

FINANCE COMMITTEE

Minutes

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MILLBURY, MASS.

Date: March 7, 2020

Time: 8:30 AM

Present: Kupcinkas, Kuphal, Cooney, O'Connell, Cofske

Absent: Noonan, Kennedy

Meeting called to order at 8:35 a.m.

Motioned by Kupcinkas, seconded by Cooney to accept the minutes of February 24, 2020 as written. Unanimous.

Chris Naff, Kaye Peltier and Scott Despres were in attendance in addition to the departments scheduled for hearings.

James Kelley: The budget is composed of revenue, debt and expenses. It has been a collaborative effort between the Town and the School. This is a level services budget. There are no new positions on the Town side. There are some budget busters. We had \$823,123 in growth last year. This year we had \$324,000. This includes a PILOT that is finishing up. This is a very conservative budget. I asked the departments to level fund their expenses. We do have a balanced budget. Blackstone Valley Tech is up \$163,842. There is an increase in enrollment for next year. The Transfer Station is up \$165,000 due to contract increases. Casella is tripling their tipping prices. Debt Service is up \$186,593. We are looking at prepaying some of the debt. Retirement has increased by \$199,612 and the Health Insurance is up \$135,758.

Jen O'Connell: In regards to the Health Insurance increase, is this because of an increase in enrollment or is it the rate?

James Kelley: The increase is in the rate. As far as Free Cash, I am proposing to use \$1,998,000. I plan to put \$750,000 into various stabilization funds. One being, a Health Insurance Stabilization Account to help defray the large increase anticipated for next year. Capital Expenses were hoped to be paid by cannabis money. We have only received \$11,000 in cannabis money so far. We will not see a larger payment until December 2020. The Great and General Court will decide what payments we get. Just an overview of the percentage increases: General Government is up 5.93%; Public Safety is up 6.41% (due to shifting from other areas); Education is up 3.06% (BVT 14.77%/Millbury Public School 2.48%); Public Works is up 21.38%; Public Health is down; Cultural and Recreation is up 10.80%; Benefits is up 5.80%; General

Insurance is up 12.92%. We will keep our bond rating, which is the most important thing. We will not qualify for bank short term notes. This is a conservative budget.

Jen O'Connell: I am very happy with the School Department budget. The 2.5% is the lowest that they have come up with since I came on the Finance Committee.

James Kelley: This was a collaborative effort.

James Kelley: We need to shift the insurance accounts. The Building Department will be \$3,200 short due to the need to bring in part timers to cover during an investigation. Asa Waters needs \$5,500. This is all I see for deficits at this time. We should be able to cover all of the accounts with 33B Transfers with the exception of those two accounts.

Asa Waters Mansion

James Kelley: Things were discovered after the transition, which have since been cleared up. The Purchase of Services should be \$4069 for the copier. The Salary will be \$58,900, with \$10,000 coming from the Dorothy Manor Revolving Fund, because she will also be responsible for this building once the Town takes it over. We do have an agreement with the School on this, since it is still under their jurisdiction.

Kristin Livoti: We have installed Quick Books and are now able to pull up a profit and loss statement. We have brought in \$27,000 so far. There were not a lot of records kept from the previous director. We are having some free events to promote the Mansion. We are trying to utilize free advertisements. We did a membership drive that brought in 50 members. They receive discounts on some of the events at the Mansion. We would like to renovate the bathroom into a kitchen. We would like to have some baking classes, to also bring some income to the Mansion.

Jen O'Connell: How do the "Friends" feel about the kitchen?

Chris Naff: The Task Force is mostly in favor of the kitchen.

Kristin Livoti: I asked that the operating costs be added to the budget. There are so many uses for the Mansion with no fee attached.

James Kelley: This is a Town facility, so we felt that it should be supported by the Town. We should look into a facilities budget for the upkeep of all the Town buildings. This would help to monitor costs. We would be able to go out to bid "Town Wide".

Kristin Livoti: Event expenses come from the event receipts.

James Kelley: The Director is pursuing a lot of sources for grants to help.

Dave Cofske: Under Capital Outlay, is the handicap ramp for the bandstand?

Kristin Livoti: It is for the entrance to the building. The wood is rotting. The bandstand has rotting floor boards that need to be fixed.

Jen O'Connell: What is going on with the oil spill?

James Kelley: We have not heard anything.

Chris Naff: There has been no new alarming information. This has been handled.

Jen O'Connell: Should the Finance Committee approve this, you will need to prepare yourselves for questions at town Meeting.

James Kelley: The Town is spending hundreds of thousands of dollars and the State is spending millions for the Downtown improvement project. You do not want to lose this building.

Chris Naff: If we don't do the right thing now, it could become a significant cost for the Town.

Finance Department

James Kelley: The increase in the Salaries and Wages is \$6,250. We had a retirement and we are looking at the market for an Assistant Town Accountant.

Andrew Vanni: My budget is level funded with the exception of the Salaries.

Jen O'Connell: If you had a retirement, can we delete the longevity bonus?

James Kelley: I would leave it in there just in case the person has the certification.

Dave Cofske: Isn't this in the salary?

James Kelley: They normally get their certification six months after their employment starts. I would suggest \$59,500 for the Salary and take out the stipend. We just learned of the impending retirement.

Jen O'Connell: Do we need the overtime and educational stipend?

Andrew Vanni: The educational stipend encourages them to continue their education.

Jen O'Connell: If the update of OPEB is bi-annual, then we shouldn't need the \$11,000 next year.

Andrew Vanni: The full blown update is about \$11,000.

Jen O'Connell: How much would you need for this upgrade?

Andrew Vanni: Probably \$8,000-\$9,000.

Computer Operations

James Kelley: We have reduced some purchases of hardware.

Jen O'Connell: What is the Detail Software?

Andrew Vanni: This is new. This keeps track of the Police Details.

Jen O'Connell: Why is this not in the Police Department budget?

Andrew Vanni: All of the software is in the Finance office.

Jen O'Connell: Is it worth it to have an IT person for the Town? How much does the School Department spend on an IT person?

Andrew Vanni: The School Department has 3 people.

James Kelley: If you had a full time person, you would have to add about \$32,000 to include benefits.

Andrew Vanni: That is about what we pay for our consultant.

Jen O'Connell: Could we bundle this with 2 or 3 other towns?

James Kelley: We could look into that.

Dave Cofske: Under Capital Outlay, is this the last year that we are paying on the server project?

Andrew Vanni: We need to replace the server.

Dave Cofske: It looks like we should have already paid for this within the three years.

Andrew Vanni: I will look into that.

Dave Cofske: None of your existing software can handle the Police Details? There is no ROI with this software.

James Kelley: It is a more accurate way of accounting for the Details.

Jen O'Connell: Charter Internet is up about 30%.

Andrew Vanni: That is their increase.

Jen O'Connell: Can you get us a copy of a recent bill? Does this increase include the School?

Andrew Vanni: Nothing in here includes the School. The increase is not through Charter. It is through Verizon.

Jen O'Connell: We need to look at what buildings are included in this. That seems like a lot of money for internet.

Andrew Vanni: I will look into that.

Kevin Kuphal: Clear Gov doubled?

Andrew Vanni: We got rid of Clear Gov. I do not know why this is in here.

James Kelley: It should be "School Dude". This is a program with the school to schedule rooms at the School and possibly other Town buildings also.

Planning Department

Jen O'Connell: Have we hired an Assistant Planner?

Laurie Connors: He starts next week. I am asking that the Head Clerk's hours be increased by 5 hours per week. At one time we had 2 full time clerks and 1 part time clerk. I lost a full time position during the recession.

Jen O'Connell: Is the salary in the budget what the Assistant Planner is going to be getting?

James Kelley: Yes, it is.

Jen O'Connell: What is going on with the Energy Manager?

Laure Connors: This is being absorbed by the Assistant Planner.

Dave Cofske: If we are increasing the hours in the full time position, can we reduce the overtime dollars?

James Kelley: We would like to leave it the way it is. If we don't spend it, it will go back to the General Fund.

Laurie Connors: This rectifies the issue through the union. She accumulates earned time when she takes minutes at our meetings. She can either take the time off or get paid for the time with overtime pay.

Jen O'Connell: Can you have an outside person take the minutes at your meetings?

James Kelley: It is a management decision.

Laurie Connors: If they don't attend the meeting, they won't know what impacts their duties the following day.

Jen O'Connell: What are your big projects for this year?

Laurie Connors: I have only received one bid on the Downtown Project. We asked for a redesign and a re-bidding. We have to meet the Mass DOT criteria. We have increased the design cost. We used \$60,000 to pay for the redesign and rebid. The rebid was \$2.2Million. This is still above what we had anticipated for cost. We are seeking some money from Town Meeting. Paving is one of the items that cannot be paid by a grant. We also did not receive full funding for the traffic signals. I am asking for \$12,000 for Washington Street Park. There is a matching grant by PARC. The climbing structure is out of code and needs to be replaced. I am asking that the original \$30,000 be repurposed to replace this piece of equipment. The grant will pay for 67% of the cost and the Town is responsible for 33%. There are some components that I am hoping to reuse. This structure will cost a total of \$100,000.

Building Department

James Kelley: The boarding up of houses now comes under this budget instead of the Board of Health. We are shifting the money to where it is supposed to be. Some budgets look higher than others and some are lower.

Jen O'Connell: Are you adequately staffed? Will you be looking for additional people?

Laurie Connors: It is possible that we will need another person. He puts in much more time that I feel comfortable with.

Jen O'Connell: What are the Assistant Building Inspector's hours?

Paul Stringman: He works 2 days a week for about 3-4 hours each day.

Jen O'Connell: If we increased the budget, would he be able to take on more hours?

Laurie Connors: He could take on the additional hours.

Jen O'Connell: If we could shift some money from other budgets, I would like to see that you have the help you need.

Treasurer/Collector

Jen O'Connell: Most of your increases are in the Salary line. Can we get a report on the market adjustments?

James Kelley: I will get that report to you.

Jen O'Connell: What is the Tax Title Custodian?

Denise Marlboro: I am in charge of the auctions now. I have to take care of them from the beginning to the end.

Jen O'Connell: How much did we make on the last auction?

Denise Marlboro: We made \$480,000. We should do well on the next one. Our goal is to get the property back on the tax rolls.

Jen O'Connell: Are there more people paying on line?

Denise Marlboro: The lock boxes are working well for us. On-line is coming. There is a fee to pay it on line. The fee is based on the card company. We do not set the fee.

Jen O'Connell: Which position helps you process the payroll?

Denise Marlboro: The payroll is usually done by myself and the Finance Department.

Dave Cofske: The overtime line has increased considerably.

Denise Marlboro: I have to base the rate on the highest rate in my office.

Fire Department

James Kelley: The only major change is that we put the LOSAP in his budget instead of the insurance budget.

Richard Hamilton: As of July there will be a new chief and assistant. I am retiring. At some point you will need to have a full time chief.

Jen O'Connell: How much will it cost the Town for a full time chief?

Richard Hamilton: I would guess about \$90,000-\$100,000 plus benefits. There are 4 Captains ready to take over. We are still looking for a funding source for a new fire station. It is \$315,000 for the design and \$350,000 for construction documents. It will take another year before bringing this to Town Meeting.

James Kelley: We don't know what percentage will come from the State as of right now. We don't know what their menu will include either.

Hydrant Services

Richard Hamilton: This is up due to additional hydrants coming on line to the Town. We are looking for a new truck, in the amount of \$28,750. We will be turning back about ½ of our salary line at the end of June.

Andrew Vanni: We could do a 33B Transfer.

Richard Hamilton: We are looking for \$16,000 for a replacement boiler at the fire station. The insurance will not cover it. Homeland Security had paid for emergency generators which we have been using.

Police Department

James Kelley: The cruisers were put back in the budget.

Donald Desourcy: This is my last time coming before your board on the budget. In response to your earlier question about the details, we collect all of our detail pay. Sherry collects them every week and reconciles them. I do make calls to the vendors when they are late in paying. We have a program now that sets up the details and sends it out on the officers' phones. The system runs by seniority. It saves us from making the calls to fill the details. The Police Department has been working without a contract since July. The dispatchers have worked without a contract for 2 years now. We are proposing to replace the radios in a Warrant Article. We will put up a test repeater to see if that increases the performance of the radios before we actually go out and replace them. It is hard to find replacement parts to repair the radios. We would be replacing all 55 radios. We would be using the article from last year's Town Meeting plus what Senator Moore got for us. We also need to replace the tasers and some of the laptops in the cruisers need to be replaced. I do have a couple of articles on the Warrant. There is one for design plans for a new Police Station. The cost for that is \$223,000. For the Design Construction Plans and Bidding Fees, the cost is \$320,000.

Jen O'Connell: How is the SRO doing? Do we need another one?

Donald Desourcy: She has been very busy. It has been busier than I have ever seen at the High School and Jr. High. We receive \$52,900 from the School Department and the rest is from my budget. We could easily utilize a second SRO. I would need to have them start the training next month in order for them to start in September. I would also have to hire another officer to replace him/her, which would include 24 weeks of training.

Town Manager

James Kelley: The vast majority of the budget is salary. There is a 2 ½% increase for the executive assistant. The increase reflects raises across the Town. There is \$10,000 for an internship. I took out the automobile stipend. I increased some office supplies and decreased some conferences and memberships.

Jen O'Connell: Did you put the cell phone in another place?

James Kelley: No, I just put in the actual amount.

Jen O'Connell: Do you think the salary is adequate to get a good candidate?

James Kelley: Yes, I do.

Human Resources

James Kelley: This reflects the 2 positions in the department plus the share from the School. The rest of the budget is fairly flat.

Jen O'Connell: Now that Justine has moved into that role, is the School paying their portion?

James Kelley: They are paying part of it.

Jen O'Connell: Will there be a need for more training?

James Kelley: it is important to use our resources wisely. In a couple of years, she will probably be the new Human Resource Director.

Jen O'Connell: The role she is in now is a hybrid role, correct?

James Kelley: It is an active role. In a Town Manager office, she would be equivalent to an Assistant Town Manager.

DPW Administration

Keith Caruso: I want to thank everyone for their support. We were able to complete some work in the center of Town.

James Kelley: The crew of seasonal workers that the DPW had last year were exceptional. We had one worker, Steve Koshiba, work as their supervisor.

Keith Caruso: I want to thank my guys for all their support also.

James Kelley: There is an increase in the Administration Budget. We are not going to fill the foreman position that Keith once had. He will be continuing on as the DPW Supervisor.

Jen O'Connell: You only plan on the Director's position for ½ a year?

James Kelley: I hope to fill it rather soon.

DPW Maintenance and Operations

James Kelley: There was a request for a laborer, which I cut. Funding for a laborer was put in the Sewer Department at the Special Town Meeting. I wasn't going to approve another position.

Jen O'Connell: Are the raises all contractual?

James Kelley: Most of them are. The seasonal employees were raised to the minimum wage.

Keith Caruso: The new people that we hired built a classroom, which is used weekly for meetings and training.

James Kelley: Insurance companies are also coming in to do trainings. They don't have to travel anywhere for the trainings.

Albert Kupcinkas: How is the slope mower working out?

Keith Caruso: It is working out great. We are keeping up with the work that the State wants done.

Highway Department

Jen O'Connell: The Purchase of Services jumped up a lot.

Keith Caruso: There is a lot of work required by MS4.

Jen O'Connell: How much is a vac truck?

James Kelley: It is about \$400,000.

Transfer Station

James Kelley: Capital Outlay is for trailers. We can buy them for \$25,000 or continue to rent them for \$18,000 per year. The \$25,000 is for 2 trailers.

James Kelley: Keith and I met with Casella where they informed us that the hauling fees would go up \$100 and the tipping fees would triple. There are 6 major haulers in the area. Casella owns 4 of the 6. We will be going out to bid. Compactors would lower our hauls.

Keith Caruso: The compactors hold 5-7 tons. The hauler holds about ½ ton. We are working with National Grid to put in 3 phase electricity at the station.

James Kelley: Worse case scenario is what we have in the budget as submitted.

Keith Caruso: We are looking to put 3 compactors at the Transfer Station.

Parks Maintenance and Operations

Keith Caruso: Originally at Wooley World we were going to clean up and paint the playground. Now we find that it is not up to code.

James Kelley: An infield groomer was requested and I took it out.

Cemetery

James Kelley: I increased the seasonal employees to match the minimum wage. There was a request from the department for \$50,000 which I cut from the budget and put it in an article. This was for irrigation; monument repairs (veterans) structure repairs and fixing the Town Cannon.

Scott Despres: Can we get updated pages for those lines that have been changed?

Andrew Vanni: Yes, you can.

Reserve Fund Transfer-Asa Waters \$5500

Dave Cofske: Did we implement any changes since the audit?

James Kelley: We have implemented a lot. There are checks and balances being made on everything. Things were not done correctly for a while. She can now run profit and loss reports.

Motioned by O'Connell, seconded by Kupcinkas to transfer \$5,500 from the Reserve Fund to account number 01:136.5200.00000.0000.500 Audit Account. Unanimous.

The next meeting is scheduled for Monday, March 16, 2020 at 6:30 p.m.

Motioned by Kupcinkas, seconded by Cofske to adjourn at 1:15 p.m. Unanimous.

James O'Connell

James Kelley

Albert P. Kupcinkas

Nicol L. Cooney

Stephen

Al

Dan