

TOWN OF ROWLEY
FINANCE COMMITTEE

Minutes of Meeting March 8, 2016
Rowley Town Hall

Members Present: Lawrence White, Chairman, Sharon Emery, Vice Chairman, Janet Bridges, Peter Censullo (arrived at 7:17 pm), Paul Jalbert, Dennis Roy, Jami Snow

Attendance: Brent Baeslack, Conservation Commission Agent; Arthur Page III, Chairman, Conservation Commission; James Broderick, Fire Chief; MaryBeth Wiser, Water Superintendent; Mark Emery, Water Commissioner

Note: Budget worksheets are attached in order of discussion.

1. Call to Order: Larry White, Chairman, called the meeting to order at 7:15 p.m.
2. Appointment with Brent Blaesack Conservation Agent and Arthur Page III, Chairman of Conservation Commission re Conservation Committee FY17 Budget – Mr. Blaesack read aloud the letters dated February 18, 2016 from Arthur Page to the Board of Selectmen regarding the request for a part-time secretary (attached). The proposed position of 16 hours would be split funded 10 hours per week by the Town and 6 hours by use of WPA Notice of Intent filing fees. NOI application fees are apportioned between the State and the Town. The Town portion can only be used for WPA enforcement activity. This position will be performing other duties beyond WPA actions, therefore, they are splitting the funding. The committee discussed the amount of money that is generated by these fees and the probability of collecting enough to cover the costs associated with filling this position. Mr. Blaesack replied that he could tally that but the amount of fees is not predictable because it is driven by the amount of applications.

Ms. Snow motioned to approve the Conversation Committee FY17 budget, Ms. Emery seconded and the motion was approved 7-0.

3. Appointment with James Broderick, Fire Chief, re FY16 Reserve Fund Transfer Request and FY17 Fire Department Budget – Ms. Emery recused herself from the discussion. Chief Broderick presented his letters to the Finance Committee dated February 23, 2016 and March 7, 2016 related to the unexpected major equipment repairs which have led to a shortfall in the Fire Department expense line for the FY16 budget (attached). Chief Broderick is requesting a reserve fund transfer to cover these expenses.

A meeting is scheduled with Chief Broderick, Deb Eagan, Town Administrator, Bob Snow, Selectman, and Larry White to discuss possible solutions to cover these expenses.

Chief Broderick described the needed repairs in detail. Ms. Bridges asked if repairs could be done over time instead of doing the transfer all at once. Chief Broderick replied that he could

put off some repairs but it would only be pushing problems into next year. For repairs covered by the prorated warranty, delaying would increase the cost to the Town. He believes he will have a better idea of where things stand in April. Mr. White explained that they would prefer not to push things into FY17 because that will increase that budget. They hope to come up with solutions at the upcoming meeting.

Mr. Roy asked about wages. Chief Broderick replied that they are fine with wages, good weather over the winter has helped keep overtime expenses down.

Regarding the FY 17 budget, it is level funded with wage increases according to plan. The unions are entering into negotiations with the town and when that contract is settled, the budget will be adjusted.

Mr. Roy asked if they are talking about expenses being pushed into next year, should the monies request for repairs in the FY17 budget be pushed up a bit. Chief Broderick said he may not replace some equipment to accommodate repair expense.

Ms. Snow asked about training costs and the note of a potential for a third person. Chief Broderick said that the training in the expense line is to bring in someone for training for the whole department. The cost for the fire training academy is for books only for three people.

Mr. Roy motioned to table the acceptance of the FY17 Fire Department budget until more information is available from the upcoming meeting with Larry White, et al. Ms. Bridges seconded, and the motion was approved 6-0. (Ms. Emery recused).

4. REMA FY17 Budget – Mr. Roy motioned to approve the REMA budget in the amount \$6,099. Ms. Snow seconded and the motion was approved 7 – 0.

5. Minutes of February 23, 2016 – Minutes were reviewed, and there being no comment, Mr. Jalbert motioned to approve the minutes of February 23, 2016. Ms. Emery seconded and the motion was approved 6-0, with Ms. Snow abstaining as she was absent from that meeting.

6. Information Services FY17 Budget – Mr. Roy motioned to accept the Information Services budget in the amount of \$24,422. Ms. Emery seconded and the motion was approved 7-0.

7. Treasurer Collector FY17 Budget – Mr. Jalbert motioned to accept the Treasurer / Collector budget. Mr. Roy seconded and the motion was approved 7-0.

8. Appointment with MaryBeth Wiser and Mark Emery re Water Department FY17 Budget – MaryBeth Wiser, Water Superintendent and Mark Emery, Water Commissioner, presented the FY17 budget.

- There is a decrease in budget about 6%. Most of cuts came from maintenance line, which is what they use for their day to day spending.

- Wages and salaries will be adjusted when the union contract is completed. There will be money added at that point.

- Mr. Roy pointed out a small discrepancy in Ms. Wiser's salary amount on two different worksheets. Ms. Wiser explained that was an error but in one case, her salary increased slightly in FY16 due to an extra day with Leap Year. The back-up worksheet will be corrected.

- Ms. Wiser discussed the request to add a new position, a janitor for the Water Department. The bi-weekly cleaning done by an outside company is not sufficient to keep up with the traffic at the department offices and the treatment plant. Any cleaning that must be done between cleanings has to be done by department staff. In addition to cleaning, the janitor will also be responsible for snow shoveling and upkeep of landscaping. Transportation between facilities will be via a town vehicle. This is part time position and will not be combined with another department since that could create a full-time position and would increase the cost with benefits.

- Mr. Roy suggested that on the budget worksheets, expenses for the department and treatment plant should be separate so you could see the movement in expenses by each facility. Ms. Wiser said she has been working with the Town Accountant, Sue Bailey, to streamline the budget and having both facilities in one expense line is actually their intent. Shared costs would have to be split between two budgets and Mr. White added that tools, safety equipment, meters, etc. would also have to be broken out into two separate entities. He noted, however, that they are in the first year of transitioning and will continue to refine the budgeting process.

- In review of engineering, Mr. Roy noted a discrepancy for Engineering Services on the cover sheet, which reads \$50,000, and the back-up worksheet under Line 7 / Services / Outside, FY16 Budget, which reads \$30,000. Ms. Wiser stated that this is a typo, the number should read \$50,000 and it should read a 0% increase. At Mr. Roy's request, she will confirm this.

- Mr. Censullo asked for an explanation of the Pall System item. He recalled it would be \$500,000 and it would be capitalized. Ms. Wiser explained that in FY16 \$100,000 was budgeted for Pall. In the FY17 budget, it is decreased to \$80,000 including maintenance contract. The contract provides services and system programming that operators are not qualified to do.

The remaining \$400,000 was to be set aside for module replacement, expected ten years from the time they go online. An article is being proposed at town meeting in which the Water Department will set aside a sum of money each year to build upon for the purchase of the modules when needed. They had originally thought they would buy and store the modules but learned that they have a shelf life of about five years. In addition, the modules are extremely large (the size of a small car) so storage is an issue. This will be an annual process.

- Engineering Services is support for the water superintendent for services such as hydraulic models, budgeting numbers for capital projects, main extensions, etc.

- Energy costs were discussed, electricity and natural gas and the option of using solar panels for the treatment plant. Ms. Wiser hasn't looked into solar but could bring it up with the Water Board to get their thoughts. There may be a lack of physical space on the grounds and the ability of the structure to support roof panels is unknown.

- Revenue projections were discussed. Ms. Wiser felt they were on track and do not expect a shortfall this year. She reported that the Water Board voted a monthly \$30 administrative fee

which will begin April 1, 2016. This will address the costs associated with customers who are connected to the water main but use private wells (meters, maintenance of lines, etc.) If customers do not want to pay the fee, they will have to cut and cap the service at the main at their own expense.

- In relation to a proposed article requesting \$376,000 from the stabilization fund, Mr. White asked how much money was in the fund. Ms. Wiser believes it to be around \$1.5M but would have to confirm with Sue Bailey. She explained that the intent of the stabilization money is to be used for capital improvements. DEP requires an enterprise fund to have sufficient funds to support the operating budget and capital needs. The Water Department will use stabilization funds to offset capital costs to avoid a rate increase.

Mr. Jalbert motioned to accept the Water Department FY17 budget, Ms. Snow seconded and the motion was approved 7-0.

9. Inspection Department FY17 Budget –Ms. Emery motioned to accept the Inspection Department budget, Ms. Snow seconded and the motion was approved 7–0.

10. Historic Department FY17 Budget –Mr. Jalbert motioned to accept the Historic Department budget, Ms. Bridges seconded and the motion was approved 7–0.

11. Assessors FY17 Budget – Ms. Emery motioned to accept the Assessors budget, Mr. Roy seconded and the motion was approved 7–0.

12. Meeting Dates – Mr. White distributed the meeting schedule for March through May for the 2016 Annual and Special Town Meeting. He requested committee members to let him know if they cannot attend a meeting. Ms. Bridges noted she will be away last week of March so will miss March 29 and 30 meetings.

13. Adjourn – Ms. Emery motioned to adjourn, Mr. Jalbert seconded and the motion was approved 7-0 at 9:00 pm.

Respectfully submitted,

Theresa Coffey
Finance Committee Secretary

Documents Attached – (FY17 budget worksheets listed in order of presentation):

- Agenda March 8, 2016
- Draft minutes of the meeting held on February 23, 2016
- Conservation Commission, with letters dated February 18, 2016
- Fire Department with letters dated February 23, 2016 and March 3, 2016 re FY16 Reserve Fund Transfer Request and March 7, 2016 re FY17 Budget
- REMA
- Information Services
- Treasurer/Collector

- Water Department
- Inspection Department
- Historic Commission
- Assessor
- 2016 Annual and Special Town Meeting Schedule

Distributed for reference only:

- Appropriation Report July 2015 – February 2016
- Adjustments FY15