Budget Meeting of the Finance Committee held on Wednesday, April 7, 2021 beginning at 6:00 p.m. in the Selectmen's Conference Room and conference call.

Please be advised that by Order of the Governor: Order suspending certain provisions of the open meeting law, G.L.c.30A, Sec. 20 which limits public access – this meeting will be conducted over conference call and recorded for public access. Eric Gregoire, Maureen Downing, Joan Cavallo and Richard Moskal were present in the Selectmen's Conference Room. All other members attended by conference call. The recorded meeting will be publicly available through LCTV.

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

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Members excused: Nicole Parker

First Order of Business: The Pledge of Allegiance

At this time the committee met with Eric Segundo, Veterans' Agent to discuss his budget. Mr. Segundo stated that his department provided $261,634 in benefit payments including $8,000 in burial costs. He informed the committee that 75% of that cost is reimbursed by the Commonwealth. He averages 36-43 pre COVID cases. That number has dropped this year. This past year the federal compensation claims for Veterans in Ludlow was $1,014,045 which is an increase from the previous year of $570,000. There is an opportunity for a Veterans Tax Work Off Program for Veterans to work towards their tax bill up to $1,600. There are only 10 slots allocated for that program. It hasn't started because of COVID. The Ludlow Veterans Assistance Fund tax write off which is included in the excise bills is in its 3rd year. With the great support of the Town, he collected $12,000, not including what's come in for the last few months. He thanks the residents. That money stays in Ludlow and provides additional benefits and emergency assistance to Veterans and their families. He just submitted information for a grant from the State for the restoration of the Civil War memorials at the cemeteries. That application is pending. That is an overview of the Veteran Services.

The new fiscal year Level 1 budget; he's proposing to reduce the Veterans Services to $259,200 from $287,000 which was originally proposed. He's expending post COVID cases to return back to the 36-43. It's about $600 per case. The Burial and Flags line items. Originally, he budgeted $9,500, he's requesting to increase that line item to $15,000. Last year the State increased the dollar amount. He averaged 2 burials per year, but he is on the 3rd burial this year and he just received one this afternoon. The staffing position. There were two employees who worked out of Veterans' Services. One was a secretary that was split with the HR department, which 10 hrs. was paid by his department and 18 hrs. paid by HR. He had another employee who worked 7 hrs. Due to COVID, the individual working the 10 hrs. started to work with HR remotely. His office was not open during the COVID period. He requested from the Selectmen last evening to merge the 10-hr. position with the 7-hr. position and then asked for an additional hour to make it 18 hrs. total. The employee who is there now will take on the 18 hr. It is a benefited position already. The only addition is the one hour. There is a slight increase in the proposed FY"22 budget

because the individual has been with the Town for a long period of time, so her hourly rate and Step increased the line item. All other line items are level funded.

Mr. Gregoire said that what he does for the Veterans, the services that he provides etc. is very impressive. In terms of the position the proposal is to merge? Mr. Segundo said that the 7 hrs. that the person now works will be increased by 18 hours. The individual works for the Golf Commission, she is maxed at her Step and will get her 2% increase. Ms. Collins comes up with a higher calculation than his. She said that his original request was $403,435, then reduced that by the $27,800 for the burials for Veterans' benefits. She then added in $5,500 for increases in burials. Mr. Segundo removed the 10 hours and then added the hours to the other secretary. Ms. Collins new total is $384,520, he has $382,840. Mr. Segundo's total is correct.

Mr. Gregoire discussed the Animal Control Officers position. Ms. Villano had a conversation with Mr. Gregoire re: streamlining the Animal Inspector and the Animal Control Officer. The Board of Health would continue to have nominating authority over the Animal Inspector with the State until that amount would need to be transferred to the Animal Control Officer's line item. The two positions would merge. There is a $1,500 a year stipend to be transferred from the Health Department to the Animal Control Officers budget. Ms. Downing said the amount of $1,500 would be added to $28,377 for the Animal Control budget. The $1,500 would be deducted from the Health Department. The Animal Control's budget would be $29,877 and the Board of Health budget is $361,757.

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At this time the committee met with the School Department to discuss their budget. Superintendent Todd Gazda and the Business Manager were present in the Selectmen's Conference Room. Mr. Gazda gave an overview of their budget. The year has been anything but normal. His budget has been anything but normal. All elementary school students are back in the buildings, 5 days a week. This was the first Wednesday that there were students in the building since last year. All of the high school students are in 4 days a week and hybrid 2 days a week, by class. About 50% of the students will likely stay remote. Middle School has been more of a challenge. They have 25-30% of the students staying fully remote. They have accommodated students who want to be back in the classroom 4 days a week. That transition will happen on April 12th and on April 26th all Middle School students will be back in the building 5 days a week. That's Pre-K -8. Some of the transition was mandated by the State. He is also concerned in the rise of the number of COVID cases. Last week they had 16 cases, either students or staff. This past week there were 10 cases. Sport teams seem to be a problem, carpools, kids are riding and not wearing masks. Youth athletics and some of the sports teams, boys and girls track are shut down. They had to close a kindergarten classroom because of a positive case and close contact. They were able to transition easily between the different models. He doesn't know what to expect in the fall. He has baselines and some ideas of where things are going to head. To stay fully remote will be off the table. They will be back in the building. He anticipates that there will be a requirement to wear masks. There will be a requirement for additional sanitation supplies etc. He brought a budget that is between a level service, the positions he added due to COVID to keep kids spread out as much as possible and keep class sizes lower than they have been. He

added $812,000 worth of personnel. They eliminated a lot of teachers, custodians that were added this year. They had a number of staff members, with medical issues that couldn't go into the building, but could still work. He allowed them to work remotely and teach the kids, but they needed an adult in the classroom for supervision. They cut what they added for COVID in half and carrying forward $400,000 in COVID staffing expenses. The local appropriation budget is $33,976,203. This is 2.73% over last year. That is not level service. They budgeted and utilized stimulus money to get down to that number. Without applying the federal funds and carrying over for the COVID positions, their finances would be an 8.2% increase. Without the COVID positions it would be a 6.39% increase. That would be a level service from FY21 into FY'22. They applied about 1.8 million in Federal Stimulus Money to get down to the 2.78% increase. He also feels that there will be enough money in reserve to respond to unanticipated occurrences that happen in the fall. His concern comes with what happens next, when the federal money is not available. His intention is to use the money to coast back down for the next 2 to 3 years to the level that they would normally be spending. When he can begin to reduce some of the position, he added due to COVID, the stimulus money will help so that there won't be a drop in FY'23. The money is good through September of FY'24. With the stimulus money over the next couple of years, he will be able to maintain services and take a look at the big picture and come back to their normal level by reducing staff etc.

Ms. Downing asked about the remote monitors for teachers who had to stay home and teach. Mr. Gazda said they were additional teachers, but will not be carried forward for FY'22. They are covered by the COVID stimulus money. Ms. Downing said that there is a difference in figures on Ms. Collins sheets vs. what the amount that the school figures show. Ms. Collins explained that when the school met with the sub-committee, they came in with a 6% increase. Mr. Gazda clarified that he was responding to the request that came through asking what was their level service budget. He didn't apply any stimulus funds because he was responding to the question. Because of the Excess Levy the budget had to be reduced to 2% in line with the rest of the departments. After further discussion, there was an additional $260,000 added to the Level 2 budget, which brought them to a 2.79% increase. Their coming in about $18,000 under the $260,000 for their requested amount. The COVID money helps with the other activities that are necessary to make any operation of and continuity of and services including continuing to employ the existing or hiring new LEA on Local Education Authority and school staff (line from the guidelines of COVID relief). Mr. Gazda said this gives him a lot of flexibility on how to use the money. Ms. Downing asked what do they anticipate to add that is not covered by COVID money. Mr. Gazda said none. There was discussion back and forth with Ms. Downing and Ms. Collins regarding line items, COVID money, extra teachers, custodians, Contract obligations, Levy Limits etc. and other figures. Mr. Gazda said that the Senate and House budgets have more money targeted for Chapter 70. Their enrollment is down 128 students from last year. He is anticipating getting most of those students back. He budgeted the most conservative number, which were the Governor's numbers. It will be a while before he knows what the new numbers will be. Most of the formula will be from the Student Opportunity Act, they don't qualify for a lot of money from this Act, it won't be substantial but it could be six figures. Ms. Cavallo asked what the school enrollment was. Mr. Gazda said there are 2,381 students which is down 120 students. He anticipates 2,400 students for FY'21 and FY'22 primarily due to COVID. Mr. Gazda and Ms. Collins discussed the teachers and custodians that will be paid through CARES. He said there were 3 teachers and 2 or 3 custodians who were paid through CARES. They kept

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the teachers and took off the custodians. There was discussion with the Level funded budget, what would happen if they had to cut more. Mr. Gazda said he will take a hard look next year to see what education looks like and see what staffing looks like and how they are utilizing people. They could use the federal money for certain items and positions for this budget.

At this time the committee met with Sean McBride, Chairman and Ryan Linton, Superintendent of the Golf Commission to discuss their budget. Mr. McBride informed the committee that the Golf Course has been open since March 18th. They had to close for 2 months because of COVID restrictions. They opened last year the 3rd week of May and it's been busy since. Their business is up by 43%. From July 1, 2020 to April 7, 2021 there were 33,870 rounds of golf played. Total sales were $651,582. Last year at the same time; July 1, 2019 to April 7, 2020 the sales were $442,516. They have never been at the $651,582 dollar amount at this time. Their totals were around $265,000 - $275,000. They had increases in the Starters and Rangers minimum wage and they have more responsibility. They had to sanitize appropriately along with their other duties. Mr. McBride is optimistic for the remainder of this year. With revenue and sales, they should see money put back in to the Enterprise Fund.

Mr. Gregoire said that the MUNIS report will be sent to the committee. Ms. Collins stated that the report totals for personnel which does not include indirect costs is $700,134. Mr. Linton said his figures were $699,134. There is $1,000 difference between what they expected and what their bringing in. Ms. Collins will add her figures again. Ms. Collins said the budgets don't include indirect costs, that's done at Town Meeting. Mr. McBride spoke about an anticipated business plan. Mr. Gregoire wanted to speak about their approach in building up the revenue side of the budget. What are the changes that are built in. Mr. Linton said that on the golf revenue, they looked at the last three years, did not include FY'20. They figured out how many rounds they did and then looked at what they did over the last six months. The golf industry as a whole made a huge increase over the last year. They are up by 30%. They increased their prices by $2.00. The average cart round for the last two years factoring in rental cost for carts netted $240,000. The golf receipts increased $2.00 across the board on all of their rates. Their doing 33,000 rounds a year plus the increases and contracts and other receipts and increases in passes. There was a 40% increase. This won't be the new normal, but they would like to see a 12-15% increase. They are seeing increases in memberships. This year again because of COVID they won't be holding tournaments, their relying on regular play. This year the revenue will be over $900,000. This increase won't be every year. Their reasonable expectation for a 3-year projection factoring in the rate increase, cart increase and regular increases would be a 43% increase.

Ms. Downing asked what the difference is between the income and the expenses for the Golf Course. What does the Town have to contribute? Ms. Collins said that when adding the figures from the above-mentioned report, the figures were $699,134 which is on the Level 1 expenses. They budgeted at $766,000 which is $77,000 above what their expenses are. They will need to increase the revenue projection to cover whatever the indirect costs are for a break-even budget. They will not be asking for a subsidy for this year. The Town has funded one or two years of a mower, and the Town funded the golf carts.

Staff changes on the personnel side includes an increase in the starter/ranger salary. It was projected at $25,000 and they are requesting $34,000 to factor in the minimum wage increase. It wasn't factored in to the last budget. Next year the rate will be $14.25 that is why the 36% increase in that area. On the vehicle and maintenance side there is a maintenance plan with the golf carts. Regular routine maintenance was done by Ryan Linton and the Assistant Superintendent. There was very little over hall work being done. They hired a mechanic that went through every piece of equipment. The newest fairway mower is 13 years old. The mechanic did a complete over hall on it. He is expanding the life span of the equipment. There is a request from $21,000 to $25,000 for parts for vehicle over hall.

Ms. Downing asked about the increase in the temporary laborer salary. Mr. Linton said that is the seasonal ground staff. It was cut last year from $80,000 to $60,000. Over the last 9 years the wages have increased from $8.00 to $14.25. The line items are the minimum wage employees. They also have more responsibilities especially with the COVID situation and disinfecting the carts, equipment, etc. The Golf Professional services increased 12%. With a $10,000 increase. The increase includes staff etc. and his Contract. Credit card charges increased because of more business and people are paying with credit cards rather than cash. Ms. Collins asked about the 2 other items in terms of revenue if they were increased. One was the driving range and the other had to do with golf (couldn't understand the conversation). Mr. McBride didn't know about the driving range. The other is by Contract.

Ms. Cavallo asked if there are funds from the COVID CARES Act. Mr. McBride said the starters and rangers are providing different services than usual. He will have a conversation with the Town Accountant to see if some of those hours would be covered by the CARES Act as well as other areas that could be covered. They discussed the items that would be allowable under the CARES relief plan. The detailed budget is in the vicinity of $699,000.

Mr. McBride and Mr. Linton spoke about their business plan on the municipal and business side. Long-term goals and goals within the next 3 years include the renovation of the club house. The pumps and pump house internal workings, pumps, filters skim baskets etc. need work. Those repairs would cost in the vicinity of $2-400,000. The life span on those items is 20 years. They are entering their 21 years. The underground piping is over 50 years old. That could be a several million-dollar project. Their going to start the process of looking for vendors re: underground piping costs. Mr. Gregoire would like information regarding their business plan if available.

At this time the committee met with Joe Alves, the Town Assessor. The departments Level 1 budget totals $299,939. Mr. Joe Alves said most of the services are in line with what they budgeted. The only reason he asked for the meeting is to request more funds for Conference and Travel. Last year, because of COVID there were minimal conferences. They would like to start going to classes and updating their certifications. There is only $526 in the line item. It was reduced last year by $2,000. This year the requirements are changing and he would like to keep up with that. He is requesting an increase for Conference and Travel. In Purchases and Services, he has $97,000 and he asked Ms. Collins if that line item is correct. Ms. Collins said that was the number based on an incorrect Contract. When she received the updated Contract, the budget was reduced to $61,000. Mr. Gregoire asked if he will be attending the Conferences. Mr. Joe Alves

said he will attend some and some will be done over the internet. The classes require a charge to attend. The classes are usually $400-$600 per person. He and his staff attend the classes.

Mr. Gregoire discussed the next two weeks of scheduling and requested that the Recreation Commission and Police Department provide background information for their requests. Ms. Downing said that she would like information on the 2 additional positions at the DPW on the Level 2 budget. The Police Department's request for a Narcotic Task Force is also an area where background information could be provided. Mr. Gregoire said that he had information from the DPW that will be sent to the committee. Ms. Downing feels that discussion on the Level 2 requests is necessary with regards to what is important and what's been approved by the Selectmen. Mr. Gregoire agrees that decisions will have to be made and speaking with departments over the next week to get answers prior to making decisions as to where there will be changes in numbers.

Ms. Collins said that what she planned to do is put a column on the spreadsheet to include any items that have been approved by the Selectmen and Finance Committee in terms of what they think needs to be added in and then show what the excess levy would be at that level and keep other requests. The Selectmen, at their last nights meeting approved the two positions for the BPW. The amount of $78,540 came down to $36,740 because there was money in the budget to cover that expense. Mr. Gregoire didn't realize that was a discussion on the table with the Selectmen. He feels frustrated that no consideration was made to take into account the recommendation of the Finance Committee to discuss the increases in positions. (The discussion was very difficult to understand). Ms. Collins said that based on the Selectmen's meeting the determination was made that the DPW only need an additional $36,740. Based on that information, the Selectmen made a decision. She feels that there is confusion in terms of the budgeting process. The Selectmen approved a position, which is their job. When people come before the Finance Committee, they can recommend to approve or not to approve. That doesn't mean that the Selectmen won't put forth the budget. It's a recommendation from Finance and it's part of the process. Ms. Downing said that this is approving positions after the fact when no one has seen the final numbers. It would be hard to reconcile that and if they want the position, then it's $36,000 which is a large amount. Maybe the department should find it in one of their line items. Mr. Alves agrees with Ms. Downing. Where was the discussion throughout the year? Why is it a last-minute request. There should have been discussions if there was such a necessity in the department. New spreadsheets and materials will be available from Ms. Collins to be picked up at Town Hall.

Moved by Ms. Downing, seconded by Ms. Cavallo to adjourn the Finance Committee Meeting at 7:56 p.m.
Mr. Alves, yes; Ms. Boyea, yes; Ms. Cavallo, yes; Ms. Downing, yes; Mr. Moskal, yes; Mr. Moskal, yes; Ms. Tokarz, yes; Mr. Gregoire, yes. Vote: 8-0 in favor

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