

Finance Committee Meeting

March 16, 2011 7:30 PM
Veterans Memorial Building, Room 229
900 Main Street
Millis, MA 02054

In Attendance:

Chris Smith, Chairman
Craig Schultze, Vice Chairman
Jennifer Soule, Clerk
John Burns
Peter Jurmain
Rick Manburg
Jim Smith
Susan Vecchi
Charles Aspinwall, Town Administrator
Charles Vecchi, Board of Selectmen
Steve MacInnes, Oak Grove Farm
John McAvoy, Oak Grove Farm
James McKay, DPW Water, Sewer, Transfer Station, Highway and Street Lighting

Chris Smith called the meeting to order at 7:34 PM

Budget Review: Oak Grove Farm:

Steve MacInnes:

The FY12 budget: \$1,636.00

Partial cost of providing a portable toilet:	\$750.00
Electricity:	\$100.00
Water bills:	\$285.00
Miscellaneous Expenses:	\$501.00

The portable toilet is provided for approximately eight months of the year. Miscellaneous expenses consists of fuel costs for weed trimmers and chainsaws, minor repairs to equipment, food and drinks for work crews, occasional wages to DPW workers working on the farm.

The Oak Grove Farm Revolving Fund amount has been \$10,000.00; Charles Aspinwall has increased the amount to \$15,000.00 on the Town Warrant.

John McAvoy:

They would like to request replacement of the 11x11 soccer goals, they are cracked and worn. Total cost is \$3,500.00. They will be bringing this request to the Board of Selectmen.

Susan Vecchi made a motion to spend in excess of the revolving fund ceiling in the amount of \$3,500.00; Jim Smith seconded. Vote: 8/0.

Budget Review: DPW:

James McKay:

The Millis Department of Public Works is a twenty four hour a day operation which encompasses the following departments: Water, Sewer, Highway, Cemetery, Parks and Transfer Station. The focus of these departments is to ensure the needs of the Millis Community are met in the following manner:

- (1) Water – the water system has to be monitored on a daily basis to make sure all DEP regulations are adhered to.
- (2) Sewer – The sewer stations are checked daily for proper operation.
- (3) Highway – The highway department maintains all roads throughout the Town from plowing, sanding, minor road repairs and signage.
- (4) Cemetery – Our office is responsible for the sale of all cemetery plots and associated paperwork for the transaction. We also maintain the care of the cemetery from lawn care to grave digging.
- (5) Parks – The Department of Public Works maintains the ball fields throughout the Town which include lawn care, trash removal and minor repairs.
- (6) Transfer Station – The Department of Public Works oversees the operation of the Transfer Station from selling permits and ensuring that all the rules and regulations are adhered to.

The Department of Public Works' Staff:

Charles Aspinwall, Director

James McKay, Assistant Director

Deirdre Gilmore, Department Assistant III

Kathi Smith, Department Assistant I

Michael Perciaccante, General Foreman

Ron McKenney, Water and Sewer Technician

Kevin Kandola, Vehicle and Equipment Mechanic

Kenneth McColl, Stephen Main, Francis Farricy, Frederick Souza, Walter Shea, Dale Olmsted and David Rachmaciej – All Heavy Equipment Operators/Laborers.

The DPW has lost one HEO/Laborer position since 2009.

Most of the department's equipment is in fair to good shape. We will be requesting replacement of the "holder". Plowing has beat up the 2004 used pickup and we will be looking to replace the pickup in FY13.

In the event that the Department of Public Works was unable to have its daily operations for any reason at the 7 Water Street location, the following procedures would go into effect: The office staff would be relocated to an available office at 900 Main Street (Veterans Memorial Building). The department would have to request mutual aid from surrounding towns and rely on contractors for backup support/operations until new equipment and an operations center would be up and running. All

computer data/applications are saved on a cd-rw high speed disk, one copy will be kept in a fire proof safe at 7 Water Street and a second copy will be kept with the Assistant Director of Public Works.

(A) Water Department:

Total Salaries: \$248,425.42

Total Expenses: \$622,951.23

Total FY12 Water Budget: \$871,376.65

Increases to salaries include two clerical step raises \$506.14, staff step raises, three HEO/Laborers and Assistant Director, \$5,708.87, longevity, Assistant Director and Water/Sewer Technician, \$392.50 and an on call stipend \$1,680.00 which has not been negotiated. Increases to expenses include propane \$484.60, postage \$450.00 for the annual Consumer Confidence Report, long term debt principal \$3,283.00, short term debt principal \$12,000.00 and short term debt interest \$3,000.00. A decrease in long term interest of \$10,771.11 is also included. The department replaced the water meters at the Clyde Brown School and the Town Park. The cost of irrigating the fields total \$14,076.89 per year. The DPW is the largest water user in Town. The school department pays to irrigate the football field.

(B) Sewer Department:

Total Salaries: \$197,631.54

Total Expenses: \$736,715.00

Total FY12 Sewer Budget: \$934,346.54

Increases to salaries include two clerical step raises \$506.14, staff step raises, Assistant Director, Water/Sewer Tech and Mechanic \$2,520.75, overtime wages \$2,640.00 (contractual), longevity, Assistant Director, \$107.50 and an on call stipend \$1,680.00 which has not been negotiated. An overall decrease in salaries of \$32,706.77 is due to the loss of a long term employee replaced with an individual starting at a lower step as well as transposed numbers in the FY11 budget.

An increase in CRPCD (Charles River Pollution Control District) O&M (Operations and Maintenance) of \$5,795.50 (2.5%) and a decrease in CRPCD Assessment of \$74,042.00 due to new sewer capacity paid last year. An increase to long term debt principal \$11,000.00, decrease to long term debt interest \$33,459.37 and an increase to short term debt increase \$5,518.00.

(C) Transfer Station:

Total Salaries: \$ 16,418.00

Total Expenses: \$ 90,341.25

Total FY12 Transfer Station Budget: \$106,759.25

Salaries are level funded; 20% of one employee's salary is paid out of this account. Increases to expenses include 10% in electricity \$358.75 for the new compactor, 10% increase in fuel \$205.00 for the new truck. A decrease in Contract Hauling of \$10,000.00, \$6,000.00 was left in this line item as a buffer for one year in the event the new truck breaks down and we would have to rely on an outside hauler. Hauling with the new truck is a great investment. Requests for two new recyclable containers (comingle and paper) will be made in FY13. New cameras were installed at the entrance to the Transfer Station, the new compactor and the containers. The cans and bottles from the Lion's bin have been stolen in the past. The cameras record twenty four hours a day, seven days a week. An additional camera may be installed to identify valid permits and license plates for those vehicles without permits. Transfer Station bag sales have skyrocketed since the installation of the cameras.

(D) Street Lighting:

Salaries are not paid out of this account.

Expenses include the following:

Signals:	\$ 6,632.00
Street Lighting:	\$ 40,000.00 (455 Sodium Street Lights)
	\$ 7,411.00 (88 Ornamental Street Lights)
Repairs:	<u>\$ 8,000.00</u>
Total FY12 Street Lighting Budget:	<u>\$ 62,043.00</u>

The Street Lighting line item may increase due to the new library and the second Kazis building. The Town owns the back parking lot with approximately 25 lights. We have explored the idea of installing a "switch" to the duplicate lights throughout Town to save energy costs.

(E) Highway:

Total Salaries:	\$253,110.81
Total Expenses:	<u>\$423,339.62</u>
Total FY12 Highway Budget :	<u>\$676,450.43</u>

Increases to salaries include staff step raise for the Assistant Director, \$1,591.20 and longevity, Assistant Director, \$193.34. Expenses increase includes catch basin cleaning \$1,896.00 (948 @ \$2.00/ea additional) which is contractual and gas & diesel \$14,629.80 which was determined by the 2010 number of gallons plus an additional dollar per gallon more than the current price per gallon. The snow plow contractors are paid the Mass Highway hourly rate plus a 3.5% fuel adjustment. The cost to contract them for one hour is \$1,763.90 and the cost for the four hour minimum is \$7,055.60. The cost of rock salt is currently \$47.20 with anticipation of an increase next year, the department fills the salt shed in the spring of each year with approximately nine loads of salt. We've had ten burials so far this year and have had to dig through five to six feet of snow to find the correct lot, make pathways for the families, etc.

The department is asking for one capital request, replacement of the multipurpose tractor, aka "holder" in the amount of \$101,000.00. Dyar Sales has quoted \$101,000.00 for a MB-MSV type machine and although the attachments for the "holder" would fit this piece of machinery the Town of Medway has had problems with this particular model. Chadwick-BaRoss has quoted \$110,000.00 for a "holder" with a \$20,000.00 trade in for a total cost of \$90,000.00. The attachments we have: lawn mower, street sweeper, blower and flare mower for roadsides would all fit the new model "holder". The "holder" we have now was purchased in 2000 and is used all year round. This capital request is on the Town Warrant. The Town of Medfield owns three new "holders" and is quite happy with their performance.

Additional costs include the cleaning and inspection of Well #3 at approximately \$13,000.00, empty and clean the Farm Street tank approximately \$2,400.00, empty and clean the Walnut Street tank approximately \$2,400.00 and repairs to Farm Street approximately \$3,000.00. The generator for Well #3 will be on the November Town Warrant.

Strategic Budgeting Committee Update:

Chris Smith:

Health insurance costs came in better than expected so the deficit has been adjusted to \$535,683.00. The committee is expecting a 5% cut from the governor's budget which would add approximately \$250,000.00 to the deficit. The Board of Selectmen voted to put an override of \$1,125,583.00 on the ballot for the Town Election which will be held on May 2, 2011. The override amount was Model #4

which will pay off the deficit for five years and add the capital plan – no additional staff is factored into this model. The SBC (Strategic Budgeting Committee) will present their five year plan in about two weeks to the Finance Committee. This plan builds a surplus to pay off future deficits. Due to the uncertainty of future local aid, the SBC used a “hedge” strategy. There is the option of cutting back on the capital plan if there are future state cuts. The Board of Selectmen took measures to protect the Town. Separate stabilization funds for each component of the capital plan would be set up. The Town Warrant is closed, it could be reopened and closed again at the March 28, 2011 Board of Selectmen’s meeting to include separate stabilization funds.

Old Business/New Business:

FY11 Budget:

Charles Aspinwall:

Overall the FY11 budgets are on target. The Police Department is over budget in overtime due the retirement of Officer Acerra last fall however there are some savings in payroll totals. An overall review of all FY11 will take place at the March 23, 2011 Finance Committee meeting.

Upcoming Meeting Schedule

March 23, 2011 7:30 PM
Veterans Memorial Building, Room 229

March 30, 2011 7:30 PM
Veterans Memorial Building, Room 229

May 9, 2011 7:30 PM – Town Meeting
Millis High School Auditorium

Minutes Approval:

Craig Schultze made a motion to accept the March 9, 2011 meeting minutes as written, Susan Vecchi seconded. Vote: 7/0 motion carries.

Review Budget Presentation Schedule:

Chris Smith:

The following departments are scheduled to present their FY12 budget on March 23, 2011:

Nancy Gustafson: Millis Schools
Various Small Budgets

Adjourn:

Jenn Soule made a motion to adjourn the meeting at 8:42 PM; Susan Vecchi seconded, Vote 8/0.

Respectfully submitted,
Deirdre Gilmore