



Town of Adams Massachusetts 01220-2087

FINANCE COMMITTEE

TOWN HALL BUILDING
8 PARK STREET

MEETING MINUTES

MONDAY, MARCH 20, 2017 – 6:00 PM

Adams Visitors Center, 3 Hoosac Street, 1st Floor Meeting Room, Adams, MA 01220

On the above date the **Board of Selectmen** held a joint workshop meeting with the **Finance Committee** at the **Adams Visitors Center** at **6:00 p.m.** **Chairman Jeffrey Snoonian** presided the meeting. Present were **Members Joseph Nowak**, and **Richard Blanchard**. *Board of Selectmen Member John Duval was absent.* Also in attendance were **Town Administrator Tony Mazzucco** and **Finance Committee Vice Chairman Leon Parrott**, and **Members Jeffrey Lefebvre, John Cowie, Sandra Kleiner, Charles Foster, Joan Smigel, Mark Chittenden and Craig Corrigan.** *Finance Committee Chairman Timothy Burdick and Members Paul Demastrie, Amy Giroux, Brian Johnson, Matthew Pitoniak, and Rachel Tomkowicz were absent.*

The Finance Committee Workshop was called to order at 6:00 p.m.

Approval of July 7, 2016 Minutes

Several Finance Committee Members did not recall having received a draft copy of the minutes to review. It was requested that they be sent again since the meeting was in July of 2016.

Motion made by Member Lefebvre to table the approval of the minutes for July 7, 2017

Second by Member Cowie

Unanimous vote

Motion passed

The Select Board Workshop was called to order at 6:00 p.m.

BUDGET OVERVIEW

Town Administrator Mazzucco reviewed the budget format changes for this year. He advised the Town is moving toward more goal setting. After a five year hiatus, he designed a new *Capital Improvement Plan*. Selected performance metrics were reviewed. Health Insurance is flat funded due to plan changes. He briefly reviewed staffing adjustments and noted that additional needs that were not addressed are a Planning position to be funded out of the Economic Development Fund, stormwater management, police training increases, additional DPW seasonal help, and a Building Maintenance Fund. He noted there are no layoffs this year, and there is significant capital funding with the return of the *Capital Improvement Plan*. McCann Technical School showed a 27% increase this year. Fiscal trends were briefly reviewed and it was suggested that the McCann budget be voted down. The tax collection rate shows state statistics only up to June 30, 2016 and the Town is working toward a better tax collection rate. He reviewed the average tax bill and tax rate history. He projected growth in the Stabilization Fund with a slight upward trend and the Town is working on stabilizing financial trends and the *Division of Local Services* will be issuing a report in a few weeks. There is no sewer bill but the Town operates a sewer system, which amounts to approximately \$2.00 on the tax rate. The School District is not charged for their sewer use. There was almost \$500,000 in department turn-backs, mostly from the DPW due to the mild winter last year. The department is over vehicle budget this year, despite being under last year. Winter has an impact on the budget

every year. There is an increase in state aid this year by \$88,000, and the tax increase has nothing to do with municipal services. State aid is where it was a decade ago, but the Town is not building a cushion against the possibility that state aid drops. Local receipts including excise fines, fees and permit costs were reviewed. The excise tax rate is set by the state.

GENERAL GOVERNMENT BUDGETS

EXECUTIVE BUDGETS:

The Board of Selectmen budget shows a small increase in operating budgets. At some point stipends need to be looked at. The Town is maintaining the \$60,000 Slum and Blight funding to remove another building this year.

Finance Committee Members inquired about State funding for Slum and Blight. There is not much available other than Community Development Block Grant funds. There is a total of \$100,000 state-wide for Slum and Blight funding.

Haley Meczywor, Town Clerk inquired about the \$20,000 left in the budget and whether any more buildings are coming down. The Town may take down a building at Hoosac Valley Coal and Grain or a building on Albert Street, but engineering will need to be done.

The Town Administrator budget has an increase by \$11,000 due to step increases. The Town Administrator and Community Development Director will be taking a two week unpaid furlough and forgoing raises to balance the budget. Bowe Field is listed as a capital item to track expenses, but will be funded by Free Cash. The Agricultural Fair will bring in invoices for reimbursement to keep track of it and they may benefit if the Town can get things cheaper for them. This is under the Town Administrator budget as a placeholder. Legal expenses keep jumping up and what is in this budget is the historical average of what is needed.

Finance Committee Members inquired about where the engineering money in this budget in the past had gone. The Engineering Budget funds were cut in half and given to Community Development, and outlined in the Capital Improvement Plan. An inquiry was made regarding how many outstanding legal cases the Town currently has. There are labor counsel issues, grievances, disciplinary issues, negotiated contracts and union negotiations, a flooded basement and a workers' compensation claim from 1976.

The Town Counsel budget has no changes.

The Town Moderator budget is also a flat budget.

The Finance Committee budget decreased to start to create this process to be digital.

Capital Expense is the Reserve Fund.

Town Report budget is reducing to print even fewer copies than last year.

FINANCE AND TECHNOLOGY

Employee and Retiree Benefits have an increase by over \$76,000. Pension costs are up about \$20,000, and the Town share sifted to a smaller share. Employee incentives increased by \$22,000 due to the perpetual HRA for health benefits. In three to five years the Town will be going to a higher deductible and may go to an HAS Compatible plan for very high deductible plans.

Selectmen and Finance Committee Members inquired if Union Dues pay for attorneys and asked for clarification on Compensated Absences.

The Compensated Absences fund has depleted over time and the Town spent over \$100,000 over the last two years. Before 1997 employees were paid a 50% payout of banked sick time but they must retire.

A lengthy discussion about how the payout works took place. The requirement for a doctor's note is at the discretion of the Town Administrator and the Department Head is responsible for keeping track of sick days. The current benefit arrangement is 70/30 for Retirees and 75/25 for Employees, but it will likely go lower.

OPEB for Retiree Healthcare was discussed. Bonding agencies are looking at it for borrowing purposes and the State will likely make it mandatory over the next few years. The MEDEX plan was discussed.

Town Accountant budget had an increase of \$1961 due to contractual obligations. The Town Audit should be done in about ten days. At that time a joint meeting between the Board of Selectmen and Finance Committee will be set up to review it.

Technology budget is down by \$10,627. Rob Wnuk was praised for all of his work. Upcoming is a new telephone system for the Police Station and additional heat controllers for Town Hall. The Town is doing better with energy management and was also able to get increased internet speed at the Library.

Selectmen and Finance Committee Members inquired what percentage of electric expenses was saved with the solar array and if the Town could have a SMART energy system thermostat put in and having *Mass Save* come do an evaluation. There has been a 30% to 50% savings from the solar field amounting to a \$50,000 savings. The pricing has been locked in for the Wastewater Treatment Plant and there is net metering credit from Oxford, MA that will help reduce costs for the next two to three years. The Technology Director, Town Accountant and Town Administrator have the dial in access to digitally adjust heating and cooling controls. *Mass Save* does a residential program, but was able to supply the Town with LED and lower wattage bulbs. It was noted that Technology Director Wnuk came in on his own time at night to replace the bulbs.

Property and Casualty Insurance increased by almost \$9,000. The employees have been very good with avoiding Workers Compensation claims.

Finance Committee Members inquired about liability insurance costs on Town properties, specifically on the Memorial School. The Town stores items at the Memorial School. The total cost to keep the building going is \$23,000. It is occupied with the Information Technology office and it serves as the Emergency Shelter for the Town. This is the most economically viable way to keep it going until the building is sold.

George Haddad, Board of Assessors, inquired about the Town soliciting proposals from developers, getting a performance bond or the Town gets the building and the performance bond back. The Town needs to work harder to get rid of the building but options to sell it are limited. The East Street property needs to be disposed of first. The Town Administrator will put up a "For Sale" sign on the side of the Memorial School building with the Town Administrator's office number on it. The East Street property needs to either be torn down or for the Town to take \$10,000 to \$20,000 for it.

GENERAL GOVERNMENT

Town Assessors budget increase by just over \$2,000. Operating costs are reducing due to the completion of the revaluation.

Town Assessor Donna MacDonald reported the revaluation was a positive thing, and picked up decks, sheds and pools. No new houses or additions were found. Certain sections of town showed they were slowly declining and the revaluation gave a good indication of what neighborhoods were doing better. During the time there was no Building Commissioner substantial work was done that was captured. The last revaluation was done in 2006 and had 175 abatements. This year there were only 75 abatements.

Treasurer budget decreased by over \$2500. The Paper Mill is in tax lien. There will be one or two auctions scheduled and the Town is hoping for at least ten properties.

Finance Committee Members inquired about the cost of tax collection legal services. Tax collection legal services are one-time expenses and the Town is catching up.

Debt Services increased by \$10,000 which includes the cash allocation of \$28,000 to pay down one bond a year early. This will free up \$100,000 in the Fiscal Year 2019 budget.

Town Clerk budget increased \$2800 and has a capital allocation of \$46,000 for the purchase of new voting machines. A lengthy discussion took place about the quality, replacement and repair of the voting machines.

Registrations and **Codification** were both flat funded.

COMMUNITY DEVELOPMENT

Community Development had a decrease of over \$30,000 due to the opening of an administrative support position. Changes are being made for covering inspections.

Conservation Commission, Planning Board, Zoning Board budgets had only minor changes.

The Building Inspector had an increase of \$51,691 and is assuming the total cost of the Administrative Assistant so there is a cost shift.

Finance Committee Members clarified that the administrative assistant is now 100% under this budget instead of 50% Inspection and 50% Community Development. It was outlined that Building Commissioner Don Torrico is full-time, Don Fitzgerald is part-time and Local Inspectors work 10-12 hours a week contingent upon the contract with Dalton. Staff has been reallocated to avoid layoffs. The Health and Housing position was entry level pay and no candidates had inspection experience. A revolving fund was explained to cover the historical deficit and doubled service fee to pay for costs since Inspectors were underpaid.

Gas Inspector, Plumbing Inspector, Weights & Measures, Electrical Inspector budgets had negligible or no changes.

Historical Commission budget was reduced by \$1,000.

Agricultural Commission budget is flat funded.

PUBLIC HEALTH

Board of Health budget showed a decrease of \$28,000 to show the cost shift to the Inspection Department and an increase in nursing fees.

Veterans Services showed an increase of \$15,000. This is a mandatory service. State aid increased, and this is 75% funded by the state.

8:00 p.m. a recess took place. The meeting reconvened at 8:07 p.m.

CAPITAL IMPROVEMENT PLAN

Capital Improvement Plan

The Capital Improvement Plan process was reviewed and the \$600,000 Capital Improvement Plan was reviewed in detail.

DPW Highways – Croteau Street needs engineering for reconstruction. Jordan Street culvert needs engineering. Murray Street pedestrian bridge must be done. The DPW Salt Shed needs repair. Flood chutes and the Jordan Street Culvert money are part of flood management.

Wastewater Treatment Plant - Two motors at Harmony Street pumping station need to be refurbished. Variable Frequency Drives for the main pumps need to be replaced. The rubber membrane roof systems need to be engineered and replaced or repaired on the rear portion of the building. A “Muffin Monster” needs to be purchased for the Harmony Street Pump Station.

DPW Parks, Grounds & Cemeteries – The storage shed at Bellevue Cemetery needs to be rebuilt and mowers, trimmers and smaller equipment need to be replaced. Bowe Field improvements are needed for the Agricultural Fair. Repair is needed to the stone wall at the Maple Street Cemetery. The black iron fencing needs completion at the Maple Street Cemetery. The total amount estimated is \$215,000.

Pavement Management – Overlay and curb work was outlined for Albert Street, Allen Street, Commonwealth Ave, Glenn Street, Reeves Street, Temple Street, Plunkett Lane, Pearl Street, Cook Street, Bellevue Avenue, North Summer Street, East Hoosac Street and Arnold Avenue.

65 Park Street, Old Town Hall – This building is currently leased to the Registry of Deeds. Accessibility needs an installation of a lift in the front of the building. Grant funding may be available. Window replacement in the building including the Police Station is necessary. Some of this may be able to be a Green Community project. Restrooms are very outdated.

Police Department – Safety glass needs to be installed and carpet replaced in the upstairs offices. Windows were not replaced in the 1997 renovation and need to be modernized. Brick repointing and repair needs to be done and the roof will need to be engineered and replaced. A second floor room is unfinished with insulation exposed, inadequate heating and air conditioning. Ducts would need to be moved around to complete this.

Library – The boiler needs replacement.

Town Hall – The roof needs to be replaced, including flashing and repair of damage to or complete removal of the clock tower. Window replacements as well as security enhancements for the building in the form of wireless cameras and a route entry fob system are needed to control access to the building. A timekeeping system is needed for employees and replacement of the carpet in the Treasurer, Town Clerk and Assessor’s Offices. The main lobby and Board of Selectmen room will need to be done in Fiscal Year 2021. Security enhancements including safety glass and door changes are needed in the Treasurer’s Office. Masonry at the front and rear of the building and the wooden gazebo need work. Fiscal Year 2021 would be replacement of carpet in Town Administrator’s office and the two lobbies.

Board of Selectmen and Finance Committee Members inquired what type of shingles are on the roof, if it is a commercial grade product, how long ago the Clock Tower on the roof has been done and how difficult it would be to remove it after the roof is done.

Community Development – The Depot Street project is scheduled for Fiscal Year 2018 and the 82 Summer Street lot needs to be graded and milled. Fiscal Year 2019 outlined a plan to get an engineering design for Hoosac Valley Coal and Grain and hopefully there will be grant funds for

that. Due to the flood chutes and the railway corporate use would be unlikely so it may be turned into a pocket park or dog park.

Summer Street Parking Lot – The DPW can pave this unpaved parking lot for more parking with additional asphalt funds, engineering and proper drainage. There could be a park put there, or the Town could sell the land but it is not a buildable lot. The DPW would like to reconfigure the road to make it easier to plow. These could be grant funded projects if possible through Community Development.

Visitors Center/Council on Aging - Carports need to be created in for the COA vans at Memorial School to reduce potential for employee injury to get on the road quicker for appointments. The Town is going to see if MIIA will give grant money for safety services. There needs to be carpet replacement on the stairs and lobby, and a video and alarm security system and fob system will manage who is using the building. In Fiscal Year 2020 the HVAC System needs to be replaced. Fiscal Year 2022 will replace office carpeting and do brick repointing.

Fleet Management – This includes a rolling stock replacement plan for the DPW and PD. Fiscal Year 2018 will replace one cruiser, a dump truck and a one-ton pickup as well as a backhoe jaw bucket. The fleet replacement is scheduled for two trucks in two years. If there is free cash, one will be purchased in Fiscal Year 2019 and Fiscal Year 2020 the Town will have to borrow funds. The plan is to purchase one large truck every five years. \$50,000 for DPW Capital plus free cash totaling about \$100,000 a year will be needed to replace six trucks in a five year period. Other equipment including graders, another loader and backhoes, will need to be addressed. General fund money will be required to get on a regular replacement schedule. The Town will look at military surplus to see if larger equipment can be replaced.

Finance Committee Members and Board of Selectmen inquired about the size of the fleet as compared to the staff number, and the quantity of loaders for the number of staff. The mixture of equipment was questioned. Staff not fixing equipment before it falls apart was noted as a concern. It was noted that during storms with the level of setup the staffing and equipment appeared to be right where it needed to be. Members of both boards were invited to come to the DPW to see the vehicles.

Information Technology Structure and Equipment – In Fiscal Year 2018 the Town will replace the Police Department's telephone system. Additional temperature sensors are needed in Town Hall for energy management. Board Members will need iPads and training classes. The Town needs an archiving system. In the next couple years there is a need to upgrade the wireless system and virtual host and a Windows upgrade will be needed because technology changes every year.

C.T. Plunkett School will have the stage lift repaired to ADA standards, the cafeteria floor, rear stairs and brick repointing will be done, in addition to the Boiler Roof. Windows are 23 years old and will be done with the roof project.

Small Capital – This includes one-time things like the Emergency Shelter Kit which enhances emergency shelter supplies. Holiday decorations need to be updated so the Town still looks good. Holiday Decorations are tired and will need to be replaced.

The Appendices were reviewed quickly, and performance metrics will be reviewed at tomorrow's meeting.

ADJOURNMENT

Motion made by Member Lefebvre to adjourn the Finance Committee Workshop

Second by Member Cowie

Unanimous vote

Motion passed

Motion made by Member Blanchard to adjourn the Board of Selectmen Workshop

Second by Member Nowak

Unanimous Vote

Motion passed

The Board of Selectmen Meeting adjourned at 8:58 p.m.

Respectfully Submitted by Deborah J. Dunlap,

Recording Secretary

Timothy Burdick, Chairman
Finance Committee

Approval Date