April 18, 2019

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2019 SEP -4 A 10: 21
TOWN OF LUDLOW

Meeting of the Finance Committee held on Wednesday, April 18, 2019, beginning at 6:30 p.m. in Conference Room #1 in the Town Hall

Members present: Eric Gregoire, Chairman, Maureen Downing, Susanne Boyea, Joan Cavallo, Richard Moskal, Raymond Yando, Anthony Alves and Beverly Tokarz

First Order of Business: The Pledge of Allegiance

Regular Meeting:

The School Committee Reorganized as follows:

Chad Mullen, Chairman; Jeffrey Lang, Vice Chairman; Jacob Oliveira, Secretary; Chip Harrington and Dr. Kelliher, members

Moved by Mr. Yando, seconded by Ms. Cavallo to approve the Finance Committee Minutes of January 16, 2019 as presented
Vote: 5-0 in favor. Mr. Alves, Ms. Downing and Mr. Moskal abstained

Mr. Gregoire discussed the re-organization of the committee. It will take place at the May regular meeting. The bylaws allow the committee to re-organize in May. He would like to elect an acting-chairman to reorganize the committee at the start of the meeting. The meeting will be held on May 15th. Mr. Alves said that he would act as chair.

Moved by Ms. Downing, seconded by Ms. Cavallo to appoint Mr. Alves as acting chair for re-organization purposes.
Vote: 8-0 in favor

Mr. Moskal updated the committee on the Senior Center Building Project. The contractors are in a cost analysis process, hope to have that completed by the 25th. At that time, they will find out where they stand financially. He provided the committee with pictures that were shown to the Board of Selectmen. It's a draft proposal and will be modified. The three copies show different areas of the building. The roof line is under consideration, because of the cost. The floor plan is being changed again. The parking areas were outlined and the building will be on one floor. The cost to date is 9.8 million.

Moved by Ms. Downing, seconded by Ms. Cavallo to approve the Finance Committee Minutes of March 13, 2019
Vote: 6-0 in favor. Ms. Boyea and Mr. Moskal abstained

Ms. Tokarz will schedule a meeting prior to Town Meeting on May 13, 2019 which will be held in the High School Cafeteria

Moved by Mr. Yando, seconded by Ms. Cavallo to adjourn the Regular Meeting and open the Budget Review Meeting. Mr. Yando suggested that the meeting be suspended in case there is a necessity to return to the Regular Meeting. Ms. Downing withdrew her motion.

Moved by Mr. Yando, seconded by Ms. Cavallo to suspend the Regular Meeting and enter into the Budget Review Meeting at 6:41 p.m.
Vote: 8-0 in favor

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Budget Review Meeting:

The first visitation will begin at 7:00 p.m. The committee will finalize the Warrant Articles prior to the 7:00 p.m. visitation. There was a request from the Fire Department for an adjustment to their budget because of a salary difference that wasn't in the original submission. Mr. Gregoire explained the differences in the amounts requested. The Fire Chief notified the Town Accountant that the added figure of $19,000 for the radio equipment short term lease is outstanding. The Police department included their portion in to their base request and the committee approved it. The Fire department does not have that liability funded for 2020.

Moved by Ms. Downing, seconded by Mr. Yando to suspend the rules and resend the previous recommended vote for the Fire Department budget
Vote: 8-0 in favor

Moved by Ms. Downing, seconded by Ms. Boyea to approve the new budget total of $2,943,942 adding in the $19,000 for the Fire Department's radio system lease
Vote: 8-0 in favor

Mr. Gregoire will send a letter to the Board of Selectmen, informing them of the Fire Department's budget change.

At this time the committee will review and vote on Articles in the Special Town Meeting Warrant.

ARTICLE 1: To see if the Town will vote to transfer from available funds a sum of money for **UNPAID BILLS and/or OVEREXPENDED ACCOUNTS OF PREVIOUS FISCAL YEARS;** pass any vote or take any action relative thereto. Submitted by the Board of Selectmen.

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 1 in the amount of $16,738.09
Vote: 8-0 in favor

ARTICLE 2: To see if the Town will vote to appropriate a sum of money not to exceed Seventy-Six Thousand Five Hundred dollars ($76,500), the purpose of which is to purchase a Ford 350 14 passenger lift van vehicle for the Council on Aging and to transfer from free cash the sum of Twenty-Six Thousand Dollars ($26,000) to pay for the first year of a three year lease; pass any vote or take any action relative thereto. Submitted by the Board of Selectmen. (Totals were different at the time of this meeting. The dollar amount not to exceed was $81,000 and the transfer from free cash was $27,000)

Moved by Ms. Downing, seconded by Mr. Alves to approve Article 2 not to exceed $81,000 and for $27,000 to come out of Free Cash
Vote: 8-0 in favor

Mr. Moskal said that there was no documentation submitted regarding the repairs to the vehicle which was requested by the committee. Ms. Downing said that there was an explanation and documentation provided when Ms. Zepke met with the Capital Improvement Committee. The request had to go through Capital and then it was decided if the Article would be placed on the Warrant, so she wouldn't have to give the Finance Committee any further explanation. Ms. Villano said that there was information. Ms. Zepke spoke about the make and model, modification, mileage at 146,922; estimated $1,750 hrs. per year of primary transport and $17,500 hrs. of the life of the vehicle. She spoke about the electrical repairs, lift repairs, the brakes and other equipment. The major issues were that the electrical problems could not be located, both the dealer and independent mechanics failed to correct the situation because of the aftermarket equipment i.e. the auxiliary heat power lift and auxiliary AC. The wire harness is so extensive they can't identify the origin of the problem. The lift issue is due to the age, Numatics on the lift are failing, same with engine issues etc.

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ARTICLE 3: To see if the Town will vote to transfer from available funds in the treasury and/or from free cash sufficient funds to cover the additional over time expenses incurred by the Police Department; pass any vote or take any action relative thereto. Submitted by the Board of Selectmen. (The dollar amount is $75,000 out of Free Cash)

Moved by Ms. Downing, seconded by Mr. Alves to approve Article 3 as written in the amount of $75,000
Vote: 8-0 in favor

ARTICLE 4: To see if the Town will vote to approve the addition of language to the Senior Center Building Committee which was approved in Article 7 of the October 3, 2016 Special Town Meeting Warrant by adding the following language:
"In the event of a Vacancy, the Senior Center Building Committee shall vote a replacement member" pass any vote or take any action relative thereto Submitted by the Senior Center Building Committee. (The Board of Selectmen does not have to approve a new member)

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 4 as written
Vote: 8-0 in favor

ARTICLE 5: To see if the Town will vote to transfer from Fund 2 a sum of One Hundred Twenty-Nine Thousand Nine Hundred Nine Dollars and Ninety-Nine Cents ($129,909.99) which is an insurance settlement to be applied to the Capital Planning Improvement Article to assist in the funding of the replacement purchase of a Freightliner 6-wheel Dump Truck with Plow; pass any vote or take any action relative thereto. Submitted by the Board of Selectmen. (This Article will offset the Capital purchase)

Moved by Ms. Downing, seconded by Ms. Cavallo to approve Article 5 as written
Vote: 8-0 in favor

ARTICLE 6: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money to be deposited into the Central Dispatch Accounts to assist in equipment upgrades which may require additional funding for the Public Safety Central Dispatch Transition; pass any vote or take any action relative thereto. Submitted by the Board of Selectmen. (This is a portion of the amount that is necessary; $22,500 from Free Cash)

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 6 in the amount of $22,500
Vote: 8-0 in favor

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At this time the committee met with Barry Linton, Vice Chairman of the Department of Public Works to discuss their Articles in the Annual Town Meeting Warrant. Mr. Batista was in the audience

Articles 7 & 8 – These Articles would eliminate the requirement of a PE which will give them a manager and boss. They hire out engineering projects. To get a good PE the cost would be very expensive. There is only one person in the engineering department. There is no staff. They are not getting any applications for the job. Those are the gist of the two articles. Ms. Villano said that they can't change the job description because they are tied to the bylaws. The language in the bylaws are antiquated. If they get rid of the bylaws and take the time to redo their job descriptions it will also give them the ability to take a good look at the set up of their department, look at possible changes in the future that they won't be tired to a bylaw that is no longer functioning. The only difference with the PE is if they want, in the future they could add that in as part of the job description. The language talks about appointing a Town Engineer every year. They don't do that every year. It's an employee. Another part of the existing bylaw is that they report to the superintendent. There is no superintendent. They act as a clerk for the Planning Board. The bylaws are just old and don't apply to this day and age. Mr. Linton said that they've only had one applicant in the last six or seven months. Mr. Yando asked how other towns deal with this issue? Mr. Linton stated that it's a 50/50 split. Some towns have a PE on staff but they have 3 or 4 people in an engineering department, such as Wilbraham, but they take in the Board of Health, doing their perk tests etc. a lot more than Ludlow is capable of doing. Palmer hires out engineers. Having an engineer doesn't guarantee that he can do the job that's required on some projects. Mr. Gregoire asked about the split on their Board. Mr. Linton said that some members want an engineer. There is an Assistant Town Engineer to handle the day to day issues, he doesn't have a stamp. Some members feel that the engineer needs a stamp.

Moved by Ms. Downing, seconded by Ms. Cavallo to approve Article 7 as written
Vote: 8-0 in favor

Moved by Ms. Downing, seconded by Mr. Yando to approve Article 8 as a follow-up to Article 7 as written
Vote: 8-0 in favor

Mr. Alves understands that language is coming out of the Article. He asked if there is language being inserted in its place. Mr. Linton said that they will go to the Human Resource Director and have a job description write new requirements for the job.
Vote: 8-0 in favor

Article 9: Sewer Enterprise Fund accounts appropriating $200,000 to a project. Mr. Linton said that the funds are for Grimard Street, West Belmont Street, West Orchard etc. to finish the West Street corridor. The Sewer Enterprise Fund was established to put money into the account to continue to fix one or two streets a year. They would like to expand their sewer system. This year they had to fix the pump station. The funds for that came out of that account.

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 9 in the amount of $200,000
Vote: 8-0 in favor

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Mr. Gregoire said that Articles 10, 11,12 are standard yearly Articles. Mr. Linton said that the Chapter 90 monies are funds received from the State which is $696,635. Article 11 allows the DPW to spend the money and Article 12 is $10,000 for the closure of the Landfill, monitoring of the wells etc.

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 10
Vote: 8-0 in favor

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 11
Vote: 8-0 in favor

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 12
Vote: 8-0 in favor

The committee will now review and vote on the remaining Articles in the Annual Town Meeting Warrant.

ARTICLE 1: To hear and act on the reports of the Town Officers; pass any vote or take any action relative thereto. Submitted by the Board of Selectmen.

Moved by Mr. Alves, seconded by Ms. Cavallo to approve Article 1 as written
Vote: 8-0 in favor

ARTICLE 2: To hear and act on the reports of the outstanding committees appointed pursuant to prior warrants and continued at each succeeding meeting and to continue said committees further, unless discharged by vote of this body.

Moved by Ms. Boyea, seconded by Ms. Downing to approve Article 2 as written in the Warrant
Vote: 8-0 in favor

ARTICLE 3: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money, not to exceed $5,000.00, to be expended by the Celebrate Ludlow Committee, with the approval of the Board of Selectmen, for fireworks and general expenses related to the annual Town-wide celebration and to further allow gifts and donations to be deposited in a previously established Special Revenue Fund to cover expenses related to this celebration.

Ms. Villano said that the Article reads not to exceed $5,000. The committee requested $3,000

Moved by Ms. Boyea, seconded by Ms. Downing to approve Article 3 in the amount of $3,000
Vote: 8-0 in favor

ARTICLE 4: To see if the Town will vote to raise and appropriate and/or otherwise provide such sums of money as may be necessary for Town purposes and charges during Fiscal

Year 2020 and to fix the salary of all elected officials of the Town for the same Fiscal Year, beginning July 1, 2019.

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This is the budget Article. The total budget is $71,011,429

Moved by Ms. Downing, seconded by Mr. Alves to approve Article 4 in the amount of $71,011,429
Vote: 8-0 in favor

ARTICLE 5: To see if the Town will vote to establish the annual expenditure limits for each of the following already established revolving funds for the use by certain town departments, boards, committees, agencies or officers pursuant to Massachusetts General Laws Chapter 44, § 53E ½ as outlined in the Town of Ludlow General Bylaws, **Chapter 2, Section 42: DEPARTMENTAL REVOLVING FUNDS** and printed below.

CPR Training	$5,000	
On-site Sewage System	$24,000	changed to $4,000
Vaccine	$20,000	
Consultants	$50,000	
Wetlands	$80,000	
Purple Bags	$26,000	
Dog Park	$5,000	

Moved by Ms. Boyea, seconded by Ms. Downing to approve Article 5 with the On-site Sewage System amount changed to $4,000
Vote: 8-0 in favor

ARTICLE 6: To see if the Town would vote to adopt Massachusetts General Laws, c. 59, sec. 5N, *Reduction of Property Tax Obligation of Veteran in Exchange for Volunteer Services*, which establishes a program to allow veterans to volunteer to provide services in exchange for a reduction of tax obligations to real property tax

Moved by Ms. Boyea, seconded by Ms. Downing to approve Article 6 as written
Vote: 6-0 in favor

ARTICLE 13: To see if the Town will vote to raise and appropriate and/or transfer from available funds and/or borrow by the issuance of bonds or notes such sums of money as may be necessary for Town Capital Improvements during the fiscal year beginning July 1, 2019 (Fiscal Year 2020). (This is in the amount of $387,513.)

Moved by Ms. Downing, second by Ms. Cavallo to approve Article 13 in the amount of $387,513
Vote: 8-0 in favor

Ms. Villano informed the committee that $132,000 will be transferred from the Ambulance Subscription Fund, $11,513 will be transferred from the Golf Retained Earnings, and $232,000 will be Free Cash. Ms. Cavallo asked if this information will be given when the Article is read. Ms. Villano said the informing will be given.

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ARTICLE 14: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money to fund the Building Infrastructure Article which was established at the October 1, 2012 Special Town Meeting, Article 17 and authorize the Board of Selectmen to expend such funds for the purpose of assessing and addressing the repairs, maintenance and construction of municipal buildings. ($25,000 from Free Cash)

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 14 in the amount of $25,000
Vote: 8-0 in favor

ARTICLE 15: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money for the Fiscal Year 2020 Reserve Fund. $100,000 from Free Cash

Moved by Ms. Boyea, seconded by Ms. Downing to approve Article 15 as written
Vote: 8-0 in favor

ARTICLE 16: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money for deposit into the Stabilization Fund. $400,000 from Free Cash

Moved by Ms. Downing, seconded by Ms. Boyea to approve Article 16 to place $400,000 in to Stabilization
Vote: 8-0 in favor

Ms. Downing said that there is $125,000 in the Finance Reserve Fund. This money has already been taxed and would go into next year's Free Cash. She feels that the money should be utilized. There is $91,000 remaining in Free Cash after the $400,000. There are a few Articles that perhaps the committee could entertain out of the Reserve money. That is her contention that the committee does not utilize the full amount of money. She feels that more money should be put into the Stabilization Fund. The Selectmen voted on this without the recommendation of the Finance Committee as in the past. Mr. Moskal said that the Police and Fire Chief's would be approaching the Finance Committee for more money. Mr. Gregoire said that we won't know until closer to the end of the year what those departments need for their budgets. Ms. Boyea asked what would happen if there is no money from our account to help out those departments? Ms. Downing said that they would have to have a ball park figure. Ms. Villano said that the Finance Committee is not allowed to pay a bill that is not unforeseen. Ms. Downing said that the van would be an immediate need. There was more extensive discussion on this issue from the members and Ms. Villano.

ARTICLE 17: To see if the Town will vote to transfer a sum of money from the Unreserved Fund Balance (free cash) to be used by the Board of Assessors in determining the Fiscal 2020 tax levy. (This Article will be postponed)

Moved by Ms. Downing, seconded by Ms. Boyea to concur with the postponement of Article 17
Vote: 8-0 in favor

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Moved by Mr. Yando, seconded by Ms. Boyea to adjourn the Budget Meeting and return to the Regular Meeting.
Vote: 8-0 in favor

Moved by Mr. Yando, seconded by Ms. Cavallo to adjourn the Regular Finance Committee Meeting at 7:46 p.m.
Vote: 8-0 in favor

Ludlow Finance Committee