

February 22, 2017

Budget meeting of the Finance Committee held on Wednesday, February 22, 2017 beginning at 6:00 p.m. in the Selectmen's Conference Room, Town Hall.

Members present: Maureen Downing, Chairman, Heidi Fogg, Susanne Boyer, Joan Cavallo, Richard Moskal, Eric Gregoire and Beverly Tokarz

Members excused: Raymond Yando and Nelson Duarte

Kim Collins and Ellie Villano were also present.

First Order of Business: The Pledge of Allegiance

At this time the committee met with Douglas Stefancik, Town Planner who presented the Planning Board's budget.

In Personnel Services, longevity was the only increase. Both the Administrative Assistant and Mr. Stefancik had a longevity increase after 10 years of employment. A 2% increase for employees was factored in. The Union is renegotiating. There are no unfunded positions, no problems with the budget. There is a 3rd solar power project; Eversource owns utility lines on an 18 acre parcel where there will be a proposed solar power project. The parcel is between Americo Dr. and Reynolds St.

At this time the committee met with Joe Alves the Assistant Assessor who presented the Board of Assessors budget.

He followed the parameters. Contractual services for soft wear charges increased. Every three years the amount increases because of recertification for values. He gave the committee copies of the contract to see the breakdown of charges. The State changed the law so the recertification will be done every 5 years. Longevity increased because the Clerks entered their 5 or 10 years of service. Vacations also increased. There won't be a problem with the budget. Ms. Collins in helping the committee assess each department and history of those departments that have not used their budget line items. She's identified areas where there could be cut backs or offset items that won't present an additional impact. Ms. Collins raised a question about the Conference and Travel. She said the actual for last year was \$1,700. She asked if there was a reason that the amount is \$4,500. Ms. Alves said that for the last two years, they haven't been attending as many conferences. He hates to trim that line item because he uses some of that money to fund the GIS. There is room to trim a little. There is not a line item for the GIS. Ms. Downing asked the cost spending for the GIS. Mr. Alves replied that it was \$1,500 between his department and Planning. It was never budgeted for the Assessors. He feels that the GIS could be separated out to see a better tracking of the expenses. Ms. Collins said there won't be a problem to break it out so the GIS will have a separate line item. Ms. Downing said that the goal is to get the accurate numbers. She doesn't want to cushion any line items to use for something else that departments know they will need to spend.

Mr. Alves will work with Ms. Collins with the figures on Conference and Travel and break out a new line item for GIS. Ms. Downing wants to make sure that funds are categorized and utilized in the right spots.

At this time the committee met with Eric Segundo, Director of Veterans Services to discuss his department's budget.

He is in need of help. In speaking with the H.R. Director who is also in need of help they found a way to help each department out, by adding an additional 28 hrs. to his part-time person. He currently has a 7 hr. clerk. By adding 28 hrs. to that position within his budget that person will work 35 hrs. in the Veterans office but work the both offices. He needs someone to be a customer service person to help out with walk-ins. Since January he received 1307 emails not including voicemails and walk-ins. Ms. Downing asked how many hours will be given to Human Resources? Ms. Segundo said that the person will be in his office for 35 hrs. The HR person will get 18 hrs., he will get the remaining 10 hrs. and the original 7 hrs. Ms. Downing asked how is the person going to function for HR for the 18 hrs. Mr. Segundo said the person will be physically in his office, working for both. Ms. Downing asked how will she structure her day and what kind of work is she going to be doing if she's not going to be answering phones for HR. Mr. Segundo said she will be doing administrative work for the HR. Once the details are worked out with HR the clerk will work full time downstairs and if she needed to run up and get files she would. Ms. Fogg asked if the position needs to be approved by the Personnel Board. No, it does not it has to be approved by the Finance Committee and the Board of Selectmen. He will be meeting with the Selectmen on March 1st. Mr. Segundo already has a position approved, he just wants to add hours. The original position was budgeted for 7 hrs. last year, and approved for clerical part-time. Ms. Collins asked if the benefits have been budgeted? Mr. Segundo said that they have. He will be going from a \$7,000 budget to an almost \$40,000 budget. It's a \$32,000 increase in that line item. The appointed salary line item includes a step change and 2% increase. Ms. Downing said the benefits should not be in the line item, they should be in Ms. Villano's budget. Ms. Downing feels that if Mr. Segundo needs a clerical person and he already has a part-time person, it would make more sense to increase the Veterans clerical hours. Mr. Moskal feels that the discussion should include the HR Director. Ms. Downing feels that the committee should not deal with the matter until the Board of Selectmen votes on the issue, then he would come back to Finance for more discussion. If the Selectmen approve then the logistics should be worked out between the two offices etc.

Mr. Segundo said that the rest of the budget revolves around the position because the veterans benefits were decreased based on the new position. He tries to get other resources to compensate the veterans. He applies for State benefits and Federal pension compensation. The income into the Town increased almost \$60,000. There were 293 claims. There were less State benefits being paid because of Federal benefits being received through the Town. The dollar amount in the Veterans Benefit line item is decreased almost \$40,000 because of Federal funding. Everything is level funded. There is a total of 1.1% decrease in the total budget including the new position. Ms. Fogg said its very confusion because there would be two different positions with two different cost centers. With Mr. Segundo willing to pay the entire salary, from an accounting standpoint, it may not look right on the books. If the clerk is doing work for the HR department it would not be his cost center. It would be even more involved because he is stating that he

would like a part-time employee but because he's picking up the added salary from another department, she now falls under a full-time employee salary. There is more than just the payoff of an hourly wage, it's the benefits, vacation time etc. that comes into play.

Ms. Downing said that the goal of the Finance Committee is to get an accurate picture of what is being spent. She feels that this situation throws everything in the cost center which doesn't work. She is guessing that if the Selectmen approve the position then the break out will be in both departments. The Veterans budget will then be readjusted. He will also be servicing the veterans in jail. The work load prevents him from visiting the jail on a weekly basis as requested by the Sheriff.

Another appointment will be scheduled with Mr. Segundo and Ms. Ribeiro after his meeting with the Board of Selectmen.

At this time the committee met with the Conservation Commission. Representing the department was Penny Label, secretary and member and Angela Tierney, member. Ms. Label said that there is no significant changes to personnel except for step raises and contracted increases. She recalculated some of the general expenses and deducted some funds for educational supplies. Some of the members completed all of their requirements. Dues for Mac increased and is accounted for in the Office Supplies line item. As a per-diem dispatcher Ms. Label needs to attend training classes and at that time she does not get paid by Conservation. There is a telephone line item with no expenses expended. That amount of \$360 could be deducted. The new total budget for the Conservation Commission is \$31,338.

At this time the committee met with Ellie Villano who will present the Public Buildings budget.

Board of Selectmen: There is a 20% reduction because Human Resources has her own department. Her salary has been deducted. HR works under the Board of Selectmen. Questions were raised re: Veterans Services request for a new secretarial position increase. Ms. Villano said that the departments were instructed to put funds into their budget for increases. If approved, those funds will be taken out of his budget and placed in the HR department's budget. Ms. Villano spoke about the health insurance. For a family plan it costs the Town \$23,000. The increase this year will be 4.0% before the 1 ½% discount.

There is an increase in longevity due to the changes in the Personnel Policy Manual. Contract increases, vacations etc. for the clerks and contractual items for Ms. Villano have been calculated in the line item. The telephone is being contracted out and there are a few cell phones that are paid out of that line item as opposed to the Public Buildings telephone line item. There are a few errors in the line items that will be taken care of. The training is \$1,000 and telephone line item for \$1,500. The figures will be added to the bottom line. The new number for the line item is \$276,600.

Moderator: 2% increase and the rest of the budget is ok.

Town Counsel: The negotiator's line item has decreased because of non-use in the last few years. The Town pays a monthly retainer to Town Counsel. He gets paid x number of dollars per month which is \$33,000. The General Expenses have been lowered, but it can't be lowered anymore because she never knows what will happen throughout the year which is outside the retainer for legal services.

Human Resources: The Directors salary, Personnel Board secretary salary are included. The Personnel Board which is now an advisory board has been combined with Human Resources. Travel is increased due to Ms. Ribeiro going for recertification along with conferences etc. Postage and Other Services – she does many postings for jobs and a lot of mailings. Ms. Villano was asked to cut the Supply budget from \$2,200 to \$1,700 but added that it's a new department and she would like to wait to see just what the true expenses will be. If next year she only uses half of that amount then it can be cut.

Public Buildings: In public safety, the individual retired and the salary line item is for the replacement. The rest of the employees have the same number of hours, same levels. Changes were made in longevity because of the new Personnel Manual as well as the holidays. Mr. Gregoire questioned the part-time to full time custodian at the Town Hall. The part-time custodian transferred to the Senior Center. The full time custodian from the Boys and Girls Club took the place of the part time employee at the Town Hall. In 2016, the charges were half year as part-time and half year as full time. In 2017 the custodian is full time and there is an increase to longevity.

Town Office Buildings: Ms. Villano did a three year look back study for energy costs. The electric savings has to do with the solar reimbursement and property taxes. The gas and power have been reduced in all areas. She locked in the electrical rates.

Building Repair and Maintenance was dropped by 25%. Service Contracts increased \$2,000. Boys and Girls Club supplies increased. A new buffer was bought for the gym. The pool is the most costly item in that building.

First Meetinghouse: There is an Article for a 50/50 Grant match for repairs/maintenance to the building. The line item wasn't zeroed out probably because some of the money could offset the cost of the grant. They haven't completed the upgrades in the bathrooms. The ultimate goal is to use the building. There are some accessibility issues so the Grant will be used towards that. The money in the account could be used for painting etc.

The DPW building electric has increased. There is an electric generator that needs to be taken care of. The electric has been high for several years. The heating and air conditioning system hasn't been taken care of. It's still an issue that needs to be addressed. It was part of the 2 ½% borrowing; the assistant Town Engineer has been researching to get a quote for an engineering study to see what can be done. They're thinking the cost could be \$125,000 or more, but it's part of the borrowing.

Property and Liability Insurance : Whatever the bills come in for , they pay. She increased the line item 7% but it comes up 2 ½% actual but what happens is the Town gets a dividend at the end of the year based on different items and they also get a percentage discount if they pay the

bill in full on time. Some years its 4% discount etc. She has to budget the full amount and then hope for discounts.

Sealer Weights & Measurers: 2% increase in payroll. Everything else level funded

Animal Control: Ms. Villano cut the vehicle repairs and maintenance along with other services. The police department gave the Animal Control department a Ford Explorer. They outfitted it, put on a seal etc. so Animal Control have a decent vehicle to use. The need for maintenance will decrease. A portion of the electric bill for the pound in Wilbraham is paid by Animal Control. Five hundred dollars was added to their electric line item. The new budget is \$23,260.

Safety Committee: 2% increase in payroll for the secretary and level funded.

Street & Traffic Lighting: This is one of the accounts serviced by the solar farm. She decreased the account.

Historical Commission: No changes, level funded. Ms. Villano explained the purpose of the Commission to Mr. Moskal. They have also been very instrumental in writing letters of support for any of the historical tax credits, specifically West Mass, Winn Development etc.

Cable TV: Ms. Villano explained that last year the Town adopted Chapter 44 Sec. 53F3/4 and budget for it. It's a revolving account that is not part of the bylaw that needs to be put in for Chapter 53 E1/2. The Cable account is an Article that has to be voted on. The DOR instructed the Town to adopt said Chapter.

Major notes from tonight's meeting:

Board of Assessors: New line item for GIS. Will lower the travel line.

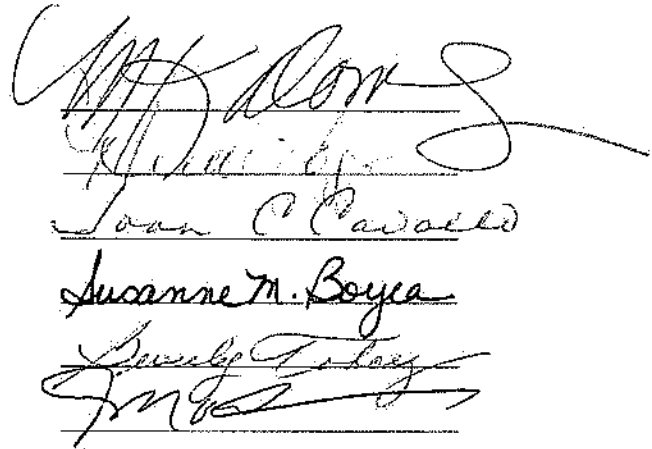
Veteran's Services: Will meet with the Board of Selectmen on March 7th and will reschedule a meeting with the Finance Committee to speak about the increase in hours of his part-time clerk combined with Human Resources. Take out benefits from the payroll line item.

Conservation Commission: Take out the telephone line item

Ms. Villano will be meeting with the Town Accountant and the Director of the Library to discuss the possibility of placing the electric, gas, elevator service contract and custodial expenses from the Library under the jurisdiction of the Board of Selectmen. For years the Library paid for those expenses because of the State Aid that the Library receives. That is not the case, so Ms. Villano agreed to take on the Library as one of the public buildings, transferring those funds. Before that happens, she wants to make sure that the Library is not jeopardizing their State Aid. Ms. Downing said that there is a whole calculation that is an issue. Ms. Kelly will look into the matter before the meeting.

Moved by Ms. Boyea, seconded by Ms. Cavallo to adjourn the Finance Committee meeting at 8:00p.m.

Vote: 7-0 in favor



The image shows five handwritten signatures, each written over a horizontal line. From top to bottom, the signatures are: a large, stylized signature that appears to be 'M. Boyea'; a signature that appears to be 'J. Cavallo'; the name 'Joan P. Cavallo' written in a cursive hand; the name 'Suzanne M. Boyea' written in a cursive hand; and a signature that appears to be 'Suzanne M. Boyea' written in a cursive hand.

Ludlow Finance Committee