July 20, 2020

Meeting of the Finance Committee held on Monday, July 20, 2020, beginning at 6:02 p.m. remotely by conference call.

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Please be advised that by Order of the Governor; Order suspending certain provisions of the open meeting laws, G.L. c.30A, Sec. 20 which limits public access. This meeting will be conducted entirely over conference call and recorded for public access. The recorded meeting will be publicly available through LCTV.

Members present: Eric Gregoire, yes; Anthony Alves, yes; Maureen Downing, yes; Susanne Boyea, yes; Joan Cavallo, yes; Richard Moskal, yes; Nicole Parker, yes and Beverly Tokarz, yes.

Kim Collins was also on call along with members of the DPW.

First Order of Business: The Pledge of Allegiance

At this time the committee met remotely with members of the DPW. On call was Alex Simao, Vice Chairman, Steve Santos, Member and Michael Supernant, Director.

Mr. Gregoire informed the members that the DPW is requesting an Interdepartmental Transfer. Members received the request by email and Mr. Gregoire explained how the committee will approach the transfer. The request was received very late in the day on July 14th. and reviewed at the Board of Selectmen's Meeting that evening. There is a requirement to have the transfers approved according to the State by July 15th. That is the window that was allowed by the Commonwealth. The request came in to the Board outside of the normal cadence that the Finance Committee would be reviewing the transfer prior to the Selectmen's meeting. This was a request that the Selectmen chose to recommend approval and signed off on the transfer and left it to the Finance Committee to conduct the same process that we would normally do and get additional information to understand the transfer. At this point Mr. Gregoire asked if the DPW would go through the transfer requests and state the total bottom dollar figure which is $125,000.

Mr. Santos spoke with Ms. Collins on July 14th after seeing the email that was sent to everybody, about the DPW overspending and nothing was getting done about it. They didn't want to transfer any money out of personnel into the operating budget because if the money isn't used for specific line items, it should go back to the Town. When he got into office, he saw that line items were in the negative already and they were still charging items to the negative. The $125,000 was for crack sealing and line stripping. There was a motion made and approved to spend the $120,000 baring that they were not transferring out of the personnel account. Ms. Collins said there were concerns about bills from Waste Management and Casella. She reached out several time to Mr. Supernant and received no answers. Mr. Santos then decided to request a transfer etc. He didn't want to go to Town Meeting and ask for the $125,000 which would be put on the tax rolls. Mr. Simao spoke with Ms. Collins and walked him through the transfer request. They apologize for the late request and overspending on line items.

Mr. Supernant said that at this point he would like to see the transfers go through. One of the reasons that they had to do the transfer is the deficit in the rubbish collection and disposal contract which was substantially cut a few years ago. He didn't realize until recently that they've

been running a structural deficit in addition to all the increases that were added on. For the past two years they've been running a deficit because of the rubbish collection. The DPW did not want to transfer any money from the personnel services account to other expenditures and that became a problem in trying to request transfers.

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Ms. Collins points out that the trash fees in the amount of $70,000 were incumbered. She tried to process that payment and it threw the department $70,000 negative because they had overspent their other line items. Even though the money was incumbered it still couldn't be paid. Her concern is that within the trash line items there are additional Casella payments that come through that are not covered, but the majority of what they needed for trash at most was $10-$20,000 at Town Meeting because they haven't been budgeting appropriately in the past. This year the real issue is that all the other line items had been over spent in addition to the incumbrance that they had. She had to release that incumbrance, take the bill out and needed $125,000 to cover the overspending. She needs to be sure that the department is looking at those line items on a regular basis and understanding if their overspending on line items.

Ms. Downing asked if the $125,000 includes the encumbrances and all other bills. Ms. Collins said it would cover the two payments; one for Casella and one for Waste Management totaling $80,000 and there were some encumbrances that were submitted and she added into it which calculated to $125,000. Ms. Downing asked if there are two transfers? Mr. Supernant said the second transfer was something he was working on that is not in question. That is just for information purposes. They're only asking for the $125,000 transfer.

Mr. Gregoire said that what is troubling about this request is that there are other items that had deficits that needed to be addressed and then there are new items to be spent, in a separate conversation, that they might be thinking about because of the excess money in personnel. Allowing the incumbrances to continue to flow until they get kicked out of the Warrant and hits Ms. Collins office is extremely troubling to him because of the incumbrances that they know are existing and not being addressed in this fiscal year. The lack of transmitting the information is also frustrating to him. The part of the process is to have some accountability about what the responsibilities are that the board members and department has to the Town at large. By not acting in certain ways it places the budget at risk. The way this transfer was requested is troubling and doesn't give Mr. Gregoire the confidence that he might have had prior to this experience. Ms. Downing agrees with Mr. Gregoire and if it wasn't for the fact that we need to make ourselves financial solid and fulfilling our obligations to the State, she would not be voting for the transfer. Ms. Collins said this will solve the problems with the State because the Selectmen approved it before the 15th. Once Finance approve it, she will be doing the transfer. She will not be able to submit any additional incumbrances or expenditures this year.

Mr. Santos would like Mr. Gregoire to explain to Mr. Supernant and Mr. Simao the detrimental impact it would have to the Town if this transfer didn't take place. Mr. Gregoire said that we would have to carry the incumbrances as Unpaid Bills that would have to be carried into another fiscal year and then have to be added to the taxes in addition to everything else. We are approaching a year that is very in flux. Coming into another fiscal year, carrying an additional $125,000 would directly impact next years taxes. Ms. Collins said that due to the fact that there is so little excess levy, it's possible that they would have had to go into an override in order for that bill to be on Town Meeting. If this bill had to be brought to the October Town Meeting, they

would have to ask for an override going into the Special Town Meeting. Mr. Santos said that the DPW needs to be more aware of how and when their spending the money in their budget. Moving forward he will keep an eye on the budget especially in very unsecure financial times. He will do the best he can and reach out to Finance and Ms. Collins if he needs help. He thanked everyone and apologized for this. Ms. Parker asked why wasn't Chapter 90 used for the line markings etc. Mr. Santos says that they try to use budget money as much as they can because Chapter 90 is very variable. They can carry Chapter 90 money over to another year, but they can't carry budget money over. About 80% of the paving of the roadways comes out of Chapter 90. If they loose money in Chapter 90 for those projects, it doesn't get done. They try to use that money for resurfacing of the roadways which is more expensive.

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Ms. Parker doesn't think that they should be asking for additional money if they have money in Chapter 90 funds for those projects that are approved by the State. Mr. Santos is in agreement and is not in favor of any transfers whatsoever. Ms. Downing said that there is a history with Mr. Santos and going forward she feels that things will get better. Mr. Supernant said that previously the bills were being handled by the office supervisor and Board and they have not been paying close attention as he would like to. Starting a few weeks ago, he started reviewing all of the payroll and the bills. This had not been done in the past by the Director. He's taking on that role. They have an aggressive Chapter 90 program this year and the contracts are being signed and will be starting work on those projects. Their paying out of their line item budget for some of the work currently being done but have put in project requests for Chapter 90 which needs to be signed at the Town Hall so that they can forward it to the State office. Ms. Collins said there was a million-dollar request that came to the Town Hall for four different streets and that was signed.

Mr. Supernant outlined the contractual services that had not been budgeted for in the past which was for storm water. That is one of the major reasons for contractual services being increased by $50,000 each year. It's a federally mandated program. They have a permit and have to complete it. It should have been budgeted for, but had not been. Public Works supplies in the Building Division had a major expense for an overhead door at the garage. He believes it was $8,000. There were other items like the furnace and other unanticipated expenses.

Moved by Ms. Downing, seconded by Ms. Boyea to approve the Interdepartmental Transfer for the DPW in the amount of $125,000.
Vote: Ms. Downing, yes; Ms. Tokarz, yes; Mr. Alves, yes; Ms. Boyea, yes; Ms. Cavallo, yes; Ms. Parker, yes; Mr. Moskal, yes; Mr. Gregoire, yes. 8-0 in favor

Mr. Gregoire stated that departments should be partners in conversations and if there are any questions that arise or something that the committee should be aware of, be available to inform everyone and open the lines of communication. He can't stress enough that the committee wants to have that partnership and work together. No one wants to be in these situations. Our door is open and we want to be a resource in as many ways as we possibly can. Reach out when you need to.

Moved by Ms. Downing, seconded by Ms. Cavallo to adjourn the Finance Committee Meeting at 6:44 p.m.
Vote: Ms. Downing, yes; Ms. Tokarz, yes; Mr. Alves, yes; Ms. Boivin, yes; Ms. Cavallo, yes; Ms. Parker, yes; Mr. Moskal, yes; Mr. Gregoire, yes. 8-0 in favor

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