

FINANCE COMMITTEE

Minutes

March 27, 2017

Regular meeting of the Finance Committee was held on Monday, March 27, 2017 at 7:00 p.m. in the Main Meeting Room, Town Hall with the following members present: D. Bruce, K. Guyette, J. Burke, E. Barmakian, T. Bowen, J. Denneen, A. Healy, S. Lawson, J. Leith, R. Nottebart, P. Stasiukevicius, M. Trudell and J. Vaillancourt. Members absent were: P. Hinton and R. Mariani. Also in attendance was Town Administrator J. Johnson, Assistant Town Administrator T. Gregory, Finance Director M. Thompson and Town Accountant J. Cuneo and T. Bailey, Fire Chief and employees of the Town.

7:00 p.m. – Quorum being present, the meeting was called to order by the Chairman D. Bruce.

May 1 2017 Spring Annual Town Meeting

Article 3 – FY2017 Supplemental Budgets

FY2017 Budget adjustments – Town Administrator is recommending holding action, at this time.

MOTION MADE by T. Bowen, Seconded by P. Stasiukevicius for Recommendation at Town Meeting, Motion Passed (13-0-0) (13 voting) (Unanimous)

Article 12 – Previous Year's Unpaid Bills

Presently, there are no unpaid bills pending from previous years. Town Administrator is recommending holding action, at this time.

MOTION MADE by T. Bowen, Seconded by P. Stasiukevicius for Recommendation at Town Meeting, Motion Passed (13-0-0) (13 voting) Unanimous

Article 13 – Current Year Snow and Ice Deficit

Town Administrator spoke to approximately \$160,000 left in this budget. He feels that this is a conservative number and recommends taking no action on this article at this time and wait till prior Town Meeting to vote.

MOTION MADE by T. Bowen, Seconded by P. Stasiukevicius for Recommendation at Town Meeting, Motion Passed (13-0-0) (13 voting) Unanimous

Articles 26, 27, 28 – Street Acceptances

Town Engineer M. Walker spoke to these articles. All three streets are part of the Brush Hill Estates Subdivision. Planning Board has released the bond and Board of Selectmen are scheduled to approve these street acceptances on March 28, 2017. Subdivision had been approved approximately 17 – 20 years ago and the Planning Board released the bond last month. Timing of these street acceptances is up to the developer.

Article 26 – Hancock Court

MOTION MADE by J. Denneen, Seconded by S. Lawson for Favorable Action on the street acceptance of Hancock Court from STA 0+00 to its end at STA 6+70.66+/-, Motion Passed (13-0-0) (13 voting) Unanimous

Article 27 – Arlington Lane

MOTION MADE by S. Lawson, Seconded by M. Trudell for Favorable Action on the street acceptance of Arlington Lane from STA 0+00 to its end at STA 11+53.72+/-, Motion Passed (13-0-0) (13 voting) Unanimous

Article 28 – Evergreen Lane

MOTION MADE by S. Lawson, Seconded by M. Trudell for Favorable Action on the street acceptance of Evergreen Way from STA 0+00 to its end at STA 2+70.97+/-, Motion Passed (13-0-0) (13 voting) Unanimous

Article 21 – Vehicle Maintenance Garage

Town Administrator J. Johnson provide a power point presentation along with Vehicle Maintenance Superintendent T. Perciaccante and Uniake, Architect

Present garage was built in 1966 and continues to operate. At that time, Town only had one mechanic and 28 pieces of equipment that was only about 29 ft in length. Vehicle Maintenance Division now consists of 4 mechanics and they maintain 144 pieces of equipment and the average truck size is 35 ft in length. Present facility has insufficient workspace, and needs considerable amount of safety improvements. It does not support facility and equipment requirements.

New facility would increase efficiency, support facilities and technology needed for today's equipment and will increase environmental protection associated with a vehicle maintenance facility. It will be energy and cost efficient. It will be constructed of a concrete base wall that will have steel structure placed on top of it. There will more safety features with a new lift (present one is 1978) it will be a sealed unit encased in cement. This is included in the total price. Old lift will be removed. It is proposed that the old facility would be used for parking trucks inside. This building would be double the size that it is now and consist of two large and two small bays. They cannot increase it to five bays due to trying to use cash in hand for the project.

Town has been meeting with Tri-County Vocational School and hope to have the students perform as much trade work as possible. They hope to have construction bids in hand in late Spring. Estimated project cost is \$1,975,000 to be funded by \$ 840,000 from Free Cash, \$635,000 from FY2017 Debt Budget, \$200,000 from Water Retained Earnings and \$300,000 from Sewer Retained Earnings. The problem with constructing a municipal building is the prevailing wage that the Town has to pay. This funding will relieve the Debt Budget, by passing a step and using money that is available. Sewer and Water are there to fund the operation and there are no guarantees that there will be any money turned back.

Committee had question on proposed funding of this project. Auditors want Free Cash to be used towards a municipal project. This money had been set aside previously for a Police, Fire and Council on Aging Facility. MGL requires that a Town has to spend the Free Cash before borrowing.

K. Uniake spoke to the time frame would be to start in late summer, into November. It would be an extensive job for Tri-County. There would be contingencies as part of the bid to take care if the school year ends. Bids will be for only the building.

MOTION MADE by M. Trudell, Seconded by T. Bowen for Favorable Action on the Vehicle Maintenance Garage in the amount of \$1,975,000 to be funded from the following fund sources: \$840,000 Free Cash, \$635,000 FY2017 Debt Budget, \$200,000 Water Retained Earnings and \$300,000 Sewer Retained Earnings, Motion Passed (12-0-1) (K. Guyette abstained) (13 voting)

Articles 2, Personnel Board Salary Schedule and Article 22, Personnel By-law Changes

Chairman A. DeNapoli of the Personnel Board spoke to these two articles and presented a power point presentation. They are recommending for FY2018 a 2% wage adjustment to the non-union salary schedule. They had previously hired a consultant from the MMA in 2015 which provided recommendations to the Personnel Board on compensation and classification matters that need to be addressed. Purpose is to retain employees, they determined the median medium and salary wage, and Walpole was comparable to other communities. We are on the medium, current compensation plan is 15 steps and was recommended to be reduced to 12 with the elimination of Steps 1, 2 and 3 as it is often necessary to pay new employees above Step 1. Increase in the entry salaries should create a larger pool of applicants for positions. Four factors were used in determining the wage adjustment.: Employment Cost Index, Consumer Price Index, Increases negotiated with Walpole's union groups and (4) known increase from other communities. Employees receive 2%, then a step increase where applicable) 9% of the entire municipal and school workforce are non-union (85 out of 928) Personnel Board attempts to treat non-union personnel the same as union personnel and remain competitive in the labor market.

It was noted that non-union employees were the first to make changes to health insurance costs. Personnel Board's Recommendations for FY2018 - (1) Eliminates the steps (1-15) (2) replaces steps with a minimum, -mid-point-maximum schedules, and (3) links employee advancement through the range to a new merit-based performance evaluation program. Existing non-union employees will be grandfathered to the current schedule which requires a satisfactory performance evaluation to advance to next step.

Some Towns can afford to pay more. Walpole's rank is 73 in State in Towns in per capita income. Increase in a step is not guaranteed, employees need a satisfactory rating. Town Administrator spoke to some employees receiving poor performance evaluations and didn't receive a step increase.

MOTION MADE by S. Lawson, Seconded by J. Denneen for Favorable Action on the proposed Salary Schedule, Motion Passed (7-6-0) (T. Bowen, J. Vaillancourt, J. Leith, R. Nottebart, E. Barmakian, K. Guyette opposed) (13 voting)

Committee members expressed concerns with the percentage that the schools come in at. Consumer Price Index is a factor. Town has come in three times over the last six years over the CPI. Town cannot keep going with these increases unless there is an override. Employees need to be paid fairly but it is the responsibility of the Finance Committee to run a responsible budget. Town salaries need to be in the middle, not at the bottom. Personnel Board's recommendations are fair. Issue is to retain employees.

Personnel Board Chairman A. DeNapoli spoke to the costs involved with hiring inexperience people. Salary steps affect 48 of the 948 Town employees. Employees are committed to the Town and work efficiently. This is what the Personnel Board takes under consideration. They try to address everyone's concerns including the taxpayer.

Article 22 – Personnel By-Law Changes

Mr. DeNapoli explained that the proposed changes are important but not substantive with the exception to changes to Article 9. They tried to build in the evaluation process and merit system and how this is done. First year employees are on a probationary period and eligible and will receive a rate increase on their anniversary.

Under Article 2 – no elected officials receive compensation. Pensions only apply to paid employees.

MOTION MADE by S. Lawson, Seconded by J. Denneen for Favorable Action on Personnel By-law Changes, Motion Passed (13-0-0) (13 voting) Unanimous

New Business

Contract Updates

Town Administrator updated the Committee on Articles 7 through Article 11, Municipal Contracts. They are in the middle of negotiations and he is optimistic that some will be

settled by Town Meeting. All five unions are aware that contracts have to be in Town Meeting Representative hands seven days prior to the vote. Any further discussion on contracts will have to be in executive session.

Open Meeting Complaints

Chairman D. Bruce spoke to receiving two complaints of open meeting violations from S. Lawson and Jennifer Geosits. Both complaints have been filed with the Town Clerk and the public body has 14 business days to review the complaints and within the 14 business days, the public body must respond to the complaint in writing and send a copy to the Attorney General a copy of the complaint and description of any action that has been taken by the public body. A copy of the response has also need to be sent to the complainant. An extension to this time frame could also be obtained. Chairman again cautioned the Members to limiting discussion on e-mails.

Committee will meet on March 30, 2017 for further discussion. These complaints need to be addressed. Chairman Bruce will contact Town Counsel to see if this discussion should be held in Executive Session.

Correspondence

Letter dated February 27, 2017 from Donna Sherman re: Taxpayer Concerns
Norfolk County Agricultural School dated March 10, 2017 re: 2017-2018 Tuition Rates
Planning Board dated March 10, 2017 re: Public Hearing on Article 31 on April 6, 2017

Minutes

MOTION MADE by J. Denneen, Seconded by S. Lawson to approve the February 27, 2017 Minutes, Motion Approved (12-0-1) (J. Denneen abstained) (13 voting)

MOTION MADE by J. Denneen, Seconded by S. Lawson to approve the March 13, 2017 Minutes, Motion Approved (13-0-0) (13 voting) Unanimous

Adjourn:

MOTION MADE by J. Denneen, Seconded by S. Lawson to adjourn the meeting at 8:45 p.m., Motion Approved (13-0-0) (13 voting) Unanimous

Respectfully submitted,

Clare P. Abril
Clerk