

Upton Finance Committee (Fincom) Minutes, revised (Approved 030211)  
February 9, 2011 at Upton Fire Department

Chairman, Joan Shanahan called the meeting of the Upton Finance Committee to order, with a quorum, at 7:19 PM.

Members present:	Eight	Members Absent:	Zero
Joan Shanahan, Chair	(JS)		
Steve Bern	(SB) (present until 8:00 pm)		
Jonathan Calianos	(JC)		
Paul Flaherty	(PF)		
Karen Glowacki	(KG)		
Jennifer Malin	(JC)		
Herman Meisner	(HM)		
John O'Sullivan	(JO)		

The Chairman introduced Ellen Arnold, who will be taking minutes, and asked members of the committee to introduce themselves to her.

The Chairmen indicated there was an item not anticipated added to the agenda. A vote will be necessary to authorize the Department of Public Works (DPW) to go into deficit spending for snow removal.

The Chairman invited Town Manager, Blythe Robinson (BR) to present. She reminded the committee that since we have a Town Manager the departments that interaction with departments that report to her will be done through that office. If the committee has questions or changes for a particular department, we will ask BR and she will get the answers to **ensure** the concerns of the committee are addressed. She is only responsible for committees and boards that report to the Board of Selectmen. Elected positions report to the voters.

BR presented proposed budgets for the departments under her jurisdiction. She has met twice with the Selectmen regarding the budget and had provided packages to JS for distribution to Fincom members. She advised it might be necessary to call a special town meeting to address budget issues in the current year.

BR reviewed certain line items, as explanations to Fincom members. (Attachment 1: Proposed budget submitted by Town Manager for departments under her jurisdiction.)

1. **Wages:** The largest change is the wage deferments that employees agreed to for the current fiscal year. Their increases started eight days before 2011. There was no "back pay". There was a discussion of the percentage changes for union and non-union employees. A further discussion ensued regarding expectations and assumptions from discussion last year, as well as a Pay and Classification Study by the Personnel Board to develop a salary scale. BR is recommending cost of living adjustment.

Due to concerns raised in the discussion, there was agreement that the Board of Selectmen and the Finance Committee should talk early next year before negotiations.

2. **Insurance:** There is an increase of \$100,000, primarily for health insurance. Workmen's Comp insurance increased by two percent. Concern expressed that there is a need to know what package was negotiated and was it as represented. Upton under Municipal Insurance Association (MIA) program, which has a cap of increases at thirteen percent. This is based on the cost to pay out claims and pooling levels for the number of claims. Suggest budgeting five percent for future years.

There was a discussion of ways to contain costs in future.

Change in retiree health benefit from two tier to three tier. At present, this plan covers seven people and there is no increase.

National Health Care Plan will bring mandated changes.

Suggest budget 5% increase for next year.

Selectmen are considering a Special Town Meeting (STM) for authorization to transfer money for payment of a \$40,000 bill for this year.

3. **Animal Control:** On-call service is provided, on a twenty-four hour, seven day a week basis. We have spent \$180 on kennel rental and \$50.00 on gas. This does not truly reflect costs since the animal control officer has not submitted all expenses. The officer has been advised that, in the future, they need to submit the expenses. This year a need to replace carrying cages and other equipment has been expressed.

4. **Board of Selectmen (BOS):** Wages are up 2.4%. This figure may change after the performance review for the Town Manager. That will take place at the next BOS meeting. There was a discussion of the line item for Office Expense to be changed to Town Manager Expense.

The Committee should expect a small increase in the Auditor account. The town has used the same auditor for ten years and it is good business practice to change auditors every five years.

BR is doing a request for proposals (RFP) for IT services for the town computers.

The Selectmen are considering joining groups such as Blackstone Valley Economic Development Commission, which costs \$1.00 per resident for a total of \$7300. Another group would be the Metro West 495 Partnership.

There has been a big decrease in telephone expense. A firm was hired to review our plans at a cost of fifty percent of the savings realized in the first twelve months. As a result, we have changed to a Verizon Government Plan. The previous small business plan we were

participating in included federal and state taxes. Forms have been filled out to get rebates on the taxes already paid. A refund of \$573.00 has been received for the Federal tax.

5. **Code Enforcement:** No changes. The head of that department is scheduled to meet with us on a future date.

6. **Conservation Commission:** This line shows a large increase that was explained. A new clerk has been hired who is being paid a higher rate. The person is also employed by the town in another office and is getting the rate already being paid. The Commission has been working without an agent for some time. When the previous agent resigned, the members felt that since permits were down that they could handle the work on a volunteer basis. With anticipation of more development going forward, including 31 units at Crosswinds, they can no longer keep up with it and will need to hire an agent. The position has been advertised, but not filled. It appears that the salary expectations are higher than in the past. BR has been looking into sharing the services of an agent with another town. This would mean that we would pay ten hours of salary and benefits a week toward a (\$40.00) forty-hour a week employee.

She is recommending \$2000 for the Conservation Fund. Their expenses are paid partly by town funds and partly by permit fees. There was a question from a Fincom member that in the past this fund was treated as a separate line item.

7. **Council on Aging:** 1% increase. A recommendation to consider using savings realized from the fact, that the town was unable to rent a building for extra services and programs. Money had been set aside for that but not used. The Council wants to increase the hours of the van driver by one hour per day. This service is cheaper than the service we were paying. Seniors pay a \$4.00 donation for using the service, which goes into the revolving fund. The driver also does maintenance at the Center and is a regular employee because he works more than twenty hours.

8. **Public Works:** Figures assume a \$90,000 salary, for a DPW Director, and includes the Consultant presently being used. Supervisors are working foremen, and do not have the expertise necessary to fulfill a Director position. Concerns were expressed by members of Fincom about having both a DPW Director and a Consultant. An explanation was made that there would be an overlap in using the consultant for a short period to assist a new DPW Director. It is not the plan to have both permanently.

BR will be asking Fincom tonight to approve deficit spending for snow removal this year. There is only \$18,000 left in the account.

The total figure for the DPW is \$955,978.

There is a backlog of trees to be taken down. The department would like to add more hours to take care of the backlog.

Storm water management is a concern. There is a three-year pile of street sweepings that have to be disposed of in an environmentally friendly way. Failure to address this could result in DEP fines.

9. **Emergency Management:** The department is looking at ambulance receipts. Donations are down since the service became fee based. There is a need to replace one ambulance that is fifteen years old. A decision needs to be made as to what account ambulance fees should be directed to.

BR will be going to the Personnel Board to look at the change in EMS wages. There was a discussion of previous expectations that the new Fire Chief would be in charge and that the EMS Director position, would be eliminated, or reduced. BR said that the Fire Chief needs someone else to do scheduling and other administrative work related to EMS. Previous expectations by Fincom were that the Chief would be in charge of that but could delegate.

The Fire Department budget is mostly level funded, except for a fuel increase, vehicle maintenance and equipment testing. Failure to address maintenance on some of the more complex equipment and to do hose testing has resulted in a backlog. A recent hose test resulted in failure of three hoses. There is a need to maintain and test to avoid problems down the road in emergencies.

BR is going to suggest fewer line items instead using the term wages and expenses, which would allow a department head more flexibility in using funding allocated to that department. This should not be a problem as long as details of expenditures are provided. She is suggesting that line items 172 through 183 become Fires Department Expense that would be managed by the Chief. Concerns were expressed about the lack of detail this would provide, and there was agreement to discuss this in more detail.

10. **Police Department:** Four percent increase. Vehicles are being kept longer. Dodges have not worked well on Upton roads. Discussion among members regarding options of different make vehicles and when to get replacements.

#### 11. **Miscellaneous:**

Unemployment Compensation: We have been under spending for years. BR suggests reducing \$38,000 to \$30,000.

Town Hall Renovation Committee is moving forward with a decision to request \$150,000 from CPA funds for design services. The Capital Budget Committee may disagree with this.

Personnel Board is looking at a change in the longevity bonus for non-union employees. These employees now get one-time cash bonuses at ten, fifteen and twenty years. Union employees get more. They are considering adding five and twenty five-year bonuses. There was a comment from a Fincom member that the unions only started adding this

bonus after it was established for non-union employees. We are presently giving one time, one-half percent of annual salary every five years. There was a comment that this exceeds the norm for non-governmental industry and businesses. Another member commented that there had been a merit raise in the past. BR will research the history of this practice. A committee member made a suggestion that a new program of public recognition for outstanding service be considered.

Town Council: This item is being adjusted upward to be more realistic about the expenditure.

Veteran's Services: This item is increasing by \$20,000. This was explained at a STM. There is a decrease in wages, based on hour's worked and only one employee.

Other business to report: A STM is being considered to transfer between \$5000 and \$6000 to allow money for the Fire Department. They have spent 95% of their budget and need additional funds to operate until the Annual Town Meeting in May.

Other possible articles could be \$40,000 for health insurance costs, an assessment of \$3700 from Worcester County Retirement to cover service in the military for a police officer, collapsing drainpipes on Westborough and Southborough Roads.

Chair thanked BR for her presentation and work saying the committee would have to review it. It was recognized that this is the first time the committee has worked with a Town Manager and there was agreement that next year all will look very closely when talks are opened. BR said would be happy to come back and answer any questions.

**Motion acted upon:**

- At the request of the Town Manager for the DPW a motion was made by Mr. Flaherty and seconded by Mr. Calianos that the Finance Committee, by the powers vested in them under M.G.L., Chapter 44, Section 31 D, authorize the Department of Public Works to deficit spend in the Snow Removal Account. The motion received unanimous approval.

**Other Business:**

Request from Town Clerk: A request from the Town Clerk for funding to attend a meeting of Municipal Clerks is denied because a scholarship is available.

**Motion acted upon:**

- Motion by Mr. Flaherty with second from Mr. Calianos, that since no money is available, to notify Town Clerk that the Finance Committee is rejecting her

request for funding to attend a meeting of Municipal Clerks. This motion received unanimous approval.

Report from JC and HM, Fincom liaisons, to the school department.

There could be a shortfall of one to two million. Upton has set aside override monies not expended. If we are careful as to how this money is used and keep the allotment for the schools we should be ok. Asked BR how we are going to cover shortfalls and concerned that town will look at that money for other expenditures. BR expressed that the money intended for schools will not be used for town expenditures.

Capital Budget report by JC:

Town Hall planning is under discussion. There is some feeling that only part of the funding request to CPA may be appropriate and that part should come from operating funds. That committee also may feel that they want to see other possibilities explored before we spend money for the design services. They will be discussing this issue.

There was a discussion of alignment between Capital Budget, Fincom and the Community Preservation Committee. Both the Capital Budget Committee and Fincom feel they will be offering a position at future town meetings on CPA expenditures.

Other discussion:

The committee adjourned at 9:24 upon a motion made by Mr. Flaherty with a second from Mr. Calianos.

Respectfully submitted:

Ellen Arnold

Attachments:

1. Budget proposal submitted by Town Manager for the departments under her jurisdiction.