

Sturbridge Finance Committee  
Meeting Minutes  
March 31, 2015 ~ Sturbridge Town Hall  
7:00pm

Call to Order:

The chairman called the meeting to order at 7:00pm with the following committee members present: Kevin Smith, Chair (KS); Joni Light (JL); Kathy Neal (KN); Bob Jepson (BJ); Larry Morrison (LM); Mike Serio (MS); Arnold Wilson (AW); and Eric Perez (EP). Absent, Alex Athans (AA).  
Guests: Mary Blanchard (MB); Suzanne Kennedy (SK); and Barbara Barry (BB).

Minutes

Meeting minutes of March 24, 2015 were reviewed and motion moved by BJ to accept as amended. KN seconds; motion accepted, 6-0-2 (EP & LM abstaining).

Meeting minutes of March 26, 2015 were reviewed and motion moved by BJ to accept as written. MS seconds; motion accepted 7-0-1 (EP abstaining).

Budget Overview – Larry Morrison

Moderator

LM reviewed his discussion with Mike Caplette, town moderator. No changes to the line items.

LM moved the motion to accept the line item budget for the Town Moderator as follows:

Line 1	11141-51120	\$0.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
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Town Administrator

LM noted that the revised salary for the town administrator is \$132,000.00. KS requested a review of the expense line items and have a discussion on the salaries/wages with the guests. LM observed the finance director, Barbara Barry (BB) and the interim-town administrator, Suzanne Kennedy (SK) to answer questions for their budgets. LM further stated that with the new town administrator coming on board additional training expenses are necessary with an increase in the travel expenses, as well. This is to attend the International City Managers Association conference held in Seattle. Additionally, the fleet maintenance is removed from the town administrator's budget as it is moved to the DPW. Matching Grant Funds is at \$20,000.00 as there is currently a grant pending for the fire department for scuba gear, and the town's share is \$17,500.00. BB noted that this amount is for the full grant. If the grant is partially funded the amount due would be less than the \$17,500.00. The fire chief should know in June timeframe if the grant was awarded. KS wanted to know that if the grant fund was increased this year to cover the fire department's request would it go back to \$10,000.00 next year.

LM moved the motion to accept the line items for the Town Administrator as follows:

Line 9	11232-52000	\$5,000.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 10	11232-54000	\$2,700.00	Supplies	MS seconds; motion accepted 8-0-0
Line 11	11232-57000	\$6,600.00	Other Charges	MS seconds; motion accepted 8-0-0
Line 12	11232-58000	\$20,000.00	Matching Grant Funds	MS seconds; motion accepted 8-0-0

Further discussion around the line items for salary continued. KS asked why the salary item was increased to \$132,000.00 from \$125,000.00. Additionally, KS asked SK for a copy of the contract. MB

stated that the contract was not sent to the finance committee as there was a minor mix up on the signature lines, but once it is fully executed it will be sent to the finance committee chair. MB continued to explain the discussions the Board of Selectman had with regard to salary and comparison with other towns. The range of the town administrator is \$94,000.00 to \$134,000.00. This person holds a master's degree and significant experience. Additionally, he is giving up a few items in lieu of compensation such as a car (equivalent to approximately \$3,400.00), and he is declining the town's health insurance coverage (equivalent to approximately \$12,000.00). MB further noted that it was inequitable to compare to the previous town administrator due to his extensive experience. The three main items he is receiving from the town: four weeks' vacation; fifteen days credit for sick days; and more pay than his previous position. KS was curious to know if he could accumulate the sick days if not used. MB said yes. KS also asked of his previous contract and experiences at West Boylston. MD said he had a three year contract. He does have a standard dismissal clause in his contract with Sturbridge; both with cause and without cause. KS noted that the town administrator position is viewed as a direct report to the BOS yet in his view he should work for the best interest of the town. What security do the residents have if the BOS decide he doesn't work out and dismiss him? MB noted that he is subject to the political party, yet this person feels strongly that he will speak his own mind on subjects he feels strongly about and would not be swayed. Further, dismissals amongst town administrators are rare. KN asked if he was being provided a cell phone, which MB answered he was not. AW wanted to know if there was enough funds in FY15 to cover his salary for the two months remaining in the fiscal year. BB said she would let the finance committee know.

LM continued with the salaries/wages line item for the town administrator, and noted the increase for the administrative assistant was at 3.1%. AW asked why it was higher than the 2.75%, and BB noted it was due to the difference in the fact that FY16 has one more day and this percentage will vary in many cases. Also some positions will include a step increase so please look at the total dollar figure rather than the percentage deltas. JL asked how the original figure of \$125,000.00 was calculated. BB noted it was merely a placeholder.

LM moved the motion to approve line item 6 only for the Town Administrator as follows:

Line 6	11231-51120	\$132,000.00	Department Head Salary	MS seconds; motion accepted 8-0-0
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KS opened the discussion around the 2.75% increase to all non-union employees. He compared the increases for non-union employees over the twenty years he was on the finance committee and it varied quite a bit from FY to FY. Additionally, in 2009 the step-grade was abandoned, yet this year it was asked to be reinstated therefore some employees would be getting as much as a 5% increase rather than 2.75%. Interestingly the average CPI in New England was 1.4%, and for Worcester County it was 1.6%, so the increases for town employees is sizeable compared to the region. BB noted that there are 14 department heads, and they have also historically received an increase equal to the union employees, and as requested this year.

AW moved the motion to accept the town administrator's recommendation to increase salaries/wages to all non-union individuals to 2.75%; LM seconds. Open to questions, KN asked about the DPW contract increases. BB noted that in FY15 it is 1.5%, and in FY16 it is also 1.5%. KS further noted that the department heads should all have 2.75% increase for their salary. However, BB pointed out that the town planner and the town accountant will show a higher percentage increase as the town planner had a re-grading of position in 2014 which takes effect in FY15; and the town accountant had a recent upgrade due to exceptional effort in this new role.  
Motion accepted 8-0-0.

Now that the finance committee voted to the standard increase of 2.75% across the non-union salaries/wages line items, LM revisited the town administrator budget. LM moved the motion to accept the following line items of the Town Administrators' budget as follows:

Line 7	11231-51130	\$42,665.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 8	11232-51170	\$21,346.00	Merit Based Incentive	MS seconds; motion accepted 8-0-0

KN asked about the Merit Based Incentive, and why it was up 3% if all department heads were to receive 2.75%. BB will confirm the numbers and report back to the finance committee.

### 8 Brookfield Road

LM confirmed that the building is now vacant, therefore the tenants are no longer making payment on the utilities. It has a potential use for cable studio and additional recreation department use if it is to be refurbished, or potentially the building could be sold or torn down. KS noted the article in place to perform these conformity checks. The \$28,000.00 is for the upkeep of the vacant building. SK asked the committee to hold off on approving the budget until information comes back from the consultant, as the town may have revisions to the requested budget; approximately two weeks from now she should have that information. AW asked to hold all action, and KS agreed to discuss it at a later meeting. SK did note that she asked the DPW to close it down completely in the interim.

### Board of Selectman

LM moved the motion to accept the Board of Selectman line item budget as follows:

Line 2	11221-51100	\$0.00	Board Salaries	MS seconds; motion accepted 8-0-0
Line 3	11221-51130	\$0.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 4	11222-52000	\$1,250.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 5	11222-57000	\$2,050.00	Other Charges	MS seconds; motion accepted 8-0-0

### Center Office Building

LM moved the motion to accept the Center Office Building line item budget as follows:

Line 63	11942-52000	\$33,375.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 64	11942-54000	\$1,000.00	Supplies	MS seconds; motion accepted 8-0-0

### Nursery School

LM moved the motion to accept the Nursery School line item budget as follows:

Line 71	11982-52000	\$2,000.00	Purchase of Services	MS seconds; motion accepted 8-0-0
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Discussion continued on the Memo of Understanding on the building. The town administrator was going to check on it. AW asked if the building inspector has gone through the building to review potential renovations or maintenance needs. SK stated she was not aware if the building inspector has done this yet, but will check. LM also noted that it would be worth knowing the responsible party (town v. school) if a child or teacher or parent were to fall on the property and get hurt. SK confirmed that this would fall under the town's insurance umbrella and all would be covered by the town. MS suggested to have a more permanent board to oversee the school. Currently there is churn on the board related to the parents whose children attend the school, and seems more informal. A permanent board may have a better long term plan in affect and more likely be present to see it through.

Sealer of Weights & Measures

LM moved the motion to accept the Sealer of Weights & Measures line item budget as follows:

Line 91	12442-52000	\$5,350.00	Purchase of Services	MS seconds; motion accepted 8-0-0
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Town Counsel

LM moved the motion to accept the Town Counsel line item budget as follows:

Line 32	11512-52000	\$80,000.00	Purchase of Services	MS seconds; motion accepted 8-0-0
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Town Hall

LM commented on the anticipated solar program and how it may relieve the electricity budget. The BOS are taking on a second solar arrangement over a similar timeframe as Blue Wave. SK noted that the ice dams on the roof will need to be repaired. KS asked if slate roof maintenance would cover the repairs. BB indicated it would not.

LM moved the motion to accept the Town Hall line item budget as follows:

Line 61	11932-52000	\$39,975.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 62	11932-54000	\$2,000.00	Supplies	MS seconds; motion accepted 8-0-0

Town Accountant – Kathy Neal

BB provided handouts to the committee with regard to the town accountant's proposed salary increase. (Attachment A). She reiterated her position in her wish to retain the accountant as he has made exceptional progress in his short time of employment with the town. Chris was hired at a lower salary due to his lack of pertinent experience, yet the intent was that he would obtain the relevant skills for the position to have his salary re-evaluated. She further noted that there is a state-wide shortage of Municipal Accountants, as she found out taking more than six months to find a suitable candidate. KN asked about his certifications, and whether or not it was a requirement of the job. BB stated it was not state law. He took this initiative on his own and has completed two of three years on the program. SK also commented that she supports the increase in salary and, more importantly, the importance of having a skilled town finance team having been victim to unacceptable levels of town finance knowledge in previous situations. KS asked what value he would be adding outside of adding and subtracting numbers within the town accounts. BB noted it was more than basic accounting, and he assists in procurement obligations involving regulatory and state compliance; grant funding and the right to deny payment on any town invoice which an authorization is giving only to the accountant and the finance director.

KN moved the remaining line item budgets for the Town Accountant as follows:

Line 16	11351-51120	\$65,000.00	Department Head Salary	MS seconds; motion accepted 8-0-0
Line 17	11351-51130	\$13,126.00	Salaries/Wages	MS seconds; motion accepted 8-0-0

Town Clerk

LM indicated the percentage difference on the salaries/wages line in the budget was slightly higher than the 2.75% agreed to earlier for non-union employees. BB noted that this was due to the 2.75% increase plus a step increase due. KS asked if this administrative position was, in fact, an assistant town clerk or

an administrative assistant. LM confirmed that it was for an assistant town clerk, and she was sworn in as such.

LM moved the motion to accept the Town Clerk line item budget as follows:

Line 36	11611-51120	\$67,529.00	Department Head Salary	MS seconds; motion accepted 8-0-0
Line 37	11611-51130	\$35,507.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 38	11612-52000	\$514.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 39	11612-54000	\$1,400.00	Supplies	MS seconds; motion accepted 8-0-0
Line 40	11612-57000	\$2,400.00	Other Charges	MS seconds; motion accepted 8-0-0

#### Elections & Registrations

LM stated that the salary line item is for the stipend given to the town clerk. KN thought it was for the board of registrars and asked for the MGL. Confirmed to be Chapter 41, Section 19G. That said, with two elections this year and having 21 poll workers as required, LM moved the motion to accept the Elections & Registrations line item budget as follows:

Line 41	11621-51100	\$300.00	Board Salaries	MS seconds; motion accepted 8-0-0
Line 42	11621-51130	\$8,000.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 43	11622-52000	\$9,300.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 44	11622-54000	\$1,875.00	Supplies	MS seconds; motion accepted 8-0-0

#### Review of Line Item Budgets

KS went through the line item budget book to confirm what has been voted, and what needs to be voted. Now that an increase to all salaries/wages was agreed to they can be voted.

#### Board of Assessors – Kathy Neal

KN moved the motion to approve the remaining line item budgets for the Board of Assessors as follows:

Line 21	11411-51100	\$0.00	Board Salaries	MS seconds, motion accepted 8-0-0
Line 22	11411-51120	\$65,298.00	Department Head Salary	MS seconds, motion accepted 8-0-0
Line 23	11411-51130	\$43,959.00	Salaries/Wages	MS seconds, motion accepted 8-0-0

#### Finance Director – Kathy Neal

KN moved the motion to approve the remaining line item budgets for the Finance Director as follows:

Line 27	11451-51120	\$92,061.00	Department Head Salary	MS seconds, motion accepted 8-0-0
Line 28	11451-51130	\$106,607.00	Salaries/Wages	MS seconds, motion accepted 8-0-0

#### Police Department – Bob Jepston

BJ moved the motion to approve the remaining line item budgets for the Police Department as follows:

Line 73	12101-51120	\$117,348.00	Department Head Salary	MS seconds; motion accepted 7-0-1
Line 74	12101-51130	\$1,725,583.00	Salaries/Wages Quinri Bill Incentive	MS seconds; motion accepted 7-0-1
Line 75	12101-51300	\$337,918.00	Overtime Expense	MS seconds; motion accepted 7-0-1

#### Fire Department – Bob Jepston

BJ moved the motion to approve the remaining line item budgets for the Fire Department as follows:

Line 80	12201-51120	\$97,921.00	Department Head Salary	MS seconds; motion accepted 8-0-0
Line 81	12201-51130	\$765,771.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 82	12201-51300	\$203,957.00	Overtime Expense	MS seconds; motion accepted 8-0-0

### Budget Overview – Eric Perez

#### Landfill & Recycling Center

KS asked if there was discussion around the administrative oversight of the center to the DPW. EP did not have that discussion. JL asked about the leachate increase. BB stated the contract with the previous contractor expired and the new contractor came in higher. DEP regulations increased, additional testing requirements and a new ruling that certified vendors had to be used, contributed to the increase.

AW asked about the article to replace the boiler/compactor, and how it will affect the budget. BB said that the town currently leases this equipment, but will purchase a new one. KS was curious to know if any analysis was done on closing the center and go to a town wide trash pick-up, which may actually be more cost effective to the town. MB suggested it could be investigated with the new town administrator.

EP moved the motion to accept the Landfill & Recycling Center line item budgets as follows:

Line 117	14301-51130	\$102,873.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 118	14301-51300	\$1,500.00	Overtime	MS seconds; motion accepted 8-0-0
Line 119	14302-52000	\$177,710.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 120	14302-54000	\$15,270.00	Supplies	MS seconds; motion accepted 8-0-0

#### Board of Health

EP noted that the BOH was looking to increase the hours for the Public Health Inspector from 18 to 19½ hours. BB stated that this request was not made for the budget, and that the 18 hours was agreed to be adequate with the previous town administrator so no need to increase at this time.

EP moved the motion to accept the Board of Health line item budget as follows:

Line 121	15101-51100	\$0.00	Board Salaries	MS seconds; motion accepted 8-0-0
Line 122	15101-51120	\$68,009.00	Department Head Salary	MS seconds; motion accepted 8-0-0
Line 123	15101-51130	\$22,810.00	Salaries/Wages	MS seconds; motion accepted 8-0-0
Line 124	15102-52000	\$2,390.00	Purchase of Services	MS seconds; motion accepted 8-0-0
Line 125	15102-54000	\$1,938.00	Supplies	MS seconds; motion accepted 8-0-0
Line 126	15102-57000	\$1,370.00	Other Charges	MS seconds; motion accepted 8-0-0

#### Community Health

EP moved the motion to accept the Community Health line item budget as follows:

Line 127	15152-53850	\$4,000.00	Community Health Care Total	MS seconds; motion accepted 8-0-0
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#### Inspections & Testing

EP moved the motion to accept the Community Health line item budget as follows:

Line 128	15202-53150	\$20,555.00	Public Health Inspector	MS seconds; motion accepted 8-0-0
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BB presented some adjustments for when the finance committee was prepared to vote on these line items. Specifically the Building Inspector salaries/wages, which was adjusted due to a new person in that role with a lower rate of pay. Burgess Debt Service Principal will likely increase by \$72,000.00 although BB is waiting for the final audit. This pay down is necessary as a requirement to having a temporary loan.

KN moved the motion to reconsider line item 154 of the Burgess Debt Service Principal; LM seconds. Motion to reconsider is approved 8-0-0.

KN moved the motion to accept line item 154 for \$857,000.00; MS seconds. Motion accepted 8-0-0.

#### New Business

KS reviewed the status of the town's free cash fund. BB spoke on changes forthcoming.

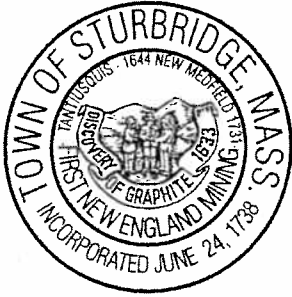
Also noted was that BB would be attending the BOS meeting of April 6, 2015 with the DPW director, Greg Morse, to give details on the water and sewer costs and rates.

MS asked if the finance committee would have a new warrant article to review for next meeting. He would also ask Penny Dumas to come before the committee to talk on the CPC articles. SK confirmed she would try to get an updated warrant to the committee.

Motion to adjourn the meeting was moved by BJ; MS seconds. Motion accepted 8-0-0. Meeting adjourned at 10:11pm.

/jml

Attachment: A



# Town of Sturbridge

*Barbara A. Barry, Finance Director*

TO: Board of Selectmen  
Finance Committee

FROM: Barbara Barry, <sup>BA</sup> Finance Director

DATE: March 31, 2015

RE: Town Accountant Salary

Below please find some additional information relative to the requested salary increase for the Town Accountant.

As I stated at the Saturday Budget Meeting when Chris was hired he was brought in at a salary that was lower than what the previous Town Accountant was making because of his lack of experience as a Municipal Town Accountant. The intention was that as he obtained the necessary skill set for the position his salary would be adjusted. I have been extremely pleased with the progress that Chris has made in his first year of employment. He has exceeded my expectations and his knowledge of the position exceeds that of a first year accountant. Given his level of knowledge of the position at this point in time I feel that the salary that is being recommended is warranted.

Also, as I previously mentioned there is a state-wide shortage of Municipal Accountant's. We found this out first hand when we were recruiting for this position as it took over 6 months to find someone for the position. I would hate to see us in this position again but realize that if we don't keep this salary competitive there is a good possibility that this may happen.

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The salary range for the Town Accountant's position is:

\$46,292	\$59,692	\$73,092
MIN	MID	MAX

The salary of the Town Accountant in FY14 was \$64,880. Applying salary adjustments for FY15 and FY16 the salary would have been \$66,502 in FY15 and \$68,331 in FY16.

Chris was hired at a salary of \$58,938 (FY15) and based on the proposed 2.75% adjustment the FY16 salary will be \$60,559. The recommendation is for \$65,000. This amount is \$3,331 less than what the previous accountant would have been making or \$4,441 more than the proposed salary for FY16.

Below are the current FY15 salaries of Town Accountant's in our 10 Town Comparison Communities:

Northbridge	\$66,350
Plainville	\$41/hr. (based on 35 hours per week \$74,620)
Southborough	\$80,253
Millbury	\$78,300 (Serves as Finance Director)
Charlton	\$70,748
Ashland	\$84,000
Orleans	\$137,465 (Serves as Finance Director)
Oxford	\$100,000 (Serves as Finance Director and Budget Director)
Wrentham	\$82,215
Grafton	\$84,500

I thank you for your consideration of this request. Please let me know if you need any additional information.

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