**Finance Committee Meeting Minutes**

**Town Hall ~ April 26, 2018**

**Sturbridge, MA**

**Call to Order:**

The Finance Committee chair called the Finance Committee meeting to order at 7:00pm. The following committee members were present: Kathy Neal (KN), Michael Serio (MS), Joni Light (JL), James Waddick (JW), Mike Hager (MH), Larry Morrison (LM), Jared Burns (JB), and Karen Davis (KD). Bruce Boyson (BB) arrived at 7:01.

Guest: Fire Chief John Grasso (JG).

**Reserve Fund Transfer**

Public Safety Complex request for $65,400.00 to replace the existing emergency power generator. KN introduced JG and asked for the history regarding the current emergency backup generator. JG stated that the current generator is original to the building and was placed into service in 1987 or 1988. It was repaired in August 2016 as the vendor suggested to rebuild rather than to replace the failed fuel injector pump. Two weeks ago, the same part failed again; the vendor now has no confidence in the long term working of the pump. JG stated that the generator is approximately 30 years old with more repairs expected and that the parts are increasingly difficult to find. The current vendor submitted a bid for $95,000.00 for a turnkey generator. JG used the state bid contractor list to obtain additional pricing for a replacement generator. Only one of the eight contractors responded with a bid. JW questioned whether the delivery and installation are included in the bid and JG answered that he would have a corrected document available which shows the $3,500.00 to remove the old generator and $61,500.00 for the total cost of the new generator including delivery and set up. KD asked about the price difference between the two bids. JG stated that the more expensive bid is for a larger generator. KD asked if the smaller generator would provide all of the energy necessary for the Safety Complex. JG indicated that it would and that it is not necessary to run the entire Safety Complex on emergency power. MH stated that this is a very large expenditure and that there is no plan for replacement in the capital plan. Discussion continued as to whether it would be better to place an article for free cash on the town meeting warrant rather than to use a reserve fund transfer. KN stated that it would require a 2/3 vote at town meeting to approve free cash; JL said that the town needs a generator and this is what the fund is for. KD asked what the life expectancy of the new generator is; JG stated it would be twenty to thirty years. Further discussion concerning the technology and location of the new generator followed. LM asked what JG’s thoughts were considering the age, purpose, constant use of the building and the structural integrity of the building. JG stated that there are many items to be addressed including the overhead doors and door openers, and the rooftop air conditioning unit. Discussion returned to the option of waiting until town meeting. If it were approved at town meeting, KN stated that the new generator could not be ordered until July. JG stated that the rental fee for the temporary generator is $3,750.00/month. LM said that if the vote at town meeting were to fail, then the committee would have to take action directly in opposition to the will of the people. KN stated that the Safety Complex must have backup power available. JG agreed, stating that when power fails all 911 and radio communications are lost. JB stated that the replacement is inevitable and any delay results in more expense for the rental generator.

JL moved the motion to approve the transfer of $65,400.00 to Capital-Public Safety Complex-Purchase of Services Account (#11972-52000). LM seconds. Motion accepted 9-0-0.

**Review of the New Ambulance**

JG explained that the new ambulance will cost approximately $306,000.00, minus a small trade in allowance for the old ambulance. The Ambulance Revolving Fund will cover the majority of the cost, falling short $175,000.00. JG stated that the benchmark for ambulance replacement is seven years. MS asked if the cost is going up. Citing the $30,000 to $40,000 cost of a stretcher, JG said that the Department of Transportation requirements and demands from the medical field result in astronomical costs. JL asked if the new ambulance will be narrower. JG stated that the width is standard and only length can be customized. JL asked if there were issues with the ambulances on the more narrow roads in town. JG said that ambulances are of street legal size and should pass on all roads. JL asked how long it would take for delivery of the new ambulance. JG stated probably several months. BB asked about the insurance proceeds for the ambulance that was previously totaled in an accident. JG said that this happened between 2013 and 2015 and would have to get the information on it.

**Radio Communications**

JG stated that the Public Safety Complex is one lightning strike away from failure with its communication system. A needs analysis was performed by a vendor and JG is requesting a neutral third party to vet the information, which will cost approximately $9,500,00-$10,000,00; he stated that it would be money well spent before committing to such a large project. JG explained that there are two options: purchasing the system outright or leasing it. He stated that there may be a small savings if the system is leased rather than purchased outright. The town would own the system at the end of the five year lease and not be stuck with old equipment. The current analysis shows a need for two additional towers prior to implementing a new system; it recommends upgrading the Leadmine Road tower plus adding one additional tower. MS asked if radio is still the preferred means of communication. JG stated that it is the quickest and that there is typically no cell phone service in widespread emergency situations. BB asked if the system is strictly for radio communications. JG replied yes. JL asked if JG would act on the study in coming years noting that there is not a lot of wiggle room in the five year forecast. JG stated that if the consultant vets the current report and agrees with it, he would move forward; if not, he will find a vendor to provide the project based on the new recommendation.

**Review of Department Head Salaries**

KN stated that the Board of Selectmen voted on salaries, so the committee would vote on them now. The committee agreed to vote on the items one page at a time. Lines items 3 and 11 were reviewed. The motion was moved to recommend by MS and JL seconds.

MH questioned the step and grade advancement and whether the merit raise should be removed. JL asked why. MH stated that the current change in approach to salary allows department heads to receive advancements, cost of living adjustments, and merit raises. He said that the Town Administrator (LG) said that it would be ok to let the merit raises go. MS stated that LG had said that he was ok with thinking about letting them go. JL said that the merit raise is not added to salary; it is an award each year and an incentive to do more – not everyone gets it. MH stated that it seemed overly generous but that he doesn’t want to underpay the department heads. JL said that the cost of living increase is high and could be discussed. JW gave a detailed description of the step system and discussion followed regarding private sector compensation. LM stated that in the private sector the customer pays for pay increases, but town meeting must agree to pay increases in Sturbridge. JW stated that the department heads are excellent and that it costs more to replace someone than to keep them happy. KN and JL agreed that they don’t want to lose anyone.

After this discussion, the motion was to recommend was removed by MS and JL seconds.

The following line item was reviewed. The motion was moved to recommend by JL.

**Line: Account: Town Administrator**

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| 3 | 11231 | Personnel Costs | $206,207.00 | JL; MS seconds. Motion accepted 8-1-0. (MH opposed.) |

The following line item was reviewed. The motion was moved to recommend by JL.

**Line: Account: Town Account**

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| 11 | 11351 | Personnel Costs | $86,550.00 | JL; MS seconds. Motion accepted 9-0-0. |

The following line items were reviewed. The motion was moved to recommend by JL.

**Line: Account: Board of Assessors**

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| 15 | 11411 | Personnel Costs | $104,794.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Finance Director**

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| 19 | 11451 | Personnel Costs | $229,425.00 | JL; MS seconds. Motion accepted 9-0-0. |

The following line items were reviewed. The motion was moved to recommend by JL.

**Line: Account: Town Clerk**

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| 28 | 11611 | Personnel Costs | $96,786.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Conservation Commission**

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| 35 | 11711 | Personnel Costs | $74,623.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Town Planner**

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| 39 | 11751 | Personnel Costs | $124,028.00 | JL; MS seconds. Motion accepted 9-0-0. |

The following line items were reviewed. The motion was moved to recommend by JL.

**Line: Account: Police Department**

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| 66 | 12101 | Personnel Costs | $2,367,341.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Fire Department**

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| 71 | 12201 | Personnel Costs | $1,245,262.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Building Inspector**

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| 75 | 12412 | Personnel Costs | $112,761.00 | JL; MS seconds. Motion accepted 9-0-0. |

The following line item was reviewed. The motion was moved to recommend by JL.

**Line: Account: Tree Warden**

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| 84 | 12941 | Personnel Costs | $2,639.00 | JL; MS seconds. Motion accepted 9-0-0. |

The following line items were reviewed. The motion was moved to recommend by JL.

**Line: Account: Department of Public Works**

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| 92 | 14101 | Personnel Costs | $849,969.00 | JL; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Landfill/Recycling Center**

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| 100 | 14301 | Personnel Costs | $109,938.00 | JL; MS seconds. Motion accepted 9-0-0. |

JW asked if the DPW line item does not cover Water and Sewer personnel costs. MH stated that those costs are in the Water and Sewer Article.

The following line items were reviewed. The motion was moved to recommend by BB.

**Line: Account: Board of Health**

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| 103 | 15101 | Personnel Costs | $81,250.00 | BB; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Inspections and Testing**

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| 108 | 15202 | Personnel Costs | $46,119.00 | BB; MS seconds. Motion accepted 9-0-0. |

**Line: Account: Council on Aging**

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| 109 | 15411 | Personnel Costs | $126,844.00 | BB; MS seconds. Motion accepted 9-0-0. |

The following line items were reviewed. The motion was moved to recommend by JL.

**Line: Account: Joshua Hyde Library Operations**

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| 121 | 16101 | Personnel Costs | $356,304.00 | JL; KD seconds. Motion accepted 9-0-0. |

**Line: Account: Recreation**

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| 126 | 16301 | Personnel Costs | $59,724.00 | JL; KD seconds. Motion accepted 9-0-0. |

KN noted that the only remaining personnel items are education. Tantasqua and Burgess will come before the committee on Thursday.

**Special Town Meeting Warrant Review**

KN stated that there are two items with no dollar amounts and that there are currently no unpaid bills. It was agreed that the article is a place holder and KN said that she would verify that there will be an amount at town meeting.

**Annual Town Meeting Warrant Review**

Article 24 – Free Cash Transfer – Data Center Upgrade (Public Safety Complex). JL said she would ask JG what this is.

JL moved the motion to recommend Article 26 – Ambulance Stabilization Fund Transfer - Ambulance Purchase as written; KD seconds. Motion accepted 9-0-0. This will require a 2/3 vote at town meeting.

Article 27 – Free Cash Transfer – Abandoned Properties Demolition; discussion ensued regarding identification of the properties, approval by the Board of Selectmen and the placing of a lien on the properties to recover funds. JL stated that the town should not be in the business of demolishing peoples’ properties and that the funds could be used somewhere else. LM asked about abatement of hazardous materials if this was not recommended. JW said that could happen with a leaking oil tank. MH stated that if there were a threat to public health and safety, the issue could be addressed at the next special or annual town meeting. BB said that these buildings are a health hazard. JW suggested an edit to clarify the meaning of the article. MH moved the motion to recommend the article as edited to read “…properties deemed by the Board of Selectmen to be abandoned and which pose a safety hazard to the community; or take…”; MS seconds. The motion was accepted 6-3-0 (JL, LM, and KD opposed).

JW moved the motion to recommend Article 29 – Betterment Payoffs – Dissolving of Betterment; KD seconds. Motion accepted 9-0-0.

Article 30 – Zoning Bylaw – Prohibition of Recreational Marijuana; KN, KD and JW questioned the appropriateness of this article at town meeting rather than by ballot vote. JW stated that the Board of Selectmen was not aware of provisions in the law allowing medical marijuana facilities to also add recreational marijuana facilities. KD said that the town must live with it and that the next steps must be done appropriately. MH asked if someone could explain how the town got here. KN said that she would ask Leon Gaumond to send someone to the committee to explain this.

**Approval of Meeting Minutes**

JW moved the motion to accept the meeting minutes from April 29, 2018, as submitted. MH seconds. Motion accepted 9-0-0.

**New Business**

It was noted that the Town Clerk has posted the meeting minutes up to date. Bruce was omitted from the committee but that has been fixed.

**No Old Business**

**No Public Access**

MH moved the motion to adjourn. KD seconds. Motion accepted 9-0-0 and meeting adjourned at 9:03pm.

/jme