

FINANCE COMMITTEE MEETING
TUESDAY, APRIL 2, 2019

A meeting of the Finance Committee (FC) was held on Tuesday, April 2, 2019 in the Municipal Center. Ms. Holmes called the meeting to order at 6:38 PM.

ATTENDANCE:

PRESENT: Pamela Holmes (Chair), Howard D'Amico (Vice Chair), Carol Gogolinski, Lynne Mussulli, Dick Vanden Berg

ABSENT: Michael Hutnak, Heather Morin

NON-VOTING: Matt Wojcik (Town Administrator-left 6:53 PM), Jeanne Lovett (Finance Director)

1. DEPARTMENTAL PRESENTATIONS:

Selectmen/Health Insurance-Matt Wojcik (Town Administrator):

Mr. D'Amico asked Mr. Wojcik if the Board of Selectmen (BOS) had a different opinion on the budget that was presented to the FC. Mr. Wojcik stated that he introduced the budget documents to the BOS. What he has tried to do this year has been with the BOS's direction and support, which was to address health insurance, complete the street light LED project and rectify the operational/compensation issues that needed to be changed. The goal is to keep financial stability for the next 4-5 years without much change, unless it is justified by large revenue growth or a deep reduction.

All of the collective bargaining units and non-union employees, except for the Douglas Teachers Association (DTA), have signed the Memorandum of Understanding to enter into the health insurance joint purchasing group. The DTA is favorably disposed, however they want to have a ratification vote tomorrow. The joint purchasing group will consist of Douglas, the Dudley/Charlton School District and the Town of Webster. Each member will deposit one month's worth of claims into the equity fund of the joint purchasing group. For Douglas, that amount will come from Free Cash. Mr. Wojcik was comfortable committing the same split (80/20), plan design and premium share for the remainder of this fiscal year and the next three fiscal years. Douglas has 167 employees that opt-in to Douglas' health insurance, 111 waive the health insurance and 14 opt-out.

Blackstone Valley Tech's (BVT) request was fairly low compared to last year, and the prognosis for next year is even better due to fewer Douglas students attending.

The School Dept. has been asked to bring their budget request to 2% over last year's appropriation. Mr. Wojcik is hoping they can save on a bus contract renegotiation, and he recommends that the School be allowed to keep every dollar they save. Currently, School Transportation is budgeted for the worst case scenario of 15% over last year's budget. A consultant was hired to restructure the bus routes. The new contract should be in place by May.

The Economic Development Committee has \$1,000 in their budget. There is some overage in the black, which Mr. Wojcik recommends be given to them. It could be used to hire someone to help write grant applications; no studies.

Cable-Pat Aldrich (Coordinator): Mr. Aldrich joined the meeting. He stated that Cable has recently done upgrades to both of the main recording rooms. For next year, the only capital project planned is the resource room's public announcement system. That project has been presented to the Capital Committee for the Town Meeting warrant.

Cable may need to purchase new cameras to record in rooms without recording equipment. They currently have three cameras. There are five cable assistants.

The Cable budget is funded by cable fees. Every 10 years, the license is renegotiated. Cable has a Legal budget line that saves for that expense. A discussion was held.

Water/Sewer-Bob Sullivan (Coordinator): Mr. Sullivan joined the meeting and first presented the budget for the Sewer Dept. The largest change is for Salaries and Health Insurance. Some expenses were broken out into their own budget lines so as to better track them, such as Maintenance Contracts and Telephone. The Sewer Dept. is short-handed 2.5 employees. The treatment plant is 15 years old, and the equipment is getting old. The electronics are getting to the point where the components are no longer being made. Most of the department's waste is incinerated. Douglas has approximately 775 sewer connections. Sewer is at 1/3 capacity.

The Retained Earnings account currently has \$242,000; water/sewer combined.

Regarding the Water budget, Douglas has approximately 1175 water connections. The North Street Village project will use both Town water and sewer. There is plenty of capacity, but they may need to go to the State to increase their withdrawal capacity. The Water Dept. wants to look into doing a water rate study this year.

Finance Department-Jeanne Lovett (Director): Ms. Lovett stated that her department's Expenses are stagnant and staffing has not changed. She reviewed the budgets for Finance, Treasurer/Collector and Assessor. She explained Tax Title and Taking. She explained bond refinancing. The Annual Report is online.

Unemployment has been reduced from \$40,000 to \$25,000. Ms. Holmes noted that the 5-year plan shows Unemployment at \$40,000. Ms. Lovett explained that Insurance/Employee Benefits is voted as one line at Town Meeting, which provides some flexibility in case Unemployment runs high.

Mr. Vanden Berg asked Ms. Lovett if she felt there was anything that could be done differently or done better in her department and in the other Town departments. Ms. Lovett had nothing to note at this time. Ms. Holmes asked to know if the BOS would support extra hours for Ms. Lovett's department's support person. Ms. Lovett did not know the answer.

2. REVIEW AND VOTE RECOMMENDATIONS ON TOWN MEETING ARTICLES:

Ms. Lovett stated that the articles for both meetings are still in draft form.

Special Town Meeting (STM): Article 1 is FY19 budget transfers, Article 2 has to do with the Refunding, which closes out some articles for Capital projects, Article 3 is a Snow & Ice transfer, Article 4 is the LED street lighting project, Article 5 is to fund the health insurance equity, Article 6 is the ambulance purchase, and Article 7 is a transfer to Free Cash for the security system for the library.

Annual Town Meeting (ATM): Article 4 is BVT and Article 7 is Cable Access.

The current amount available in Free Cash before the upcoming Town Meeting is \$1,211,732.

A discussion was held regarding reducing the membership and/or quorum of the FC (Article 14). The quorum is not able to be reduced, but the membership on the committee could be reduced. It was decided to leave Article 14 on the warrant for now and obtain the opinions of the absent members on 4/10/19.

Mr. Wojcik (arrived 8:16 PM) explained that Article 11 is the adoption of a Statewide statutory plan (64g) for the taxation of short-term rentals, i.e. Air B&Bs. Mr. Wojcik will email the information to the FC. Mr. Wojcik left the meeting (8:22 PM).

3. RESERVE FUND TRANSFERS/ VOUCHERS/ SNOW & ICE REMOVAL:

There were no transfers.

4. MEETING MINUTES: October 9 & 23, 2018 & March 19, 2019

Mr. D'Amico made a motion to approve the March 19, 2019 Finance Committee meeting minutes as presented. Ms. Mussulli seconded the motion. Vote: Aye-5.

Approval of the October 9 & 23, 2018 Finance Committee meeting minutes was deferred to the next meeting.

5. OLD/NEWBUSINESS:

New Business: Ms. Gogolinski said that there is talk of getting a natural gas line in Douglas from Whitinsville up to the mill.

Old Business: The next meeting will be the public budget hearing on 4/10/19 at 7:00 PM. All department heads have been asked to attend.

6. ADJOURNMENT:

Mr. D'Amico made a motion at 8:23 PM to adjourn the Finance Committee meeting. Ms. Mussulli seconded the motion. Vote: Aye-5.

Respectfully submitted,

Mary Wright
Recording Secretary