

Sturbridge Finance Committee  
Meeting Minutes  
March 15, 2012  
Town Hall  
7:00 pm

Meeting was called to order at 7:01 pm with the following members present: Kevin Smith (KS), Joni Light (JL), Patti Affenito (PA), Mary Redetzke (MR), Larry Morrison (LM), Prescott (Scott) Arndt (SA) and Arnold Wilson (AW). Members absent: Rich Volpe (RV).

MS joins the meeting at 7:04 pm.

Motion to approve as amended the minutes from March 6 made by SA, seconded by MR. Vote 8-0-0.

Motion to approve as amended the minutes from March 8 made by SA, seconded by MR. Vote 8-0-0.

Motion to approve as amended the minutes from March 13 made by SA, seconded by MR. Vote 7-0-1.

**Line Item Budget:**

KS reports that a \$3,200 increase to the supplies budget for the Senior Center Bldg. will be added tonight to fund an ADA door opener.

Council on Aging (pg. 32, Detail Budget): MS reports on the budget request: The Dept. Head is satisfied with her salary in spite of the fact that it does not reflect the 2.0% increase. In the salaries/wages line are four different positions: A 20 hour/week job, a 19 ½ hour/week job and two custodians that each work two hours/month. Most line items in the Purchase of Services budget are level-funded from last year; the services cover advertising, training/certifications and computer maintenance/support. The Tri-Valley Elder Services program is gone. The Other Charges and Medical Transportation Budgets are mostly level-funded.

MS makes a motion to approve line 125 (pg. 11, line item budget) for \$47,430, seconded by LM. Vote 7-1-0.

MS makes a motion to approve line 126 (pg. 11, line item budget) for \$42,808, seconded by LM. Vote 7-1-0.

MS makes a motion to approve line 127 (pg. 11, line item budget) for \$2,370, seconded by LM. Vote 7-1-0.

MS makes a motion to approve line 128 (pg. 11, line item budget) for \$0, seconded by LM. Vote 7-1-0.

MS makes a motion to approve line 129 (pg. 11, line item budget) for \$1,400, seconded by LM. Vote 7-1-0.

MS make a motion to approve line 130 (pg. 11, line item budget) for \$1,450, seconded by LM. Vote 7-1-0.

MS makes a motion to approve line 131(pg. 11, line item budget) for \$ 1,500, seconded by LM. Vote 7-1-0.

Senior Center Bldg.: MS reports on this budget request: A ferocious amount of heating oils is used at the bldg. The Dept. Head would like to change thermostats but is not sure whether the authority rests with her. MS wonders if an energy audit would help. MR thinks the lights are being replaced but is not sure of the heat. MS says there are still rotary thermostats on the first two floors and possible in each bathroom as well. KS is not sure of the bathrooms but says the room in which the Fin Com formerly met was a rotary unit. MS says the big room on the first floor is a programmable unit. KS again states the need for a Facilities Manager. MS says that perhaps some of the funds that may go into the roads program be instead spent at the Senior Center Bldg. MS asks by whom are the up-grades being done? Answer, no one is sure. KS states that in the Capital Planning Budget there is a building analysis request. MS says he will discuss the Sr. Ctr. with the Bldg Insp. when he meets with him. KS believes the TA is responsible for all Town bldgs, and thinks that if a request was made by the Dept. Head of the Sr. Ctr. about the thermostats, the answer would be yes. MS states that the budget does have \$3,000 for the furnace. MS thinks the units should be changed and Tasse Oil can do. MR would like to be sure we get the best price. Both MS and KS want the TA to decide who should replace the units. MS goes through the budget request (pg. 16, Detail Budget): Purchase of Services section: Elevator costs may go down because of the new contract. MR asks about water that has been seen at the base of the shaft; MS says it was not mentioned. However the Dept. Head is worried about the boiler. MS thought the boiler would have been replaced when the renovations were done. MR asks if it is inspected yearly, answer is yes, by Tasse. MR asks that Tasse be consulted about the boiler. Both PA and MS think major repairs were done to it a few years ago. KS asks why the cost for internet is not fixed across Town buildings? MS asks why it was not negotiated to be free across the buildings but then wonders if because we get funds back from Charter that that precludes free access to internet. MS says it looks like to cost was \$0 a few years, KS interjects that we paid twice at the Safety Complex. MS says that perhaps the Sr. Ctr. has TV also; MR says there is a TV in the exercise room. JL asks who provides cable service to the Town, answer is Charter. JL makes the point that internet for the Town Hall is \$1,500; KS/MR say \$650 for the Safety Complex, and \$750 for the Sr. Ctr. MS wants the TA to straighten out the internet costs. MS goes through the rest of the section; a few items are level-funded and a few increase by small amounts. Fuel Oil is up and that is a concern, can be brought down by increasing energy efficiency. Inspection of the fire extinguishers is required yearly and is done by an outside company. KS will put mention the issue of the high use of oil in the Memorandum of Findings for the BOS. MS would like to see some investigation since it will reap benefits as the price of oil is not likely to decrease. KS says it is up to the TA to decide who should check out the thermostats. MS says again that having an energy audit would be worthwhile and recommendations would be given to reduce energy use and costs. The cost of rug cleaning is level-funded; the fee for the motion picture license has increased slightly. The repairs line is for the whole building, and the slate roof is an on-going issue. Trash removal is contracted. As mentioned previously, an ADA-compliant door opener will be installed this year at a cost of \$3,200. MS says the Bldg and Grounds Supplies budget is up 50% because of the request for a defibrillator (the cost is for both the unit and training). The Dept. Head is seeking a donation by a local hospital, so that money may not be spent. AW goes to say that a \$500

request has come in for landscape and planting supplies. MS asks if notifications are given that these funds have been approved, KS thinks notices are sent. MS will ask the Dept. Head if she is aware of these funds as they are not part of the regular budget. PA mentions that each building has a different amount in the line item for elevator and oil burner; asks if this is based on the age of each particular item? KS thinks there is a flat fee for the elevator inspections now; MS says that the price is that of the old contract and the new prices may be less. JL makes the point that there is one contract for all the buildings with relation to elevators but the actual cost for each building is reflected in the line item budget for each building, same for oil, but these may decrease with the new contract. PA asks about training for the defibrillator; MS responds that several people will be trained in the use of the unit. PA also asks a general question about whether the Senior Center is a public building, KS and MS both answer yes. PA relates an anecdote about being denied the use of the restrooms and then subsequently being asked to pay to wash her hands.

MS makes a motion to approve lines 60 and 61 (pg. 5, Line Item Budget) for \$36, 735, seconded by MR. Vote 8-0-0.

Recreation (pg. 35, Detail Budget): MS reports: the Recreation Committee has three people now so a quorum is possible; thinks one person is running and that three people may be write-ins at the Town Election. MS says that the Recreation Director salary was re-graded last year to a 9 from a 7. The Rec. Dir. does not think she is eligible for the merit increase because her position is not graded as a 10. KS says that the position is not that of a Department Head. MS says that she considers herself to be a Dept. Head, and he will speak to the TA about this. MS goes to say that she now works an additional five hours/week for Recreation. MR mentions that the increase in hours was approved because new ball fields were expected to be completed. Since that has not happened, MR wonders if the hours should be scaled back. MS says that the breadth and scope of the duties have widened. LM asks if the Rec. Dir. handles the Burgess fields, AW's answer is that the fields are controlled by Burgess and access is provided by the Rec. Dept. MR wants no new future increase since the hours are already in the budget, LM disagrees since the offerings by the Rec. Dept. keep expanding and there is potential for even more fields. PA remembers last year's discussion and supports MR's points about the increase in hours. MS gives the example of lacrosse: it has grown substantially in just a few years. KS asks whether a drop in enrollment in a program will result in the cancellation of that program? MS says that the Town receives about \$5 from each registration for a program (for example, from soccer approximately \$3,000 came to the Town). PA asks if the fees go into the revolving fund, KS answers yes. MS goes on to say that each league hires referees but the stipend is held back to ensure that CORI checks are done. MR asks if leagues do CORI checks, MS answers yes. MS states that financial statements are required so there is accountability in the process. Summer wages have increase slightly but have been flat for about five years. MS returns to the Rec. Dir. insistence that she is treated as and performs as a Dept. Head; he goes on to state the Conservation Agent was formerly a Director and is now a Dept. Head, as well as the Planner, and that over time these positions change. KS will put this in the MOF to the BOS. MS says that she wants to be re-graded to be eligible for the merit increase and that there are quantitative goals for Dept. Heads. KS says this has to come from the TA. MR asks if this would result in a step increase, answer is yes, to a Grade 10. KS says that the actual step would be closest to where she falls now. MS says the grading process is somewhat subjective due to the importance

of possible errors (for example, the Police and Fire Chiefs have life and death decisions within their scope of duties), that there are 10 criteria that are weighted in the determination of the grading of a position. He says also that comparisons are done across departments, it is not a perfect system, many positions have been re-graded over time and that even perspectives change. LM asks if the Rec. Dir. is advocating for herself or is the Rec Cmte advocating on her behalf, MS answers that last year the Rec Cmte spoke on her behalf. There was no specific goal offered, just a presentation about how the position has changed over the last 15 years. PA makes the point that the Personnel Cmte does not re-grade positions every year, MA agrees saying it is more like every three-four years. PA has a concern that this request is solely to be eligible for the merit increase; KS asks why positions keep being judged solely on these requests? He goes on to ask MS if salary reviews are still being done and aren't they done in conjunction with the re-grading exercise? MS answers that the surveys are done every three-four years but are staggered, and there was an interruption because of the interim TA, also, the storms of last year resulted in a few missed meetings. MS says if it was done, it was done by the TA. MR asks when the re-grade was done, MS answers last year. He goes to say that he had not heard of the grade requirement to be eligible for the merit increase and also wonders if the job title has a place in the decision, as well as the numbers of hours. MS moves on to the Purchase of Services section: it is mostly level-funded, AW points out that electricity usage decreased simply because the lights in the tennis courts were turned off earlier. MS says that during the summer programs, a trash service is used during the summer program season, and same for portable toilets. Supplies, dues/memberships and mileage are also level-funded. KS asks if she is eligible for the Town pool vehicles, MS answers that she uses her car primarily and that the expense and convenience make the request worthwhile.

MS makes a motion to approve lines 145-149 (pg. 12, Line Item Budget), seconded by LM. AW requests line 145 be removed from the motion. MS rescinds the motion. MS makes a motion to approve 145 (pg. 12, Line Item Budget) for \$45,743, seconded by LM. Vote 6-2-0. MS makes a motion to approve lines 146-149 (pg. 12, Line Item Budget) for \$18,450, seconded by LM. Vote 8-0-0.

KS asked the TA if there is a plan if the Citizen's Petition article passes. The TA responded that he wants a formal motion from the Finance Committee. AW makes a motion to ask the TA to prepare an additional line item budget in the event the Citizen's Petition passes, seconded by MR. MS asks for the timing of the response; KS says 4/15, then 4/19/12. LM requests that the information contained within this budget be kept strictly confidential, as the staff would be under a Sword of Damocles and unavoidable conflict would arise. KS is not sure that this discussion meets any of the criteria for an Executive Session. MS just wants generalities across town departments and the schools. KS wants the TA's viewpoint: fixed costs and where cuts can be made. MS makes the point that the implications of this article need to be made clear and that we cannot judge how likely it is that this article actually is passed at ATM; in other situations, popular programs are put up as the ones to be cut, with the tacit understanding that they will remain since they are popular. He asks if we need the nitty-gritty, since most people have an understanding of the likely cuts. LM will recuse himself, join the audience and demand the plan. MS says but even if passed, another ATM will be held. KS really feels a plan needs to be available if it becomes necessary. KS wants to see general dollar amounts in each department; MS asks if specific percentages be proposed or just a look at services in each department. LM

says the TA is in the peculiar position of having to argue against his proposed budget. He goes to say he wants an advisory out of sensitivity to staff, but it must be confidential. Both KS and MS believe that confidentiality cannot be expected. KS says that if a request comes in, it is a public document and it must be furnished. PA says that the Burgess School Committee requested a number from the Finance Committee. JL asks if the budget freezes or if the dollar amount remains the same; KS responds that the dollar amount remains the same but he has not yet seen the article. LM says that the budget cannot remain the same since the Town will need to spend money to defend any breach of contract litigation that arises, and that cuts would be needed to offset any contractual increases. KS makes the point that \$25,000,000 is not accurate; the actual figure from last year was \$27,562,782. LM also says that there is a Superintendent Work Product exclusion to the Open Meeting Law, and wonders if there is something similar that applies to the TA. MS asks if this is to be confidential, then can the TA share it? LM says he will ask at ATM. KS says the school need a number, so they can plan, LM agrees. KS says that the TA can probably not conceal this because people need to understand what this means; MS asks to table this until a conversation can be had with the TA, LM says that means the process is on hold until that conversation takes place since no formal motion will have be voted. AW asks if the BOS have made the same request, KS says that the BOS did not attend the Burgess School Cmte meeting. LM says we have an official request; we need to fulfill it or deny it. AW does not want to amend his motion to include any confidentiality request, KS rebuts saying that this needs to be done. LM wants information kept as confidential as possible, and says that the TA can consult with Town Counsel. MS says if confidentiality cannot be guaranteed why make the request; it is like launching a missile and not knowing it's destination. LM says the request just has to be put forward, MR agrees saying that we just ask the question. MS disagrees saying that this was not the motion. MS wants to speak to the TA about the implications of preparing a new budget. LM/MS both say that we have already been asked. MR makes the point they will have to wait until next Tuesday and the TA will have less time. KS reads the language of the existing motion:

That the TA propose a budget that meets the funding requirements proposed by the Citizen's Petition to hold the budget at FY 12 totals and to preserve the information as confidentially as possible.

AW rescinds his motion, LM seconds. KS asks for a second for this existing motion, MS responds he is opposed to the confidentiality requirement. PA says that this does not specify what we want. MS asks what level of detail, PA responds a breakdown by department, by line item. KS wants a new line item budget, he wants to recreate this meeting in Plan B form, SA agrees. PA asks AW why he is against confidentiality, AW responds that he does not think it can be done, doesn't want information to be hidden, LM says this arises from the need for sensitivity to the staff. MR makes the point that the Fin Com needs to be prepared in case the article passes, just as when state funding to Sturbridge was changed. KS agrees but sees the emotional implications: why me or why us; may be the safest choice is the roads program. LM says we need to be careful, we are talking about the content providers, and there will be a day after the ATM, we must treat people the best that we can. PA understands there will be emotional fall-out, but 1) does not believe the information can be kept private because it needs to be discussed, it will be public knowledge. LM says we have to try. MS does not want to do it if it can be done. PA makes her second point: we are not putting this on the TA, the authors of the petition

had to have some idea of the implications before they put it forward; it was not our doing, in addition, we have to put a recommendation to it. The public expects time to review it fully, and we owe the public the opportunity to look at the article and see the complementary information before the ATM. KS needs to change the language to include the date due:

That the TA propose a budget that meets the funding requirements proposed by the Citizen's Petition to hold the budget at FY 12 totals to be delivered to the Finance Committee by April 19, 2012, and to preserve the information as confidentially as possible.

KS asks AW and LM if they are satisfied with this change, they say yes. LM makes a motion to approve this request, seconded by SA. Vote 3-5-0.

KS makes a motion to approve the request with the removal of the phrase, "and to preserve the information as confidentially as possible", seconded by AW. General discussion: MS says if people generally know the likely implications would be significant, some people would not care because 'government spends too much', but others may think the DPW is more important than the schools. MS believes this will do more harm than good. SA disagrees: he does not know if people outside the meeting room and a select few realize that the Burgess debt exclusion has risen approximately \$440,000 this year and the discretionary spending proposed by the Finance Director is another \$190,000. So \$250,000 would need to be cut.

KS reports other obligatory figures in the budget:

Health Insurance: \$85,000

Worcester Regional: \$73,400

Burgess Assessment: \$139,172

These figures total about \$605,000. So that is the amount that would need to cut from the budget if the article passes. SA goes on: if keep Police and Fire the same, how many departments would need to be cut to reach that figure? MS responds about the intent of the authors. KS says that intent does not matter, the language is what matters. MS asks if this will come up for discussion at ATM. KS responds yes, nothing can stop this unless we take no action, the BOS takes no action and no one offers a substitute motion. SA says \$605,000 is a lot of money. JL asks if this is the difference between last year and this year, KS answers no, this puts the budget back to FY 12 and then adds the obligatory increases. SA cuts \$100,000 from the Library, another \$100,000 from BOH and so on. KS says no one will deny that the impact is substantial. MS believes the statement will have impact without the specifics on staff or departments. But KS says that the Fin Com needs to be prepared to answer any question that may come up at ATM and to be able to explain the impacts in detail. MR says the TA needs to make his changes because we need to tell the schools, and we cannot move forward without the TA fulfilling this request. MS asks when this request was made, answer at the Burgess School Cmte public hearing. MS also asks for the language of the request, answer is the cmte wants a number from the Fin Com. JL asks about other articles that would raise and appropriate. KS reads the existing motion again. LM asks for 'not later than' to be inserted in place of 'delivered by'. MR agrees. MS says if we do

not get the warrant because the TA is working on this, then who do we blame? He also asks if this prudent fiscal policy? KS answers no, this request makes no sense but we must deal with it. MS feels that since this unlikely to happen then why do it, if it does pass, another Town Meeting will be held and it will be discussed there. LM again says that he will demand to know what Plan B is from the floor. MS asks if \$100,000 is removed from the school budget, the effect on services may not matter to someone that has no child in the school, he also says that every answer means something to someone. KS makes the point that the implications have been mentioned several times and those that are watching are aware. KS again reads the existing motion. Vote 7-1-0.

### **New Business:**

The Finance Director gave the breakdown of the total cost of the 2% wage increase but did not do it for Dept. Heads. KS says the discretionary spending is up \$190,000.

KS notes that the recycling memo he circulated did not include a calculation showing what the DPW employee that is assigned to the recycling center costs. The Finance Director took a shot and the estimate is \$12,000, this still does not include health care costs but it is closer.

### **Old Business:**

The March 20<sup>th</sup> meeting will convene at the Junior High School for the Tantasqua Regional School Committee public hearing on the budget.

PA found some of her notes from 2006 regarding the Town Clerk; will give the minutes to the clerk to be posted. She also found specific information regarding the salary increase: in FY 2005, the Clerk was given an 8.7% increase and in FY 2006, was given an 8.3% increase. So that is 17% over just two years. PA goes on to say that she has a copy of a letter (FY 04/FY 05) that states the Town Clerk is aware of the budget request process and is making her request through the TA. JL asks for that letter, it will resolve issues. PA says this is the year the process changed, and PA found a state statute that says a compensation request does not have to go through the TA and that compensation is set by the people. PA goes on to say that the Town Clerk comes to the Fin Com because we have to make a recommendation to the Town and it has to come to the floor. Not only did PA feel that the cmte needed some basis for this current process, she drafted a series of questions/guidelines upon which to base any increases. SA says there is absurdity in the statute since there are no guidelines about fair compensation.

KS says that the Capital Planning Cmte met and ranked 30 different requests for funding:

#1: funded----NEED LIST.

COA-Sr Ctr-funded

Police Dept—requested 3 vehicles and seven video systems (\$35,000), but the cmte decided to approve two vehicles with video systems. The usual replacement cycle will continue and the

systems will be in seven cars in a few years. Also in the future, requests will be expected to be complete; not piece-meal.

Police dispatch computer will be funded at \$3800

Police chief's car at \$40,000 but SA/MR have alternatives to this.

Voted to replace the youth center carpet at \$14,500.

Police dispatch console (???) will fall under another item.

DPW dump truck will be a 'raise and appropriate' article so it will be part of the tax rate next year.

DPW water truck (1 ton) replacement

Fire Dept phone is out

Will fund the Library gutters

An item that came in but is not rated: The engineers at Burgess Elem. have offered for \$7500 to inspect from a structural perspective all of the Town buildings—this was approved. MR asks if all bldgs., answer is yes. MR asks about the public bathrooms, answer is not sure.

These items total about \$370,000; one issue that needs resolving is the floor of the Police Dept garage—it is in danger of collapsing and cannot be used to secure prisoners after arrest.

MS asks how these items will be funded? KS answers that aside from the dump truck, all will be from Free Cash; it will come from that supplemental proposal from the TA, \$175,000. He goes on to ask if we will ask the TA for different budgets depending on which articles pass? KS asks if he means these four items, MS answers if we have this austerity budget then are we just going to spend out of Free Cash? KS answers no. MS asks if they would be removed from the warrant? KS does not know; it may violate the intent of the article, needs to see language and if the total budget cannot exceed \$25,000,000 then this would violate it because this goes toward the tax rate. MS asks about the petition that requests purchasing the building adjacent to the Town Hall, this requests the use of Free Cash. KS answers yes.

PA spoke with the Principal Assessor and they have no hand-held unit with which to capture data. She also says the mapping program is ARC.

KS says the Capital Improvement Plan from last year was \$189,735. SA asks the rating system of items. KS uses a 0-10 scale, 5 is neutral. But others use their own scale. KS also says that any item TBD is not rated by him, AW makes the point that many items in Capital are also in the Betterment budget. KS says the starred items on the Capital list are also in the Betterment budget. JL asks if it is common to put in two requests, answer is yes. MR says that in the future



it would be nice to have that information prior to meeting with the departments. KS will put that in the MOF.

MR was also looking back at the Fire Dept study and sees that ADA compliance is overdue with respect to access. She will ask for a list of the items that have been completed and those that still need to be completed. MR wonders if fines may be levied since the work is not done; PA says she asked that question also. KS will certainly put this in the MOF. MR thinks some capital may need to be committed in order to complete this. PA asks if the Building Inspector is the ADA Coordinator? She finds the answer on page 4 of the budget message, yes. KS will ask about the consequences of missing this completion date.

Meeting adjourned at 9:58 pm.