

**Finance Committee Meeting Minutes
Town Hall ~ April 5, 2016
Sturbridge, MA**

Call to Order:

KN called the meeting to order at 7:00 PM with the following committee members present: Kathleen Neal (KN), Kevin Smith (KS), James Waddick (JW), Suzanne Smiley (SS), Joni Light (JL), Laurance Morrison (LM), and Michael Serio (MS).

Guest: Sturbridge Tourist Association (STA) Chair, Brian Amedy (BA)

ARTICLE 18 - STURBRIDGE TOURIST ASSOCIATION – Brian Amedy

BA went over the definition of the new position in STA from LG's job description, and noted that there have been no STA attendance/quorum issues. He updated the committee on the STA website, visitsturbridge.org, and that it was finally being managed properly. The town will have the passwords in case of turnover in STA. STA member Kristie Galonek is making changes to the website updating the listing of merchants and businesses. The Welcome/Info Center on RT. 20 will be closing at the end of October. Jim Donahue, President/CEO of OSV, confirmed this in a meeting with the Town Administrator and the Sturbridge Tourist Association. STA explored several options to keep the Welcome/Info Center open but decided that with low attendance, availability of other informational sources (brochures), and technology, a town Welcome Center is unnecessary. The public restroom will be closed at the end of October, as well. He also noted that Advertising and Promotions funds and Community Support funds overlap so they consolidated the categories together. KS advises KN to put an appendix in the back of the Finance Committee Report for the definition of warrant article 18-Sturbridge Tourist Association, and that this may help people notice that the Info Center is closing.

LM asked what the time-line is for needing funds in the Advertising and Promotion item. BA noted that they were readying for a proposal for September, October advertising. STA has historically worked closely with the Chamber of Commerce for use of these funds. He noted that other groups are contacting STA, and that Pintastic was coming back to the Sturbridge Host Hotel looking for approximately \$9,000.00 for promotional funds for a July event. During December and January, STA has funded promotions for the Antique Show, also at the Sturbridge Host Hotel. LM asked BA what the earliest date would be for these funds to be in hand. BA answers that July 1, the STA would be able to start spending. KS to LM stated that historically, the town meeting is done by the first week of June, and the Attorney General reviews the vote of the town articles promptly, therefore the funds, if approved, will be available within a few weeks. KN stated that the Attorney General does not review budget items, they only review bylaws (informed via text from Finance Director, Barbara Barry – BB).

By Mid-August STA would need production dates for the events. BA tries to hold off on planning until late June while pending approval of funding. JL asked if BA encumbered funds for Pintastic Advertising and Promotion from FY15 for the 2016 (FY17) event. BA stated that he will use all of the FY16 budget. He is hesitant about spending too much before a new person will be chair of STA, as he was not seeking re-appointment.

LM asked BA if STA spends a portion of the funds directly into the marketplace on behalf of the town and a portion to buttress the Publick House or other tourist attractions in town. BA stated that STA assists with promotion for outside groups that will benefit hotels in the area. STA also advertises through the website, visitsturbridge.org.

**ARTICLE 38 - AMENDMENT TO THE GENERAL BYLAWS – STURBRIDGE
TOURIST ASSOCIATION – Brian Amedy**

KS asked BA if there is an article in the upcoming warrant about changing the format and structure of STA. BA stated that STA is in favor of the changes. The number of members may be 3 or 5, STA didn't come to a consensus. KS answered that in the article, the number of members is 5. BA noted that there is no other steady hotel/motel representative on STA, but they are not seeking re-appointment through the Town Administrator

(Leon Gaumond - LG). The new Economic Development person will come on to assist the STA. JL notifies the committee that she met with LG and confirmed that the Economic Development person is going to assist STA, but she feels it is unfortunate for the town that BA will not be re-appointed to the STA, especially when now given additional assistance. Ideally this Economic Development person will use a portion of the \$76,000.00 in Advertising and Promotion to promote the town, and will help with grant writing. JL anticipates the Economic Development person will be starting as soon as warrant is approved by town vote. When she spoke to LG, he stated that he will advertise for this position as soon as possible.

JL noted that the Economic Development person will work 28-30 hours a week. STA is paying the salary, and supplies will be in the town budget. Benefits for this position are to be included in the benefits section of the town budget. The formula for this person's compensation is to set aside 60% of these funds for Economic Development and 40% for tourism related activities. JL asked BA if he considered the split before he compiled the STA budget. BA answered that he put funds that would have been used for the restrooms and info center towards Economic Development position. He didn't want to take money out of the Community/Special Events fund.

LM asked BA if there has been a qualified enthusiastic person identified to succeed BA as chair of the STA, and also asked when BA will step down. LM further stated that he is concerned with the funds not serving the town properly if an enthusiastic "rookie" is appointed. BA stated that he hopes, and will wait until, they find a suitable person. Continuity has been the problem historically. JL noted that the new Creation and Establishment of STA definition entails that the newly appointed 5 members will replace the existing members, of whom none will be town officials. BA stated that STA is currently at 6 members.

JL asked if the Chamber of Commerce has approached the STA for marketing funds in FY17. BA replied that they did in FY16, but not for FY17. BA made a stipulation that the Chamber of Commerce (COC) director must clearly present what she is advertising before they allocate funds as last year, the COC funded promotions for the Asparagus Festival in Brookfield, not a festival that benefits Sturbridge in any way.

KS makes motion to amend Article 18 to add the word "the" after "Sturbridge Tourist Association" and before the word "SUM", and otherwise approve the article as written, JL seconds, motion passes 7-0-0.

BA exits at 7:36 PM.

Economic Development Budget – Joni Light

JL went over the budget, and stated that \$2,000.00 is more for office equipment, such as a desk and chair. KN asked why there is nothing in the budget for this person to go to conferences or for registration dues. She feels that it would be useful for this person to have access to these funds.

KS asked if this position would be eligible for fleet vehicle use; JL confirms. She notes that the Personnel Classification Committee (PCC) approved pay and position but not the pay grade. KS asked if the \$32,000.00 going to be a salary or like the Recreation Coordinator who is eligible for the merit pool but not for step and grade increases. JL answers that this person is not a department head, therefore they are not eligible for the merit pool. This employee reports to the Town Administrator and STA; performing errands, agenda, and documentation (minutes, etc.) for STA. KS asked where in organizational chart for the town this position would be placed. JL answered that he/she would be below a department head and above a clerk. LG wants someone who has experience in grant writing and municipal work. The Town Counsel was fine with the 60/40 funding split between Economic Development and STA, but this person must prove efficient and productive year after year. Review of the position will be done during the budget season. JL stated that LG is looking to revise the merit pool and salaries in FY18, so it is not to say that this salary will not be reconsidered and re-evaluated next year. KS noted that STA is run on a special revenue fund (a portion of the hotel/motel tax) and this position pay

will come out of that.

JL moves the motion to recommend the budget as follows:

Facilities Budget – Joni Light

JL explains that there will be a manager and an additional two custodians. The manager will not be a department head and not be eligible for the merit pool. The role would be that of a lead custodian with oversight supervisory responsibilities for the two custodians under him. LG is planning for 18 hours weekly for each of the two supporting custodians. LG wants to make sure that there is always someone available to fix the municipal buildings. JL witnessed LG having to manage losing heat in two buildings; town hall and library on April 4th. This position is necessary in order for LG to be free to do his job, like other department heads in other town buildings, for example, the librarian at the library. LG wants to get someone in for this position on July 1st. They will be responsible for helping for cleaning and rug and pest contracts long term. However, a 28 hour per week position at \$30,000.00 a year is not a lot. LG is hoping for someone with building experience, a retiree perhaps may be ideal. The compensation at \$30,000.00 might change or not be enough. Additionally, the title may change when it goes through Personnel Classification Committee (PCC).

LM expressed to MS that he wants a suitable job title assigned; Facilities Manager knows more than a Lead Custodian. LM stated that it would be like calling an LPN a physician. If licenses are involved it is best to be clear. LM asked MS if the PCC plans to consult the Labor Bureau for accurate job descriptions and titles. KN stated that there is a certificate for facilities management. JL stated that LG plans to review all employee job descriptions over the next few years to make sure they are current.

KS stated that Facilities Manager involves caring for all the municipal buildings, so he/she needs to know all the systems. KS asked if this person would have some oversight with water and sewer. KS stated that the emphasis should be on the management more so than the “working lead” because there are two custodians under him available. KS asks why this line item does not conform to the rest of the line item budget; Salaries total is not included. It states total expenses only. There should be a line between 64 and 65 that says Total Salaries \$60,000.00. JL, JW, and MS agree that the pay seems too low and that there is a possibility that it should be reconsidered. Salaries will not be voted on until further review with the TA.

JL moves the motion to recommend the Facilities Budget as follows:

Sealer of Weights and Measures – Laurance Morrison

LM met with LG and the inspectors, and they informed him that there are two ways to obtain weights and measures services – hire out or use the service provided through the Commonwealth. A large amount of cities and towns utilize the Commonwealth services. There is no change from FY16 to FY17, \$5350.00. LG will continue to rely on this service.

LM moves the motion to recommend the Sealer of Weights and Measures as follows:

Electrical and Plumbing Inspectors Budget – Laurance Morrison

LM stated that in FY15 the figure \$26,080.00 is the result of underspending of a higher number. In FY15, the local, regional, and national economy was struggling so there was less action in the marketplace. This number is a mirror of the economy. There is a prospective new hotel on New Boston Rd. and Section 40B housing behind the Scottish Inn motel. There are more than 100 Chapter 40B units (legally valuing the economic complexity of the inhabitants) being proposed. Those construction prospects would be sizable, thus the increase. Purchase of

Services budget covers training, re-certification and re-licensing which explains the increase. Increase in Supplies is for new code books, and increase in Other Charges refers a step up in dues. MS noted that this position evolved over time from a stipend to “piece work”. The town generates revenue from this fund by charging for inspections, resulting in more money into the General Fund. KS added that the compensation for the inspectors is commission or percentage of productivity based.

LM moves the motion to recommend the Inspectors (Electrical and Plumbing) Budget as follows:

Board of Health (BOH) Budget – Michael Serio

MS met with Lynn Girouard and Linda Cocalis to discuss the budget. The previous agent left and took another position at UMASS, being replaced with Jamie Terry. Jamie Terry is currently working 3 days a week, but not a candidate for the permanent position. Linda is looking at the job description to see if it needs to be redefined. The salary for the department head in FY16 is underspent. Lynn Girouard works in the office as an office manager for 15 hours weekly. Judy Rask was hired for data entry and minutes. The third staffing need is the Public Health Inspector, Wendy Danning, who also works for the Fire Department. She is currently working 18 hours a week. The town houses 130 commercial kitchens inspected twice a year, and there are 1,000 hotel rooms inspected twice a year. Purchase of Services funds are for annual conference registration fees. Truck inspection fees went away because the inspectors are now using a fleet vehicle. Training funding is for new people for ServSafe certification, the funding can be intermittent because of staff turnover. The community health item is for a nurse when there are communicable diseases, for example TB, however, we don't always spend all the funds for that. Everything is level funded except salary. Both assistants were regraded and a step was added.

MS moves the motion to recommend the Board of Health Budget as follows:

Landfill and Recycling Center Budget – Michael Serio

MS explained that the cover material for landfill at \$17,000.00 is level funded. The Center just bought a compactor so they no longer need to rent. Well monitoring is EPA required to be inspected quarterly by EA engineering, as there are parts of the landfill that are not lined. The amount of activity on leachate depends on how much rain we get. Decals are phasing out we get tags now so that expense is gone. Engineering DEP mandates inspection 8 times a year as a separate annual expense altogether. Repairing buildings is under Facility Maintenance. The landfill has twenty years of capacity left. It would cost \$1,000,000.00 to close the landfill, and we cannot close the recycling center and leave the landfill open simultaneously. One of LG's goals is to look at that operation. There is a separate closing fund established. The supplies budget is for hazmat protective gear and gloves. They have a new hazmat building and new sheds. John Booth was the only full time position and his salary is paid by the Department of Public Works. Legally, the DPW is responsible for what happens there. John Booth has to work for the DPW because when they operate machinery (front end loader), he is required to have DPW certification. JL asked why it is \$9,000.00 for maintenance and repairs. She asked if they repair in house or hire someone. She also asked if Salvation Army pays rent for the donation bin. JL noted that no other dept. has requested this substantial of an amount for maintenance and repairs. MS responded that for some time, the Recycling Center structures were in disrepair. There are a lot of structures there; hazmat, take it or leave it, books and CDs, etc. MS estimates that there are 4-6 buildings including the office. Recently, they spent a high amount but may not moving forward. Ultimately, it is level funded. MS offers that they could look up what they spend, but ultimately, if they don't use it goes back into the General Fund. MS also notes that they haven't put as much maintenance into structures at the landfill as they have at public safety complex.

MS moves the motion to recommend the Landfill/Recycling Center budget as follows:

Finance Committee Budget

KN moves the motion to recommend the Finance Committee Budget as follows:

Town Clerk Budget – James Waddick

James Waddick moves the motion to recommend the Town Clerk Budget as follows:

Elections and Registrations – James Waddick

JW explains the purpose of the budget as paying for extra poll workers. Most increases are due to the additional election (for a total of 3) and the law change that requires an additional polling station to be open 11 days prior to the date of elections, possibly to include weekends. KN notes that the state hasn't put out regulations for this new change in state law for early voting. She doesn't think it will include the state primary. It starts in November, 2016. JW stated that running the 11 day early voting period out of the town hall would allow for easier coverage and there wouldn't be a need for a high increase in the salary line. Sometime between now and town meeting the budget may change, in which case it would present for re-vote. KS stated that there would have to be a constable present, as required by state law.

JW moved the motion to recommend the Elections and Registrations Budget as follows:

Nursery School Budget– Michael Serio

MS moves the motion to recommend the Nursery School Budget as follows:

Salaries Discussion

KN stated that BB notified which department heads' increases are above the statewide Cost of Living Adjustment (COLA) and why. KN asks what the police, fire, and DPW department heads are getting for salaries. MS stated that non-union wages and department head COLA increase is budgeted 3%. KN notified the committee that the DPW contract is expiring in June. Burgess teachers' salary increase is slightly over 2%. KN stated that upon research however, the contract for teachers says that the COLA increase is at 1.75%. Teachers also get reimbursed for education achievements, and receive additional compensation through Steps and Lanes.

MS noted that the DPW negotiated contract COLA increase for the past three years was 2% (FY14), 1.5% (FY15), and 1.5% (FY16). JL noted that the FY18 COLA increase is 2.5%. JL feels that the increases seem awfully high. KN stated that the proposed COLA increase does seem high but there is an argument about equity between union and non-union employees. JW stated that non-union employees should be treated equally with other bargaining groups so as not to encourage the formation of other bargaining groups. JL asked if we send non-department heads for training so they can attain promotable skills. KS and KN stated that the town pays for non-union employee training. The town paid for training for town clerk until she became certified in Massachusetts and then federally. KS added that the Finance Committee advocated for the Step and Grade system to be extended to non-department heads and non-union employees. JL is not keen on a 3% COLA increase and asked who at the town is responsible for negotiation. KS stated that the town needs to be tougher in its negotiations via the Town Administrator or Town Counsel.

SS noted that not everyone is getting equal COLA increases. KS stated that the TA would be willing to negotiate contracts separately because not all municipal employees are viewed equally. JL stated that Fire and Police departments get a lot of extra “perks” including a 1% bonus for keeping up accreditation. JW additionally noted

an 8% increase in insurance rate, which is taking money out of their salaries ultimately as the insurance expense ratio is currently a 60% employer – 40% employee split.

LM moves the motion to approve COLA at 3%, JW seconds, motion passes 7-0-0.

Town Administrator- Laurance Morrison

Town Accountant – Suzanne Smiley

Town Clerk – James Waddick

Conservation Commission – Kathleen Neal

Town Planner – James Waddick

Department of Public Works – Kevin Smith

Landfill Recycling Center – Michael Serio

Board of Health – Michael Serio

Joshua Hyde Library Operations – Kevin Smith

Recreation – James Waddick

Council on Aging – Michael Serio

Warrant Article Review

ARTICLE 1 - TOWN REPORTS

KS moves the motion to accept Article 1 as written, MS seconds, motion passes 7-0-0.

JL and KS discussed the explanation boxes for the warrant articles. KS stated the only thing that's missing is who the sponsor is for the articles. He feels that the warrant should be posted without FinCom and BOS recommendations.

ARTICLE 11 - TOWN BUDGET

KS moves the motion to accept Article 11 as written, MS seconds, motion passes 7-0-0.

KN noted that Public, Education and Government Access is the meaning for the acronym PEG.

No Old Business

No New Business

Wait to Review Meeting Minutes

LM moves the motion to adjourn at 9:56 PM, JW seconds, motion passes 7-0-0.