Meeting of the Finance Committee held on Wednesday, October 16, 2019 beginning at 6:25 p.m. in Conference Room #1 in the Town Hall.

Members present: Eric Gregoire, Chairman, Maureen Downing, Joan Cavallo, Nicole Parker, Richard Moskal, Raymond Yando and Beverly Tokarz

Members excused: Susanne Boyea and Anthony Alves

Kimberly Collins was also present

First Order of Business: The Pledge of Allegiance

Mr. Gregoire discussed a memo that was received from the Board of Selectmen re: Tax Classification Hearing on Tuesday, October 22nd, at 6:00 p.m. in the Selectmen's Conference Room. This meeting is to collect input and set the local tax levy by each class

Ms. Collins said that the sewer rate hasn't been set and there is still information that needs to get into Gateway for the Assessors. She said the plan would be to continue the meeting on the 22nd to another date. The meeting will be opened and then continued.

Mr. Moskal provided an update on the Senior Center Building Project. He doesn't have that much to report. A meeting will be held on Thursday and next Tuesday. All the sub-contractor bids came in last week which generated a bid proposal that is due from the general contractors on Thursday. The committee will review the bids and next Tuesday the committee will give the Board of Selectmen the information and their recommendation. The money will be very tight. There will have to be changes to keep the price point the same. The target completion is still November, 2020. Ground breaking will take place in the next 30 days once the Board of Selectmen approve the general contractor. He will have more to report at the next meeting. They are running two weeks behind schedule. The bids are higher than anticipated.

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Ms. Downing provided an update on the Harris Brook Elementary School project. She said that they meet on a Thursday, so her information is from last month. They have broken ground. Photo's were passed around for the committee's review. Financially they have been right in line with money. The next three months will be their biggest months, their looking at 4 ½ million for October, 4 million for November and 4.7 million for December. As of this month, they should be at 12.5 million. They are on target for June, July of 2020 for the money. They also have the administration center. That cost is included in the money. There are no problems to date. Ms. Collins asked about a field. Ms. Downing said this is the beginning of construction. She thinks a field will be erected once the old building comes down. There were issues with the wetlands and having to move the building back. Once the building and parking lot is completed, then they will have a better picture of the layout. There was discussion on the feasibility study, borrowing and how quickly the project has progressed. Ms. Collins explained the cash flow and borrowing process and Town Meeting approvals on the study etc. The committee is looking at the school opening for the fall of 2022, baring any issues. Ms. Collins said that they borrowed 31 million for both projects plus the Radio Communication System. She will bring reports of revenues and

expenditures to the next meeting. Ms. Cincone has done at least 15 reimbursements on the school project to the State.

Mr. Gregoire wanted to know if there is any discussion that the committee would want to talk about in preparation for next year's budget. Ms. Downing said that she has concerns about the projects over the next three years. In the past, the committee would try to work a five-year plan. She would like to see how the growth has been running, to see where the tax recap falls. Ms. Collins said that the projection for 2020 is close. There is a little over 3 ½ million in Stabilization which is not a big amount. Ms. Downing is concerned that we should not just look at this year, but a few years. Maybe go back 5 years on growth and try to tighten the budget as much as possible in several areas. Mr. Gregoire said that going back a few year reserves were not used towards taxes and operating expenses. In the past few years cuts were also made to improve the situation but there is an issue every year of a million-dollar deficit. We've been carrying it for years and still continuing to do it. One of the things that was discussed was the trash contract which is a substantial amount of money. Ms. Collins said that the DPW doesn't want to talk about it. That is a big problem, plus recycling issues. The Town was reimbursed for recycling, but now the Town will have to start paying for recycling because no one takes it. There will be a transition coming as to how it is handled. Mr. Gregoire said the other issue is with employees, to get departments to look at the amount of positions they have, if vacancies are there and what their plans are for those vacancies. A menu of solutions would be to take vacancies away. There are minimal cuts on the personnel side to scale back to get a balance. Ms. Downing said that over the years to get the budget streamlined, the tighter the budget, the less money coming back to Free Cash. Ms. Collins said that she thinks it will be 1.2 or 1.5 million which is better than last year. There is a $260,000 question. Ms. Collins said the way we've been closing the gap is we're taxing up to our levy limit. A few years ago, we had 1.3 million in excess levy capacity. Revenue did come in better than expected. At this point there can't be any more cuts. If your looking to cut, they will be entire positions. That would be the only way to reduce the budget. The only way to solve the trash problem is to charge for bins. Ms. Collins explained the set-up costs to purchase the bins. That charge would be $800,000. The Town would get half that in revenue. Going forward the $800,000 would be revenue every year. Everyone would pay a rental fee for a bin, $50 per year. Ms. Downing said that the Town needs to get income as soon as possible. Her feeling is in three years there is going to be a big hit and a 15% cut would have to be made. She doesn't want to see that. She doesn't know where the tax rate will be. Ms. Collins said she thinks it's where they thought it would be. It's going to be about a $1.00 between the excluded and the budget. We just borrowed $39 million dollars. That is at least a $.50 increase in the tax rate due to the borrowing. Ms. Downing feels that the taxes will increase a dollar each year for three years at least. She feels that starting this discussion is good and maybe speaking to a Selectman to express our fears would also be beneficial, especially concerns with contract negotiations. She feels that Mr. Gregoire could have a discussion with Mr. DeBarge regarding tonight's meeting. Mr. Yando said that the Board of Selectmen just agreed to a ten-year contact at the last Town Meeting for the recycling. That contact can't be touched for ten years. Mr. Gregoire said it's a good point and the Selectmen need to understand what that means. Mr. Yando said they had the option of approving the contact for three years. Ms. Collins said there are many towns that entered into a collaborative. Mr. Yando said to counter that, you may have a collaborative that builds their own, but it won't come without cost. Ms. Downing said that at some point we have to start thinking for the future. Ms. Collins said that there will be additional revenue coming in

from Medicare and when the fire department responds on the pike. Chief Pease has been submitting those requests. Between the two, that would be $100,000. The town passed something a few Town Meeting's ago where there were limits on Revolving Funds and that's $160,000 back to the General Fund. Most of the departments have increased their rates. She said she's looking at between $2-300,000. Their working on the problems at the Golf Course. That's coming along, but it's another additional expense. Insurance will not be going down. Ms. Cavallo asked about the complex at the High School getting absorbed by the school department's budget? Mr. Gregoire doesn't see that happening. He suspects that issues will be coming up next year for either a proposal etc. He can't image that they will be willing to absorb the cost, when last year there was a million dollar increase just for the school department alone. Most of that was for personnel costs. He feels that the big picture projects have to be highlighted. Mr. Gregoire will reach out to Mr. DeBarge.

Moved by Ms. Parker, seconded by Mr. Moskal to approve Finance Committee Minutes of October 7, 2019.
Vote: 6-0-1 in favor. Ms. Downing abstained

Moved by Ms. Downing, seconded by Ms. Cavallo to approve the Finance Committee Minutes of September 18, 2019
Vote: 6-0-1 in favor. Mr. Moskal abstained

The Association of Town Finance Committees will hold a conference on October 26th at Bridgewater State. If anyone is interested in attending there is information on the MMA.org website.

Regarding the next meeting. Mr. Gregoire received an email from the Director of the Library. He offered to host a meeting at the Library on November 20th. He would like to update the committee re: The Library and the work that their doing. The meeting will begin at 6:30 p.m.

Moved by Ms. Downing, seconded by Ms. Cavallo to adjourn the Finance Committee meeting at 7:10 p.m.
Vote: 7-0 in favor

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