

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: February 12, 2007

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Phyllis Cerel, Judy Yasi, Phil Giangarra, Tom Shea, Steven Chilinski,

GUESTS: Suzanne Kennedy, Jim Galligan, Richard Dunne, Dennis Crowley, Glenn Trindade, Dr. Grandmont, Bob Speroni , Brenda Hamelin, MaryJane White, Andy Rodenhiser, Susy Affleck-Childs, David D'Amico, Susan Connolly, Tina Wright, Gregory Green, Wallace Arthur, Almont Green Corporation Representative (taped the meeting)

PURPOSE: Joint meeting of the Board of Selectman (BOS) and the Finance Committee (FinCom) for review of the first iteration of the Level-Funded Budgets including the Impact statements to their respective departments.

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

Diane Coulter called the Finance Committee Meeting to order at 7:15 p.m. at Sanford Hall, Medway Town Offices.

Dr. Grandmont presented an Emergency Transfer Request (ETR) of \$16501.50 for emergency repair of the High School gym wall. He detailed his process for facilitating prompt completion of this repair as all gym classes and sports activities for town leagues would have to have been canceled.

Rob Kenney asked if this was covered by the insurance.

ACT/ON ITEM: Dr. Grandmont reported that he didn't believe we would be reimbursed however he would check into it.

Jim Galligan (BOS-Chairman) recommended the money would come out of the FinCom Reserve Fund and recommended that the money should be reimbursed back to the FinCom Reserve Fund.

Richard Dunne (BOS-Vice-Chairman) made a motion for the *BOS* to approve the emergency transfer and that the FinCom reserve would be reimbursed if we received an insurance settlement.

Dennis Crowley (BOS-Clerk) seconded the motion as amended.

The motion was passed unanimously by the BOS members present.

Frank Faist (FinCom member) made a motion for the *FINCOM* to approve the emergency transfer and that the FinCom reserve would be reimbursed if we received an insurance settlement.

Judy Yasi (FinCom-Clerk) seconded the motion.

The motion was approved by all FinCom members.

Judi Yasi stated that after transferring these monies, the FinCom Reserve Fund will have a balance of \$72,488.22.

Dr. Grandmont thanked the BOS, FinCom, and Town Administrator.

Diane Coulter requested clarification from the guest taping the meeting as to the purpose.

The guest from Almont Green Corporation stated he is looking to create a Medway magazine for Medway Residents which is free and advertisement supported. This would be available as a free DVD to all Medway Residents.

Suzanne Kennedy (Town Administrator) introduced a prospective FinCom member.

Building Inspector Budget

Diane passed out the meeting agenda requesting the Building Inspector – Bob Speroni to present his Budget and impact statement.

Bob stated that his department is funded at the FY07 level excluding the employee benefit costs which need to be provided by the Accountants' Office.

Suzanne stated that all Town Departments' employee benefits will be allocated to their own budgets as a line item. This is different from past years budgeting.

There was discussion on how this could impact all departments' budgets by all.

Jim Galligan stated that the BOS and Suzanne had to decide on which of 2 directions they would request the Budgets to be prepared by department heads since:

- a. Governor Patrick has not completed his budget therefore the BOS and FinCom do not know what the Revenue side will be. (liken this to trying to budget for your household without knowing what you are paid on a weekly basis)
- b. Once Governor Patrick completes his budget, it still has to go to the House and Senate. Historically, the Governor's submitted revenue number is changed once the budget comes back from the House and Senate.
- c. Medway will not have enough time to complete the budgeting process unless it is started now.

The 2 different directions discussed were:

1. Fund based on level of service
2. Level Fund based on FY07 budget

The decision was to have each department head prepare this Budget cycle based on #2; make the assumption that each department will receive the same amount of money to spend as last year (FY07). This was based on the knowledge that the State Lottery revenues are down meaning less money available at the state level to pass on to Medway and the local town receipts are down.

The preliminary expectation of BOS and Suzanne is that each department will net out a level funding (break even).

Bob stated that the impact of level funding would be; should an emergency occur, there would be no funds available within his budget.

Dennis Crowley requested what services will be cut since each department is level funding.

Diane stated that each department was requested to provide an impact statement detailing that specific ramifications to their department based on a level funded budget and that this be presented along with their initial budget presentation.

Phil Giangarra stated that the costs of permits are the only thing that provides revenues to this department.

Frank inquired how Bob determined revenue from permits, estimated or actuals and stated that all fees from this department are directed into the General Fund.

Bob stated it is impossible to project specifically by number of permits as the cost of each is determined by the size of the building project. Also, there are 450 approved permits but when they will actually start is not known and that is what provides the revenue, the date started.

Richard Dunn stated that Bob's Budget data is based on actual revenue from the past year (FY07) and year to date numbers.

Suzanne stated that for all departments that are revenue driven like this one, their expenses need to meet the generated revenue. She also stated that following this initial budget cycle, the departments will be more prepared for addressing impact of level funding.

Bob detailed the specifics of the line items regarding Town Vehicle, Software, and Meetings/education.

The State of MA has a new law that mandates Continuing Education Units for all inspectors but does not provide funding for this new state requirement.

Animal Control Budget

Diane then requested Brenda Hamelin, Animal Control to present her budget and impact statement.

Brenda stated that her department generates revenue by citations which are handled by the Town Clerk.

The Animal Control Budget is shared by the Town of Millis. Brenda is employed through the Town of Millis.

The salary costs plus the expenses are divided in half and Medway is billed on a quarterly basis for this service.

Last year's (FY07) budgeting resulted in no night service. That will continue for FY08.

The impact of no Animal Control night service will mean higher utilization of Police and/or Department of Public Works (DPW) resources. For example, if an animal is injured or killed (dog hit by a car) or there is an occurrence of a rabies bite (resident or pet bitten by infected wildlife), the residents will need to contact

the Police and possibly the DPW to handle the situation. The Police are not trained to handle injured animals and do not have access to the same equipment as the Animal Control Officer (muzzle) which may result in physical injury to the resident and/or Police Officer.

***ACTION ITEM:** A discussion on payment of the quarterly bills to the Town of Millis resulted in the need for Suzanne to meet with the Millis Town Administrator to resolve this issue and document which town is paying which of this cost center's line items to ensure proper division of future costs.*

Town Clerk

Diane then requested MaryJane White, Town Clerk to present her budget and impact statement.

Registrars

The Medway population has remained steady over the past years. The last census was 13,600.

This department is responsible for the town census and the Medway List of Residents.

Elections

FY08 will cost less than FY07. There were 4 elections in FY07 and only 2 are scheduled for FY08.

The cost of this department is dependent on the number of elections for each year and whether they are town or state elections. The town pays for the ballots for town elections and the state pays for the ballots for state elections.

Clerk

Suzanne stated that the Town Clerks salary is determined by 2 things; the Municipal Union's negotiations and Town Meeting. These contracts usually are 3 years in length. Renegotiation is scheduled for this year. Upon the end-date of this contract-6/30/07, there will be a ¼% increase in the Clerk's salary. The salary may also be changed by a vote at Town Meeting.

MaryJane reported that this position requires many state reporting/documenting requirements by law to be completed. This position is also responsible for recording and maintaining all records of Births, Marriages, Deaths, registered voters, number of dogs, non criminal reported complaints, posting of all Town Boards meetings, etc.

MaryJane reported that she has been directed to request assistance from other Town departments however that has not proved fruitful in FY07.

In the FY07 budgeting process, a second Full Time position was requested. This was not approved. It is becoming increasingly difficult to meet all of the state regulated reporting requirements.

This department generates \$20,000 - \$25,000 in fees per fiscal year.

MaryJane reported the impact of level funding for FY08 may result in noncompliance of the town for all the state mandated reporting requirements. She suggested the increasing of fees to offset the cost of additional staff.

Dennis Crowley reported that out of 22 Towns similar to Medway, the Town Clerk's salary ranked 19th and Medway is 22nd as far as least number of staff.

ACTION ITEM: Rob Kenney requested that MaryJane quantify the impact and focus on those activities that must be done to limit the town's liabilities for the next budget cycle.

The statement was made that the infrastructure of the current Town Departments would require changes in order to address the issues of support in the Town Clerk's office.

Planning Board

Diane then requested that the Planning Board present their budget and impact statement.

This department is responsible for review of development plans and inspection of construction.

The Board Chairman stated 100% of the cost of this department is covered by their fees. There are 2 revolving funds covering their expenses; Plan Review and Construction Evaluation. Application and filing fees go into the Town's General Fund and all bills generated are paid from the Town's General Fund.

Based on the Government Study feedback, the Board Meetings are organized to minimize the time required by the consultant and therefore, there has been a decrease in consultant fees since this reorganization of the meetings was initiated.

The Board Chairman stated that there are two types of activities occurring in the Planning Board Department; reactive and planning. They would like to increase the amount of time spent planning in order to generate more revenue for the town.

They are working on a technology grant for \$150,000 that the Building Department, Planning Board and Assessors Office may implement to speed and streamline the approval process for permits to increase town revenues and make these departments work more efficiently together.

This is a key Department as they do the planning for the town's growth which they have not been able to accomplish due to funding. The quality of life in the Town of Medway is dictated by how effective this Board is on planning for future growth of the town.

The impact of level funding this department is:

1. Loss of revenue to the town as the staff is bogged down with clerical duties.
2. Lack of staff to negotiate with developers to bring in commercial monies to the town.
3. Inability to update the Medway Master Plan passed in 1999, 8 years old, to determine future long-term growth plan for the town. This would also require a consultant.
4. Unable to apply for more grant money which would offset the cost to the Town due to lack of staffing resources.
5. Lack of Economic Development Planner position to recruit commercial business to bolster town revenues.

Library

Diane then requested Wendy Rowe present the Library budget.

Wendy presented her level funded budget based on same employee numbers for FY08 as FY07; 2 Full Time and 1 Part Time.

Wendy stated that the money budgeted to the library last year was not enough to run the Library at 32 hours per week as needed to retain certification. Other money sources came from the Friends of the Library and the interest from the Library Trust to meet the cost of keeping the library open 32 hours instead of 20.

Wendy reported that the state did not certify the library due to the percentage of the library's budget cut compared to other town departments even with the 32 hours of operations. Therefore, the library hours were cut back to 20 hours per week. Lack of certification results in no state aid funding for the library.

Wendy projected the impact of level funding FY08 based on FY07 would result in the need to utilize $\frac{1}{2}$ of the principle from the Library trust for FY08 and again for FY09 and as of FY10, the Library would have to close its doors.

FinCom asked Wendy to determine what her actual budget requirements would be without other revenue sources.

Wendy stated \$250,000 would be the approximate required budget to keep the library open to the degree that they could get state recertification and therefore, state monies. The state requires that a library function at a certifiable level of operation for 1 year before recertification may be granted.

ACTION ITEM: Suzanne, Wendy and Barbara (Town Accountant) will put documentation together to show the funding sources of the library.

Suzanne stated that the Governor's budget should be available in 2 weeks and the House and Senate budgeting should be completed in 6 weeks. Therefore, within 6 weeks, the Governor should provide Medway with the state revenue number.

Diane scheduled an additional FinCom meeting for Wednesday March 7th at which time Suzanne can present the updated budget.

Diane said the next joint BOS/FinCom meeting will be on Saturday February 17, 2007.

Tina Wright asked if we are "doing the right thing by level funding? Do we have enough money to provide the services we need?"

Jim Galligan stated that the information required to answer that is to understand the impact of a level funded budget and that we are not at that level of understanding yet and once there, we will need to evaluate and prioritize.

Katie Tortorello stated that we know based on level funding that there is not enough money and what can we do about that? Should the Board of Selectman and/or Finance Committee notify the residents?

Glen Trindade stated that until the BOS have more solid facts and measurable impacts with defendable data that talking about an override does not seem appropriate based on the Residents' response to last year's request. The revenue number that the Governor provides is not a solid number as this changes based on the House and Senate. Last year, basing the need on the Governor's projected revenue caused confusion once that number changed.

The Finance Committee's purpose is to present a budget based on the dollars available to be spent, even if those dollars are not enough to maintain the same level of service.

The residents of Medway have the ability and authority to contact the BOS with the request for an override.

The assumption of the BOS is that there will be a revenue shortfall and most likely a substantial one but until the hard revenue numbers are provided by the state, the actual number can not be known.

Judy Yasi made a motion to adjourn the meeting at 10:25 p.m. Joy Smith-Dahl seconded the motion and it was unanimously approved.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

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Minutes of Finance Committee-Final Version

DATE: February 17, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Phyllis Cerel, Judy Yasi, Phil Giangarra, Tom Shea, Steven Chilinski,

GUESTS: Suzanne Kennedy, Jim Galligan, Richard Dunne, Dennis Crowley, Glenn Trindade, Kent Scott, Robert Saleski, Lt. Allen M. Tingley, Sgt. William Boultenhouse, Fire Chief Vinton, David D'Amico, Bill Fisher, Carol Brodeur, Mark Flaherty, Susan Connolly, Sue Rorke, John Callahan, Paul Rice, Nydia Rice, Alison Slack, Dawn Rice-Norton, Ned Myers, Gregory Green, Chris Swan

PURPOSE: Joint meeting of the Board of Selectman (BOS) and the Finance Committee (FinCom) for review of the first iteration of the Level-Funded Budgets including the Impact statements to their respective departments.

**Diane Coulter called the Finance Committee Meeting to order at 10:12 a.m.
at
Sanford Hall, Medway Town Offices.**

Diane presented a bill for prior the FinCom Secretary for total of \$47.07.

Phil made a motion to approve the payment. Tom seconded the motion and it was unanimously approved.

Diane presented a second bill for the prior FinCom Secretary for training of Liz Langley, the new FinCom Secretary for \$13.45.

Frank made a motion to approve the payment. Judy seconded the motion and it was unanimously approved.

Diane requested a motion to approve the FinCom January 10, 2007 meeting minutes.

Frank made a motion to approve the minutes. Judy seconded the motion and it was approved by 7 members. Tom Shea abstained as he was not present at the meeting.

Diane stated that the FinCom meeting minutes for February 12, 2007 would be discussed at the next FinCom meeting.

Police Budget

Diane requested that the Chief of Police present his budget and impact statement.

Chief Saleski requested he be able to make 2 public service announcements which follow:

1. The Police department will be sponsoring the Citizens Police Academy beginning April 23, 2007. This will run for 8 weeks, 1 night per week for 2 hours each night in the classroom at the Police Station. The purpose is to provide the citizens with information on the police officers responsibilities and how resources are utilized. Guest speakers are utilized to provide some of this information.

This information and the application to attend can be found on the police website: <http://medwaypolice.com/>.

2. On May 26, 2007 a dedication ceremony will be held for those police officers who have served a minimum of 20 years or have died while in service. A wall of dedication at Police Headquarters will be created in appreciation of their dedicated service. There will be an open house in the classroom at Police Headquarters at this time.

The Chief is requesting memorabilia and pictures from the public to display at this event. Sgt. Jeff Watson is the contact for this aspect of the event.

The information is on the police website: medwaypolice.com.

Chief Saleski then read his [impact statement of level funding](#) of [his budget](#) which included: the fact of the loss of 2 officers 2 years ago has impacted the service level as follows:

- Inability to utilize grant money due to lack of man power

- Citations historically ran at approximately 2200/yr are down to 900/yr
- No alcohol/drug prevention program due to lack of man power
- No long term drug prevention investment
- No bicycle police officer

Chief Saleski stated that the volume of work coming into the department last year:

- 365 Alarm calls
- 560 Medical calls
- 250 Motor Vehicle Accidents
- 560 Property Crimes
- >50 of combined sexual assault, child abuse, etc. each of which requires 25-50 manpower hours to manage

Chief Saleski stated the following numbers:

- 3 level 3 sex offenders live in Medway
- 9 level 2 sex offenders live in Medway
- 2 incidents of internet sexual predators; one incident the man was arrested in Medway from another town, one incident involved a Medway resident
- Officers Kingsbury & Tingley were involved in a case of ID theft of 1100 social security numbers from the MA Industrial Accident Division involving incidents from Maine to Florida
- There was a rash of breaking and entering incidents

Chief Saleski said there will be a \$77,000 shortfall if he must level fund his budget.

Frank inquired about the Quinn Bill/state aide that comes back as local receipts

The Chief stated that the education costs were \$160,000 and the state reimburses for $\frac{1}{2}$ based on the prior year's costs which translated to \$80,000.

Tom asked if the Chief was aware of state metrics for recommended staffing based on population of Medway of 13,500.

The Chief stated that the Department of Justice (DOJ) report of 2004 recommends:

- 1 police officer for every 500 residents or in other words
- 2 police officers for every 1000 residents
- Based on the DOJ recommendation Medway should be at 26 personnel
- Total employees for FY07 = 19 and FY08 = 17 if must level fund

Diane asked the Chief what staffing level would he see as the minimal acceptable.

The Chief stated 23 total personnel. Last year 2 police officers retired and were not replaced. This year 2 plan on retiring and the Chief is not planning on replacing them.

The Chief stated that on average, the towns in MA comparable in size to Medway have 22 total personnel. Medway has 20.

Glen asked the Chief what the service level impact will be to the residents.

The Chief stated that without proper police staffing that:

- Proper police coverage will not be possible
- Response levels will decrease

The Chief then detailed further responsibilities of a Medway Police Officer:

- Police are the first to respond to all 911 calls as they are CPR/AED/1st Responder certified
- They maintain the scene until the EMS/Paramedics arrive
- Police deal the crimes/investigations of those; Medway had only ½ time investigator
- Medway is the only town without a minimum for 1 FT investigator

Jim asked the Chief to detail the staffing patterns.

The Chief responded that:

- Day Shift weekday: 1 court officer, 1 school officer, 1 Sgt., 2 patrol officers
- Day shift weekend: 1 Sgt, 2 officers
- After 2am: 2 officers only

Rich stated that even with level funding the following is true for this department:

- 92% of budget is salary
- 7% of budget is expense
- Still have \$77,000 shortfall

The Chief read his impact statement based on a level funded budget (see attached supporting document).

Glen asked about the purpose of the FT officer at the High School.

The Chief responded that resulted from the Columbine episode. Medway received a Grant 6 years ago for a ½ time School Resource Officer(SRO) whose purpose is to:

- Maintain good will in the school
- Maintain safety in the school
- Be involved with a prevention/preemptive purpose
- Prevent a Columbine type incident

- Part of the crisis management team

The Chief stated past budget funding shortfalls resulted in shutting down the DARE program to add 1 Patrol Officer and the SRO has taken over some of the DARE functions.

Last January to School closing, Dr. Grandmont assumed the cost of the SRO position into his School budget in an effort to assist the Police Department budget.

The Chief stated that the current level funded budget request would require the 1st cut to be the SRO.

Rob inquired if the DOJ staffing estimates for a town our size factored in Cyber-crimes.

The Chief stated that the DOJ did not include those types of crimes and Officer Reardon is proficient in that field and has been involved in a Regional Service Group called Metro Enforcement Council. Officer Reardon is on their Ready Response and SWAT teams and has been instrumental in 2 investigations:

1. The tear-drop bandit apprehension, Officer Reardon was part of the team the day he was caught.
2. The shooting in Franklin, Officer Reardon was a Team Leader for that operation.

Medway utilized this groups' services to find a lost resident. 100 Police Officers were actively searching due to our department's participation in this group.

Diane requested a minimum acceptable total FTE from the Chief.

The Chief handed out a table describing various scenarios and their associated costs and stated that 2A would be his answer to Diane's question.(see attachment in support of these minutes)

Glen asked the Chief to address the Police Vehicle issue.

The Chief detailed the following:

- 10 total vehicles
- 6 are used as front line
- 2 of the 6 are never shut off in the winter because of the time required to clear ice/snow, etc.
- Of the other 4: 1 died-the K-9 vehicle which will not be reinstated as the dog is about to retire, 1 the court officer shares with the investigator, the Building Inspector utilizes one of the unmarked vehicles and the Fire Department utilizes the other 1999 with >100,000 miles on it

Phil stated that if the Police Department garaged their vehicles they would not have to run 24hrs/day to stay ice free and increase the life of the vehicles.

The Chief said the cost to build a garage has been addressed in the past but due to budget constraints has not been possible.

Kent asked the Chief to address crossing guards Full Time Equivalents (FTEs).

Chief Saleski stated that we had 6, are down to 4 but we actually have 3 crossing guards to cover 4 spots.

The Chief stated that Dr. Grandmont requested a return of the 1 at the High School but there is no funding in the budget to support that request.

Kent clarified that with this level funded budget, 2 junior officers would be laid off and the SRO would be moved to a patrol officer.

Chief Saleski stated that by union contract, the last to be hired must be the first to go.

Kent asked the Chief to address the technology resources of his department.

The Chief stated he has no technology budget and:

- In-house networked windows based system was replaced 2 years ago; anticipate possibly replace/upgrade required next year
- PCs attached to network, do not know status of replacement
- Computers in cruisers attached to DMV were updated < 2 years ago at cost of \$10,000 each

Kent stated that if we level fund year after year and we don't plan ahead the town will be in serious jeopardy for safety.

ACTION ITEM: Suzanne stated that she is working on a 3 year capital expenditure forecast to help solve part of that issue.

The Chief stated that due to the year after year level funding the response time to all of the aforementioned types of calls will increase.

Tom asked the Chief if there are minimal staffing level metrics from the DOJ for Officer safety.

The Chief stated:

- The day and afternoon shift require 3 patrols but, 3p-11p shift requires more resources as does the weekend.
- 3 officers are required to respond to a motor vehicle accident

The Chief stated that if we decrease the staffing by 2 as would be required to level fund FY08 we would be at the same staffing level as 1996.

Dennis asked questions of the Chief:

1. Would it make sense to consolidate the technical requirements of certain town departments?
2. Address employee benefits package budgeting.
3. Address headcount from FY05-FY08 with only increase of \$4,000 in budget.

The Chief responded:

- There is no Information Technology line item in his budget
- Headcount as follows for:
 - FY04=23
 - FY05=22
 - FY08=17

ACTION ITEM: Suzanne stated that the employee benefits dollars allocated to each department's budget still require adjustment and until Governor Patrick's Cherry Sheets are available, she will not be able to provide a semi-accurate projection of these dollars for any department budgets.

NOTE: The Cherry Sheet numbers are subject to change until the final state budget is voted on by the House and Senate.

Rich asked if and how the minimum staffing will impact grant funding and finding additional revenue via grant funding.

The Chief responded:

- The Community Policing Grant(CPG) has provided #33,000/yr in funding for programs
- In the past the CPG has funded the purchase of IT equipment
- 2 yrs ago he applied for a grant for the SRO position, it was put on hold and then the grant was abolished by the state.

Jim asked about cost to replace vehicles.

The Chief stated:

- Each vehicle costs \$30,000
- His requested budget increase for vehicle replacement is > \$150,000
- His minimum request would be for 3 cars to be replaced at a cost of \$90,000

Dawn Rice-Norton asked the Chief about the impact on the Police if there are cuts in Animal Control, EMS, and Board of Health budgets.

The Chief stated that the Police would have to pick up the responsibilities for any cuts made in those departments.

Communications Budget

Sgt. Boultenhouse reviewed the following facts about the Police Communications budget:

- 1 person must be available 24 hrs/day 365 days/year therefore
- Salary which is 95% of this budget can not be cut
- The training budget had to be cut in order to level fund
- 911 State training is 2 days/person
- CPR/First Aide training is required so that the 911 operator may coach a resident over the phone

Glen asked for call stats.

Sgt. Boultenhouse stated there were +1600 Police/Fire/EMS calls last year.

Diane asked the impact of service if budget is level funded.

Sgt. Boultenhouse stated \$8,500 would need to be cut from the training budget.

Sgt. Boultenhouse stated that the \$2600 is for a maintenance contract on the NEC phone system. If the 911 goes down, the calls are automatically routed to Millis or Franklin. If the main police/fire number goes down there is no back-up.

Phil stated that not paying for the NEC phone system contract is not an option for safety reasons.

Sgt. Boultenhouse stated that he cut all other expenses but the NEC contract which includes supplies, uniforms, etc.

Dennis asked about the status/history of Regionalizing 911 Dispatch.

Sgt. Boultenhouse stated:

- The Fire dispatch would be out of Norfolk County
- 911 would be out of Holbrook, neither of which know how to direct staff to the appropriate location
- The cost would be \$80-90,000/year

Dennis asked if combining services with surrounding towns was looked at and Sgt. Boultenhouse said no.

Jim asked the impact of cutting mandatory training.

Sgt. Boultenhouse stated that the staff would have to get certified on their own time.

Fire Department Budget

Chief Vinton stated:

- With the new employee benefit allocation his budget was increased by \$10,000
- 5 New call personnel were asked for instead of the initial 10
- The Secretary was moved from the Ambulance budget to the Fire budget
- The cuts were made in equipment and repairs and fireman's safety equipment

Chief Vinton stated that Town Of Medway By-Laws state that the Fire Department staff at 40 employees and currently it is staffed at 30.

Rob asked if there are any staffing standards by the state.

Chief Vinton responded no due to Medway being an On-Call department.

Rob asked for the personnel mix.

Chief Vinton stated that the Town Of Medway By-Laws state that all On-Call firefighters must live in the Town.

Suzanne stated that the town advertised for 5 PT on-call firefighters and 7 responded, 2 of which were not qualified. She said it is proving difficult to hire PT and all respondents want FT.

Glen asked for impact on the numbers that respond to the fire call.

Chief Vinton stated:

- Due to the town having On-Call department, he never knows how many will show up
- Need to have enough On-Call to try to ensure a minimum show up on each call

Phil asked if we have ever not had enough responders.

Chief Vinton stated:

- You can never have enough firefighters respond.
- The rule is if 2 are in the building, 2 must be out in case need to rescue the 2 in
- We always have to call in other towns to cover
- 4 staff are required to run a ladder truck

Dennis asked for clarification of request of 2 FT for FY08 and if ever filled 2FT in FY07.

Chief Vinton stated:

- He never filled the 2FT in 07
- He kept the request for 2 FT for FY08 and deleted the request for 5PT to level fund

Dennis stated concern about actuals higher for PT than budgeted.

Jim stated that historically, we have always under funded PT and find the money later.

Frank requested a status of fire equipment.

Chief Vinton stated:

- 12 vehicles
- 3 Fire, 1 Ambulance
- The bucket truck is a 1981 Chevy
- 1 vehicle is a 1998 hand me down cruiser

Chief Vinton has \$72,000 in federal grant money that can not be used for personnel. He applied for \$115,000 and got the \$72,000 but can only be used to replace protective clothing which costs \$1800/person.

Steve asked if any of our fire fighters are inadequately protected.

Chief Vinton stated no and that at our last fire, Millis was at the scene and Holliston covered the station as we always have 2 towns assist with mutual aide.

Glen stated that the impact boils down to a response time issue which means longer response times which is a critical issue for fires.

Suzanne stated the town signed its 1st ever Fire Department contract and progress was made in issue management, no unlimited sick time, proper accruals for earned time and Health insurance for new hires will be a 30% contribution and the salary increases for the first & second contract year is 1.75% and 2.25 respectively and health insurance contribution is 20%, 25% respectively.

Suzanne thanked Chief Vinton, Glen thanked Suzanne and Jim stated it took 2 years to get it done.

EMS Budget

Chief Vinton stated that this is an Enterprise fund with revenues from Ambulance bills of approximately \$30,000.

Medway utilizes a local company for ALS services as we are not licensed for Paramedics. In order for Medway to be licensed the State requires 2 years of service for each Paramedic and 8 FT staff which the budget can not bear.

ACTION ITEM: Suzanne stated she must revisit the ALS budget with Barbara.

Rich stated that this fund has never been in the black as it was raided early on in its history and can never recover from that and questioned if it should even be an Enterprise fund.

Suzanne stated:

- 68% of the expenses of this budget is covered by the revenue
- The rate of reimbursement for Medicare and Medicaid is down affecting the revenue
- Private Insurance pays the full amount but combined this is not enough to cover the expenses

Glen stated:

- It was thought this would generate revenue to cover expenses but it never has
- Capitalization was not properly done in the past
- We are on top of collections for the dept

Suzanne stated that we typically run in a negative \$50,000.

Dennis stated that to privatize this would:

- Cost the town \$200,000 versus Medway providing at \$50,000
- The response time would be 18 minutes before an ambulance gets to your house versus 4-5 minutes for Medway providing this service

Chief Vinton stated that Events is the ALS vendor and we still need \$50,000 in the budget to provide the service here in Medway.

ACTION ITEM: Should this be an Enterprise fund? Action Item Owner?

Franklin charges this as an appropriation, Clinton has a \$1 mil. Fire Dept. budget for same number of people in ½ the town area.

Suzanne stated there are 3 ways to handle this:

1. Set up a Reserve for Appropriation but you need to delay the revenue stream to meet DOR regulations.
2. Run as a Non Enterprise fund
3. Maintain as an Enterprise fund but provide an infusion of revenue

ACTION ITEM: Suzanne needs to ask the DOR if doing #3 is OK.

Chief Vinton and Rich feel the Franklin scenario is better for Medway.

Dennis stated that we are assuming a \$50,000 deficit but this may be lower due to retirees at a higher salary than new hires at lower salaries and the Chief agrees.

Suzanne warned not to bare bones this as historically we have gotten into trouble doing that.

Judy stated Medway takes 500 calls/yr that we collect revenue on but we would need 2500/yr to make a profit.

Diane asked Gregory Green to introduce himself and his purpose in these budget meetings:

- He is from Local Look magazine
- The plan is produce a new magazine on DVD & Video via the internet of Medway news
- Website = locallookmag.com

DPS Budget

Dave first wanted to address the first snow storm snow removal issues:

- DPS is following policy set by the BOS and per this
- Sidewalks are the lowest priority
- This policy can be found on the town website

Glen stated this was passed by a BOS 5-0 vote.

Suzanne stated it is rare for any town to plow all the sidewalks and the policy does address those utilized by walkers to school.

Kent stated that our policy is same as the surrounding towns.

Dave reported:

- All staff report to a Snow Boss
- This was a 20 hr storm
- Started as snow, then rain, then freezing rain and ended with dropping temperatures

Dave reported the process is:

- Initial sanding and salting
- All hands plus DPS
- Had to pull staff off plows to deal with flooding/shoveling out drains

- Due to the icing, the plows could then not impact removal
- Cost for this was \$54,807

ACTION ITEM: Dave will give feedback to contractors and will request a discount on our bill due to quality of work performed by some of the contractors.

Building Maintenance Budget

Dave reported:

- There is and will continue to be 1 FT employee for all town buildings which include
- The Library, Thayer House, Town Hall, the Senior Center
- There is no custodian for town hall and the bathrooms are cleaned 2x/wk

Suzanne stated that grant funding could be applied for to support Thayer House.

Frank asked about total square footage and cost/sqft to maintain.

Dave stated:

- The schools have the greatest requirements but he does not have that information today
- There should be a look at combining resources with the school and this was done 3 or 4 years ago

ACTION ITEM: Dave's plan:

- Gain some efficiencies
- Provide information
- All departments would control what they should

Glen stated that:

- The schools are not replacing retiring custodians with new hires but contractors
- Custodians are union employees
- The high school custodians are almost all contractors

Kent stated that the town can not outsource because we so under fund this budget that no one outside would be willing to accept the amount we can pay.

Phil stated we should combine with the schools.

Dave stated that basic maintenance is not being accomplished at this time due to only 1 employee in this department.

DPS Operations

Dave stated:

- That with the creation of a Storm Reserve fund, we don't have to carry as much revenue in this department
- Storm reserve is \$75,000
- Snow + Ice fees are \$210,000
- The contract ended in FY07

The Planning Board Chairman inquired about required revenue.

Suzanne stated that she can not accurately determine this until the Governor provides the Cherry Sheets which are not solid numbers until the state budget is approved by the House and Senate.

Dave stated:

- We have no money to clear trees that have been deemed in danger of falling
- They could fall if we have storms like the Microburst of last year

Glen stated that this results in personal and property damage liability for the town.

Jim stated there is no budget for preventive maintenance and 2 trees that were hit last year landed on 2 occupied vehicles:

1. Minivan with children in it
2. Single occupant vehicle

The Planning Board Chairman stated we do have a revolving account but it is for replanting of trees as a result of town development.

Glen stated the prudent action for the town is to have a line item in the existing budget for planning and prevention of tree damage.

Highway Budget

Dave stated:

- FY1999 had 7 FTE for day to day operations and 1.5 FTE for vehicle maintenance
- FY06 had 5FTE + 1 Foreman and 2 mechanics
- The Foreman is the one who oversees and does future planning and prevention planning
- The Foreman has to now function as a day to day operations person so there is no planning/prevention and no backup
- FY1999 had enough staff to adequately sweep streets, fill potholes, mow/cut brush and deal with emergency issues like storm drain backups

Dave stated due to the lack of staff they can never catch up on the spring work, summer work, fall work and that is causing the staff to be in a reactive versus proactive mode and therefore the following is not being done:

- Looming and seeding due to storm damage
- Drainage work
- Sign repair
- Painting of street and cross walks
- Sidewalk repair
- Street repair
- New street signs for the future as they are cost prohibitive
- Foreman can not check that developers are maintaining ADA, Town, State standards

Suzanne stated that the last Override that provided \$1.8 million:

- \$300,000 was for road repair but had to be moved to this operating budget

Frank stated the FinCom needs anticipated capital expenses for this operating area including the police, fire, DPS, Water/Sewer.

ACTION ITEM: Suzanne stated that Dave is working with her to develop a capital expense plan.

Dave stated they currently maintain 84 vehicles and his goals are stated (attachment supporting these minutes)

Dave would like to have the DPS consolidate with the operational portion of the Water and Sewer to make the town have a DPW which would increase operating efficiencies and provide greater flexibility to deal with the current reactive mode of operating.

Rich asked why this can not happen.

Suzanne stated this is a union issue.

Jim asked if there was consolidation would that decrease the FTE requirements.

Glen stated:

- Operational efficiencies are expected to be documented on a town wide level from the results of the government study as to what the town needs to function more efficiently.
- We would be hoping to put these in place in FY07
- FY08 would then see these efficiencies impacted at the budgetary level

Dave stated his biggest request would be to have a Foreman moving forward who could help the department move to a proactive versus reactive mode.

Parks Budget

Dave stated:

- 1.5 FTE in this budget
- .5 FTE will retire who has 20 yrs of service and a new hire will therefore cost less

Glen requested an explanation of the responsibilities of these employees.

Dave stated:

- This department is funded by a straight fee + a capital fee
- The Capital fee is a reserve fund for long term planning of rebuilding of \$40,000
- The straight fee includes what the town leagues pay in fees:
- Base ball approximately \$10,000-11,000
- Soccer approximately \$12,000-14,000
- Football approximately \$2,000-3,000
- The capital reserve does not show up on the budget and any work done out of here is voted on by the Parks commission who has a 5 yr plan that would be implemented once the monies in the fund can cover the plan

Frank requested an account of the locations with the acreage and how that is funded.

ACTION ITEM: Dave will provide that information to the FinCom.

Dave provided a list of locations the DPS is responsible to maintain. ([attachment supporting these minutes](#))

Frank asked if there is any way to offset the costs.

Dave stated the town has not wanted to commercialize this in the past.

Rob asked if there is a vehicle to increase the fees to bring in more revenue.

Dave stated the Parks commission sets the fee structure.

Dave stated there are 1.5 FTEs to support all of the locations through March until the summer help arrives and March is when the volume of work peaks.

Glenn voiced concern about the crosswalks on Rt.109 not being properly marked as a safety issue.

Dave stated:

- Medway gets \$230,000 money from State funding via Chapter 90 but these monies are only allowed for what the state considers “large” projects. i.e. the Cottage street repaving is funded from Chapter 90
- Dave asked the state if we could use Chapter 90 money to fix all the town sidewalks and they denied his request
- \$300,000 would be required to be budgeted from the Town for sidewalk and crosswalk repair

Dave also reported:

- If he paints the sidewalks then
- The Town’s Disability Commission states since they have been redone, they are not ADA compliant
- The Town does not have the money to repaint the crosswalks and make them compliant with ADA standards

Jim asked Dave to quantify what the \$65,000 budget could pay for.

Dave stated that would not cover a repaving of Holliston St’s sidewalks, that would need >\$70,000.

Dennis asked the following questions:

1. Any plan for the McGovern parking lot.
2. Impact on services if cut .5 FTE to level fund budget

Dave stated:

- Emergency work only will be able to be done
- The towns roads will be full of ruts
- Weeds will be on the side of the roads and sidewalks
- Storm drains will flood
- Due to the aforementioned the residents could expect increases in property damage
- The town would eventually have to close the sidewalks
- The town would be fined by the state

Dave also stated that Governor Patrick has directed the State DEP to increase the number of towns fined for non-compliance in order to increase the state’s revenue.

Dave stated other towns charge:

- Storm water drainage fees to maintain their function
- Betterment charges for improvements on sidewalks and streets in front of the residents homes

The quality of life in the Town of Medway would be severely impacted.

Suzanne and Frank also noted the Town’s increase in liabilities.

Suzanne stated the McGovern parking lot would be part of the capital planning proposal that Dave is working on with Suzanne.

Dave stated that there is \$210,000 in the Snow Removal Reserve Fund.

Dave stated that the DPS replaced all the street lights:

- The cost was \$100,000 but \$50,000 was rebated to the town as they utilized energy efficient light bulbs.

Dennis asked if Dave is allowed to transfer any money from one budget to another.

Suzanne stated:

- The BOS + FinCom can only approve transfer of 3% of revenue from any one line item to another in any departments' budget by law.
- A special Town Meeting is required to transfer >3%.

Frank suggested shutting off all the street lights in town to save money.

Dave stated that has been looked at.

Suzanne stated that standards need to be met for public safety.

Dennis stated the high school looked into shutting the lights off earlier in the parking lot but for 6hrs/day earlier they would only save \$800 so it was not deemed appropriate based on the safety of residents outweighing the \$\$ saved.

Dave stated the Traffic signals cost \$1500 for maintenance only.

Board of Health/Solid Waste Budget

Carol Brodeur stated the Solid Waste revenues are generated by:

- \$250 fee per household
- Cost of the trash bags

American Waste is the trash and recycle vendor, the trash goes to Millbury and the recycles to Auburn.

As of February 3, 2007, the Recycle Center is charging a fee for wood and bulk materials only. This was instituted:

- To prevent contractors from continuing to dump their bulk free of charge as Medway must pay for bulk by the bin
- Bulk and wood can be done by the residents at the curbside for free

- To encourage residents to increase their curbside recycling which is free to them and this also increases the revenue the town gets by increasing our recycling
- This fee goes into the Enterprise fund and has raised \$315 to date since its inception
- The projected yearly revenue from this is \$400-500
- The information and fee schedule is on the website, at the recycling center and has been handed out at the center
- Income from recycling is cyclical.

Carol stated that Bill's salary percentages have been reallocated from 25%/75% to 30%70% from BOH to Solid Waste.

Suzanne stated:

- The cost allocation formula changed and stated that this needs to be watched as this could impact the cost per house causing a need to increase this rate.
- Approximately \$18,000 was moved
- The indirect cost allocation can not be accurately added until the work is completed by Suzanne and Barbara once she returns.

Carol stated that as of 7-1-2007, Bill McLaughlin will no longer be on board and the plan is to replace him with an employee who does not require benefits.

Suzanne stated once her and Barbara finish the indirect cost allocation strategy:

1. The strategy will be presented to each board.
2. Goal: to have a well documented indirect cost allocation
3. Once the indirect costs are available, they may be within the DOR guidelines and therefore fees for solid waste per house may not need to be increased.

Suzanne pointed out that the town is a risk when employees utilize their own vehicles,

- Specifically Bill Fisher should an accident occur while on duty.
- The staff member first utilizes their own insurance but may then sue the town or their insurance carrier can sue the town
- If the town employee still wants to utilize their own vehicle, they must sign a waiver to ensure the town is not liable.

Suzanne stated there is a recycled vehicle available from the Police department that Bob Speroni is utilizing that could be shared by Bill.

It was stated that a 4 wheel drive vehicle is required and Suzanne responded that there is one available.

Carol stated that Bill is covered on his insurance for business activities.

Suzanne stated that the town can still be liable.

Jim asked Bill how his time is divided between on-site versus Town Hall.

Bill stated 60% at town hall, 40% on-site.

Bill must visit 2x/yr 59 restaurants which does not include the tanning, massage, tattoo, piercing, etc. establishments in town.

Carol stated the Enterprise Fund contains \$30,000.

Dennis asked if level funding will result in a Solid Waste rate increase as we are the lowest in the surrounding towns.

ACTION ITEM: Carol will provide BOS +FinCom with a document detailing costs comparing surrounding towns.

Rich stated that his neighbors think they are getting double hits between the \$250/house and the costs of the pay as you throw.

Carol stated:

- Most other towns charge for everything at the recycling center not just bulk
- Other towns limit the # of bags you can dispose of each week
- Other towns limit the # of recycle bins per week

Carol stated Medway:

- Only charges for bulk at the dump as we have to cover our costs to pay for this pickup
- Does not limit # of bags or # recycle bins
- Does not charge for bulk pick up curbside on Tuesdays

Carol stated:

- Medway bills 1x/yr in August.
- This is billed separately due to too many billing errors when billed with water/sewer due to database limitations on the IT side.

Dennis asked what is the percentage of dollars of people who pay versus not pay last year.

Glen stated 1.18 million was billed last year and September to now is >\$700,000.

Carol stated in FY06 \$65,000-75,000 was never paid and a Lien is then placed which will be shown in the real estate tax bill and if > 30 days interest is added.

Suzanne stated:

- Can not lien a property until after the fiscal year is over.
- Carol, Mark, Sandy and Bill agreed to send out a friendly demand letter notifying residents of the potential for a lien to be placed if they did not pay this bill.
- This resulted in more revenue coming in earlier which is critical for this Enterprise fund.

Water/Sewer Budget

Frank asked for a status on the water pump issue.

Mark stated:

- We borrowed 1.1 million for the Village St. pump and we are awaiting DEP approval.
- The new pump we are waiting for the appraiser so Mark can then:
- Negotiate with the owner of the land to acquire it then
- DEP approval needs to be obtained.

Mark stated:

- This bonded Enterprise account won't see short term borrowing
- The department is raising sufficient funds to pay the existing expenses
- We do not have the funds for covering the Bonding Short Term borrowing
- The Commission is discussing how to cover that bonding
- Budgeting depends on the season as > volume in winter due to water breaks

Mark stated the Commission needs to vote on:

1. Salary and employee benefits
2. Principal and interest debt

Suzanne stated:

- The increase in electricity costs for this budget was due to a rate hike from our vendor from \$.06/kwh to \$.11/kwh

Mark stated the Public Works account pays for:

- Buying gravel
- Buying hard top
- Police details

The water tank costs reflect:

- Last year the tank took 3 lightening hits which cost \$900 each can preventive measures can not be put in place to try to counteract this type of damage as the cost is prohibitive.

- Edison Brown-Outs cost the town as this burns out things but they are putting in place a safety mechanism to not allow these burn outs to happen thereby saving the cost of repairs for this issue.

Frank asked how the Charles River Pollution is allocated.

Suzanne stated the town is assessed this cost by the state.

Suzanne stated:

- The indirect service agreement will spell out the indirect and direct costs and will address budget questions once this is completed.

Mark stated that any rate increase will:

- Cover the debt issue and indirect charges
- Account for all future debt issues
- Occur over a 2 yr period
- Even with a rate increase, you don't see this in the revenue numbers for 6 months

Suzanne asked if there was any concern on Mark's part of the operation not running to cover its costs.

Mark stated that this department has never run in a deficit as they always plan for what they think they will need.

Mark stated the State is requiring all towns to fence in their water tower to prevent terrorists from contaminating the town's water supply but they have not determined to date the most appropriate way of implementing this state mandate.

Joy Smith-Dahl made a motion to adjourn the meeting at 2:40 p.m. Phyllis Cerel seconded the motion and it was unanimously approved.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: February 28, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Steven Chilinski, Ned Myers

ABSENT: Phil Giangarra, Phyllis Cerel, Glen Trindade

GUESTS: Suzanne Kennedy, Barbara Durand, Carol Pratt, Alison Slack, Missy Dziczek, Jim Galligan, Richard Dunne, Dennis Crowley, Kent Scott, David D'Amico, John Callahan, Matt Lynch

PURPOSE: Joint meeting of the Board of Selectman (BOS) and the Finance Committee (FinCom) for review of the first iteration of the Level-Funded Budgets including the Impact statements to their respective departments.

Diane Coulter called the Finance Committee Meeting to order at 7:07 p.m. at Sanford Hall, Medway Town Offices.

Jim Galligan called the Board of Selectman Meeting to order at 7:10 p.m.

Diane presented the February 12, 2007 FinCom meeting minutes requesting comments and there were not any, then a motion for approval.

Judy made a motion to approve the minutes. Frank seconded the motion and it was unanimously approved.

Diane stated that the FinCom meeting minutes for February 28, 2007 would be discussed at the next FinCom meeting scheduled for March 7, 2007 at Medway High School.

Diane introduced the newest FinCom member, Ned Myers.

Diane shared:

- her discussion with Jim Vallee regarding the \$1.1 million increase in revenue budgeted by the Governor to Medway
- Jim Vallee stated that with the state of MA having a \$1.3 billion dollar deficit, to assume Medway will get the same as last year would be prudent until the House and Senate finalize the states' budget.

Kent stated the Governor was "setting the stage" for the budget talks.

Frank questioned the state assessment numbers for Medway.

Jim (BOS) stated they are down approximately \$1,000.

Diane stated that historically, the assessment numbers for Medway from the state do not fluctuate very much to affect budgeting process in town.

Town Accountant

Diane requested the Town Accountant present her budget.

Barbara Durand stated that:

- Fiscal Year(FY)08 budget is less as no consultant fees will be required
- \$27,000 was moved to the MIS IT Budget for the VADAR software maintenance as this is utilized by many town departments.

Tom requested a total cost of consultants in her department for FY07.

Barbara stated a little less than \$50,000 as of 12-31-2006.

Frank requested clarification on the baseline data used to compile the budget as some numbers do not add up.

ACTION ITEM: Frank will send e-mail to Barbara listing these discrepancies and Barbara can provide clarification.

ACTION ITEM: Suzanne hopes to have updated detailed spreadsheets out on Monday with all the questions raised to date regarding employee benefits, etc. addressed.

Jim asked:

- If Professional/Technical line item is funded sufficiently for all special reporting requirements.
- Are Auditing costs included here?

Barbara stated that based on the quote from the auditors these numbers should be appropriate as she is now doing some of this reporting on her own.

Jim asked about the Auditing of the Municipal Buildings.

Barbara stated:

- She has the information from FY07 and has been asking other cities/towns about their practices
- She is developing a “best practice” workflow based on her inquiries and will be developing a policy for fixed assets.
- She anticipates that we will be able to do our own without the need for consultants in the future.

Jim asked if the other infrastructure items, i.e. sidewalks, etc. would require consultation by a 3rd party or can we evaluate these based on existing data.

Barbara stated:

- She is confident in the Auditor’s numbers and
- She has budgeted \$20,000 for a new state mandated Actuarial study of cost of employees retirement which will need to start being done every 2-3 yrs.
- This must now be footnoted on the budget reports that go to the state.

Tom asked if we will need a separate article as we did last year.

Suzanne stated no as this has been included in the budgeting process.

Tom asked Barbara to discuss “State of Financial Controls” in place now versus FY05 when we did not have any which resulted in our recent past and current financial situation.

Barbara stated that she can only address what has been instituted since she took her current position as Town Accountant as follows:

Prior to her arrival:

- There was no reporting to any departments on dollars spent versus dollars still available to be spent
- There was no reconciliation done at all

Currently:

- Monthly reporting to each department including who the expenses are attributed to, date to return this report to Town Accountant, report back on discrepancies in this report to Town Accountant
- Carol and Barbara then review all these discrepancies and resolve them PRIOR to the next months report
- Quarterly reporting of Revenue and Expenditures to date in summary format is provided to the state as a mandatory report due to Medway borrowing money from the state
- This Quarterly report is sent in detailed format to the Board of Selectman
- Audit Reporting: FY06 was completed by October, FY05 was completed in 5/06,
- We are now able to complete the report and it went to the state ON TIME
- **PLEASE NOTE: TAX BILLS WENT OUT ON TIME FOR THE 1ST TIME IN 3 YEARS**
- Reconciliation Reports are done via the monthly reporting to departments described above
- Receivables for 12/06 will be completed next week, then Jan/Feb will be worked on and then this will be done on a monthly basis
- New process of Turnover Sheets as follows:

Each Department sends:

1. To Treasurer and
2. To Town Accountant

Town Accountant verifies that what the Treasurer then forwards to the Town Accountant is the SAME AS what the Department first sent to the Treasurer.

Dennis asked:

1. If the assumption can be made that the cost savings in FY07 will result in the Town Accountant's FY07 being under budget.
2. If 1 major requested could be budgeted for what would that be?

Barbara stated:

- A new financial software package as VADAR is 3 years old and has only 1 canned report available.
- Even with an upgrade the current software's report writing functionality is very limiting.

Suzanne stated that the staff spent >20 hours on the budget report as it was totally manual. The current system does not support our business processes.

Ned asked how often the \$20,000 for Actuarial reporting will be required.

Barbara stated She and Carol have been attending meetings to understand these new state mandated budget reporting requirements and it will 1st be required for FY09.

Dennis asked about getting the School + Town on same system.

Suzanne stated that will be part of the summary Capital Improvement Plan she is working on with all departments.

Barbara stated:

- Step 1 is a needs assessment for the School + Town
- Recommends a Project Manager
- Recommends one person know how all the data tables related across departments and also someone who has IT experience who can converse with the vendor on their IT level

Frank stated:

- We need to have a resident expert who can train internal staff, communicate feedback to the vendor, provide live support with any new or updated software, ongoing software support
- Have we budgeted for that?

Tom asked if their department is appropriately staffed.

Barbara stated:

- Carol has been taking on more responsibility
- Carol is the MA Procurement Officer and this was not done in the past
- Their department is the manager of all contractual agreements for all town departments
- She is not entirely sure until all of their responsibilities are worked out and the software issue is addressed

IT Budget

Suzanne stated she is trying to re-align certain functions in the Town Administrator's office that clearly do not belong their and has requested that Barbara's department take over those tasks/functions.

Barbara stated:

- There is no staff for the IT budget
- \$27,075 is for annual VADAR maintenance contract
- \$5,000 for software maintenance
- She is looking at a software for the Town Website with 2 vendors,(Community Technical Solutions, Virtual Town Hall) but no decisions have been made

- There is enough money in the FY07 for design of this new site including training

Suzanne stated the MA Department of Revenue (DOR) recommended an upgrade to the Town Website.

Frank asked if their will be a town employee who is training in administration of this site.

Jim asked if the budget includes any additional modules for VADAR as this is licensed through 2009.

Barbara stated:

- VADAR related costs will be in the Capital Planning Budget
- Next week there is a scheduled VADAR upgrade at no cost

Suzanne stated there was no Needs Assessment done on a town wide basis when VADAR was implemented and Franklin has spent and budgeted allot of money for an appropriate Needs Assessment, Acquisition, Training, Support program.

Ned asked if FY07 will come in under budget.

Barbara stated no as the money will be going to the town website project.

Dennis stated that part of this budgeting must address the Cable Access recommendations of connectivity between town buildings and hardware purchases will be required and maintenance of the hardware.

Kent suggested an IT manager for hardware + software support to be shared across all departments.

Treasurer/Collector Budget

Melanie Phillips stated:

- FY08 will be \$67,000 lower due to no need for consultants' fees
- FY07, \$50,000 was spent on consultants
- Still in need of part time consultant 3days/week at \$400 for cash reconciliation process as this is very manual

Frank asked about the lock boxes/bank services put in place as a stop-gap measure.

Melanie stated:

- That will hopefully not be required for FY08 as her department is looking into automation

- Currently, imaging of checks to the banks has been implemented
- Plan is to scan both checks and bills in the future and once both of these are implemented, then the lockboxes./bank services may no longer be required but can not determine that until total imaging is implemented
- Her department has also taken over the postage machine management

Tom asked for a year to date consultant savings and what new controls/process improvements have been implemented since 2005.

Melanie stated previously:

- NO workflows were documented
- NO balancing was done on anything

Melanie stated currently:

- All department workflows have been documented
- Balancing is done Daily/Weekly/Monthly
- More reporting is implemented

Melanie stated:

- FY08 is based on Actuals
- FY07 is based on unknown due to the prior staffs lack of balancing

Dennis asked about her employees' increases in salary.

Melanie stated:

- None for her
- Union negotiated increase of .25% for FY08
- Hoping she will not need the additional FTE budgeted for due to process improvements but since they are not fully implemented she will not be sure until that occurs

Suzanne asked that Melanie comment on Tax collections.

Melanie stated:

- Approximately 40 residents will have their names in the paper for tax delinquency which is approximately \$200,000
- There is a specific notification process that must be followed with certified letters, etc.

Suzanne stated the impact is not felt immediately.

Kent stated that a lot of work was done on all delinquent accounts.

Dennis asked when the last time people were reported on was.

Melanie stated 2005 a very small group.

Suzanne asked for Melanie to review back taxes to date recovered.

Melanie stated approximately \$300,000-\$400,000

Dennis asked Melanie to address the excise tax issues.

Melanie stated:

- Excise taxes must be paid within 30 days then a demand letter is sent out
- All mail put in any mailbox in Medway goes to Brockton first which increases time it takes for it to get to Town Hall.

Melanie stated 3 ways other than that are available for Medway residents to get these paid on time:

1. On-line via Medway Town website
2. Drop off boxes outside of 2 locations; Town Hall and Medway Cooperative Bank
3. On-line via your own Banks' on-line payment service **and**
4. We are now electronically connected via ACH which speeds process

ACTION ITEM: Suzanne stated an internal meeting is needed to determine how to promote the use of these tools and how to get the residents to utilize these tools.

Melanie stated that she has a relationship with UniBank and in 3 weeks Medway will be the test site for an upgrade to the existing town website for on-line payments.

Debt Service/Reserve Stability

Suzanne stated this was not put in the budget.

Frank stated that the approximate costs are \$263,150 and \$150,000 for debt services.

Barbara stated:

- The DOR informed her that it is a % of the total to be raised
- FY08 number was given to Barbara from the DOR

CIPC –Capital Improvement Planning Committee

Suzanne stated that we do not have one but the DOR recommended that we should.

Suzanne is working on a 5 year plan and may have this available next Wednesday.

If this is made available next Wednesday, Suzanne needs a decision from both the BOS and FinCom by March 27, 2007 on the Capital Improvement Plans.

Frank asked if the data in Suzanne's spreadsheet was actuals.

Suzanne stated yes except FY06 was "funky" due to the way the current VADAR system captures data and had to be done manually.

Rob asked Suzanne to address the fringe line item.

Suzanne stated that was part of her contract.

Suzanne presented 2 issues:

1. Short Term Disability (STD) implemented for employees
 - This has been negotiated with 1 union so far and 2 more union contracts are up for negotiation
 - Not sure if \$4,000 will cover the cost
2. Personnel is a large issue
 - She would like extra office support
 - 2 Part Time Seniors have been added but still not fully covered
 - Reassigning tasks to the appropriate departments that have been historically done by her department is in process
 - Anticipates the Government Study will recommend a Personnel Department be implemented

Jim stated that the Government Study Group:

- Is almost done with data collection and analysis in next 2 weeks
- Will be making recommendations
- Would like this group to present to residents at town meeting their preliminary recommendations
- Could they give us that information for budgeting?

Diane asked if there is a time frame required for an over ride to be proposed.

Suzanne stated 45 days before the election which is on 5-7-2007 and we may need a contingent budget.

Suzanne stated that her salary increase is .25% contractually for next year.

The BOS pointed out that Medfield has a population of 11,000, Medway 13,500 and their town meeting attendance is 2,000-3,000 residents.

Frank asked about legal budget, Charles River, Annual Report.

Suzanne stated:

- Budget assumptions were made for all of these
- Legal fees should be anticipated as there are 2 union contracts to be negotiated for FY08 and there are substantial issues to be resolved

Board of Assessors

Tom asked about staffing.

Pace Willison stated currently staffed with 2 clerks and 1 was not employed for the full year.

Rich asked if the use of consultants may be more cost effective.

Pace Willison stated:

- Per Suzanne, a number of line items were rearranged for FY08 budget.
- State requires 3yr, (\$50,000) and 9 yr(\$150,000) re-evaluations and allows us to save up for those costs
- FY09 = 3yr
- FY112 = 9yr
- Professional Technical line item includes costs of consultants
- Re-evaluation account has approx \$35,000--\$40,000

Dennis asked:

- If we are \$100,000 under budget
- Are we being penny wise and pound foolish

Pace Willison stated:

- Current members of Board are doing the job at no cost to the town instead of hiring consultants due to their training and experience
- Looking into possibly sharing this function with another nearby town

Jim asked if sharing was feasible due to reporting requirements timing.

Frank asked about the overlay account.

Pace Willison stated approximately \$250,000.

Dennis asked when the new growth numbers would be available.

Kent formally requested the new growth numbers be provided to BOS.

ACTION ITEM: Pace Willison will provide BOS with new growth numbers by the state of the town address.

Jim asked if the \$72,000 salary figure was realistic based on job requirements.

ACTION ITEM: Pace Willison will look at other towns and make sure that number is adjusted if needed.

Counsel on Aging

Frank said that FY07 was less than FY06.

Missy stated that the outreach, transportation and her salaries were cut 3 years ago but are now higher yet not back to what they were.

Dennis asked if any salary increases due to union contracts should be anticipated.

Jim asked if the utilities need to be increased due to the planned addition.

Missy stated:

- Services have increased but so have volunteers so it has been a wash
- Grant shared with Franklin for Registered Nurse is a 1 yr grant but may continue for 3

Rich asked if Missy had an open checkbook what would her total budget really need to be?

Missy stated \$150,000.

Frank asked about condition of vehicles.

Missy stated:

- 20% is funded by the state
- Put in capital planning projections

Rich asked about the number of seniors.

Missy stated:

- 1,500 residents >60yrs old
- 200-300 take advantage of services
- Contact with approximately 1,300 of all seniors

Counsel on Aging includes:

- Senior Center
- Fuel assistance for all residents of Medway
- Prescription assistance for all residents of Medway
- Medicare assistance

Kent stated this departments' workload is not based on number of residents but number of times services are accessed.

Rich stated this is a quality of life department.

Dennis asked about the use of town funds for building the addition.

Missy stated:

- Zero town dollars were spent to build the senior center and none for the anticipated addition
- Friends for Elders donations
- \$200,000 from state of MA
- \$100,000 from Walnut Grove on the Charles
- \$200,000 from state must be spent by 6-30-2007 or the money goes back to the state

FinCom Reserve Fund

Frank asked about this fund.

Suzanne stated:

- FY08 \$100,000 to FinCom Reserve
- FY08 \$250,000 to Stabilization Fund

Tom stated that is sound fiscal policy.

Frank was in agreement.

Jim notified members of new information about a roof leak at the Police repeater station which damaged it beyond repair and approximately \$15,000 will be required to fix this.

Dennis stated that FinCom Reserve should be kept at \$100,000.

Suzanne stated that any leftover funds in the FinCom Reserve Fund at the end of a Fiscal Year (FY) go to the General Town Fund and each fiscal year the FinCom Reserve gets \$100,000.

Diane stated:

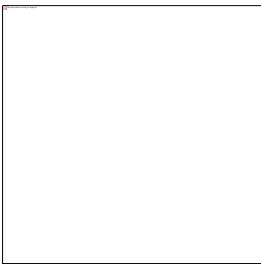
- next FinCom meeting 3-7-2007 at 7pm at the high school
- 3-12-2007 FinCom + School Committee at Sanford Hall
- 3-19-2007 BOS + School Committee at Sanford Hall

Tom motioned to end the FinCom meeting at 9:20 p.m. The motion was seconded by Judy Yasi and approved by all.

Kent motioned to end the BOS meeting at 9:20. The motion was seconded by Dennis and approved by all.

Respectfully submitted,

Liz Langley
Finance Committee Secretary



Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: March 7, 2007

LOCATION: Medway High School, Room 111A
Summer Street
Medway, MA 02053

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Phil Giangarra, Phyllis Cerel

ABSENT: Steven Chilinski, Ned Myers,

GUESTS: Barbara Durand, Tina Wright

PURPOSE: Review revenue documents prepared by Town Accountant for FY08 Budget.

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:05 p.m. at Medway High School.

Diane presented the February 17, 2007 Fin Com meeting minutes requesting comments.

The minutes were amended on page 13 regarding the cost of installing new street signs.

Diane then made a motion for approval as amended.

Joy made a motion to approve the minutes as amended. Frank seconded the motion and it was approved by all present with Tom abstaining as he did not attend the full meeting. Judy Yasi did not vote as she was not present at this time during the meeting.

Diane presented the February 28, 2007 Fin Com meeting minutes requesting comments.

The minutes were amended on page 10 regarding the dollars from the state for funding the Senior Center addition and date the funds must be utilized by.

Diane then made a motion for approval as amended.

Joy made a motion to approve the minutes as amended. Frank seconded the motion and it was approved by all present with Phyllis abstaining as she was not at that meeting. Judy Yasi did not vote as she was not present at this time during the meeting.

ACTION ITEM: Diane requested that Liz forward all approved Fin Com meeting minutes to Dave D'Amico to be posted on the town's website.

Diane stated the Fin Com/Town meeting/Warrant schedule is:

Date	Time	Location/Item	Purpose
3-12-2007 Mon	7p.m.	Sanford Hall	School Budget
3-14-2007 Wed	7p.m.	Sanford Hall	Budget Deliberations
3-21-2007 Wed	7p.m.	To be determined	Budget Deliberations
3-28-2007 Wed	7p.m.	Middle School Auditorium	State of the Town
4-4-2007 Wed	7p.m.	To be determined	Warrant Review
4-11-2007 Wed	7p.m.	Sanford Hall	Warrant Review
4-18-2007 Wed	n/a	n/a	Warrant Book To Printer
5-7-2007 Mon	n/a	n/a	Warrant Book to Residents Town Election
5-14-2007 Mon	7p.m.	High School Auditorium	Town Meeting

Discussion continued regarding other funding requirements:

- Medway High School taking possession (acquires a permanent occupancy permit) of the building after the following 2 outstanding items are completed:
 1. Ramp for ADA compliance, cost of approximately \$42,000
 2. Paving of some areas
- The Ambulance fund may require \$30,000 - \$50,000 from the general Fund.

Diane asked about the picture for the front of the Fin Com book.

ACTION ITEM: Joy stated she is on the board of the Historical Society and will bring samples to the next meeting so a decision can be made on this item.

Discussion continued regarding the Board of Selectman (BOS) Meeting with our representatives; Karen Spilka, Paul Loscocco:

- Diane stated the Fin Com needs to wait to see what the BOS want to assume.
- Tom stated we should start at assuming $\frac{1}{2}$ of the million like last year
- Diane stated the BOS is meeting Friday 3-9-2007 to decide what number should be assumed
- Rob stated that we may need to produce 2 budget versions
 - a. The BOS number/\$1 mil +The Fin Com number/\$500,000
 - b. Or pre-over-ride + post-over-ride

Diane requested Barbara to present the revenue assumptions spreadsheets.

Barbara stated:

- The revenue's were done based on the governor's assumptions until further direction is received from BOS
- SBAB is reimbursement from the state for school building assistance (not for the high school)

Barbara stated the Excise receipts:

- Were revised based on the collection information from Melanie(Town Tax/Collector) as 1.2 million was collected
- This billing is done based on files received from the Department of Motor Vehicles(DMV)
- 1 initial large file is received and then 2-3 additional ones
- She is assuming 1.5 million based on receipt of 1-2 more reports from the DMV and due to a paving company moving out of the Town which will decrease this revenue
- Penalties are lower as the Tax Collector has aggressively deployed bills for non-payers

Frank asked about where the water and sewer revenue is placed.

Barbara stated the water goes to the Water department and the sewer stays in the general fund.

Barbara stated the Miscellaneous Recurring:

- Includes Medicaid reimbursement of approx \$50,000-\$75,000
- Is lower as indirect costs are now going directly to each cost center

Frank asked how the license/permits are determined.

Barbara stated based on the historical trend with input from the Building Inspector, not actuals.

Joy asked the status of the Town Clerk increasing the fees.

ACTION ITEM: Barbara and Suzanne requested that all departments provide the following information in order to determine fee increases across the board:

- *What are you specifically charging fees for?*
- *What are the current fees?*
- *What are other towns charging?*

ACTION ITEM: Barbara has a call into the Department of Revenue (DOR) to determine the appropriate process of action once this information is available.

ACTION ITEM: Barbara will put Ambulance and Solid Waste on a separate page as requested by Diane and Tom.

ACTION ITEM: Barbara will provide revised stapled document to reflect changes on others.

Questions regarding the Snow + Ice, Health, Storm funds were raised.

Barbara stated:

- The Health has \$25,000
- The Storm has \$75,000
- The Snow&Ice has approximately \$80,000 but Dave D'Amico may have more bills to submit.

Tom asked if the FY07 Budget to Actual looks "OK" and Barbara stated yes.

Barbara stated:

- The Snow&Ice, CIPC are not on these spreadsheets.
- Salary Reserve is in at \$100,000 as there will be approximately 3 union/salary negotiations; municipal, police, and then non-union once the union is completed

Tom asked about the overlay reserve.

Barbara stated each levy year must be kept separate until the release date.

Diane stated that there is nothing from Fin Com for the Annual Town Report.

Members stated that the following still need to be addressed in this revenue reporting:

1. No CIPC
2. School Budget is level service funding, all other budgets are level funding on FY07
3. Snow&Ice is approximately \$75,000
4. Using the governor's \$1.1 million?
5. Ambulance Fund

6. Monetary articles not in

Tina Wright asked:

- Could the Town Accountant present the expense numbers in such a way that the Medway residents can understand that quite allot of each department's budget is **not in the control of these departments**. i.e. retiree's health and pension costs are now under each cost center's budget
- There are fixed costs that just plain exist that no-one has control over that must be budgeted for.
- Costs they can control/Costs they can't control and define these?

Tom felt this would be important to show the residents.

Barbara stated that Health Insurance numbers will be lower due to the contract negotiations.

- *ACTION ITEM: Barbara will update the schools information as it is currently too high.*
- *ACTION ITEM: Barbara will provide a sample of the report that will be included for the residents by Wednesday, March 14th.*

Frank stated that the EMS committee:

- Is in final decision phase.
- Rich will be speaking to BOS
- Judy/Frank will be speaking to Fin Com so this needs to be put on future Agenda for Fin Com meeting

ACTION ITEM: Liz to provide Dave D'Amico with meeting schedule in addition to approved Fin Com meeting minutes.

Phil motioned to end the FinCom meeting at 8:25 p.m. The motion was seconded by Tom and approved by all.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: March 12, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Phil Giangarra, Phyllis Cerel

ABSENT: Steven Chilinski, Ned Myers

GUESTS: Dr. Grandmont, Susan Connolly, Dawn Rice-Norton, Matt Lynch, John Foresto, Jan Fish, Joseph Russo, Andy Espinosa, Rondi Chapman, Dave D'Amico, John Callahan, Glen Trindade, Deb Trindade, Kristen Diebus, Dennis Crowley, Kent Scott, Mr. Verdolino

PURPOSE: Review School Budget prepared by School Committee for FY08.

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:05 p.m. at Sanford Hall.

Diane requested that Dr. Grandmont present the School Department's budget.

Dr. Grandmont stated that the School Department budget was created based on level service. He also presented an overview of the documents that he handed out to all present Fin Com members.

Note: Please see Addendum #1 for information on where to obtain these documents referenced in these minutes as #1 through #7 if an active link is not available.

- [**#1 FY08 Working Draft Budget**](#)
- He requested that it be noted how significant the cuts were to the schools from the FY06 Requested budget which was first presented to the Fin Com on 12-9-2004
- The sub-committee members who worked on this budget at a prior meeting include Tom Shea, Phyllis Cerel, Rich Dunne, Dennis Crowley, Susan Connolly, Tina Wright, Dr. Grandmont and Mr. Verdolino.
- [**#2 FY07 Budget Status is presented by Department of Education \(DOE\) Functional Category**](#)
- He stated that the new budget to actual reporting for the current fiscal year is updated monthly and is available to the public in a 3 ring binder in his office and during all school committee meetings
- The FY2007 Non-Operating Budget Funds include revolving accounts and grants
- [**#3 MA DOE FY06 Expenditures per Pupil comparing Medway to Like Districts**](#) is information directly off the DOE website put together by Mr. David Verdolino who stated this information:
 - Is approximately 3 weeks old
 - Includes retirement costs and all funding sources
 - Does **not** include transportation, capital projects, debt

Tom asked for verification on document #3 of the total budget amount for Medway as \$26.2 million.

Mr. Verdolino stated:

- This is the first year the DOE has calculated the information in this manner
- The old calculation included direct + indirect costs but separated Regular Ed, Special Ed, and Integrated
- The new calculation includes grants, revolving funds (i.e. tuition, food services, etc.)
- All education types are included, no longer separated out regular ed, SPED, Integrated therefore
- The numbers look higher in this new format than in the old format

This #3 document points out that Medway is at:

- 69% of the average for all Tri-Valley schools for Administration expenses and we rank the lowest, 9th out of 9, in actual dollars spent
- 63% of the average for all Tri-Valley schools for Instructional Material expenses and we rank 8th out of 9 for actual dollars spent
- 92% of the average for total per pupil expenditures for all Tri-Valley Schools and we rank 7th out of 9 for actual dollars spent

Mr. Verdolino stated:

- The school department is looking to move toward parity with the other school districts of Tri-Valley for example:

- Medfield teachers health benefits % are 50% employee responsibility/50% town responsibility

Tom asked that of all the 317 state school districts, where does Medway stand?

Mr. Verdolino stated that Medway is 274th out of the 317. 273 school districts in the state of MA spend **more** than the town of Medway on their per pupil expenditures.

Tom asked if all of the school districts are like Medway, K-12.

Mr. Verdolino stated the two columns on this document; Medway Comps (TVL) and Medway Comps (Other) include like school districts, K-12.

Frank & Tom asked if the increase in Special Education (SPED) costs due to state mandated requirements is keeping up with the circuit breaker subsidies?

Circuit breaker is what the states subsidizes to the towns for the high cost of out of district SPED placements.

Dr. Grandmont stated that he does not believe that the DOE has that information available.

Tom asked if there is a SPED expenditure/SPED pupil number?

Dr. Grandmont stated Handout [#4 FY96-FY05 % SPED per total School Budget](#) details:

- From FY96-FY05 the Direct SPED dollars spent as a percent of the total school budget for Medway has gone from 13% -21%.
- This is not unique to Medway
- These numbers are the absolute cost to the town not the total cost of SPED

The question was raised on the %SPED students to total student Population: 17-18%.

Rob asked for clarification for footnote E on [#3](#) DOE document.

Mr. Verdolino stated that if Medway was to meet the Tri-Valley Average per Pupil Expenditure, we would need to add \$2,670.000 to the budget.

Joy asked if the increase in employees' benefit responsibility to 50% would translate into a decreased cost to the Town of Medway?

Mr. Verdolino stated that health care costs are rising so quickly that even with this increase in employees' benefit responsibility the cost per pupil would not be impacted.

Dr. Grandmont directed all to document #5 % Expenditure per pupil [Graph 1](#), [Graph 2](#) [Graph 3](#), detailing bar graphs for FY05- FY06 for all the Tri-Valley towns the:

- Total % of dollars spent per pupil increase, Medway is the lowest
- Classroom & Specialist Teachers (only teachers not para's or aides) % of dollars spent per pupil, Medway is the lowest and the only town that has actually spent less
- Insurance, Retirement +Other % increase in dollars spent per pupil, Medway again is the least, this will not see a significant change even increasing the % employee share of benefits

Dr. Grandmont directed all to document #6, FY08 Level Service Operating Budget:

- The [first pie chart](#) does not include the indirect costs from Suzanne Kennedy yet
- This is the only place where the budget is level service funded and includes many fixed costs, costs that have to be paid due to negotiated salary increases (union 2and1/4th %), step and degree salary increases as union dictates (those teachers that go from a B.S. to an M.S. and years of service increases)
- Projected increased in SPED based on historical data
- **NOTE:** All other costs including utilities are level funded for FY08, including gas, electricity, etc.
- 77% of the level service costs are personnel and 23% in non-personnel costs (computers, books, etc.)
- 77% of the level service cost is for regular education, 23% is for SPED

Tom asked what the Technology costs include.

Dr. Grandmont stated:

- Internet service provider
- Maintenance contracts
- Antivirus software, etc.
- Non-student used technology....what staff utilizes, clarified by Susan Connolly

Joy asked about the anticipated Kindergarten class enrollment.

Dr. Grandmont stated:

- Higher than expected this year,
- 177 already registered, 22 registration packets are still out
- 99 full day/5 classes of 20 so far

- Prior years were 220,214,215, FY07=187

Rob asked for clarification as to why the FY06 requested budget was included in document #1.

This was placed there to illustrate the trends.

Tom asked if [Tier 1 and Tier 2 budget pages](#) at the end of Document #6 are ordered by priority.

Dr. Grandmont stated yes.

Susan Connolly stated:

- The Tier 1 is mostly staff and this is due to the accreditation report from the state.
- Medway must submit a special report to the state as to what action was taken based on the accreditation report recommendations

Tom asked if there is a RN to # student state ratio.

Dr. Grandmont stated 1RN for every 250 then .1 Full Time person for each +50 over the 250. Dr. Grandmont stated that we do not meet the requirement in the Middle School.

Frank asked if Tier 1 and Tier 2 capital investments were also put into the Capital Improvement Plan (CIP) in place by Suzanne Kennedy.

Dr. Grandmont stated:

- Yes, ever since the CIP was put in place, he has submitted his requests for capital expenditures
- The CIP department/account has never been funded therefore, these were included in the Tier1+2 budget requests

There was then much discussion regarding on-line textbooks:

- Dr. Grandmont stated when texts are purchase there is an option for CDs and/or on-line texts and for the new purchases, we have been purchasing the CDs
- A guest asked if on-line would be more cost effective
- Dr. Grandmont stated he did not know, all students do not have access to computers
- Glen Trindade stated that we do want to use every opportunity to use technology but the current infrastructure (classrooms with computers with internet access and CD drives that can read new technology) will not support this and would require a significant investment

Joy asked how Tri-County Vocation Tech charges Medway.

Dr. Grandmont stated:

- There is a state formula per student
- Medway has 50 students there
- There is a new Director

ACTION ITEM: Dr. Grandmont will ask the Tri-County Director to present the state formula and budgeting to the Fin Com.

Dr. Grandmont then presented the last handout [#7 “Funding from Property Taxes Over the Past 3 Years, FY05-FY07”](#)...percent of real estate taxes that went to fund the schools.

- The percent for those years are 69%, 68%, 63% respectively
- \$1,139,318 = the real estate tax decrease over these years for the residents
- This is due to an increase in State Aid, Chapter 70 (Ch70)

The second section of the handout detailed how much of the Chapter 70(Ch70) increased dollars actually made it to the school department's budget FY06 – FY07 actual and FY08 Governor's House1.

- For both FY06+FY07 Ch70's total increase = \$1,220,992 to Medway for the schools yet the schools only received \$81,674 Ch70 dollars
- FY06 the schools were funded below level funding
- Based on FY08+past the total that was slated for Ch70 for the schools will be \$2,358,087....what will the schools actually receive?

Tom asked the proportion of property taxes to other like towns.

Dr. Grandmont stated for Medfield %80 percent of the real estate tax goes to the schools.

Mr. Verdolino stated for that information:

- Go to the DOE website
- Click Ch70 link
- Look at the statewide information to find that percentage for other towns

Frank asked if these numbers include health and other benefits and indirect costs as this is the first year these are being directed to the cost centers. The total cost would be those numbers on document #7 plus indirect, etc?

Dr. Grandmont stated the intent for the state providing Ch70 funds is for the school as the state realizes the biggest chunk of most towns budget is the schools and the increase from the state legislature is because they assume these costs are going to increase.

Tom stated that the cost number inclusive of indirect+benefits can be extrapolated as follows assuming 70% for a total from FY06-FY07 \$475,000 which still does not make up the difference.

Susan stated that all the documents reflecting the DOE numbers do include health expenses.

Rondi asked Dr. Grandmont why the fire alarms were on the bottom of the list.

Dr. Grandmont stated:

- Although the Middle school did pass inspection by the fire chief
- The connection of both buildings of the Middle school does not exist
- The existing systems in both school buildings are antiquated
- Fire alarms can not be heard in some hallways and calls need to be made to those teachers and from building to building to ensure all are informed
- Want to plan ahead for upgrading so does not end up an emergency expense but a planned expense
- This year 2 elevators had to be replaced at the Middle School as an unplanned expense

Diane requested any further questions. None were forth coming.

Diane requested a motion for approval of Fin Com Secretary's Timesheet for the month of February for the sum of \$299.76.

Joy made a motion to approve the \$299.76 bill for the Fin Com Secretary. Tom seconded the motion and it was approved by all present.

Judy motioned to end the FinCom meeting at 8:30 p.m. The motion was seconded by Tom and approved by all.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Minutes of Finance Committee-Final Version

DATE: March 14, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Rob Kenney, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Phil Giangarra, Phyllis Cerel, Steven Chilinski, Ned Myers

GUESTS: Susan Connolly, Tina Wright, Rondi Chapman, Dave D'Amico, Dennis Crowley, Kent Scott, Suzanne Kennedy, Jim Galligan, Rich Dunne, Larry Ellsworth

PURPOSE: Review Capital Improvement Plan

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:05 p.m. at Sanford Hall.

Diane requested a motion for approval of 3-7-2007 Fin Com Meeting Minutes.

Joy made a motion to approve the 3-7-2007. Tom seconded the motion and it was approved by all present. Ned Myers did not vote as he was not at the meeting at this time.

ACTION ITEM: *Liz to forward 3-7-2007 minutes and updated Fin Com meeting Schedule to Dave D'Amico to be placed on town website.*

Suzanne Kennedy then dispersed the following documents to all present Fin Com Members:

1. Capital Improvement Plan (CIP)
2. FY07 Actual, FY-8 Requested Budget (working document)
3. Revised Town Meeting Calendar

4. Budget Discussion/Action Items dated 3-14-2007

Suzanne stated the following regarding the Capital Improvement Plan document:

- Requesting that the Fin Com focus on FY08 items at this time due to time constraints which should include High School handicap ramp, McGovern parking lot, Streets
- Need to look at prior documentation sent to all regarding Policy and Procedures for CIP
- Felt this document is important for the town residents to see
- Missing the Police Department's requests
- Thank you to Dave D'Amico for receiving all the Department's requests and putting this report together.
- Definition of CIP project is Cost = minimum\$5,000 Useful Life = minimum10 years

Discussion ensued regarding process of decision making around CIP.

- Jim Galligan asked; is the source of funding a decision parameter? Cash/lease to purchase/bonding?
- Dave D'Amico stated that if we know how much debt service the town can carry for FY08, then the Fin Com would have more information to make decisions
- Suzanne stated that the Town's debt service is approximately 10% of the Town's annual budget. The Town should strive to maintain a level-funded debt service.
- Suzanne stated those items that use little or zero money from the General Fund should be ranked higher than those that do
- Exclusion of enterprise related items for FY08
- Should department heads be available to Fin Com to support decision making?
- Tom stated there are emergency projects on this that must be funded, new well, High school handicap ramp, McGovern parking lot

ACTION ITEM: Dave to rank order FY08 CIPs and forward to Board Of Selectmen (BOS) + Fin Com Members in .pdf format to support decision making.

ACTION ITEM: Suzanne to work with Barbara to provide BOS + Fin Com with debt services plan report detailing over 10yrs at \$25,000, \$50,000, \$75,000 debt services to support decision making.

ACTION ITEM: BOS will provide Fin Com with their recommendations for FY08 CIP projects to support Fin Com decision making.

ACTION ITEM: Liz to e-mail latest Fin Com Meeting Schedule to Suzanne.

The next document discussed was the working FY07 Actual/FY08 Requested Budget.

The discrepancy between the level funding/level service for the school was questioned.

- Suzanne stated this was due to the decrease in costs of health insurance, worker's compensation, and general liability

Suzanne stated this document is assuming the Governor's full \$1.1 million House1 budget.

Suzanne stated that the Fin Com must consider the town's levy capacity when developing the FY08 budget.

Tom asked what happens to any excess assessor's overlay money from FY07-FY08?

Suzanne stated that each year's overlay reserve much remain until the Board of Assessors vote to relinquish any surplus funds to the General Fund.

State Rep Vallee will be present at next Monday's BOS meeting and will hopefully have more incite into the budget numbers the state will provide.

Diane will attend next Monday's BOS meeting.

Tom, Rob, and Suzanne stated that it is better to budget on the conservative side.

Suzanne stated that the Water/Sewer is still discussing their budget and the Board of Health just signed off on the indirect cost allocation.

Dave stated that the Waste + Municipal contracts are not settled at this point.

Discussion regarding the Unclassified funds and stabilization/reserve funding followed.

Diane asked Dave about the Storm Fund and much discussion followed.

Suzanne stated not to transfer funds out of the existing fund but put into reserve fund as this budget number is totally unpredictable based on how many storms we have.

ACTION ITEM: Suzanne will contact the DOR as ask about the ability to transfer money out of a reserve fund to an existing cost center.

Tom stated he is not comfortable with the major budget assumption utilizing the entire \$1.1 Million House1.

All Fin Com members agreed.

Much discussion ensued regarding allocation of funding of health care costs as this is again totally unpredictable based on major life changing events, i.e. marriage so going from individual to family insurance.

A guest voiced a concern regarding the impact on Human Resource practices of this way of allocating this money, specifically, hiring and legality.

Suzanne stated that the health care money is managed centrally but allocated de-centrally and if there are considerable changes requiring moving of monies the process is:

- Department Head notifies the Town Accountant and Town Administrator
- An Article is developed for transferring the money out of the reserve fund
- A Special Town Meeting would be needed

Suzanne stated:

- Stabilization and reserve funds are established for those budget line items that can be volatile, i.e. Health care costs, Storm, Snow+Ice, etc.
- Their purpose is to try and plan to offset catastrophes.
- The statutes changed allowing stabilization funds to be set up much more easily
- Snow+Ice has \$75,000
- Health Insurance has \$25,000
- Ambulance Fund may need up to \$50,000 in seed money from the General Fund...Suzanne needs to work with the Chief, Frank and Judy to get this number more solid
- Suzanne is recommending the salary settlement monies be moved into the Fin Com Reserve because once the outstanding union negotiations occur, the money could easily be moved from Fin Com Reserve otherwise a Special Town Meeting needs to occur.
- Suzanne stated the Department of Revenue(DOR) found that the prior staff was illegally moving money between certain funds so putting the salary settlement funds into Fin Com Reserve would allow us to move funds legally
- Suzanne met with Wendy regarding the Library budget and there is still outstanding information to come from that Department affecting the requested FY08 numbers.
- Suzanne stated Animal Control budget is still a soft number as she and Barbara met with Millis staff and presented the specific costs Medway is incurring.
- This information was not available from Millis.
- Once this information is available, both towns can determine total cost of doing business for this cost center and based on percent usage (Medway is >50%), determine this budget item for Medway
- Suzanne was unclear as to separating the Retirees out.

- Liz clarified that this came from Tina Wright at the 3-7 Fin Com meeting stating that most Medway Residents do not have the Finance/P+L knowledge to understand that even though a Department has “all this money”, most of that money is not accessible/uncontrollable by that Department Head
- If the budget money could be displayed in a way that the residents can see in a more simple way what the Department actually has for day to day controllable money that would be a great help
- Each Department's total budget money can be expressed in 2 ways
 - Fixed costs/money I can't touch, i.e. Retirees, Heath benefits, etc.
 - Non-Fixed costs/money I have the ability to control, i.e. #personnel in department

Much discussion ensued regarding where the Retirement costs should be expressed.

Suzanne stated she will provide a document containing a table available to residents at Town Meeting that should provide the residents with this information.

Kent stated that we have to date only set up these funds for the budget areas that have killed us in the past, i.e. Heath, Snow+Ice.

Suzanne stated:

- Stabilization funds require 2/3rds vote at Town Meeting.
- Reserve funds stay from year to year and accumulate.
- Caution to not over fund these from year to year must be taken as this will result in our inability to support existing operating budgets.

Joy asked about the Tri-County Vocational budget being lower?

Suzanne stated:

- This is still a soft number.
- This number came from the new Director.

Suzanne stated that:

- A Request For Proposal(RFP) is out for Property and General Liability Insurance impacting these budget numbers
- Police and Fire are still not finalized

Larry Ellsworth asked about the \$1.1 million assumption.

Suzanne stated that the budget assumption for local receipts was very conservative.

The question of the final Overlay number was raised.

Jim stated the BOS is still waiting for this information from Pace-Town Assessor.

Diane asked when the Fin Com will be provided with more solid budget numbers to support Budgeting and CIP decision making?

Suzanne and Barbara stated they will get these numbers to the Fin Com ASAP.

BOS will provide Fin Com with CIP recommendations after next BOS meeting.

ACTION ITEM: Next Fin Com meeting, Frank and Judy will present the Ambulance Fund issues.

Judy motioned to end the FinCom meeting at 8:45 p.m. The motion was seconded by Frank and approved by all.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: March 21, 2007

LOCATION: Medway Middle School/School Committee Room
45 Holliston Street
Medway, MA 02053

PRESENT: Diane Coulter, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea,
Phil Giangarra, Phyllis Cerel, Steven Chilinski

ABSENT: Rob Kenney, Ned Myers,

GUESTS: Susan Connolly, Tina Wright, Rondi Chapman, Dave D'Amico,
Dennis Crowley, Suzanne Kennedy, Jim Galligan, Larry Ellsworth,
Chief Saleski

PURPOSE: Review Ambulance Fund Sub-Committee Findings, Budget
Deliberations if information from BOS + Suzanne is available

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:05 p.m. at the Medway Middle School-School Committee Room.

Diane asked for questions regarding the 3-12-2007 Fin Com Meeting Minutes.

Judy had 1 correction to page 3.

Diane requested a motion for approval of 3-12-2007 Fin Com Meeting Minutes as amended.

Tom made a motion to approve the 3-12-2007 Fin Com Meeting Minutes as amended. Frank seconded the motion and it was approved by all present.

Diane requested a motion for approval of the 3-14-2007 Fin Com Meeting Minutes as no questions were raised.

Judy made a motion to approve the 3-14-2007 Fin Com Meeting Minutes. Joy seconded the motion and it was approved by all present.

ACTION ITEM: Liz to forward 3-12+14-2007 minutes to Dave D'Amico to be placed on town website.

Diane requested that Frank and Judy present the Ambulance Fund Sub-Committee findings.

Frank stated that Suzanne developed this Sub-Committee whose members consisted of, Chief Vinton, Officer Tingley, Mr. Trufant, Barbara Durand, Rich Dunne, Dennis Crowley, Judy and himself to:

- Study the functions,
- Review the historical budget and
- Develop recommendations for the town

Frank and Judy then reviewed their findings via the [PowerPoint presentation handout-EMS Study Committee](#):

- This enterprise fund sends out bills and then collects receipts. Expenses to run the ambulance service are paid from the receipts collected.
- Since the Accounting department has straightened out the town Finances, this fund has been in the red for the last few years at approximately \$60,000 per year.
- Barbara sent out calls to other towns to see if there are enterprise funds that run in the black. Two responded; Clinton and West Springfield
- Judy and the Chief had a meeting with Clinton's town accountant and fire chief. It was determined that Clinton doesn't charge the enterprise fund for the entire cost of running the ambulance service. Clinton has a \$1.4 million Fire Budget which picks up a good part of the cost of running their "enterprise" service.
- Medway responds to 458 calls out of 600 per year, the rest are supported via mutual town aide
- 1200 calls/year would be required to break even
- Fiscal Year (FY)06, 66% of the bills were collectable and of that 66%, approximately \$10,000 is outstanding
- Medicare/Medicaid is 40%, 52% is Private insurance revenue

The costs were prohibitive to either include the EMS as part of the Fire Dept. or Outsource these services to a private vendor.

Maintaining the current EMS Enterprise service in Medway and supplementing the yearly budget with \$50,000 was determined to be the most fiscally feasible.

Jim Galligan asked if increasing the personnel at the early and late parts of the existing shift would close the revenue gap?

Dennis stated that 4 of the 5 new Part Time On-Call Firefighters are also EMTs and in another 2 months we may see a bump in the revenue to slightly decrease the gap as Chief Vinton will be hiring 2 Full time positions and looking for both Fire+EMT certifications.

Judy stated that even if Medway billed for all the calls received, the fund would still require a supplement from the town. Medway does not have the call volume to make the ambulance service profitable or even self-fund its total operation.

Larry Ellsworth asked about the possibility of increasing the Medicare/Medicaid portion and is the revenue based on the FY cutoff?

Frank stated Medicare/Medicaid pay what they determine reasonable/customary and by law the difference is not allowed to be billed to the resident (balanced billing). The total revenue is impacted by the FY cutoff but this only affects approximately \$10,000 more.

Suzanne stated that even if we attempt to collect the outstanding unpaid \$10,000, the return on investment would be negligible.

Suzanne raised the Emergency Transfer Request (ETR) submitted 8 months ago for the McGovern School parking lot.

Phyllis asked if the schools were going to pay the \$4,000 they had promised.

Jim Galligan state that the schools said now they could not afford to pay the \$4,000.

Jim stated the Board of Selectman (BOS) revisited this at Monday's meeting and voted to approve this and forward to the Fin Com.

Tom stated that the Fin Com had previously voted to table the ETR and use the Department of Public Service (DPS) budget money. Fin Com would revisit the issue later in the year and determine the level of the Fin Com Reserve to possibly use for the ETR.

Judy stated there is \$72,488.22 in the Fin Com Reserve fund.

Dave stated the DPS (roads) budget is down to \$5,000.

Tom initiated a motion to approve the ETR from the Fin Com Reserve. Judy seconded the motion. The motion was approved by all present Fin Com members.

Diane stated Representative Vallee told the BOS at Monday's meeting to be conservative with budgeting based on the softness of the \$1.1 million House 1.

Jim stated the BOS settled on assuming \$605,000 state aid which would balance the Budget at level service. The Storm+Ice, Ambulance, Animal Control and CIPC were not computed into the BOS budget.

Dave stated \$196,000 out of \$210,000 for Snow+Ice has been spent.

Suzanne stated she still needs to check with the Department of Revenue (DOR) to determine if the BOS+Fin Com can legally transfer 3% from one budget to the newly created Storm Reserve without a Special Town Meeting.

Tom stated his understanding was that once a level is set for the Snow+Ice account this number can not be lowered. Suzanne verified this as correct.

Suzanne passed out a few copies listing the FY08 CIP ranked by priority.

Chief Saleski stated that he is 3 cruiser replacements behind for FY07 and in FY08 2 more behind at a cost of approximately \$30,000 each. There might be additional costs if additional computers, lights, etc. are needed to equip this car. Therefore, the chief needs 5 more cruisers to bring him up to date, for a total cost of \$150K.

Discussion regarding leasing of the cruisers/computers and capital planning/debt services followed.

Suzanne stated next Tuesday she anticipates the 10 year capital planning/debt services/bonding report from Lisa, our fiscal consultant to be available to the BOS+Fin Com.

Tom stated that if we assume:

- \$605,000 in level service department budgets
- \$50,000 added to Ambulance
- \$65,000 added to Storm Reserve
- \$75,000 put in CIPC
- Very small margin to \$1.1 House 1

Frank pointed out that Tom's numbers still did not include the full list of items on Suzanne's handout from 3-14.

Dennis stated the BOS is looking at a debt exclusion override negatively.

Suzanne stated:

- The Health Insurance Reserve should be kept in the Unclassified budget then it can be used as needed for major life event changes.
- Still waiting on Library Budget concurrence from Wendy to Barbara
- Still waiting on the debt service report
- Still waiting on the Animal Control information from the Millis Town Administrator

Suzanne reiterated from the 3-17 Fin Com meeting that she hopes after Town Meeting to have a CIP Committee to be able to start meeting with in September, October, and November to develop this budget separate from the town budgeting cycle to support the town budgeting.

Diane stated that once the Fin Com is provided with more solid budget numbers from Suzanne and the BOS Budget and CIP recommendations then the Fin Com can begin the budget deliberations.

Judy motioned to end the Fin Com meeting at 8:45 p.m. The motion was seconded by Steve and approved by all.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: April 9, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Phil Giangarra, Phyllis Cerel, Steven Chilinski, Rob Kenney, Larry Ellsworth

ABSENT: Ned Myers

GUESTS: Tina Wright, Rondi Chapman, Suzanne Kennedy, Dr. Grandmont, Susan Connolly, Dawn Rice-Norton, Dennis Crowley, Barbara Durand

PURPOSE: Budget Review & Vote

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:02 p.m. at Sanford Hall, Medway Town Offices.

Diane requested a motion for approval of 4-4-2007 Fin Com Meeting Minutes.

Joy made a motion to approve the 4-4-2007 Fin Com Meeting Minutes. Frank seconded the motion and it was approved by all present.

Suzanne handed out a revised Town Budget stating pursuant to Jim Galligan's e-mail:

- The Animal Control Budget issues are not resolved so Suzanne recommended staying with the Board of Selectman's (BOS) recommendation
- The Debt numbers were revised slightly based on the BOSSs' recommendation

- Melanie (Town Treasurer) & Suzanne feel that the revenue projections are attainable even though not all revenue has been received yet
- Committed to solid revenue numbers by the end of this week
- Asked Barbara to present the Water/Sewer 2007 revenue shortfall and FY08 changes to what was presented by Mark at the earlier meeting

Barbara stated that:

- She is concerned with the revenue projected for FY08 based on the collections of FY07's final 3 month bills
- Mark is requesting \$100,000 from the surplus account to be moved to FY07 to cover expenses shortfall
- Mark plans on increasing rates and instituting a per household flat rate for capital improvements
- Warrant articles to cover the new and old debt will be created to cover the FY07 and FY08 shortfalls which would decrease the surplus account to \$200,000

Suzanne stated:

- Her concerns regarding decreasing the surplus account down to that low a level.
- Looked at revenue versus expenses since 12-2005 had >\$700,000 expenses versus money collected
- Thinks that the collectables have not been managed historically
- Feels the water/sewer and Board of Health need to send out friendly reminder letters to non-payers as by law, a demand letter can not be sent out until after the closed of that fiscal year
- The rate structure is not keeping pace with the expenses
- There will be a public hearing on 4-23 regarding the proposed rate increases

Diane stated that Mark would be asked to attend the next Fin Com meeting to address these issues along with Andy to review the last Planning Board Article to be voted on.

Suzanne stated:

- That the Animal Control spreadsheet shows the percent usage of Medway versus Millis and that again, she would suggest budgeting \$38,000 as the only item left to be negotiated with Millis is how the retirement is calculated.
- The Health Insurance was put back into the General Fund.

The next discussion was related to the leasing of the police vehicles versus purchasing them outright.

- Judy stated that the Fin Com Reserve is at approximately \$64,000 and asked about purchasing a car for the police by 6/30/07

- The decision was to address this with a representative of the police at the next Fin Com meeting will all data available

The Capital Improvement Plan was addressed next:

- \$350,000 would be budgeted for the McGovern parking lot, High School Handicap ramp, PA/Fire Alarm system at the Middle School as Simplex was out today and provided a “hard quote” for a new PA/upgrade Fire Alarm system

Suzanne then reviewed the Assessors Budget issue:

- The full time position has not been filled
- They stated they are too busy to begin the hiring process now but will be able to by early fall
- Not in agreement with the BOS to allocate 50% of this full time person to the Fin Com Reserve which she feels the Fin Com should consider

Phil stated this is a no brainer and was in agreement with the BOS and Suzanne's recommendation.

Suzanne stated

- The Tri County final numbers were in and were increased slightly.
- Suzanne stated that she is trying to institute a Short Term Disability Plan to replace the unlimited sick time policy still in some town unions and the recommendation was \$10,000 to the BOS

ACTION ITEM: Phyllis was asked to find out if all 4 corners of the rezoning of the 126/109 intersection would be zoned as 5 for the next meeting.

ACTION ITEM: Phil was asked to find out the buy-out cost of a police vehicle at the end of the lease period.

MaryJane White (Town Clerk) presented the following in her request for .5FTE be added to the Town Clerk's budget:

- She has doubled all her fees and is not more in line with other towns resulting in approximately \$20,000 more revenue
- This was determined by adding up her turn over sheets
- She is requesting a grade 7 step 1 part time position
- The Planning Board has 19 new articles for town meeting, each one taking 1 week to complete
- She is already behind in some of her state reporting requirements

ACTION ITEM: Suzanne will have the town accountant validate the additional revenue numbers for presentation at the next Fin Com meeting by Mary Jane. Suzanne will also check with the Town Counsel on where MJ's salary sits.

Diane stated that the Fin Com will wait until their next meeting to address the School Department budget.

Diane requested that the Fin Com vote on the “easy” budget departments. Diane stated all line items and their corresponding total level service budget numbers for each expense voted on.

Judy motioned to end the Fin Com meeting at 8:31 p.m. The motion was seconded by Phil and approved by all present.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Budget/Department Name	Depart #	Fin Com Member Motioning Approval	Fin Com Member Seconded Motion	Fin Com Members Opposed	Total Fin Com Members Approved Motion	Final Fin Com Vote
Selectman	122	Phil	Judy	None	All Present	Approved
Town Accountant	135	Joy	Phyllis	None	All Present	Approved
Treasurer Collector	145	Tom	Phil	None	All Present	Approved
Legal	151	Phil	Judy	None	All Present	Approved
MIS/Technology	155	Phil	Frank	None	All Present	Approved
Elections	162	Phil	Joy	None	All Present	Approved
Registrar	163	Phil	Joy	None	All Present	Approved
Conservation	171	Phil	Tom	None	All Present	Approved
Planning Board	175	Phil	Tom	None	All Present	Approved
Zoning Board of Appeals	176	Phil	Larry	None	All Present	Approved
Industrial Development	182	Phil	Larry	None	All Present	Approved
Capital Improvement Committee	189	Phil	Phyllis	None	All Present	Approved
Annual Town Report	195	Phil	Phyllis	None	All Present	Approved
Debt Service ¹¹	700	Phil	Frank	None	All Present	Approved
Deficit Bond Debt Service	NA	Joy	Phyllis	None	All Present	Approved
Unclassified	NA	Phil	Judy	None	All Present	Approved
Snow and Ice Removal	423	Phyllis	Judy	None	All Present	Approved
Charles River Pollution Control	432	Joy	Larry	None	All Present	Approved
Sewer	440	Tom	Judy	None	All Present	Approved
Cemetery	491	Joy	Judy	None	All Present	Approved

Commission						
Fire	220	Phil	Larry	None	All Present	Approved
Police/Fire Communications	215	Phil	Larry	None	All Present	Approved
Building Inspector	241	Phil	Larry	None	All Present	Approved
Board Of Health	510	Phil	Larry	None	All Present	Approved
Counsel on Aging	541	Phil	Larry	None	All Present	Approved
Veterans Services	543	Frank	Larry	None	All Present	Approved
Parks Dept	650	Phil	Judy	None	All Present	Approved
Sunshine Group	654	Phil	Phyllis	None	All Present	Approved
Disability Commission	545	Judy	Larry	None	All Present	Approved
Memorial Commission	670	Phil	Tom	None	All Present	Approved
Historical Commission	691	Phil	Larry	None	All Present	Approved
Ambulance Fund Subsidy	NA	Judy	Tom	None	All Present	Approved

[\[1\]](#) Short Term Interest increased by \$88,000.

Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

**Tel: (508) 533-3200
Fax: (508) 533-3201**

Minutes of Finance Committee-Final Version

DATE: April 11, 2007

LOCATION: Sanford Hall – Medway Town Offices
155 Village Street
Medway, MA 02053

PRESENT: Diane Coulter, Frank Faist, Joy Smith Dahl, Judy Yasi, Tom Shea, Phil Giangarra, Phyllis Cerel, Steven Chilinski, Rob Kenney, Larry Ellsworth

ABSENT: Ned Myers

GUESTS: Tina Wright, Suzanne Kennedy, Susan Connolly, Mark Flaherty, Andy Rodenhiser, Matt Lynch, Officer Tingley, MaryJane White, Mr. Verdolino, Deb Trindade, Glen Trindade

PURPOSE: Budget Review & Vote

Diane Coulter called the Finance Committee (Fin Com) Meeting to order at 7:04 p.m. at Sanford Hall, Medway Town Offices.

The initial discussion regarding the leasing of the police vehicles followed:

- Officer Tingley stated that it would be a savings in the run as the 3 year cost would be \$13,000, 9,000 and 9,000 and then the buy-out price is \$1.
- Suzanne stated that she does not believe it is good fiscal policy to use FY07 dollars for FY08 expenses
- Diane stated that we could get 2 cars for \$26,000 this year and then \$18,000 a year for the next 2 years
- Frank stated his concern regarding the revenue stream to support leasing
- This discussion was then tabled until later in the meeting.

Andy addressed the Fin Com regarding the PB07 Article stating:

- This was related to ARCPUD only as far as a convenience store within a retirement community development

- If something is not mentioned in the MA zoning by-laws that means it is excluded
- The change is moving the language to the definitions
- Andy stated that for future Warrant Articles the Planning Board would provide the old language, new language, all Town Counsel correspondence related to the change

A motion was made by Tom to approve the PB7 Article based on the further information provided by Andy. Frank seconded the motion and it was approved by all.

MaryJane White (Town Clerk) and Suzanne then discussed her request for .5FTE be added to the Town Clerk's budget:

- Suzanne stated that there was an issue with the union that is currently in negotiation regarding the sharing of a position with the Town Clerk and therefore, she can not discuss this yet.
- MaryJane again requested funding for this position and identified that with the proposed increasing of fees in the Town Clerks office there would be some monies available to partially fund a clerk in the Town Clerks office.
- Diane stated that there are no funds for the remaining monies needed for the added clerk in the current balanced budget proposal to fund this .5 FTE in the Town Clerk's office.

Mark Flaherty then discussed the Water/Sewer FY07 revenue shortfalls and projected FY08 shortfalls and the proposed rate changes document and shifting of dollars from the water reserve fund.

- A capital expenditure surcharge per house per capital expense/debt per year for the life of that specific loan estimated to be approximately 20 years would be instituted in addition to the proposed rate increases.
- This proposed number could change based on if the land value decreases or the interest rates increase before these projects are put into place
- The capital plans would be for the new well, repairs to the Village Street well and the purchase of new meters
- Phil and Frank stated that with the new meters the manpower requirements should be lessened
 - Mark stated that the new meters would not lessen the manpower hours required but did not clarify any further
- Mark stated that the current rates are currently at the 40th percentile and the proposed rates would bring the town up to the 70th percentile within the state
- Mark also stated that the water restrictions are state mandated based on the Charles River and the state plans on extending this to all state rivers not just the Charles in the next year
- Suzanne stated that \$150,000 revenue dollars remain uncollected
- Mark stated that the billing is done by district and they are sent out to each of the 6 districts 2 times/year

- Mark stated they will be sending out friendly reminders and speeding up the billing process
- Mark stated that 82-85% of the revenue is collected yearly and of the \$60,000 that is liened, they must wait until the property is sold to receive those dollars
- Mark stated that \$507,000 exists in retained earnings and he plans to transfer \$310,000 for interest payment, fencing the water tower which is state mandated, and testing, and the sump
- Mark stated there will be another rate increase in January but that would be less than the one currently being proposed
- Mark stated that the retained earnings have been building since 2002 and he thought that the Water Department has been using what was billed is what they had for revenue versus the reality of what is actually collected by the end of the fiscal year is your actual revenue hence, this shortfall. This change in accounting practice has been mandated by the State.
- Suzanne stated that the town does not have enough historical data to increase the rates to keep up with the expenses
- The goal is to change the way that the Water/Sewer Department collects its revenue so that as much as possible of what is billed is collected by the end of the fiscal year

Diane then requested that the Fin Com revisit the leasing of the Police Cars and come to a decision.

- The lease must be signed by 6-30-07 to address the FY07 shortage issue
- There is \$15,000 in the proposed Police FY08 budget for one car to be leased and the Fin Com will try to utilize the Fin Com FY07 Reserve to support the lease of the second Police vehicle before the end of the FY07 year, if funds are available in the May time frame. If not, the Fin Com may modify the proposed budget on the Annual Town Meeting (ATM) floor to fund the 2nd Police vehicle with monies from the FY08 Fin Com reserve.

Glen Trindade asked how the BOS and Fin Com would address the Town Clerk's salary increase and the discussion followed:

- Suzanne stated that the Town Counsel stated that the Omnibus has all the elected officials and the Town Clerk can go into there
- As of now, there is not an increase addressed in the budge for the Town Clerk
- The Fire & School for the next 2 years are 1.75 then 2.25 so the decision was to increase the Town Clerk salary at 2% (\$1000).
- Tom, Suzanne, and Diane stated that the 2% would be put aside from the salary settlement fund, thereby reducing the Salary Settlement fund by the amount for the Town Clerk's FY08 salary increase

Diane requested that the Fin Com vote on the rest of the budget departments including those changes discussed tonight. Diane stated all line items and their corresponding total level service budget numbers for each expense voted on.

ACTION ITEM: Suzanne to send the Library 3 year funding scenario to the Fin Com.

ACTION ITEM: Phil to send an e-mail to Solid Waste to re-affirm that their FY08 budget did not include an increase in Trash rates to fund their department.

ACTION ITEM: Suzanne to make the changes discussed in this meeting the Budget and e-mail to the Fin Com.

ACTION ITEM: All Fin Com members that are liaisons to other Town Boards must send their final documentation to Diane as soon as possible.

Diane then cancelled the Fin Com meeting for the next night.

Phil motioned to end the Fin Com meeting at 8:47 p.m. The motion was seconded by Larry and approved by all present.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Budget/Department Name	Depart #	Fin Com Member Motioning Approval	Fin Com Member Seconded Motion	Fin Com Members Opposed	T M A
Education-Medway Schools	300	Judy	Frank	None	All F
Education-Tri County	300	Phil	Larry	None	All F
Assessors ^[1]	141	Joy as Amended	Tom As Amended	None	All F
Town Clerk ^[2]	161	Tom as Amended	Frank as Amended	None	All F
Unclassified- Salary Reserve ^[3]	NA	Joy as Amended	Phil as Amended	None	All F
Dept of Public Services	422	Judy	Phil	None	All F
Police	210	Frank	Tom	None	All F
Animal Control	292	Joy	Judy	None	All F
Library ^[4]	610	Larry	Tom	Frank	9
FY08 Transfer to Stabilization	NA	Judy	Tom	None	All F
FY08 Transfer to Storm Reserve ^[5]	NA	Judy	Tom	None	All F
Special Revenue Fund-Water	450	Phil	Judy	None	All F

Ambulance Enterprise Fund	232	Phil	Larry	None	All F
Solid Waste Enterprise Fund ^[6]	431	Larry	Phil	None	All F
Parks Dept	650	Phil	Judy	None	All F
Sunshine Group	654	Phil	Phyllis	None	All F
Disability Commission	545	Judy	Larry	None	All F
Memorial Commission	670	Phil	Tom	None	All F
Historical Commission	691	Phil	Larry	None	All F
Ambulance Fund Subsidy	NA	Judy	Tom	None	All F

^[1] \$35,000 was removed from the Assessors salaries making the Total Salaries \$114,737 and Total Budget \$172,221

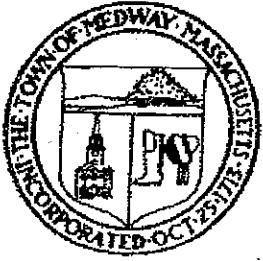
^[2] 2% increase as discussed was added making the Total Salaries \$52,304 and the Total Budget \$56,886

^[3] \$1000 was removed from the Salary Reserve as the Town Clerk's budget was increased by \$1000 for the 2% increase

^[4] The Library is using the interest of their fund to keep open at 20 hours per week.

^[5] Frank requested that the \$75,000 put in here in FY07 be documented here as well.

^[6] The vote was based on the assumption that this is the same as what was presented to the Fin Com at the previous meeting during initial budget review.



Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Minutes of Finance Committee-Final Version

DATE: September 26, 2007

LOCATION: Sanford Hall-Medway Town Hall
155 Village Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Larry Ellsworth, Rob Kenney

ABSENT: Steven Chilinski, Ned Myers

GUESTS: Andy Rodenhiser, Diane Borgatti, Suzanne Kennedy

PURPOSE: Monthly Meeting

Rob Kenney called the Finance Committee (Fin Com) Meeting to order at 7:02 p.m. at the Sanford Hall – Medway Town Hall.

Rob requested approval of the June 20th Fin Com Meeting Minutes.

Joy requested a change to page 1 as Andy and Bob were not the only volunteers and to page 2 to reflect this as well that they only donated their labor. The reference to Joe on page 2 was clarified to be the Zoning Board of Appeals (ZBA) Chairperson.

Frank made a motion to approve the June 20th Fin Com Meeting Minutes as amended. Larry seconded the motion and it was approved by all present.

Rob then requested that the 3 open positions be nominated, seconded and voted on and the results follow:

- **Frank made a motion to nominate Rob Kenney as the Chairperson of the Fin Com for the FY08 Fiscal year.**

- **Larry seconded the nomination and it was approved by all present.**
- **Joy made a motion to nominate Frank Faist as the Vice-Chairperson of the Fin Com for the FY08 Fiscal year.**
 - **Phyllis seconded the nomination and it was approved by all present.**
- **Rob made a motion to nominate Larry Ellsworth as the Clerk of the Fin Com for the FY08 Fiscal year.**
 - **Frank seconded the nomination and it was approved by all present.**

Rob requested that Andy Rodenhiser then present the 1999 Master Plan Action Items assigned to the Fin Com.

Andy presented the following history of the 1999 Master Plan (MP):

- There is an initiative to update the MP as it was last updated seven years ago in 1997 and was first created in 1963.
- After the MP's initial creation, it was never again updated until a group of citizens outside of the Town Government initiated a committee to pursue the undertaking.
- The current Master Plan was accepted in 1999 via a vote at the Annual Town Meeting
- The purpose of the Master Plan is:
 - Roadmap of how the Citizens of Medway want the Town to grow and be maintained relative to open space, housing, infrastructure, etc.
- Updating the 1999 MP will require a group to be put together lead by a Professional Planner to further develop and update this document that represents the Town's Strategic Plans moving into the future
 - Note that this group is not currently funded in the FY08 budget
- The MP is the supporting document for the Planning Board, ZBA, etc.

Andy then addressed Action Item #1:

- This item affects all boards and committees
- This is in process with the current planning for streamlining the permitting process and looking at a GIS system to support each department
- There is a \$150,000 grant available for the software to support this process
- Each department going forward will need to allocate monies in the budgeting process

Andy then addressed Action Item #53:

- This was determined to now be illegal under MA law
- This is currently addressed by Exactions/Mitigations within the special permitting process

Andy then addressed Action Item # 54

- The Capital Improvement Planning (CIP) by-law spells this out however there is a conflict in the current by-law and the Statue that must be addressed once the CIP Committee is put together.

New Action Items:

1. Suzanne to speak with the auditor regarding this conflict of minimum number of years to qualify as a "Capital Expenditure".
2. Suzanne will remind the Board of Selectman(BOS) at their next meeting on 10-5-2007 that they must appoint 5 members to the CIPC
3. Suzanne will e-mail the CIPC document to Liz Langley who will then distribute to the Fin Com members.

Andy stated that the Planning Board owns the accountability for the maintenance of the MP as a living document and they will be assigning someone to keep it updated and this information be provided to the appropriate boards as members of these boards change over time.

Suzanne then notified the Fin Com of a possible Emergency Transfer Request (ETR) than may need to be addressed as soon as next week.

- The history is that 6 weeks ago, a resident notified Suzanne of the state of disrepair of the Middle School (MS) bleachers
- Town Counsel notified Suzanne that the residents must not be allowed access to these due to the liability concerns
- Suzanne informed the School Committee as it is their property although Park+Rec collect fees and maintain this field
- The first quote to demolish these was approximately \$15,000 - \$25,000
- Suzanne then contacted the Tri-county Vocational who quoted \$2,800 for demolition which does not include removal
- The BOS asked the Park+Rec to bankroll these costs
- The School Committee has approved the demolition
- Dave D'Amico spoke to the Board of Health regarding the possibility of recycling the steel and the BOH will talk to local farmers regarding the use of the wood

New Action Items:

1. Suzanne to validate that the Tri-county Voc is bonded
2. Suzanne to talk to Dave regarding any additional quotes

Discussion then began about the Annual Town Finance Committee Conference:

- No one from the Fin Com attended last year and 2 attended the year before
- Anyone interested is to notify Rob Kenney

New Fin Com Members to be appointed was then discussed:

- The Process it that new members are appointed
- Historically the Town Administrator appointed these members however, the by-laws state that the BOS appoint these members. The Government Study report suggests that the BOS, Town Moderator and Chair of the Committee requiring new members are the appropriate group to appoint new members to any given committee.
- This is also to be addressed at next Monday's BOS meeting

Rob requested a motion to approve the payment of the Annual ATFC dues for FY08 of \$195.00.

Joy asked the benefits of membership.

Rob stated, attending the yearly conference, access to publications relevant to the Fin Com duties.

Phil made a motion to approve the payment of the Annual ATFC dues for FY08 of \$195.00. Frank seconded the motion and it was approved by all present.

New Action Items:

1. Frank to review Barbara's FY08 Fin Com budget and then forward to Larry.
2. Larry will review the monthly Fin Com budget reconciliation reports from Accounting

Diane Borgatti was introduced at the liaison between the School Committee and the Fin Com.

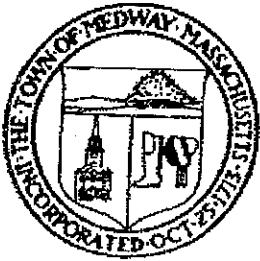
Diane reviewed the McGovern School repaving project and the Oil Tank removal issues that arose stating that we may be eligible for grant money to assist in the costs of that project.

Rob requested a motion to end the Fin Com meeting.

Frank motioned to end the Fin Com meeting at 8:10 p.m. The motion was seconded by Joy and approved by all present.

Respectfully submitted,

Liz Langley
Finance Committee Secretary



Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Minutes of Finance Committee-Final Version

DATE: October 4, 2007

LOCATION: Medway High School, Library
Summer Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Larry Ellsworth, Rob Kenney, Ned Myers

ABSENT: Steven Chilinski,

GUESTS: Dave D'Amico, Suzanne Kennedy

PURPOSE: Funding for Demolition and Removal of Medway Middle School Bleachers

Rob Kenney called the Finance Committee (Fin Com) Meeting to order at 7:17 p.m. at the Medway High School Library.

Rob requested approval of the September 26th Fin Com Meeting Minutes.

Joy noted a change needed to page 1; changing co-chairperson to vice-chairperson.

Joy answered the question regarding the current by-laws dictating the Board of Selectmen (BOS) appoints new Fin Com members and the BOS, Town Moderator and Chair of the committee requiring new member was suggested by the Government Study Committee.

Joy made a motion to approve the September 26th Fin Com Meeting Minutes as amended. Phil seconded the motion and it was approved by all present except Ned Myers abstained as he was not present at that meeting.

Rob requested that Dave D'Amico then present the Medway Middle School bleacher project.

Dave presented the following:

- The Middle School field maintenance was taken over by the Park & Recreation (Rec) department 2 years ago
- Prior to that, this land was under the management of the School Department
- Town Counsel has deemed the bleachers a town liability and they have been cordoned off with police yellow tape

- The Park & Rec wanted the School Department to share in the cost of the demolition and removal of these bleachers as they only have had the responsibility for this area for the past two years
- The School Department refused to share in the cost of this project
- The Park & Rec is willing to provide \$1500 for this project and are requesting \$4500 to be funded out of the Fin Com Reserve
- The final costs are not determined at this point in time but Dave and the Park & Rec feel that this should be enough to cover this project
- Bill Fisher-Board of Health has determined:
 - American Waste will pay the Town for the steel for recycling
 - Local farmers will take any wood that is in acceptable condition
- Dave estimates that one dumpster load should be left over at a cost of \$600
- Tri-County Vocational has quoted \$2800 for the demolition and surveyed the site today
- Prior to the demolition, an electrician will need to turn off the power
- The plan is for the Department of Public Services (DPS) over the winter to pull out the cement foundations and work out a price with either LaRousa or Bevilaqua to haul it away
- The Parks Commission gave a verbal go ahead but will need to meet formally to declare their decision

Suzanne stated:

- She will not be contacting Tri County Vocational regarding bonding as they have done other Town projects in the past and this was not an issue.
- Tri County wants to start tomorrow
- \$4500 is a comfortable number as the exact cost is not known at this time

Suzanne announced that Lt. Alan Tingley has been appointed as the new Chief of Police as Chief Saleski will be off the payroll effective October 13th.

Fin Com members, Suzanne and Dave decided:

- The Fin Com would vote on this amount as a NOT TO EXCEED.
- If Dave anticipated going over this amount, he would have to come before the Fin Com for further discussion and approvals
- Dave agreed to pay the funds out of the Park's budget and once the final amount spent is determined, will come before the Fin Com to vote to transfer this amount from the Fin Com Reserve to the Parks budget

Joy asked if there were any other issues between the Parks and the Schools that require formal clarification regarding who is responsible for the maintenance.

Dave stated that Park & Rec is responsible for the irrigation system and he is unaware of any other unclear responsibilities between Parks and Schools.

Rob requested a vote to authorize up to \$4500 to be transferred from the Fin Com Reserve to the Park & Rec budget for the demolition and removal of the Middle School bleachers noting the actual vote of the actual amount will occur once actual costs of the project are determined and bills are paid.

Joy made a motion for the Fin Com to authorize up to \$4500 to be transferred from the Fin Com Reserve to the Park & Rec budget for the demolition and removal of the Middle School bleachers. Phil seconded the motion and it was approved by all present.

Rob requested that the next Fin Com meeting be moved to October 17th and all members agreed.

Dave stated that the new Town Website was up and requested a Fin Com representative to be responsible for the Fin Com's portion of the website.

Rob stated that Liz would be the representative with Joy and Phyllis as backup.

New Action Items:

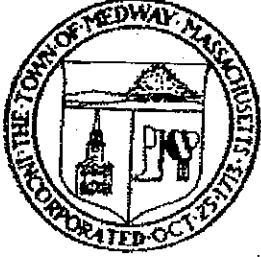
1. Suzanne to speak with the auditor regarding this conflict of minimum number of years to qualify as a "Capital Expenditure".
2. Suzanne will remind the Board of Selectman(BOS) at their next meeting on 10-5-2007 that they must appoint 5 members to the CIPC
3. Suzanne will e-mail the CIPC document to Liz Langley who will then distribute to the Fin Com members once the conflict in #1 above is clarified.

Rob requested a motion to end the Fin Com meeting.

Ned motioned to end the Fin Com meeting at 8:20 p.m. The motion was seconded by Phyllis and approved by all present.

Respectfully submitted,

Liz Langley
Finance Committee Secretary



Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Minutes of Finance Committee-Final Version

DATE: November 14, 2007

LOCATION: Sanford Hall-Medway Town Hall
155 Village Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Larry Ellsworth, Rob Kenney, Ned Myers

ABSENT: None

GUESTS: Suzanne Kennedy, Chief Wayne Vinton, Dennis Crowley, Andy Espinoza, Mark Flaherty, Pace Willison, Suzy Affleck-Childs, Dr. Richard Grandmont, Missy Dziczek, Aaron Wasserman

PURPOSE: Review of Special Town Meeting (STM) Warrant Articles (**Addendum #1**), Emergency Fund Transfer (EFT)

Rob Kenney called the Finance Committee (Fin Com) Meeting to order at 7:02 p.m. in Sanford Hall at the Medway Town Hall.

Suzanne distributed a copy of the Capital Improvement Planning document stating that the Board of Selectmen (BOS) still need to appoint members to this committee.

Mark Flaherty presented **Article 10** of the warrant for the November 19th STM to the Fin Com:

- Mark reviewed the proposed cost of the project
- Joy asked if the project was put off, would the \$3.3 million still cover the costs
 - Mark stated that due to the costs of products required, he could not comment
- Mark reviewed that the Oakland street well needs within the next six months installation of a treatment plant at approximately \$1.5 million, hoping that the state will allow us to wait as it is sequestering now and the plan was to start this new well in 2 years but due to Oakland's status, this was moved up
- Larry requested a timeframe on completion
 - Mark stated April – May for the bidding and by late summer to fall the well should be on-line
- Mark stated they are still discussing the time of the bonding, probably 20 years at 4.7% and that the rates would increase from current anywhere from \$25 - \$30 if all projects come in on time and at estimated costs

- In the short term, we will borrow what we need and hard bond once we know the total cost
- Mark stated that the Village St. well tested positive for Manganese and he does not know if the state is going to require it to be treated
- Frank asked if the current planned rate increases including the capital rate will cover all the anticipated projects
 - Mark stated that it will cover the Industrial Street Well and Village Street well but the other 2 projects are the Tower and New Meter systems
 - Mark stated that we need another water source in order to petition the state to allow us increase usage on our existing wells
- Frank asked if the potential for town growth is limited if this is not approved
 - Mark stated that the goal is to take Oakland St. off line due to the iron problems and also for us to petition the state for more usage to support greater town growth
- Phyllis asked if the infrastructure was adequate
 - Mark stated that there are some bottlenecks but the plan is to go to a 5th well but a new pipeline and tank would be needed
- Ned asked the expected lifetime of these wells
 - Mark stated Village St. built in the 1970s and went from 550 down to 135 gallons per minute (gpm), Oakland St. built in 1965 is Ok with the gpm but has the iron issue, Poplantic is a vacuum well, the 4th well is at 340 gpm and the 5th 650-700 gpm but has contamination from the chemical factory in Holliston
- Phyllis stated her concern about the amount of money being requested during a STM which is not as well attended as the Annual Town Meeting (ATM)
- Suzanne stated that given the nature of the problem, this is not out of line
- Dennis stated that he and other BOS members met with the Water/Sewer and the BOS agrees that this is required
- Andy stated that they sat with the state and the state noted that Medway has no Master Plan for water and sewer and we need to look at the infrastructure
 - We need to get into a planning mode versus a reactive mode
 - The Town may fall short of the water supply we need if we do not put this well on line
- Mark stated that we now have a drought watch with NO possibility of buying water from other towns

NOTE: See addendum for All Articles voting results.

Dennis Crowley presented **Article 9:**

- Dennis stated that the following projects were under way for the Water/Sewer department
 - Village Street Well-----Estimated \$1.1 Million
 - Industrial Street Well-----Estimated \$3.3 Million
 - Industrial Park Project-----Estimated \$ 5.3 Million
 - Total of these 3 alone-----Estimated \$10 Million
 - All scheduled to be done by June 2009
 - The BOS felt due to the great cost of these projects and the simultaneous completion dates that the Water/Sewer Department would not have enough resources to manage all of these projects
 - The BOS is requesting a part time Project Manager with a Project Team oversight Team to ensure these come in on time and on budget
 - The Project Manager would be a hired consultant
 - The Project Team would include Andy Espinosa, Dennis Crowley, Mark Flaherty, Suzanne, and the Project Manager
 - The costs would break out as follows:

- Total = \$160,000
 - \$40,000 funded by the Dover Fund specific for Sewer project costs only
 - \$120,000 funded by the Water Department's retained earnings
- Andy stated that the state noted the Town's lack of a Water Master Plan for long range infrastructure budget planning
 - The state and the Water/Sewer board agree in the need for the development of a Water Master Plan to support a long term rate structure plan to support Town growth and water quality
- Frank asked if this Water Master Plan would be coordinated with the overall Town Master Plan?
 - Andy stated he assumed yes and as he and Dennis would be on the Project Team, they would ensure that this occurs
 - Andy stated that the Master Plan would encompass a ten year projected plan
- Suzanne stated that 4 key personnel assigned within the Project Management Team (Andy, Dennis, Suzanne, Mark) are responsible for the expected positive outcomes including:
 - Management of the Projects supported by the \$160,000 in Article 10 on-time, on-budget
 - Master Plan for 10 year out projection
 - Water rate study for 10 year our projection
- Frank asked if there was enough monies in the Retained earnings to support all of this
 - Dennis + Suzanne re-stated the cost breakout reported above

Ned made a motion to approve Article 9 as written based on the Fin Com recommendation wording agreed to during this meeting. Larry seconded the motion and it was approved by all present.

Chief Vinton addressed the Fin Com regarding Article 12:

- Chief Vinton's town vehicle died and he has been using his own personal vehicle
- He agreed to a used car for \$10,000 due to the liability to the Town of utilizing his own vehicle
- He requested a dismissal of this Article and funding for a used vehicle via the Fin Com Reserve Fund Emergency Transfer procedure

Ned made a motion to Emergency Transfer \$10,000 from the Fin Com Reserve to the Fire Department for the purchase of a used vehicle for Chief Vinton. Larry seconded the motion and it was approved by all present.

Article 1:

- This included 5 side walks on route 109 and appropriate curb cuts compliant with ADA regulations including a study on what happens to access
- Existing funds just need to be redistributed to support this project

Article #2:

- This requires a yearly vote to redistribute existing funds to support the COA shuttle services

Article #3 was presented by Dr. Grandmont:

- Dr. Grandmont validated with the Town Accountant that the use of existing funds was legally appropriate for again a redistribution of existing funds to support this project
- The Middle School library has remained unheated over the past 3 years
- The last 2 years the school asked the Town to support this by funding this project via the Capital Plan
- As this has not been funded to date due to tight budgets, the school is requesting transfer of the monies to support this project from existing funds of approximately \$60,000.

Article #8 was presented by Pace Willison:

- Every 3 years the Board of Assessors (BOA) is required by state to complete valuation project
- This usually occurs from the excess in the BOA budget in a STM that did not occur this year at the same time as last year so this budget excess flowed into free cash
- Dennis stated that since the monies no longer exist as they flowed into free cash that these monies be transferred out of the Full Time (FT) Assessor's salary account
 - The FY08 budgeted for a FT Assessor
 - The existing Assessors don't see the need for a FT Assessor
 - At ATM this was decreased to support a part time Town Clerk position
 - As ½ of these monies is left, this would be available for covering these expenses
- Pace Willison agreed to the redistribution of funds from the FT Assessor's salary account to fund this valuation project
- The suggestion was made that this is set up as an yearly Annual Town Meeting Article so this does not slip through the cracks in the future

Articles 14 – 19 were presented by Susy Affleck-Childs:

- See addendum for results of voting on Article 14 through 18 as there was minimal discussion
- Article 19 resulted in long discussion and clarification regarding many terms utilized and percent space allocation which resulted in a request for further information at the 11-19-2007 pre-STM Fin Com meeting therefore, the addendum details the vote to dismiss by all present until this clarification occurs.

ACTION ITEM: *Liz to schedule meetings for Monday 6pm prior to STM.*

ACTION ITEM: *Liz to forward to schedule meeting for 11-28-2007 7pm for Fin Com review of Town Charter.*

The STM for the Town Charter review and voting has been rescheduled to 12-4-2007 at the High School.

Rob requested a motion for the approval of the October 4th Fin Com Meeting Minutes. Phyllis made a motion to approve the October 4th Fin Com Meeting Minutes that was seconded by Joy and approved by all present.

Next Meeting Agenda Items for Fin Com:

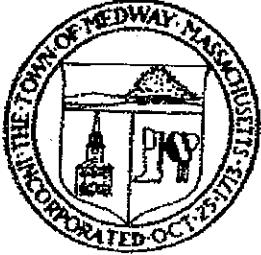
- Committee Assignments
- Town Charter Review
- Fin Com Website Recommendations

Rob requested a motion to end the Fin Com meeting.

Joy motioned to end the Fin Com meeting at 10:45 p.m. The motion was seconded by Phil and approved by all present.

Respectfully submitted,

Liz Langley
Finance Committee Secretary



Town of Medway

FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Minutes of Finance Committee-Final Version

DATE: November 19, 2007

LOCATION: Medway Middle School: Art Room
45 Holliston Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Larry Ellsworth, Ned Myers

ABSENT: Rob Kenney

GUESTS: Suzanne Kennedy, Andy Rodenhiser, Dennis Crowley, Andy Espinoza, Chan Rogers, Bob Tucker, John Greene, Carol Pratt, Barbara Durand, Glen Trindade, Richard Dunne, John Foresto, Mark Cerel, Town Counsel

PURPOSE: Review of Special Town Meeting (STM) Warrant Articles That Required Additional Information

As this was not a quorum of Finance Committee (Fin Com) members, this was an informational meeting only.

This informational meeting began at 6:10pm.

Andy Rodenhiser elaborated on the changes and questions related to Article #19 from the November 14th, Fin Com meeting

- Larry's questions regarding how much space would be residential versus commercial, parking, entering, and exiting he stated were sufficiently addressed by Mr. Rodenhiser's presentation
- Chan Rogers also noted that this Article resulted in further restrictions of development that what presently exists in the current by-laws and reiterated throughout the meeting that a "Special Permit" would also be required for this endeavor
- Andy stated that Mr. Green approached the Planning Board 1 year ago
- The planning board members in attendance all felt this could not be put on hold until the next Annual Town Meeting
- Phyllis and Frank remained opposed to moving forward with this article at Town meeting due to the lack of time to fully understand the potential impacts on the community
- Ned, Phil, Larry and Joy stated they were accepting of this article based on the additional information provided during this informational meeting.

Glen Trindade requested that the Fin Com meet and carefully review the Town Charter and support it at the next STM.

Much discussion arose as to the definition of a “quorum” and the current number of Fin Com seats.

Action Item: Suzanne to determine the accurate number of Fin Com seats and thereby the definition of a quorum of Fin Com members.

This informational meeting ended at 7:25pm.

Respectfully submitted,

Liz Langley
Finance Committee Secretary

Minutes of Finance Committee-Final

DATE: November 29, 2007

LOCATION: Medway High School: Library
155 Summer Street
Medway, MA 02053

PRESENT: Frank Faist, Joy Smith Dahl, Phil Giangarra, Phyllis Cerel, Larry Ellsworth, Ned Myers, Rob Kenney

ABSENT: None

GUESTS: Suzanne Kennedy, Andy Rodenhiser, Dennis Crowley, Bob Parrella, Jack Robinson

PURPOSE: Review of Proposed Town Charter represented by Government Study Committee (GSC) Members, Fin Com Board Assignments

While awaiting a quorum; Suzanne Kennedy discussed the question regarding the total number of Finance Committee (Fin Com) members.

- She stated that per Barbara St. Andre, Medway's Town Counsel, the Town By-Law was **not** formally amended
- There was **not** a warrant article in the 1998 Special Town Meeting (STM) therefore, the By-Law was not formally amended

The one outstanding Fin Com Action Item was determined closed in the last meeting as all budget questions were addressed and Larry took possession and responsibility for the Fin Com budget as Clerk.

Rob Kenney called the Finance Committee (Fin Com) meeting to order at 7:20pm.

Andy Rodenhiser reviewed the Planning Boards (PB) Emergency Transfer Request (ETR):

- The purpose is to allow the PB to piggyback their Master Plan (MP) Update Survey with the mailing of the Town Census
- This will result in a cost savings
- There will be two modes for Town residents to complete this survey:
 - Via this mailing with the Town Census
 - The goal is to utilize the voting machine which would require a card be programmed to analyze these forms
 - Via a website
- They are looking for a high response secondary to insertion with the Town Census as this was also done for the last MP update and there was a 70% response rate.
- Ned suggested that the website responses be evaluated to see if the results would be statistically significant so the mailing would not be required
- Larry voiced concerns regarding usage of the voting machine and the amount "kicked out"
- Suzanne stated she felt there would be a significant risk on low response if only the web was utilized
- After much discussion it was determined that both the hard copy form and website would be utilized
- The cost savings to include this with the census was approximately \$1800
- All the Fin Com members agreed that it would be cost effective to include this as part of the census process

- The Fin Com members stated that defining this as a “True” Emergency was on the “fringe”

Rob called for a motion on this ETR. Larry made a motion to approve this ETR which was seconded by Phil and approved by a majority of the quorum; 4 approved (Larry, Phil, Rob, Phyllis) 3 opposed (Ned, Frank, Joy).

Suzanne presented the results of the Demolition of the Middle School Bleachers:

- The total cost was \$4100
 - \$1500 from the Park + Rec department
 - \$2602.73 from the Fin Com Reserve
- Since the Fin Com previously voted up to \$4500 from the Fin Com reserve; Suzanne presented a letter with appropriate wording acceptable by the Town Accountant for verification of Fin Com approval requiring signature by the Chairperson versus the creation of an additional ETR.
- She requested 2 separate specific votes prior to the Chairperson’s signature

Joy made a motion to approve the signing of the letter as proof of Fin Com approval of the amended amount of the prior ETR. Frank seconded the motion and it was approved by all.

Frank made a motion to move \$2602.73 from the Fin Com Reserve to pay for the final actual costs of the Middle School Bleacher Demolition Project. Phil seconded the motion and it was approved by all.

Bob Parrella and Jack Robinson then presented the main points of the GSC’s proposed Town Charter:

- Bob began by stating that this study occurred over 16 months, with 55-60 Open meetings with many opportunities for Medway Residents to participate including the hearing and placement of these docs on the Town’s website, therefore there is **no reason** for any resident to be uninformed unless by choice
- Bob noted that a majority of these meetings were **not** well attended.
- The original Town Charter consisted of the Town-By-Laws, which when reviewed were discombobulated; therefore the GSC felt tearing down and building brand new was the most prudent approach
- Intent of the charter was to define systems and memorialize these and allow the people presently serving to continue with business as usual
- Continue with Open Town Meeting, Town Administrator, and Board of Selectmen etc.
- **Only change** to any Board/Committee was to the Board of Assessors (BOA) to be Appointed
- They felt this change (to appointed)was important because:
 - They determine the **strategic planning of the Town + new revenue growth that the entire Town Budget is based on**
 - With over 74% seats that run Unopposed they felt that this did not ensure that the most qualified people would be selected
 - They noted the lack of cooperation in the current BOA over the past many years as one of the main reasons for the Town’s Financial Situation
- Jack stated that the Charter is **Revenue Neutral, defines roles and the Town Structure, and increases the checks and balances within the Town Government**
- **The budget is the BOS’s not the Fin Coms**
 - The Town Administrator gives the BOS the budget recommendations
 - The BOS prepares the Estimated budget and total numbers
 - The FIN COM represents the Town Residents to ensure the budget is in their best interests

- The plan is to move the Budget Process forward so that all these decisions are being made on the most accurate budget data possible which has not been the case
- The **Fin Com's biggest concern** was lack of information and the ability to have each department present their budget numbers independently to the Fin Com separate from the BOS to ensure Fin Com is truly representing the people in the most un-biased manner
- The Proposed Town Charter does not change that nor the existing process but defines the existing process in the Charter as over time this has become misunderstood
- Clarification that the **Fin Com only needs to look at warrant articles that have a revenue impact was re-confirmed**
- The Town Charter/Town By-Laws/Mass General Laws all direct the function of the Town of Medway
- They hope to have a ballot vote in the May meeting
- If approved, the Town Charter would pre-empt the existing Town by-laws...if the by-law conflicts with the Charter, the Charter is the default
- If not approved by the Town Residents, the GSC hopes that the comments are incorporated into this document and presented again at the next Town Meeting

The GSC representatives stated that they would like to have a positive motion from the Fin Com at the Special Town Meeting scheduled for next Tuesday, December 4th at Medway High School.

Rob requested a motion for the Fin Com to make a positive motion in favor of the Town Charter on the floor at next Tuesday's STM.

Phyllis made a motion for a positive motion in favor of the Town Charter. Phil seconded the motion and it was approved by all present.

Rob requested a motion to approve the voucher for \$550.98 in payment for the Fin Com Secretary for her time sheets for the FY08 calendar year to date. Ned made a motion to approve the payment of \$550.98 which was seconded by Phil and approved by all.

Phil made a correction to the November 14th Fin Com meeting minutes on page 1 changing portion to plant for the water treatment plant on Oakland Street.

Frank made a motion to approve the November 14th Fin Com meeting minutes as amended which was seconded by Phyllis and approved by all.

Joy made a motion to approve the information November 19th Fin Com minutes which was seconded by Phil and approved by all.

Assignments for Fin Com liaison positions to other Boards and Committees was then completed. Please refer to the website for these assignments.

Andy Rodenhiser then presented the FY08 Planning Board action items to the Fin Com. Please refer to the Planning Board website for these documents.

Rob requested a motion to end the Fin Com Meeting @ 9:45 pm. Larry made a motion to end the meeting which was seconded by Joy and approved by all present.

Respectfully submitted,
Liz Langley
Finance Committee Secretary