October 20, 2021

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Meeting of the Finance Committee held on Wednesday, October 20, 2021, beginning at 6:03 p.m. in the Selectmen's Conference Room, Town Hall.

*****Please be advised that by Order of the Governor- S 2475, An act relative to extending certain COVID-19 measures adopted during the state of emergency, – Please feel free to view this meeting via cable television as this meeting is broadcast live or via live stream. Instructions are on the town's website. You may also access the meeting by audio by calling 1-617-758-8793, attending via Uber conference or by attending in person. *****

Members present: Eric Gregoire, Chairman, Anthony Alves, Maureen Downing, Susanne Boyea, Joan Cavallo, Richard Moskal, Nicole Parker (arrived at 7:00 p.m.) and Beverly Tokarz

Members excused: Christopher Ganhao

Ms. Kimberly Collins was also present.

First Order of Business: The Pledge of Allegiance

At this time the committee met with Steve Santos, Chairman of the Board of Public Works and James Goodreau, Asst. Town Engineer, to discuss a Reserve Fund Transfer.

Mr. Gregoire entertained a motion to suspend the Rules for consideration of the request since the request was received with only a one-week notice.

Moved by Ms. Downing, seconded by Ms. Boyea to suspend the Rules and Regulations Vote: 7-0 in favor

Mr. Gregoire stated that the amount requested was for $50,000 for contractual services, due to a bridge inspection, resulting in deficiencies and needs to be repaired. The cost of the repairs will be shared jointly with the Town of Wilbraham.

Mr. Goodreau explained that when an inspection was done on the Greene Town Bridge, they found a joint that needed repairs. MassDOT got involved and was concerned. Wilbraham has connections, had a company investigate the joint, cut a piece out, had it inspected and called out the deficiencies. Their estimating the cost to be between $50-100,000. Wilbraham has already asked for a $50,000 transfer. Ludlow is responsible for half the cost. The Director of Public Works in Wilbraham is continuing with the process and is doing the procurement of everything. She needs Ludlow DPW to procure their half of the cost, so that when it's sent to the State to get a waiver to do the emergency repair, it can be done immediately.

Mr. Moskal asked if they have any bids. Mr. Goodreau said, they do not. Mr. Moskal asked where the $50,000 would come from. It would come from the Finance Committee's Reserve Fund. Mr. Goodreau stated that Ludlow would be receiving half the bill. They will be paying the contractors directly. There is an agreement in place for any work done. The town's split the costs. It was done on the last repair. The first inspection bill was $1,000 and DPW already paid their half out of their budget. Mr. Gregoire asked if they exhausted all of their other line items? Mr. Goodreau said being so early in the year, it's hard to predict what expenses they would have. They would like the money just in case they would need it. It can be returned if not used. In that

line item, they currently have $40,000, but their doing other Town work and using those funds. Mr. Santos stated that there are other deficiencies that need to be addressed on the bridge. There is a weight restriction on the bridge. Their talking with Wilbraham and discussion if it should go on the State TIPS Project to get rid of the weight restriction. There are some deck issues. The amount their asking for at this time is to repair the expansion joint. Can Chapter 90 money be used? Mr. Goodreau said it could be used. There is a process for approval. They have not looked into the process. Mr. Santos said that the $693,300 of Chapter 90 funds is allocated for road repair. Their anticipated plan is to work on Chapin Street from Fuller Street to Holyoke Street and all of Fuller which will use up most of the funds. They use the Chapter 90 money on paving, crack sealing and line stripping.

Mr. Alves asked how many open positions are there that are not filled? Mr. Goodreau said 3. Mr. Alves asked if they've been open since the beginning of the fiscal year? Mr. Santos said yes. They hired the PW-1, and PW-3, regular equipment operator. There is a PW-3 heavy equipment operator/mechanic and a PW-4, foreman's position, and the director's position that are not filled. Mr. Alves asked the approximate salaries of those positions. Mr. Goodreau gave out the amounts, which totals roughly $240,000. A third of the year has passed which would work out to $61,000 which Ms. Collins calculated out. Mr. Alves asked why can't the money be drawn from the salaries that are not expended? Mr. Santos said it can be done but he's not a fan of transferring personnel salaries into operating expenses. Ms. Collins said those transfers can't be done until May. Looking at the budget, on expending items, they have to make sure that they're not expending any other expense items and relying on that money. Mr. Gregoire said that the longer the vacancies exist, the more money they would have to their availability. This would be a solution within their own budget. Mr. Alves would like to see money that has already been budgeted used than use 50% of the Finance Reserve Fund. Mr. Goodreau feels that it's a great idea. Mr. Gregoire feels that if the DPW is communicating with Finance and there is awareness of the expense for the bridge purpose, it's within the realm what's allowable within the law to use the budgeted money so that it won't exhaust the Reserve Fund at this early stage, in case something else transpires in the year.

Moved by Mr. Alves, seconded by Ms. Downing to deny the Reserve Fund Transfer from the Board of Public Works.
Vote: 7-0 in favor

See above explanation as to how the DPW will obtain the $50,000 for the bridge repair. Funds for the repair will come out of the unused salary account.

Purple Bag Revolving Fund – Mr. Goodreau stated that the Selectmen already approved the portion of the Revolving Fund. The problem is that there is not enough money in the fund to accommodate the number of purple bags being bought and the blue bins that come out of the fund. They ordered 400 cases of purple bags, at $28,000 and $8,000 worth of recycle bins which between the both items are $36,000. The printing of the purple bags cost .36 cents each. Their getting $1.89 for disposal costs. The bags will bring in $151,000 revenue. They need the Revolving Fund limit lifted to purchase the bags, to make them available in the stores. Mr. Santos said it's the same issue with the blue bins. They co-purchased the bins with East Longmeadow to save money. The Selectmen approved raising the limit from $26,000 to $55,000 which comes from the revenue generated by the bags.

Moved by Ms. Downing, seconded by Mr. Alves to authorize the Purple Bag Revolving Fund be increased from $26,000 to $55,000.
Vote: 7-0 in favor

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Mr. Moskal asked about the tools issue at the DPW. Mr. Santos said that there is an issue with the mechanic. He's brought his own tools to work for a very long time and has never been compensated for it and it's not in the job description. With the change in vehicles and different vehicle body styles, more tools are needed. It's getting to a point where the mechanic is buying tools just to fix town vehicles. He requested a stipend two years ago, which would be paid to the tool company. When he was done or left the job, he would take the tools with him. The Board agreed on it, the Selectmen didn't want to do anything. They wanted to bring it up during negotiations. They didn't want to give a definite yes or no. COVID hit, the Selectmen extended the contracts moving forward to this year. It came up during negotiations again and the Selectmen denied the stipend. The mechanic said that he would take his tools out of the garage. To purchase the tools that he would need would be in the area of $50-70,000, or a $2,500 stipend that goes with that position. There are issues, who will track the tools, if their lost, stolen, how would they be tracked. Mr. Santos put a list together. He's up to 400 items at $45,000 at this point. This list is basically what is needed to get started. They can't take that sum out of the budget without shorting another line item. The mechanic has been fixing some things. The larger jobs, they are sending out. They priced out a break job for a six-wheeler truck. The cost was $6,800 for repairs for a garage in Westfield. The parts were $1,238.00. It's a substantial cost difference to do that work in house. It was a two week wait to send it to Westfield. His personal concern is fixing sanders, equipment in the winter. If the mechanic doesn't have any tools to work with that is a problem. Mr. Gregoire asked what the sense was to have an in-house mechanic if he refuses to fix things, under the arrangement that he was employed with the town around. Mr. Santos said the DPW supplied him with tools at that point and he brought his own in, so they never kept stocking up on those tools. This should have been addressed when he was hired in 2011. It's the DPW's problem and issue. They have to do something. Ms. Downing said that since 2011, the requirement of specialized tools and different equipment has been required. Even if he came in with a set of standard tools, he can't be required to have all the tools he may need for a full department. Mr. Gregoire understands that it's standard tools. Mr. Santos said that's what he was using the $2,500 for, if he was given a stipend. Now, he's taking all the basic away, so the DPW will start with the basic tools. Mr. Gregoire said it's not the committee's role on how to solve the problem. They have to made a decision on how to resolve the problem. Ms. Cavallo asked if the Fire Department have an in-house mechanic? One of the firemen does a lot of repairs. Maybe they could check to see how they handle that situation with the tools. Mr. Gregoire said it's likely it's his own tools. Ms. Boyea said that if that job requires a set of tools, they should be provided by the Town. It shouldn't be an individual bringing their own tools to do the job. She thinks that the Town should be supplying them with everything that they need. If the mechanic chooses to bring a certain tool in, then that's their choice. Mr. Santos said no one can use the garage for personnel use. It's a Town regulation. His tools that he had in the garage, if he needs the tools to do a side job, he has to take the tools home to do the job. Ms. Downing asked what do other towns do? Mr. Santos said they supply most of the tools. There are warrantees on the tools. Someone from the company checks the tools on a weekly basis. Some of the specialty tools were purchased through the budget. Now the mechanic wants to take out all of his basic

tools, which would be very costly to replace. Mr. Gregoire heard that it's a common practice for mechanics to be hired and bring their own set of tools that they utilize. It sounds odd, but that's what he's been told. Ms. Boyea asked if the particular town is responsible for a broken tool. Does the town replace it? Don't know what the right solution is. Is it on the personnel side or something that needs to be requested and becomes town property? Ms. Collins said it sounds like more of a personnel issue. It doesn't sound like a budgetary issue. He was hired in 2011 and he's been working under these circumstances all these years and now it's become a problem? Mr. Santos said they're not checking inventory. They would ask the mechanic if there are any broken tools. Mr. Collins said that if the Town purchased $70,000 worth of tools, they would have to be checked weekly. Mr. Santos said the DPW would get somebody to check the inventory. The tool vendor would have a list, the DPW would have a list and if the employee decided to leave, they would check the inventory before he left. Ms. Downing agrees that it's a personnel issue. She feels financially that a stipend would make more sense than to have to buy the tools and keep track of them. The negotiating people, the Selectmen and DPW will have to figure that out. Ms. Collins cautions the DPW to purchase tools to give to someone who gets to take them home. That would be a concern. If the Town is purchasing tools and the mechanic owns them and takes them with him, the tools were paid with taxpayer money. That would have to be looked into and be collectively bargained. Mr. Gregoire said by discussing this in an open meeting, their jeopardizing the boards' ability to negotiate on some of the items.

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Mr. Moskal brought up this subject for discussion, just in case there may be a problem and that there was a discussion with Finance on the issue to keep everyone in the loop. Mr. Moskal also asked about the trash collection fees. Mr. Goodreau said that within the last week, after a second notice went out, several payments have been made. No one knows about the new billing cycle. Ms. Downing asked if the bills could be outsourced? Ms. Collins didn't think that was a good idea. The bills need to be in MUNIS under the customers records, the same as the taxes and sewer are billed. There was ongoing discussion re: the Collector collecting the trash bill and the MUNIS program.

Liaison Updates:

Ms. Downing met with the Fire Department. She passed out information to the committee. She spoke about the ambulances. There were three calls that came in while she was there in a 40 min. span. The Chief's projection for this year for ambulance calls is at 4,647. For FY'20, they collected 1 ½ million dollars which goes into the General Fund. He would like his staffing to increase. He has approval on the books for four additional firemen. Unfunded, just on the books. He has a problem with supervision. He would like to increase four firefighters to lieutenants, he would like to add two firefighters, which are also full paramedics, in the next budget year and then within the next five years, he would like to hire two more firefighters and then in ten years another two. The sheets have comparisons with other communities. Ludlow is low in staffing. The Chief stated that there are 25% of elderly population in Town, there is a jail, electric company, rehab centers, elderly housing. All these facilities will call an ambulance if in trouble. This problem is no different then in the past years. She hasn't spoken with the police, but the situation is the same. Their understaffed a bit. This situation ends up with a lot of overtime. When your required to have so many people on the floor and the ambulances go out, people have

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to be called in. If people don't come in, there is the overtime situation. They have a lot of young firefighters who care for their children. It's difficult to fill in at times. He will be talking with the committee and if anyone has questions, they can call him. This is what the Chief will be discussing when he meets with the committee. Ms. Cavallo asked if the towns with comparisons have an ambulance program like Ludlow has? Ms. Downing said that the towns probably run one ambulance. She didn't think that the Chief would make a comparison if its not like Ludlow. Ms. Collins said that the Chief has spoken to the Selectmen about the positions and so has she. He currently has four firefighters' positions that he wants to move up to lieutenants at a cost of $35,000. He was given two vacant positions that were approved by the Selectmen, not funded at a cost of $65,000 plus benefits each. He's looking at $35,000 to move up the firefighters to lieutenants and then looking for two additional positions. Ms. Downing said the lieutenants would serve a dual purpose. He could use them as supervisors and as a firefighter. The net would be $150,000 for two positions.

Ms. Tokarz spoke with the Town Clerk. She contacted the MA Town Clerk's Association to ask which programs they use for business certificates. Most of them said they use LL Data. She is in the process of reviewing them. She also had other responses from other clerks that use different programs. She also reviewed systems for dog licenses and payments for public records. She will be receiving a quote on a program. She spoke with the IT Director. He doesn't recommend the MUNIS program. He feels that they're too expensive. Their Access program was put in over 20 years ago. When it breaks, there is a problem and it's not compatible with MUNIS. The dog program that was purchased does not coincide with the Vets shots. They bought the program; new people took it over and the new owners do not provide information regarding rabies shots that need to be logged in.

Mr. Gregoire spoke about the budget process. Departments are requesting personnel changes. The first step they are taking is bringing their requests to the Board of Selectmen. The Selectmen are scheduling meetings to review those department requests. This will be done before November. November 16th is the last meeting to review the requests. At that time the departments would submit their budgets to Ms. Collins office and then a review, based upon the requests that the Selectmen have approved, will be reviewed by the sub-committee. Levy limits will be reviewed. It's clear that not everyone of the positions will be financially possible. That would be the prioritized budget that the committee would be reviewing for recommendations to Town Meeting. Between Mr. Gregoire, Ms. Villano and Ms. Collins they reached a disagreement with the final step of the process. It's cutting off the departments coming in at mid-stream and asking for additional requests. Once it reaches the committees recommendations, if they disagree with the Selectmen's budget, which number is going to Town Meeting. In the prior two years, the Selectmen's budget has taken the opinion, based on Town Counsels opinion of the Bylaws, that their number prevails and goes to Town Meeting. The Finance Committee made amendments if the committee felt it was warranted. Mr. Gregoire made it clear that he disagrees with that assessment with the Bylaws and how it's being interpreted. In the past the Finance Committee was in concert with the Selectmen, but that is not what happened. There needs to be a meeting to discuss the entire process and what is going to unfold in the next couple months and to come to an agreement around the last step, and what is the best scenario for the Town before

moving the budget forward for a vote. The meeting has been scheduled for the beginning of November to discuss that, before the rest of the process can unfold. Ms. Collins said that she did meet with the Selectmen and gave them a general idea of estimated growth. They do have an understanding what the levy can handle. She also gave them an understanding of the items that they have to increase the budget by, whether it's benefits, retirement, contractual increases on a general basis. She started to put together an initial recap, their planning on reviewing the positions at the second meeting in November. They will be making those decisions based on levy and not merit. Ms. Downing said that the process is the issue and communication. Last year, towards the end of the process, the committee was told that the Selectmen did not want to raise taxes. That was never conveyed to the committee only until the end. Ms. Downing feels that it's not good practice not to raise taxes, if need be. If taxes are not raised, in three years, the taxes would go sky high. Costs never go down; they always go up. People expected a raise in the taxes and it didn't come. She's concerned that they don't understand the concept on how you have to keep a small percentage to raise. Part of the issue with the old process which worked for the last 25 years, is that the committee meets with the departments individually. They come for help; the departments were not clear on their budget. We were partners with the departments, that went out the window. The other thing is that the process needs to start earlier. They need to look at five years going out. There is a new school, new senior center and a lot of infrastructure and repairs. The process last year was terrible. It was a waste of time for the Finance Committee. Ms. Downing said that in prior years the committee always came to a consensus with the Selectmen. What was presented at Town Meeting was presented jointly and the people could trust it. Finance was part of the full process and our recommendations were listened along with the Selectmen. That did not happen last year. The old process worked for 20 plus years and quite efficiently.

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Moved by Mr. Alves, seconded by Ms. Boyea to approve and sign the Finance Committee Minutes of September 22, 2021
Vote: 5-0-2 in favor. Ms. Downing and Ms. Parker abstained

Moved by Mr. Alves, seconded by Ms. Cavallo to approve and sign the Finance Committee Minutes of October 4, 2021
Vote: 4-0-3 in favor. Ms. Downing, Ms. Parker and Ms. Boyea abstained.

Mr. Gregoire wanted to personally inform everyone that he has decided to provide his resignation to the Town Moderator. He will be stepping down from the Finance Committee effective, Friday, October 22, 2021. He said that it has been a pleasure to serve everyone for the past seven years. It's a mix of reasons both personally and professionally. He has obligations that take a lot of effort and there is a sense that there is an opportunity for him to explore opportunities outside of town government and to examine other ways that he can contribute. There are other organizations that he participates in that he wants to continue to bring value to which he hasn't been able to provide much focus to. There is a lot of work that still needs to be done. He is proud of the work that has been accomplished over the seven years that he has participated in, and how far things have materialized especially moving away from utilizing Free

Cash by establishing financial policies that Ms. Downing's been working on that the committee has been advocating for, for years. It's been a pleasure to work with all the members and department heads and contribute. He's always trying to bring value to the discussion and to elevate what the committee does. The timing is appropriate to allow new people to get oriented and allows for some transition period. The meeting with the Selectmen, he believes is the right call and thinks that the committee also agrees. He thanks everyone for their friendship, and all the hard work that they dedicate to the Town. Thank You.

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Ms. Downing said that he will be very missed. He has been an asset and brought new blood and great brain power and eagerness to the committee and has elevated it. We all will be sorry to see him go. He's a good man. The committee wishes him well going forward.

Mr. Alves said, in terms of procedure, is there a structure that needs to happen. Mr. Gregoire said that upon his resignation Mr. Alves will become Acting Chair and then the committee will re-organize. Mr. Alves said that he has no problem being Acting Chair until the next meeting in November. He would like to have a restructure because he is not sure that he could handle the additional responsibilities of being Chair. It will be on the agenda at the opening of the next meeting in November to re-organize. Ms. Downing will attend the Selectmen's meeting on November 2nd at 5:30 p.m.

Moved by Ms. Parker, seconded by Mr. Moskal to adjourn the Finance Committee Meeting at 7:40p.m.
Vote: 7-0 in favor

Ludlow Finance Committee