**Finance Committee Meeting Minutes**

**Town Hall ~ March 28, 2019**

**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), James Waddick (JW), Karen Davis (KD), Larry Morrison (LM), Michael Hager (MH), Kevin Smith (KS), Joni Light (JL), Bruce Boyson (BB), and Jared Burns (JB).

Guests: Ted Kozak (TK), Interim Town Administrator; Annie Roscioli (AR); Michael Suprenant (MS), Selectman.

**Review of the Fiscal Year 2020 Town Administrator Budget**

TK explained that the Town Administrator budget is level funded with the exception of the increase in salary which was negotiated with the Board of Selectmen (BOS).

The following line items were reviewed for Town Administrator. The motion was moved to recommend line items 3, 4, 5, 6 and 7 for a total of $253,536.00 by LM.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Town Administrator** |  |  |
|  |  | Department Head Salaries | $150,000.00 |  |
|  |  | Merit Based Pay Incentive | $27,501.00 |  |
|  |  | Salaries/ Wages | $38,685.00 |  |
| 3 | 11231 | Personnel Costs | $216,186.00 |  |
|  |  |  |  |  |
| 4 | 11232-52000 | Purchase of Services | $6,500.00 |  |
| 5 | 11232-54000 | Supplies | $2,850.00 |  |
| 6 | 11232-57000 | Other Charges | $8,000.00 |  |
| 7 | 11232-58000 | Matching Grant Funds | $20,000.00 |  |
|  |  | Total Expenses | $37,350.00 |  |
|  |  |  |  |  |
|  |  | **Town Administrator Total** | $253,536.00 | LM; JW seconds. Motion accepted 7-0-2 (MH and KS abstained). |

MH questioned the item for merit-based pay incentive. TK explained that it was put in place before he became Interim Town Administrator and it remains in place. JW asked if it is a performance bonus. TK said it is. There was discussion regarding how the merit-based pay goals are determined and how many employees met their goals in the past year. JL and TK explained that merit pay must be earned by the department heads and salaried employees. TK explained that there are three components to the salary system in addition to the grades and steps: cost of living adjustment; longevity – which does not become part of an employee’s salary; and performance bonus – also not part of salary. Additional discussion followed about goal setting and the criteria by which an employee is evaluated for performance.

MH asked MS to speak about salary structure. MS stated that the BOS had conversations with TK regarding a classification study to look at the compensation so that Sturbridge is competitive with other communities. JW stated that it should be a compensation study looking at the total package offered to employees, with specific goals and objectives and well defined. TK and MS agreed. MS stated that the BOS want the employees to realize that compensation is fair and equitable. Discussion continued regarding the differences between union and nonunion employees; there was agreement that the Town wants to keep good employees and to treat all employees fairly and equitably. JL stated that the goal is to reward and keep good people who do above and beyond the expectation of their positions.

KS asked about the matching grant fund. TK stated that he would defer to BBa. KN asked if RFTs could be used for matching grant funds. KS said that it was previously done that way. JL stated that BBa had stated that it was better to have a fund rather than an RFT. TK affirmed that BBa said that it was better to have funds rather than to chase funds if a grant becomes available.

TK mentioned that the Town pays 60% of health insurance costs compared to 70-80% in other towns comparable to Sturbridge.

**Review of Fiscal Year 2020 Board of Selectmen Budget**

TK recommended a stipend for the selectmen. He stated that it was his idea and did not come from the BOS. He said that the BOS is the executive branch of Sturbridge’s government and the BOS spends a lot of time at outside activities with out of pocket expenses. JL stated that a similar proposal was defeated at Town Meeting in the past. She urged everyone to consider the five-year forecast and the needs of the Town. LM stated that the selectmen competed to be able to work long hours and have out of pocket expenses; he added that he did not want to jeopardize the Town’s bond rating.

The following line items were reviewed for Board of Selectmen. The motion was moved to recommend lines 1 and 2 for a total of $2,900.00 by LM.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Board of Selectmen** |  |  |
| 1 | 11222-52000 | Purchase of Services | $2,200.00 |  |
| 2 | 11222-57000 | Other Charges | $700.00 |  |
|  |  | Total Expenses | $2,900.00 |  |
|  |  |  |  |  |
|  |  | **Board of Selectmen Total** | $2,900.00 | LM; KS seconds. Motion accepted 8-1-0 (JW against). |

KN thanked TK for all he had done in his position as Interim Town Administrator.

**Review of Fiscal Year 2020 Recreation Budget**

JW stated that AR’s hours have been increased to 30 per week. AR stated that the Recreation Committee had requested an increase to 35 hours but that 30 hours keeps the department afloat.

The following items were reviewed for Recreation. The motion was moved to recommend line items 124, 125, 126, 127 and 128 for a total of $92,221.00 by JW.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Recreation** |  |  |
|  |  | Department Head Salaries | $29,704.00 |  |
|  |  | Salaries/ Wages | $40,924.00 |  |
|  |  | Longevity | $0.00 |  |
| 124 | 16301 | Personnel Costs | $70,628.00 |  |
|  |  |  |  |  |
| 125 | 16302-52000 | Purchase of Services | $11,203.00 |  |
| 126 | 16302-54000 | Supplies | $2,680.00 |  |
| 127 | 16302-56320 | Team Sports | $7,500.00 |  |
| 128 | 16302-57000 | Other Charges | $210.00 |  |
|  |  | Total Expenses | $21,593.00 |  |
|  |  |  |  |  |
|  |  | **Recreation Total** | $92,221.00 | JW; KS seconds. Motion accepted 8-1-0 (JL against). |

JW asked if the salaries increased due to the increase in minimum wage. AR said yes and this impacts the ten summer employees. MH stated that there are many programs offered by Recreation and they are widely used. He asked if AR is trying to add more programs with the additional hours. AR stated that although she had ideas for additional programs, she could not add any additional programs without increasing in her hours to 35/week because she has been going over her hours every week without an increase in programs. She added that all CORI checks go through the Recreation Department; adult sport program attendance has doubled in the last two years; the office sees constant phone and foot traffic; and she is chair of the Special Events Committee which takes requires attendance at monthly meetings and events.

KN asked if there are any requests for non-sports activities from residents. AR stated that she hears weekly requests for a dog park; some have asked to bring First Night back; others call about trails or a walking group. She said that people who are moving into town are calling or stopping in to ask what is offered. LM stated that the work of the Recreation Department is excellently done and indispensable to living here. He pondered how to reconcile competition for fewer and fewer dollars. KS suggested holding off until the committee knows how the dispatcher question is answered. TK recommended keeping employees as it is expensive to replace them. MS stated that Recreation has had mission creep with additional activities coming into the department that did not exist before.

**Review of Fiscal Year 2020 Items in the Betterment Budget for recreation:**

* Recreation – Cedar Lake (Town Beach) Water Treatment
* Recreation – Town Common Summer Concert Series
* Recreation – Decorations for Town Common
* Recreation – Chain Link Fencing at Town Softball Field
* Recreation – Hydro-raking at Cedar Lake Swimming Area

AR stated that the blue-green algae was a problem last year and treating this year will help the Rec to start strong.

* Recreation – Backstop/Canopy at Softball Field
* SLAC/Great Ponds Weed & Safety Program
* Special Events Committee – Funding for Special Events in the Community
* Police – Special Events Overtime

KS questioned the special events police detail. AR stated that the police details are the biggest issue for special events. Events include eleven weeks of concerts on the common, tree lighting, farmers’ market, road race and the bonfire.

MH questioned the status of the lighting for the Little League field. AR stated that the CPC funded lighting last year but due to the vacancy in the facilities coordinator position, she will have to ask the DPW director about putting the proposal out to bid.

KS recommended waiting until later in the budget process to consider increasing five additional hours for AR as well as the compensation study. KN stated that she has no problem voting items already in the budget, but it is a tight budget and the committee must look at everything.

**Budget Discussion**

The Safer Grant firefighters/paramedics funding was discussed. MH stated that the grant enabled the chief to provide minimum staffing levels. JL stated that the Safer Grant firefighters must become licensed paramedics. MH said that 90% of the ambulance calls were paramedic calls last year. JW asked if the costs of running the ambulance are covered in payments received. MH said that revenues are less than the cost of running the department, but it is not a profit-making organization.

**No RFTs**

**No Meeting Minutes to Approve**

**Old Business**

KS asked when the school budgets would be reviewed. KN said that she would set up dates.

**New Business**

KS asked if the meeting minute approval could be first on the Tuesday agendas. There was discussion regarding scheduling department heads.

**No Public Access**

KS moved the motion to adjourn. KD seconds. Motion accepted 9-0-0 and meeting adjourned at 9:12pm.

/jme