

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING

October 8, 2014

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Meeting Date: October 8, 2014

Called to Order: 6:00 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Lisa Adams, and Greg Garrison, Lynn Reynolds and Sharon Kennaugh

Selectmen Present: Mark Fairbrother, Christopher Boutwell and Michael Nelson

Others Present: Town Accountant Carolyn Olsen, Airport Manager Mickey Longo, DPW Superintendent Tom Bergeron, WPCF Superintendent Bob Trombley, Robert Button from CDM Smith, Jeff Singleton, Christopher Sawyer-Laucanno, Roy Rosenblatt, Robert Adams and Jeanne Golrick

Minutes

Finance Committee Moved:

To approve the minutes of September 24, 2014.

Vote: 6 In Favor 0 Opposed 0 Abstained

Selectmen Moved:

To approve the minutes of September 24, 2014.

Vote: 3 In Favor 0 Opposed 0 Abstained

Special Town Meeting Articles

Dispatch Overtime

The Police Department is requesting an additional \$22,000 for the FY2015 Dispatch Overtime budget due to additional costs incurred filling a vacant position, to be funded from Free Cash.

Finance Committee Moved:

To recommend appropriation of \$22,000 for the FY2015 Dispatch Budget, to be funded from Free Cash.

Vote: 6 In Favor 0 Opposed 0 Abstained

Airport #2

Appropriate \$12,000 to replacing or repairing the roof of the house located at 321 Miller Falls Road, to be funded from Airport Retained Earnings.

From Airport Manager Mickey Longo:

- The estimated age of the roof about 15 - 20 years old.
- The leaks are causing damage to the kitchen ceiling, back hall entrance ceiling, two bedroom ceilings sharing a common wall, and the ceiling of the hallway connecting the kitchen to a bedroom.
- I had just finished painting the entire interior of the house last fall and the leaks are staining my work.
- The roof already has two courses of shingles on it and we can't put a third one over it. It must be stripped, covered with felt paper and waterproofed at the ends of the roof. The roof is "wavey", but we are not rebuilding it. It is an old farmhouse and we just want to make it leak-proof. The roof will still have waves in it after re-shingling.
- I've discussed the job with contractors and I do not believe there is a cheaper way to fix it properly.

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- The airport intends to keep the house for rental purposes until the house needs to come down due to an airport expansion, if ever (10 -15 years?) or until there is a catastrophic failure of the structure or it needs some level of work or repair which makes it unprofitable to invest in those repairs.
- The amount of \$12,000 allows for some additional small repairs if needed.

Ms. Adams is abstaining because her husband put a bid on the work.

Finance Committee Moved:

To recommend appropriation of \$12,000 to replace the roof at 321 Millers Falls Road, to be funded from Airport Retained Earnings.

Vote: 5 In Favor 0 Opposed 1 Abstained

Library Repairs

The DPW is requesting \$10,000 to make the following repairs to the Millers Falls Library and the Carnegie Library, to be funded from Free Cash. Mr. Bergeron reviewed the needs. The work would be done as soon as the funding becomes available so that winter weather does not make the issues worse.

Project Description:

Miller Falls Library Roof:

- power wash existing shingles
- install new shingles rear slope install new plumbing vent boot

Other Millers Falls Library Items:

- Repair header over book return to fix sag
- install new 6x6 presser treated post to replace broken post and associated work.

Carnegie Library Repairs:

- For bump out on right hand side of building, cover over existing roof edge with flashing with new brown aluminum flashing and seal to rubber membrane roof.
- Scrape prim and paint all wood trim from top of windows to new roof flashing and any other associated work

Finance Committee Moved:

To recommend appropriation of \$10,000 to repair the Carnegie and Millers Falls Libraries, to be funded from Free Cash.

Vote: 6 In Favor 0 Opposed 0 Abstained

Topics not anticipated within in the 48 hour posting requirements-

Mr. Buttons needs a signature from the Chair of the Board of Selectmen for an item that does not need to be voted on. The Selectmen asked that they meet on next Tuesday and that this item be placed on their agenda.

WPCF Lab Software

The WPCF is requesting \$20,000 for lab software, to be funded from Sewer Retained Earnings.

- What makes this different in character from the S/W updates that are part of operating budget requests? *The lab data program (1982) updates ceased some 10 years ago, the company went out of business, there have been no payments for support or upgrades since then for this program.* Is this a NEW suite or an UPGRADE? *The request is for a new program.*

- Was this forecastable during the Fiscal Year 2015 budget cycle? ***We have been aware of this for a number of years, so it was forecastable during the Fiscal Year 2015 budget cycle but decided to keep it going as long as possible.***
- Will annual budgeting cover periodic updates to this software? ***Yes.***

The software is used to create required monthly reports. If the software failed the reports would become very labor intensive. A new computer for the lab was installed this year, and the old software can not run on the new computer.

Finance Committee Moved:

To recommend appropriation of \$20,000 for WPCF Laboratory Software, to be funded from Sewer Retained Earnings.

Vote: 5 In Favor 1 Opposed 0 Abstained

WPCF FY2015 Budget - Engineering

The WPCF is requesting \$20,000 be added to the Fiscal Year 2015 Budget for Engineering Services, to be funded from Sewer Retained Earnings. This appropriation would be used to bring in an engineer to work on the efficiency of the plant and increasing revenues. The engineer has been used in the past for these purposes, but the budget had been reduced. At the time of the budget, the department was not sure if they were going to continue with the services. The state has since increased their requirements for the types of work that the engineer assists with. The engineer would make site visits twice a month as well as provide unlimited phone support.

Mr. Naughton suggested that the department be more proactive in their budget in terms of planning for things like engineering and software updates before waiting for a crisis situation.

Mr. Trombley said this was an investment in the future in terms of reducing costs and increasing revenues. Mr. Trombley believes this expenditure will pay for itself.

Mr. Naughton would like some feedback on the impact of this during the Fiscal Year 2016 budget process.

Finance Committee Moved:

To recommend appropriation of \$20,000 to the Fiscal Year 2015 WPCF Budget, to be funded from Sewer Retained Earnings.

Vote: 5 In Favor 1 Opposed 0 Abstained

WPCF Wages

The WPCF is requesting \$13,700 be added to the FY2015 Budget to fund the temporary employee for an additional period of time to total 1 year. The employee is not expected to take health insurance, but there is sufficient budget to cover this cost if needed. The total amount would be funded from Sewer Retained Earnings.

- What is this temporary employee doing that will be extended in time? ***We will be increasing the number of thickened sludge loads received at the WPCP, this will also increase revenue. The laborer will pick up lower level work, i.e. painting, cleaning, snow shoveling, trash etc. from other personnel to allow them more time to handle the increased number of loads.***
- Is this extension of a temporary position driven by a longer-term operating need or a desire to convert an "agency service" into a benefited, formal employee position? ***This is***

a possibility. Should we continue to be successful in our efforts to expand revenue generation thus covering the increase personnel wages and benefits then I will seek to convert this position to full time benefited. Should we not be successful then we would return to seasonal employment.

- If an operating need, is it likely to be permanent (and has the Selectboard endorsed the addition)? *See above and no I have not discussed with the Selectboard but have with Mr. Abbondanzio.*

Finance Committee Moved:

To recommend appropriation of \$13,700 to the Fiscal Year 2015 WPCF Budget, to be funded from Sewer Retained Earnings.

Vote: 6 In Favor 0 Opposed 0 Abstained

Mr. Nelson left the meeting at 6:45 PM.

Sewer Retained Earnings to Sewer Capital Stabilization Fund

Appropriate \$100,000 to the WPCF Capital Improvement Stabilization Fund, to be funded from Sewer Retained Earnings.

Finance Committee Moved:

To recommend appropriation of \$100,000 to the 2015 Capital Stabilization Fund, to be funded from Sewer Retained Earnings.

Vote: 6 In Favor 0 Opposed 0 Abstained

Sewer Retained Earning to Reduce Sewer Rates

The WPCF is requesting to use \$294,000 of Sewer Retained Earnings to reduce the Fiscal Year 2015 sewer rates.

Finance Committee Moved:

To recommend appropriation of \$294,000 of Sewer Retained Earnings to reduce the Fiscal Year 2015 sewer rates, to be funded from Sewer Retained Earnings.

Vote: 6 In Favor 0 Opposed 0 Abstained

TFFD Reimbursement of Medicare Revenues

Appropriate \$16,084 to reimburse the Turners Falls Fire District for the portion of Medicare reimbursements received by the town that were related to the Turners Falls Fire District Retirees, to be funded from Free Cash.

Finance Committee Moved:

To recommend appropriation of \$16,084 to reimburse the Turners Falls Fire District for Medicare reimbursements received by the town, to be funded from Free Cash.

Vote: 6 In Favor 0 Opposed 0 Abstained

Other Items Relative to the Special Town Meeting

The Selectmen stated that they voted to put the articles on the Special Town Meeting warrant at an earlier meeting.

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Mr. Naughton would like the Finance Committee to be provided with a copy of the proposed agreement with Erving for sewer services in Millers Falls so that the Finance Committee can make a recommendation to Town Meeting.

Next Meeting- October 29, 2015 at 6:00 PM at the Turners Falls High School with agenda items of minutes and the Erving Sewer Agreement.

The Board of Selectmen Adjourned at 7:20 PM

Response to letter from Jeanne Golrick

Draft response (attached) reviewed for input. Essentially, there are several times when a special town meeting is required, there is no requirement that special town meetings be only for emergencies, and the Finance Committee does not feel constrained by the presence of the Board of Selectmen at the joint meetings.

There was agreement among the Finance Committee is that they would prefer Special Town Meetings only include additional appropriations for true emergencies rather than for things that more appropriately should have been included in the annual operating or capital budgets.

Finance Committee Moved:

To endorse the letter as amended.

Vote: 6 In Favor 0 Opposed 0 Abstained

Items not anticipated within 48 hours.

Ms. Adams reported that she attended the Selectmen's meeting where a contract or agreement to sell a town owned property was renegotiated from \$50,000 to \$1. Ms. Adams called Boston and was told we can not sell a building for less than market value unless it would be put to a public use.

Mr. Rosenblatt, Mr. Adams and Ms. Golrick expressed concerns about the actions of the Selectmen.

The Finance Committee was asked if they have any concerns about this issue. Individual members expressed their personal opinions, or that they did not have enough information to offer an opinion on the matter.

Mr. Hanold stated that the Finance Committee can not be responsible for things that were done by other boards.

Mr. Naughton added that the Finance Committee should not be expected to solve problems with other boards and the processes they use, but noted that the fact that those actions may result in the town having to spend money is of interest to the Finance Committee.

Meeting Adjourned at 8:05 PM

List of Documents and Exhibits

- Minutes September 24, 2014
- Draft Letter to Jeanne Golrick

Jeanne A. Golrick
11 W. Main Street
Millers Falls MA 01349
2014

8 October

Subject: **Questions Concerning Town Meetings and Role of Finance Committee**
Reference: **Your Letter to Finance Committee (via Lisa Adams) – 24 September 2014**

Dear Ms. Golrick –

Your recent letter asked questions related to the basis/purpose of Special Town Meetings, the role of Montague's Finance Committee, and the interaction of the Finance Committee and the Board of Selectmen. At our meeting that evening we agreed to provide an answer.

Number and Purpose of Special Town Meetings: General

The Secretary of the Commonwealth, at <http://www.sec.state.ma.us/cis/cistwn/twnidx.htm>, provides a Citizen's Guide to Town Meetings (based on Chapters 39 and 43A of Massachusetts General Laws). Here are a few excerpts from it.

What's the difference between annual and special meetings?

Each town must hold an annual Town Meeting. Additional Town Meetings are called special meetings. They may be called as many times during the year as necessary.

Who calls special Town Meetings?

Generally, the selectmen call special Town Meetings.

May a special Town Meeting be called for more than one reason?

Yes, a special Town Meeting may be called for more than one reason. For example, a special Town Meeting could be called to consider amending the zoning code and buying a new fire truck.

Who makes up the warrant?

The selectmen, who "issue" it.

Neither the Guide nor the M.G.L. refer to a claim of "emergencies" as a criterion or requirement for a Special Town Meeting (STM), nor do they mention a limitation on the subjects included on the warrant. See, for example, Sec. 9 of Chapter 39. Concern over the frequency or content of the warrant should be addressed to the Selectboard (BOS); you asked, "What can be done to reign (*sic*) in the overreaching/inefficiency of the powers of the select board ..." and the simple answer is for voters to elect different selectmen.

Practices Specific to Montague

The general practice in Montague, as I see it, is to call an STM when (examples drawn from STM's on Golrick list):

1. Action by Town Meeting (TM) is compelled within a set period by outside regulations (examples: a vote on school assessments [five meetings] or ratification of labor contracts [four meetings]),
2. Action by Town Meeting is necessary to enable timely and efficient conduct of recurring town business (examples: establishment of sewer user rates so bills can be prepared [six meetings]; payment of prior-year bills or additions to approved budgets [seven meetings])
3. Action by Town Meeting must occur before a subsequent action can be pursued (example: changes to zoning or other by-laws, or authorization to a town board or committee to act on a matter subject to Town Meeting approval),
4. When enough routine business items requiring TM approval have accumulated to justify one.

We are indebted to Carolyn Olsen for highlighting some of the Groups 1 and 2 reasons above for calling an STM; as a long-time Town Meeting member you can find articles falling into Groups 3 and 4 on those warrants as well.

There is an added benefit to including Group 4 articles on warrants called for more urgent topics; in a town of our size, with many ongoing projects, decisions requiring Town Meeting assent arise regularly during the year. Postponement of these decisions to the Annual Town Meeting would result in a very lengthy ATM warrant and cause avoidable delays in conducting town operations efficiently. There would be no reduction in number of STM's, since Groups 1 and 2 above require STM's between ATM's.

Cost of Town Meetings

You asserted that each Town Meeting costs \$3,000 but I see no basis for that. While the total cost for an annual Town Meeting may reach \$3,000, the only significant expense incurred for Special Town Meetings is legal counsel, and the range for the last three Special Town Meetings (excluding the Special before the Annual) is \$1,071-\$1,751. The \$1,751 cost was an anomaly due to the lack of a quorum and the re-continuation of the meeting, which lead to additional costs to have counsel present on both dates.

Role of Finance Committee and Joint Meetings with Selectboard

M.G.L. Ch. 39 Sec. 16 says a town of our size shall, by its by-laws, provide for a Finance Committee and its duties. If the by-laws allow, the committee shall submit a budget at the annual town meeting.

Montague's by-laws (Article II Section 2) provide that the Moderator – not Town Meeting, the Selectboard, or the Town Administrator – appoint the Finance Committee, and that it “...*shall meet and investigate the cost of maintenance and expenditures of the different departments of the Town and recommend in detail the amounts to be appropriated for each department for the ensuing year. They shall also consider articles in Town warrants requiring the appropriation of money and make a written report to the meetings considering such articles.*”

The Selectboard determines what budget is presented at the Annual Town Meeting, since they issue the warrant. However, in practice the Finance Committee has taken an active part in creating and conducting a schedule for its preparation and – as you will recall from the motions presented at Special and Annual meetings – provides Town Meeting with a written recommendation and our votes. On occasion, there are differences of opinion among Committee members or the BOS, or between the boards, and you must agree that even a unified recommendation does not stifle questions from the floor.

We customarily meet jointly with the BOS during the budget season, both so department heads may present their requested spending to both boards at one time, and so members of both boards may benefit from the full scope of questions and answers. In the same way, matters with financial impact, other than the budgeting process, may appropriately be discussed and voted on at these posted meetings, to the benefit of town operations. Furthermore, in any case members of the BOS are as welcome to attend our meetings as any of the general public.

To speculate that the BOS unduly influences the Committee, or that their presence leads to “a jaundiced eye or cuffed hands” is to depreciate the care, preparation and integrity of the Committee; our service does not depend on pleasing the BOS and our conclusions reflect our views of affordability as well as effectiveness. We even believe our deliberations, in turn, may influence the BOS!

Very Truly Yours,

John T Hanold, Chair
For Montague Finance Committee
1 Avenue A