

**Finance Committee Meeting**  
**February 4, 2014**  
**Minutes**

Chairman John F. Doherty called the meeting to order at 6:50 p.m. Members present were Theresa M. Manganelli, William J. Wallace, Jonathan R. Eaton, Robert P. Palmer, Richard K. Hayden, Jordan Weiner, Bernard P. Nally Jr., Victoria L. Ellsworth

PRESENT IN INTEREST: Jeffrey M. Hull, Town Manager, Kendra Amaral, Assistant Town Manager, Michael Morris, Town Accountant, Pamela L. Mackenzie, Treasurer/Collector, Karen Rassias, Principal Assessor

FY 15 Budget Overview; Revenue; General Government, including debt service, unclassified, statutory charges, Insurance accounts and Miscellaneous:

Mr. Hull - Recapped FY14 budget accounts. Snow and ice will be over budget with the upcoming storm.

Mr. Doherty – Asked if we have received reimbursements from the State. Mr. Morris – responded that we have not received any as of now.

Mr. Hull - Fire overtime is an issue, due to vacancies. 5 positions have been filled as of September. There have been some non-work related ailments that have taken people off shift, which require fill-ins. The department needs to maintain 9 firefighters on a shift. FY14 budgeted \$550,000 in overtime for Fire, through the end of December there is \$42,000 remaining in overtime account. This account will require a transfer in. Measures have been taken to limit overtime throughout the year. Brief discussion about the Fire Academy. The candidates have to be paid and someone needs to cover their shift. Looked at staffing adjustments, but data shows calls are constant throughout the week. Calls slow down overnight however this is when we need greatest fire coverage.

Mr. Wallace – Asked if we can outsource the ambulance, for example to respond to Route 93 calls. Mr. Hull explained that it is not advisable to farm out the EMS portion.

Mr. Wallace – Asked how do we get away from a constant overtime. Mr. Hull – responded that by 2015 this problem should be resolved.

Mr. Doherty – Asked how many Firefighters left are due to retire. Mr. Hull responded that one firefighter went to another community, and 3 retired.

Mr. Wallace – Asked if we are planning on being short staffed next year, and whether we should add 1-3 floaters. Mr. Hull has been evaluating whether increasing staff is worthwhile. In the short term if we increased number of firefighters, they will still have to go through Fire Academy.

Mr. Doherty – Asked if we added firefighters would we need more equipment. Space is an issue. Space at the public safety building is limited, however we can cover shifts of 10 firefighters.

FY 14 Veterans services, there is an increase need for benefits, the demand is coming from Korea and Vietnam veterans. As of now we are on pace to exceed the \$310,000 in veterans benefits FY14, which prompted an increase in the department budget for FY15. Mr.

Doherty – Asked if the town is still getting 75% back. Mr. Hull responded that is correct.

Discussion on FY14 projected surplus. Estimate is it will be lean.

Mr. Wallace – Asked how many capital projects are going to be carried over to the next year. Mr. Hull responded that windows for the North Intermediate School will be carried over to the next fiscal year.

Mr. Doherty – Asked if any other projects will overlap. No other projects are anticipated to extend beyond the fiscal year.

Mr. Wallace - Has the equipment has been purchased for the year? Yes.

Review of FY 15 budget: Mr. Morris – Reviewed Available Funds, FY14 accrual, and Tax Levy Comparison. Explains how bonds are sold, premium and interest rates. Brief discussion on how much the debt exclusion (new high school) is on the tax bill. Brief discussion on prop 2-1/2 and how elderly taxes payers can get a decrease in property taxes. Reviewed Community Tax Rate Comparisons & Valuation by tax classification. Fire alarm revenue is projected to decrease as most people went to private alarm systems.

Mr. Doherty – Asked how the fee's across the board for Wilmington compared to other towns. Ms. Amaral – Generally Wilmington is in the middle of the road.

Mr. Morris - Reviewed Local Aid. Brief discussion on Chapter 70, and how excess revenue will go to free cash. Reviewed Water Department transfers to general funds. Workers compensation audit came out lower for the Water Department than in the past. Reviewed available funds.

Mr. Doherty – Asked how much is in the capital stabilization fund. Mr. Morris – A little over \$200,000.

Mr. Doherty – Asked if there is money in the abatement surplus. Mr. Morris – There is approximately \$1.8M, however there are still remaining cases.

Mr. Doherty – Asked how many cases are outstanding. Ms. Rassais - Cases go back to 2007. The surplus is expected to be sufficient, though one year is tight and may have a little issue.

Mr. Doherty – Asked if there are anymore funds in project close outs. Mr. Morris - No.

Mr. Hull – Reviewed expenditure detail for the Selectman budget. Contractual services has a reduction due to elimination of hardbound law books. Printing binding remain same. Registrars of Voters is decreased \$300. Finance committee is level funded. Town Manager/Central Administration eliminated the part-time position. We have added an intern, who is working in the office on personal related matters. Ms. Amaral described the intern's education, background, and office duties.

Mr. Morris – Reviewed Accountant budget. Miscellaneous contractual services dropped; the actuarial OPEB study was completed in 2013. The next study will be in 2016. OPEC required evaluation study every 2 years.

Mr. Doherty – Asked how often do you update the website. Ms. Amaral - Explained the process of updating and changing the website. Reviewed the training for employees including customer service training.

Mr. Doherty – Asked how confident the Assessor is with the online property database. Ms. Rassias – Explained it is a frozen database which has been updated twice. Vision technology conducted a full review of properties last year. Discussion on online property database language and accuracy.

Ms. Manganelli - What would happen if a person built assessor apartment without permit then in later years found out? Would they have to pay back taxes? Ms. Rassias - If something was omitted, only have until June 20<sup>th</sup> of that year to charge taxes, can't go back to previous years to collect. Ms. Mackenzie – Reviews pg. 23, Treasures/Collector. Contractual services dropped, due to lock boxes, more bills are being paid with online services, ACH hoping to go live within the next month. Data processing decreased, additional fee's \$15.00 for abutter list fee. Furnishing and equipment, to purchase power cords, file cabinets. Explains requirements from Dept. of Revenue and working with Vision Tech, to put photo's online as of now they are not and should be.

Mr. Hull – Reviews Pg. 30, Town council. Going up, prior to town meeting last year, the retainer that Deutsche Williams was inadequate. With High school delays increase services, still needs to increase retainer for legal services. \$255,000 would come from appropriation for Water & Sewer. They also praise attorney, for services. Surveyed a number of communities, typically they will pay a portion of retainer. Several different models. 15% of monthly bill, 35,000-37,000 last year.

Pg. 57 debt: 2.9 million 2015 declined from previous year, due to high school.

Pg. 64 misc. support, sick leave, medicate employee's account. Mr. Hull - Salary items, nonunion, individual salaries for 2014 does not reflect open contracts. 2.25 increase in salaries. Comes from salary adjustments. Mr. Doherty - Any open negotiations? Mr. Hull - 2 contracts with police expire this year. Out of state travel, internal city management (ICMA), conferences annual this year was held in Boston, next year will be in NC. Good educational opportunity. \$70,000 had to purchase additional software. School is separate. Discussion on where and which dept. have separate technology budgets. Annual audit, increase \$1,000 each years. Comstar e-mail service, increase pay on percentage of collections. Professional services, incurably helpful, example one expense that came out of is cost of highway garage, underground storage tanks needed to be removed, plan for this has come out of this fund. St. Dorothy's fee's for property evaluation conditions has come out of these funds. Mr. Doherty - Budget has gone up, should it be increased in the future? Mr. Hull - We should look into increasing reserve. Ms. Manganelli - Do we have an accounting for this? Mr. Hull - As of now no, report comes out after town meeting. Insurance, worker comp, doing o.k. fewer cases this year. Discussion on rewards for safety. Mr. Doherty - Has the insurance company come in for safety audit? Ms. Amaral - We do it on as requested basis. Meet quarterly, to go over practice and policies. Mr. Hull - Explains the MYA program. Ms. Amaral - Property and general liability increase due to High school coming online in 2015. Increase premium by \$1,700, net increase is approx. \$3,800. Mr. Morris - Health insurance, is going well, beginning 2013 claims have largely flattened out. If stays the same will have surplus. Mr. Doherty - How are the wellness programs doing? Ms. Amaral - Health wellness program is going well lots of interest.

Pg. 66: Overlay increase cover exemptions elderly bind, abatements. OPEB and retirement aren't the same, one deals with health insurance and the other with retirements. Mr. Hull - From a liability stand point towns retirement liability a little off 62 million. OPEB cost of health insurance for retirees and employees. Mr. Morris - Offset items, part goes to library and other to cafeteria. Registry of motor vehicles may be less. MWRA got number off most recent estimate. School choice, may see spikes. Joanne Benton can speak more of this. Agricultural approx. students. Warrant articles, the same, Mr. Hull - July 4<sup>th</sup> a struggle, developing a plan, number of meeting to look at different options. In terms of fireworks, recommended to the board launch from the football field, cost of tarp would be approx. \$100,000 launch site considered was the staging area for construction of HS, discussion on radius and locations to launch fireworks. \$5,000 on the road easement, Middlesex and Adams Street, property surveyed within the last year, part of roadway is within her property. Resident looking to have it addressed. Mike Woods and town engineer looked into can't square off, turn would be difficult, looking for compensation.

Pg. 68 capital items, police cruisers the SUV model chief recommended last year will stay the same. Increase retrofitting 5 vehicles, last year after outfitted money was needed. Increase in number of vehicles, from 4 to 5. \$320,000 for breathing apparatus, guidelines need to be replaced from entire department. Number of different vehicles which need to be purchased. Mr. Hull - Vehicles, highway dept., dump truck \$159,000, field supervisor public works, (2) ground speed controls public works, survey van engineering dept. small excavator, mower unit for DPW. \$40,000 reserve municipal parking lots, priority bases \$80,000 for culvert on Butters row. Roof at north 3 year phasing. School dept. looking for handicap assessable van and conventional van to change our existing vans. \$184,000 technology request from school dept. upgrade for smart boards and PC's, \$125,000 misc. facility improvements, has become useful over the years \$72,000 George looking to replace 3 vehicles, currently orange box trucks warn out. Replace with smaller van type of unit. \$30,000 addresses HVAC public safety building, heating system has never been as functional as it should have been sections to warm and to cold need system to better balance through the building. \$18,000 proposed to address town vault, documents not secure this will address, \$51,670 with the building of the new high school certain equipment to maintain building is needed, example scissor lift for the gym. \$250,000 address next phase of Yentile farm, summary of current and future design and cost. \$10,000 computer system upgrades, infrastructure needs to be updated. \$25,000 for upgrade police needs, it specialty started January 2<sup>nd</sup> did evaluation for server replacement. Municipality building master plan, better sense of what the needs are for the next 5-10 years, come up with a plan for current buildings. Funding will allow us to go out and talk to people some are worth rehab some are not. This will prioritize each building and needs. Also include evacuation of schools, yes, with the exception of the HS.

There being no further business, a motion was made by William Wallace, seconded by Victoria Ellsworth and by the affirmative vote of all, the Finance Committee meeting was adjourned.

Meeting adjourned at 10:15 p.m. The next meeting of the Finance Committee is scheduled for Thursday, February 6, 2014.

Respectfully submitted,

Recording secretary