now. Two positions were eliminated and the dollars have gone down.

Peter then asked about the three year contract and the increases. Are they level or do they vary? Mr. King stated that they are 2 ½, 1 ½, ½, over 3 years. The health care benefits are renegotiated every year with the provider.

The track will be funded with a bond. All three towns have to pass it, and NO ACTION will pass it. It has to be rejected by voters to fail. Authorization is by the district. Ann asked how many students benefit from the track and field. Mr. Wood explained that there are 850 students are in programs. 600-700 would benefit. There are 1000 students; all athletes will be using the field. Day classes will use the turf field, saving time. It should be ready for the next school year.

Peter asked how the new contract compares to other districts. Mr. King commented that it is comparative.

Michael Wood and George King out at 7:44pm

### **Fire Budget Review**

Mike McLaughlin passed out a budget narrative for all members to review.

### Radio Tower

The radio tower was damaged in the storm during Halloween. This tower transmits for the police and fire. The tower at the police station had/has transmission problems. The NERAC provided a small 100' temporary tower. The repeater is in the fire station. The town is negotiating for funds with the insurance company. The plan is to incorporate the new tower into the new station. We want a radio tower that is up to building code. The new station will have a limited footprint. The difference between the towers is \$20k difference for a 120' tower

We will have a \$80k warrant article at Town Meeting, but the reality is that \$20k is for the expanded tower and the other \$60k goes to the general fund.

We have filed with the insurance company. Whatever we don't get from them FEMA may reimburse 70%, 12-18 months out. Due to the ice storms, record snow storms, record floods, the Halloween storm was a lot of damage. We should see around \$100k for funding back in the general fund.

Rick asked if the police budget would cover some of the monies. Mike explained that they are hoping for no RFTR. They are waiting to end an ongoing request to Home Land Security for funds.

We are currently working with the insurance underwriters for a better rating to lower the insurance rate for home owners in the town. We are currently running on our rating given to us in 1988. Due to better staffing we have more water available now then when previously rated, We have better staffing then in the past, we have underground tanks, and we are putting in dry hydrants. No public water supply brings down the grade.

It is on the warrant to purchase our second thermal heat unit this year. The current defibrillators' are used often, they are an improvement with the technology and the batteries are better.

When asked by Rick if there were increases on incentives, Mike explained that there had not been huge numbers. He is planning on doing a study and putting it all together.

### Fire Station RFP

Mike explained that they had received 35 requests for the Request for Proposal. They had 17 firms attend the walk through and 13 firms' submitted proposals.

### On Call Fire Fighters

Mike stated that the numbers have come down; part of it is due to the study he referred to earlier and will be putting together for viewing. Note: may need a RFTR by the end of the year.

- 2 per diem on at the station 6pm to 6am
- 3 on duty
- 2 officers on call

Medicare reimbursement rates are very low. Stow charges Medicare+200% reimbursement rate. We are driving hard to get the price up. If it is a \$1300 bill Medicare pays a flat \$200. Major insurance companies are trying to drive down the cost. Prices of supplies, the ambulance and the fire fighters are going up. Insurance companies are setting their own rates. Last year \$150k came back to Stow.

The insurance companies are cutting checks to the patients rather than directly to the Fire Department. The Fire Chiefs Association is pushing legislation through the state legislature. The carriers will have to pay the Fire Department directly in the pending legislature. Hopefully the governor will sign it.

Other

We will most likely have an RFTR for approximately \$8k after a review of the budget costs and needs, due to Rapid Intervention Teams, Job Stand by Outside and additional costs still. Per Diem firefighter put a lot of hours in for free.

Chris asked, if the pay for call fire fighters was raised would there be a decrease in turnover? Mike explained that per diem doubled is less than a fulltime pay. Long term at some point we should hire more full time fire fighters; 3 full time fire fighters – four day on and four days off. Second ambulance would stop the loss of mutual aid funds.

Mike McLaughlin out at 8:20pm

**Liaison Assignments**

- Randall Library – Peter stated that the library committee received eight proposals.
- Community Preservation Committee – There will be several CPC warrant articles, i.e.; expenses, 10% into reserves.
- Housing Committee – they are back and waiting on state money
- SMAHT – May possibly be asking for \$7,200 to SMAHT, \$100k for historic documents preservation.

**Other Business**

None at this time

**Adjournment**

A motion to adjourn was made Rick Rollins at 8:40pm. Peter McManus seconded the motion. The motion carried unanimously (Deluty, Connelly, Sarno, McManus and Rollins)

**Future meetings:**

April 10, 2012  
 April 24, 2012  
 May 08, 2012  
 May 22, 2012

**Action Items:**

None at this time

Documents used in this meeting will be filed with the Finance Committee’s official minutes.

**Respectfully submitted,**

Elizabeth A. Tobey,  
 Secretary