**Finance Committee Meeting Minutes**

**Town Hall ~ April 23, 2020**

**Sturbridge, MA**

**Call to Order**

The Finance Committee Chair called the Finance Committee meeting to order at 6:34 pm. The following committee members were present: Kathy Neal (KN), James Waddick (JW), Joni Light (JL), Larry Morrison (LM),

Kevin Smith (KS), Michael Hager (MH), and Jared Burns (JB). Karen Davis (KD) arrived at 6:43, and Bruce Boyson (BB) arrived at 6:53.

Guests: Jeff Bridges (JBr), Town Administrator; Barbara Barry (BBa), Finance Director; Ann Murphy (AM), Principal Assessor; Lynne Girouard (LG), Town Clerk.

This meeting was held remotely pursuant to Governor Baker’s March 12, 2020, Order Suspending Certain Provisions of the Open Meeting Law and the Governor’s March 15, 2020, order imposing strict limitations of the number of people that may gather in one place. The meeting was held via the GoToMeeting application, recorded, and posted on the Town website.

KN read an introduction to the virtual meeting and stated who was present.

**Review of Fiscal Year 2021 Town Accountant Budget**

The following line items were reviewed for Town Accountant. The motion was moved to recommend lines 6 and 7 for a total of $102,735.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Town Accountant** |   |   |
|   |  | Department Head Salaries | $82,704.00 |   |
|   |  | Salaries/ Wages | $16,081.00 |   |
|   |  | Longevity | $150.00 |   |
|  6 | 11351 | Personnel Costs | $98,935.00 |   |
|   |   |   |   |   |
|   | 11352-52000 | Purchase of Services | $2,900.00 |   |
|   | 11352-54000 | Supplies | $675.00 |   |
|   | 11352-57000 | Other Charges | $225.00 |   |
|  7 |   | Total Expenses | $3,800.00 |   |
|   |   |   |   |   |
|   |   | **Town Accountant Total** | $102,735.00 | JB; KS seconds. Motion accepted 7-0-0. |

Roll call vote:

 JB, yes JW, yes KS, yes LM, yes JL, yes

 MH, yes KN, yes

BBa explained that the tuition reimbursement has not been used in the current budget. She also stated that there is an assistant in the office who works fifteen hours weekly.

**Review of Fiscal Year 2021 Board of Assessors**

The following line items were reviewed for Board of Assessors. The motion was moved to recommend lines 8 and 9 for a total of $150,813.00 by LM.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Board of Assessors** |   |   |
|   |  | Department Head Salaries | $86,221.00 |   |
|   |  | Salaries/ Wages | $31,582.00 |   |
|   |  | Longevity | $250.00 |   |
|  8 | 11411 | Personnel Costs | $118,053.00 |   |
|   |   |   |   |   |
|   | 11412-52000 | Purchase of Services | $29,720.00 |   |
|   | 11412-54000 | Supplies | $1,700.00 |   |
|   | 11412-57000 | Other Charges | $1,340.00 |   |
|  9 |   | Total Expenses | $32,760.00 |   |
|   |   |   |   |   |
|   |   | **Board of Assessors Total** | $150,813.00 | LM; KS seconds. Motion accepted 8-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes KD, yes JB, yes

 JW, yes KS, yes KN, yes

AM explained that software support is an annual fee. She stated that there are two line items which have balances remaining this year: Abatement Tax Board (ATB), Commercial Inspections, and Data Collections. She explained that there have not been any ATB cases yet this year. She stated that the commercial inspections and data collections are usually done in March or April and cannot be done right now. She added that all residences in Town must be inspected every ten years, and this year’s 450 rolling inspections are ready to go once the COVID-19 ban is lifted.

**Review of Fiscal Year 2021 Town Clerk**

The following line items were reviewed for Town Clerk. The motion was moved to recommend lines 15 and 16 for a revised total of $114,112.00 by KS.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Town Clerk**  |   |   |
|   |   | Department Head Salaries | $70,981.00 |   |
|   |   | Salaries/ Wages | $38,258.00 |   |
|  15 | 11611 | Personnel Costs | $109,239.00 |   |
|   |   |   |   |   |
|   | 11612-52000 | Purchase of Services | $1,973.00 |   |
|   | 11612-54000 | Supplies | $1,400.00 |   |
|   | 11612-57000 | Other Charges | $1,500.00 |   |
|  16 |   | Total Expenses | $4,873.00 |   |
|   |   |   |   |   |
|   |   | **Town Clerk Total** | $114,112.00 | KS; LM seconds. Motion accepted 8-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes KD, yes JB, yes

 JW, yes KS, yes KN, yes

LG explained that there was an oversight regarding the OnBoard Portal software requiring the addition of $1,100.00 to Purchase of Services for a total of $1,973.00. She said that the software is for all boards and committees to track members, and it is available on the Town website. JBr was asked if he is ok with the increased amount and he indicated that he is.

**Review of Fiscal Year 2021 Elections and Registration**

The following line items were reviewed for Elections and Registration. The motion was moved to recommend lines 17 and 18 for a total of $33,531.00 by KS.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Elections & Registration** |   |   |
|   |  | Board Salaries | $300.00 |   |
|   |  | Salaries/ Wages | $15,100.00 |   |
|  17 | 11621 | Personnel Costs | $15,400.00 |   |
|   |   |   |   |   |
|   | 11622-52000 | Purchase of Services | $15,350.00 |   |
|   | 11622-54000 | Supplies | $2,781.00 |   |
|  18 |   | Total Expenses | $18,131.00 |   |
|   |   |   |   |   |
|   |   | **Elections & Registration Total** | $33,531.00 | KS; MH seconds. Motion accepted 8-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes KD, yes JB, yes

 JW, yes KS, yes KN, yes

LG explained that there are three elections this year: the Town election in the spring, the state primary in September, and the presidential election in November. She said additional staffing is necessary to process both the early and the absentee votes, as well as a constable for each election. She added that the state legislature is considering two bills regarding the elections; depending on which bill is passed, either the State or Town will mail ballots to each registered voter for the elections. She expects it will cost the Town $5,000.00 per election to mail ballots. She said there will be an answer in the next few months.

**Review of Fiscal Year 2021 Finance Director**

The following line items were reviewed for Finance Director. The motion was moved to recommend lines 10 and 11 for a total of $270,980.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Finance Director** |   |   |
|   |  | Department Head Salaries | $113,524.00 |   |
|   |  | Salaries/ Wages | $119,406.00 |   |
|   |  | Stipend | $1,000.00 |   |
|   |  | Longevity | $950.00 |   |
|  10 | 11451 | Personnel Costs | $234,880.00 |   |
|   |   |   |   |   |
|   | 11452-52000 | Purchase of Services | $27,150.00 |   |
|   | 11452-54000 | Supplies | $7,375.00 |   |
|   | 11452-57000 | Other Charges | $1,575.00 |   |
|  11 |   | Total Expenses | $36,100.00 |   |
|   |   |   |   |   |
|   |   | **Finance Director Total** | $270,980.00 | JB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 JB, yes JW, yes KS, yes KD, yes LM, yes

 JL, yes MH, yes BB, yes KN, yes

BBa explained in detail the proposed outsourcing of printing Town bills and the proposed lockbox program. She stated that bill mailings can take multiple people several hours per day for several days to process – typically two weeks for a large mailing. Her staff is having difficulty keeping up with the mailings and the payments generated by the mailings. She said that the lockbox program is only responsible for the payments mailed to the Town. Payments made at Town Hall or via the website will continue to be processed as they currently are. The cost for the lockbox service would depend upon how many pieces the company handles, and she would encourage residents to use the online bill pay option. BBa explained that this is standard practice in most municipalities and that the Massachusetts Department of Revenue suggested that all municipalities implement lockboxes in light of the COVID-19 situation. She added that residents would continue to contact the Town with questions or issues with their bills. JBr added that it is less expensive to pay a company to do this than to hire additional staff. He stated that it is part of a disaster contingency plan and a more robust operational experience for staff.

**Review of Fiscal Year 2021 Town Counsel**

The following line item was reviewed for Town Counsel. The motion was moved to recommend Line 12 for a total of $100,000.00 by BB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Town Counsel** |   |   |
|   | 11512-52000 | Purchase of Services | $100,000.00 |   |
|  12 |   | Total Expense | $100,000.00 |   |
|   |   |   |   |   |
|   |   | **Town Counsel Total** | $100,000.00 | BB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 BB, yes KN, yes JB, yes JW, yes KS, yes

 KD, yes LM, yes JL, yes MH, yes

JBr stated that he is unaware of any potential cases that might increase the cost. When asked if the Town periodically reviews and contrasts costs of Town Counsel, JBr answered that it had not been done in the recent past. He added that the rate per hour is reasonable.

**Review of Fiscal Year 2021 Information Technology**

The following line items were reviewed for Information Technology. The motion was moved to recommend Lines 13 and 14 for a total of $187,993.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Information Technology** |   |   |
|   |   | Department Head Salaries | $67,122.00 |   |
|  13 | 11551 | Personnel Costs | $67,122.00 |   |
|   |   |  |   |   |
|   | 11552-52000 | Purchase of Services | $72,995.00 |   |
|   | 11552-54000 | Supplies | $5,000.00 |   |
|   | 11552-58050 | Capital Outlay | $42,876.00 |   |
|  14 |   | Total Expense | $120,871.00 |   |
|   |   |  |   |   |
|   |   | **Information Technology Total** | $187,993.00 | JB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 JB, yes JL, yes MH, yes BB, yes KN, yes

 LM, yes JW, yes KS, yes KD, yes

Bba explained that the salary increase is due to step and grade increases. She added that Jeremy has been a valuable asset to the team. Discussion followed concerning different Internet needs for different buildings. BBa stated that all Town buildings are in the process of being connected to a fiber optic network. She added there has been a reduction in the amount of assistance required from Tantasqua’s information technology department.

**Review of Fiscal Year 2021 Trails Committee**

The following line item was reviewed for Trails Committee. The motion was moved to recommend Line 67 for a total of $210.00 by KS.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Trails Committee** |   |   |
|   | 16502-52000 | Purchase of Services | $110.00 |   |
|   | 16502-57000 | Other Charges | $100.00 |   |
|  67 |   | Total Expenses | $210.00 |   |
|   |   |  |   |   |
|   |   | **Trails Committee Total** | $210.00 | KS; JW seconds. Motion accepted 9-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes BB, yes KN, yes

 JB, yes JW, yes KS, yes KD, yes

KN explained that the expenses are for a conference and mileage reimbursement. MH noted that the work of the volunteers keeps the expenses of the trails low.

**Review of Fiscal Year 2021 Historical Commission**

The following line item was reviewed for Historical Commission. The motion was moved to recommend Line 68 for a total of $2,050.00 by MH.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Historical Commission** |   |   |
|   | 16902-52000 | Purchase of Services | $1,750.00 |   |
|   | 16902-54000 | Supplies | $100.00 |   |
|   | 16902-57000 | Other Charges | $200.00 |   |
|  68 |   | Total Expenses | $2,050.00 |   |
|   |   |  |   |   |
|   |   | **Historical Commission Total** | $2,050.00 | MH; JW seconds. Motion accepted 9-0-0. |

Roll call vote:

 MH, yes BB, yes KN, yes JB, yes JW, yes KS, yes

 KD, yes LM, yes JL, yes

The question was raised if the consulting expenses could be paid by the Community Preservation Act (CPA) funds. LM stated that funds to determine the age of buildings are Historical Commission consulting fees, but funds to purchase buildings could be CPA funds.

**Review of Fiscal Year 2021 Debt Service Principal**

The following line item was reviewed for Debt Service Principal. The motion was moved to recommend Line 69 for a total of $1,085,000.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Debt Service Principal** |   |   |
|   | 17102-59193 | Burgess Elementary Project | $915,000.00 |   |
|   | 17102-59192 | Town Hall | $170,000.00 |   |
|  69 |   | Total Expense | $1,085,000.0 |   |
|   |   |   |   |   |
|   |   | **Debt Service Principal Total** | $1,085,000.0 | JB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 JL, yes MH, yes BB, yes KN, yes JB, yes

 JW, yes KS, yes KD, yes LM, yes

The question was raised regarding anticipated borrowing in fiscal year 2021. JBr stated that there is an ongoing feasibility study for the Senior Center, but the process will not be completed in time for the upcoming Annual Town Meeting.

**Review of Fiscal Year 2021 Debt Service Interest**

The following line item was reviewed for Debt Service Interest. The motion was moved to recommend Line 70 for a total of $374,269.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Debt Service Interest** |   |   |
|   | 17502-59250 | Short-Term Interest | $10,000.00 |   |
|   | 17502-59193 | Burgess Elementary School  | $310,966.00 |   |
|   | 17502-59192 | Town Hall | $53,303.00 |   |
|  70 |   | Total Expenses | $374,269.00 |   |
|   |   |   |   |   |
|   |   | **Debt Service Interest Total** | $374,269.00 | JB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes BB, yes KN, yes

 JB, yes JW, yes KS, yes KD, yes

**Review of Fiscal Year 2021 Unclassified**

The following line item was reviewed for Unclassified. The motion was moved to recommend Line 71 for a total of $4,430,694.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Unclassified** |   |   |
|   | 19102-51700 | Group Insurance | $1,885,000.00 |   |
|   | 19102-51750 | Unemployment | $25,000.00 |   |
|   | 19102-51800 | Worcester Retirement System | $1,501,694.00 |   |
|   | 19102-51950 | Medicare Tax | $241,000.00 |   |
|   | 19102-52110 | Street Lights | $60,000.00 |   |
|   | 19102-52119 | Energy Consulting | $4,000.00 |   |
|   | 19102-52630 | Town Audit | $31,000.00 |   |
|   | 19102-52640 | School Audit | $4,000.00 |   |
|   | 19102-52650 | OPEB Study | $1,000.00 |   |
|   | 19102-53030 | Legal Fees | $10,000.00 |   |
|   | 19102-53070 | Tax Title | $5,000.00 |   |
|   | 19102-53090 | Town Report | $3,000.00 |   |
|   | 19102-57410 | Insurance Blanket | $392,000.00 |   |
|   | 19102-57926 | Insurance Deductible | $5,000.00 |   |
|   | 19102-57800 | Reserve Fund | $163,000.00 |   |
|   | 19102-58318 | Student Activity  | $0.00 |   |
|   |   | Future Wage Obligations | $100,000.00 |   |
|  71 |   | Total Expenses | $4,430,694.0 |   |
|   |   |   |   |   |
|   |   | **Total Unclassified** | $4,430,694.0 | JB; BB seconds. Motion accepted 8-1-0. |

Roll call vote:

 JL, yes MH, yes BB, yes KN, yes JB, yes

 JW, yes KS, no KD, yes LM, yes

Discussion centered on Future Wage Obligations. JBr explained that there are two issues: the results of the wage and classification study and the police contract which expires in June. He stated that once the numbers are known, the individual salary line items will be adjusted; he hopes this will happen prior to Town Meeting. He added that this is an attempt to have a full, transparent budget with no add-ons later. BBa explained that the Department of Revenue and Town Auditor have expressed opinions that this can be done as there is a specific purpose for the funds. Additional discussion focused on the Worcester Retirement System. BBa explained there is a plan in place to fully fund the Town’s share by 2040. JW stated that it is grossly underfunded and has been neglected for decades.

**Review of Fiscal Year 2012 Central Purchasing**

The following line item was reviewed for Central Purchasing. The motion was moved to recommend Line 72 for a total of $329,000.00 by JB.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Line** | **Account** | **Central Purchasing** |   |   |
|   | 19152-52310 | Telephone | $35,000.00 |   |
|   | 19152-52315 | Postage | $21,000.00 |   |
|   | 19152-54800 | Gasoline | $155,000.00 |   |
|   | 19152-52320 | Water/Sewer | $12,000.00 |   |
|   | 19152-54200 | Copiers | $6,100.00 |   |
|   | 19152-53420 | Slate Roof Maint Plan | $0.00 |   |
|   | 19152-56553 | Fleet Vehicles | $1,500.00 |   |
|   | 19152-56559 | Window Cleaning | $0.00 |   |
|   | 19152-56561 | Exterior Painting TH/COB | $5,000.00 |   |
|   | 19152-57927 | E-Z Pass | $1,200.00 |   |
|   | 19152-57928 | Electricity | $80,000.00 |   |
|   |   | Trash Removal/Recycling | $9,200.00 |   |
|   |   | Fire Extinguishers (Bldgs.) | $3,000.00 |   |
|  72 |   | Total Expenses | $329,000.00 |   |
|   |   |  |   |   |
|   |   | **Central Purchasing Total** | $329,000.00 | JB; KS seconds. Motion accepted 9-0-0. |

Roll call vote:

 LM, yes JL, yes MH, yes BB, yes KN, yes

 JB, yes JW, yes KS, yes KD, yes

BBa explained that trash removal/recycling and fire extinguishers for Town buildings have been moved to Central Purchasing. She stated that window cleaning is done every other year, and the fleet vehicles are running well. She did not know if current gasoline prices will continue into the next fiscal year, but regional bidding affords better pricing with the vendor. When questioned about the price for the exterior painting at the Town Hall, BBa explained the pillars are peeling badly and need repainting.

**Meeting Minutes**

JB moved the motion to approve the January 7, 2020, meeting minutes as corrected; KS seconds. Motion accepted 6-0-3.

Roll call vote:

 LM, yes JL, yes MH, abstained BB, abstained JB, yes

 JW, yes KS, yes KD, abstained KN, yes

JB moved the motion to approve the January 9, 2020, meeting minutes as presented. KS seconds. Motion accepted 6-0-3.

Roll call vote:

 LM, abstained JL, yes MH, abstained BB, abstained KN, yes

 JB, yes JW, yes KS, yes KD, yes

**No Old Business**

**New Business**

JBr stated that the Board of Selectmen will review forty-two Warrant Articles for Town Meeting next week, and there are no construction projects on the Warrant. He added that there may be adjustment to Betterment later. BBa explained that the Betterment budget is based on real numbers as the cut-off date is the quarter ending December 31, 2019. JBr said the Town Meeting date is not set, but it is his feeling that it is better to push it far enough out that people will be comfortable meeting again. KN stated that Police Chief Ford will be a guest next week; JBr added that Lieutenant Dessert will be acting chief until a new chief is appointed and may also be present next week.

**No Public Access**

JB moved the motion to adjourn; KS seconds.

Roll call vote:

 LM, yes JL, yes MH, yes BB, yes JB, yes

 JW, yes KS, yes KD, yes KN, yes

Motion accepted 9-0-0 and meeting adjourned at 8:55 pm.

/jme