Meeting of the Finance Committee, held on Wednesday, April 20, 2022, beginning at 6:00 p.m. in the Selectmen's Conference Room, Town Hall.

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

Members excused: Matt Goncalves

First Order of Business: The Pledge of Allegiance

At this time the committee met with Fred Pereira, Collector to discuss his request for a Reserve Fund Transfer in the amount of $5,000 for trash collection. He did not put money in to his budget for mailing of the trash bills and collecting the money. He would like to have $2,000 for clerical help and $3,000 for postage. The amount was budgeted for next year. DPW collected the bills last year. Mr. Moskal asked about the postage. Mr. Pereira said it was taken out of his budget and then it was replaced. The money was transferred back in to his budget by interdepartmental transfers at the end of June. Mr. Pereira said there are about 6,700 bills, sent by first class mail and then when the bills are not paid, notices need to be sent out. Mr. Moskal feels that it's a lot of expense. Some of the condo bills have not been mailed and he isn't sure when they will be billed. The DPW is responsible for the billing of the trash.

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Moved by Mr. Alves, seconded by Ms. Cavallo to approve $5,000 for a Reserve Fund Transfer for the Town Collector because of the trash related expenses for the billing.
Vote: 5-0-1 in favor. Mr. Moskal abstained.

At this time the committee met with Deputy Fire Chief Jeff Lavoie, who stepped in for the Chief who is out of Town, to discuss the Fire Department's request for a Reserve Fund Transfer in the amount of $40,000. There are deficits in regards to injuries sustained by firefighters. Everyone is back to work except for one individual who required surgery. Another factor that contributed to the deficit was COVID. For the last two years there were hundreds of transports of very sick patients to the hospital. For two years they did great. In January the virus hit hard. Following the CBC guidelines, they had eleven members who were quarantined. That required a lot of overtime with minimal staffing. The other factor was that they hired three new individuals. The first year that they work they are at training and the fire academy. They are not up to par to do fill-ins. The final factor was that the Union settled a contract with retro-active increases. The amount was higher, but some money came out of the budget line items. The negative balance in the account was $74,405. They are requesting to add $40,000 to that account. For FY'2020 they were at 2,736 EMS runs. This year from July 1st 2021 to today it's 2,996 EMS calls. That also increased the billing because of more calls.

Moved by Mr. Alves, seconded by Ms. Cavallo to allocate $40,000 to the Fire Department, overtime, regular for all items listed.
Vote: 6-0 in favor

At this time the committee met with Town Administrator Marc Strange to discuss the Selectmen's request for a Reserve Fund Transfer in the amount of $35,000. This money is a

result of a retirement payout and the Collins Center services for the search for a new Town Administrator. Mr. Moskal asked why the money is coming out of the Selectmen's budget? Ms. Collins said that a contracted payout is paid at a higher rate. Ms. Villano was employed for many years, so her retirement payout is substantial. All of the departments take on their retirement payouts, but the bigger departments can handle that. The Selectmen, only have salary items and smaller amounts in their line items. They didn't have a place where they could take the money from. The police chief retired a few years back. He would have had the money within his budget to transfer it over or at the end of the year, had extra money in benefits. She said there probably should be a line item in benefits. If the department doesn't know that there will be a retirement there isn't time to plan for that, unless they do move forward with some kind of line item that is put in benefits. Mr. Moskal said the number he saw was $40,000. Ms. Collins said they needed money in order to compensate for hiring a person at a higher level than they hired Ms. Villano at. The amount is for two separate years. In this year, because Ms. Villano retired and they didn't have a long notice of it, they paid out her retirement. In addition to that, they hired a new Town Administrator and they had to pay a company to do the search. The $35,000 takes care of the current fiscal year, the $40,000 which was added into the budget for next year takes care of the increase for the Town Administrator, Steps within the department. They hired a new person who will be on Steps etc. Ms. Cavallo said this wasn't discussed before. Ms. Collins said that it's basically salaries which included that increased salary of the new Town Administrator with a higher level of education, and experience.

Moved by Mr. Alves, seconded by Ms. Cavallo to transfer $35,000 to the Board of Selectmen from the Reserve Fund as discussed.
Vote: 6-0 in favor

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The committee received a memo from the Town Clerk requesting that Board's and Committees must reorganize after the Town Election. Please make sure that this is done in a timely manner.

At this time the committee discussed and voted on the Warrant Articles for the Special Town Meeting which will be held on Monday, May 9th at the Ludlow High School Auditorium.

Special Town Meeting Warrant Articles

ARTICLE 1: To see if the Town will transfer from available funds the sum of money for Unpaid Bills and Overexpended Accounts of previous fiscal years. Total of $3,135.01

There are three bills: Animal Control: $260.01, DPW, $2,375.; DPW Restoration Services $500.

Moved by Mr. Alves, seconded by Ms. Cavallo to approve Article 1 in the amount of $3,135.01.
Vote: 6-0 in favor

Ms. Collins doesn't feel that there will be changes to the total. She hasn't seen any bills come through recently. She feels that a vote would be appropriate.

ARTICLE 2: To see if the Town will vote to transfer from free cash sufficient funds to cover the additional overtime expenses incurred by the Police Department.

Ms. Downing asked if there is a figure. Mr. Strange said it will be a big number. No one knows the amount to date. **HOLD**

Schedule a Finance Committee meeting prior to Town Meeting at 7:00 p.m. in the High School Cafeteria.

Annual Town Meeting Warrant Articles

ARTICLE 1: To act on the reports of Town Officers.

Moved by Mr. Alves, seconded by Ms. Cavallo to approve Article 1 on the May 9th Town Meeting Warrant.
Vote: 6-0 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 Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 2 of the May 9th Annual Town Meeting Warrant.
Vote: 6-0 in favor

ARTICLE 3: Budget Article – **HOLD**

ARTICLE 4: 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, as listed: CPR Training, $5,000; On-site Sewage System, $0; Vaccine, $20,000; Consultants, $50,000; Wetlands, $80,000; Purple Bags, $26,000; Dog Park, $5,000.

These are the base funds for the revolving funds which are the expenditure limits. They have a balance limit of the same amount. If there is a balance above the limit at the end of the year, it's transferred out into the General Fund. The Sewage System has a zero balance because when the Board of Health hired a Health Agent, they closed the fund because she took on all the inspections. Ms. Collins said that the purple bags were increased at a Selectmen's meeting. That amount will be checked. **HOLD** until there is an accurate number on the purple bags

ARTICLE 5: 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 to expend for Celebrate Ludlow.

This is a standard Article for Celebrate Ludlow for $5,000. Ms. Cavallo said the amount has been decreased to $3,000. Ms. Collins said that the past two years it's been postponed. She didn't know what the Selectmen's decision was on how to fund it, either $5,000, $3,000 or not at all. **HOLD**

ARTICLE 6: To see if the Town will vote to raise and appropriate and/or transfer from available funds a sum of money, not to exceed $3,500 to be expended by the Commission on

Disability, with the approval of the Board of Selectmen, for trainings, marketing materials, supplies and other expenses related to the Commission on Disability.

Mr. Strange said it was newly established. The request was for $4,500. Beverly Barry is in charge of it. The Article would fund expenses, not to exceed $3,500.

Moved by Mr. Alves, seconded by Mr. Moskal to recommend approval of Article 6 on the Annual Town Meeting Warrant
Vote: 6-0 in favor

ARTICLE 7: To see if the Town will vote to appropriate State Chapter 90 Highway Aid Funds for engineering, construction, reconstruction and/or repairs to Town roads and bridges. Amount of funds is $683,649 for FY"23.

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 7 on the Annual Town Meeting Warrant.
Vote: 6-0 in favor

ARTICLE 8: To see if the Town will vote to authorize the Board of Public Works to enter into a contract with the MA Dept. of Transportation for the construction and maintenance of public roads for the ensuing years.

This is to accept any and all Chapter 90 funds allocated to the Town as noted in the above Article.

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 8 on the Annual Town Meeting Warrant
Vote: 6-0 in favor

ARTICLE 9: 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 as sums of money as may be necessary for Town Capital Improvements during the Fiscal Year beginning July 1, 2022 (FY'23)

Capital Article Includes: Town Hall Roof, Asbestos Repairs, $300,000; DPW Mobile Sweeper, $330,800; Whitney Field Furnace, $30,000, DPW Groundmaster,2nd yr. lease,$41,348; Fire Tower Engine 1st. yr. lease, $335,000; Fire Kitchen Renovation, $100,000; Fire Engine 4th yr. lease, $134,000; Library Historic Windows $49,410; Police K9 Cruiser $39,500; Schools, New Phone System East St. $45,000; Schools, Baird Middle School New Phone System, $65,000; Schools, New HVAC System, New Auditorium, $78,533; **Total from Free Cash is $1,548,591** Westover Golf New Skid Steer, $60,400; Westover Golf Cart Fleet 3rd yr. lease, $33,000 **Retained Earnings Total $93,400. Grand Total for Capital Expenditures is $1,641,991. Remaining Free Cash is $1,061,977.**

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 9 on the Annual Town Meeting Warrant for Capital Improvements totaling $1,641,991.
Vote: 6-0 in favor

Ms. Downing had a question about the HVAC at the Auditorium. She asked if the money would be available from the COVID money. Mr. Alves said yes, but as the Capital Committee they don't have oversight if it was going to fall under ARPA. They took the stance to approve the HVAC system at the High School because it was not working. The five remaining HVAC systems can be under the ARPA money. It will be sent to the Selectmen for review. There were other requests for that money; the track, playground and other things that would not be covered under Capital. Mr. Strange said that the Selectmen want to get past Town Meeting and then deal with the ARPA requests.

ARTICLE 10: To see if the Town will raise and appropriate and/or transfer from available funds a sum of money for the Fiscal Year 2023 Reserve Fund.

The money appropriated is $100,000. Ms. Collins said there was discussion on increasing the amount. The money comes out of Free Cash. It's been at $100,000 for several years. It's been higher and wasn't used. There's been CARES money and other places where overtime etc. could be taken out of.

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 10 on the Annual Town Meeting Warrant at $100.000.
Vote: 6-0 in favor

ARTICLE 11: To see if the Town will 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, which is for assessing and addressing the repairs, maintenance and construction of municipal buildings. $100,000

Ms. Collins said it use to be $25,000 and it's being depleted. Money can be put in a Special Article Fund. The Selectmen would have to vote on using it. It would be used for infrastructure and things that are going wrong in Town. Cost of repairs are increasing.

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 11 on the Annual Town Meeting Warrant.
Vote: 6-0 in favor

ARTICLE 12: To raise and appropriate and/or transfer from available funds a sum of money for deposit into the Stabilization Fund.

The amount is 1 million dollars. The balance is 4.4 million bringing the amount to 5.4 million. The best practices on the budget recommended for Stabilization is 7-9%.

Moved by Mr. Alves, seconded by Ms. Cavallo to recommend approval of Article 12 on the Town Meeting Warrant.
Vote: 6-0 in favor

ARTICLE 13: To amend the Zoning Bylaws of the Town of Ludlow by changing from Agriculture to Residence A, a parcel of land owned by VDS Properties, LLC located at 0 & 694 Chapin Street.

Ms. Downing asked if there were comments or discussions at the Selectmen's meetings? Mr. Strange said they are still waiting for more information. The Planning Board did vote 5-0 to recommend approval. **HOLD**

ARTICLE 14: To amend the Zoning Bylaws of the Town of Ludlow by extending the existing portion of the Agriculture Moderate Density Overlay District over the entire parcel, on a parcel of land owned by Joe Alves, located at 279 Cady Street. **HOLD**

ARTICLE 15: To amend the Zoning Bylaws of the Town of Ludlow by changing from Residence B to Business B, a parcel of land owned by Jorge S. and Kim S. Laires, located at 244 Hubbard Street. **HOLD**

Mr. Strange said information on the Articles will be discussed at the next two Selectmen's meetings. The committee agreed to meet on May 4th to discuss the Articles that are on Hold and the Budget. Ms. Cavallo suggested that someone from the Planning Board meet with the committee to discuss the zone changes. She would like background information. Mr. Strange said the Planning Board do not have to meet with the Selectmen because the Planning Board approved the zone changes and the Selectmen approved the Article. Ms. Tokarz to contact the Town Planner, Mr. Stefancik to schedule a meeting with the committee and give background information on the three zone change articles. Information is needed for Articles 3, 4 and 5 in the ATM no later than May 3rd. Ms. Downing explained to Mr. Strange the Finance Committee's stance on zone changes as stated in the bylaws. The committee always askes for information. Information is also needed on Article 2 of the STM. Mr. Strange and Ms. Collins will give information on Celebrate Ludlow and the Purple Bags.

The committee discussed the Budget with Ms. Collins. Ms. Downing explained that the last time the committee met there were last minute needs of $5,000 for Mr. Pereira that was added to his budget for Trash Bills. In addition, there was $167,000 in debt service money that was not included in the FY"23 Budget. Ms. Downing and Ms. Collins worked on the budget and made cuts in various departments. They cut the Grant Writer position and cuts in the Building Department, DPW and took $17,000 from the Levy Limit, bringing it down to $54,400. The committee voted on the changes to go before the Selectmen. Since then, it was established that money coming from the State Chapter 70 increased, which increased the Levy Limit so that when Ms. Downing met with the Selectmen, the cuts previously discussed did not happen. They didn't have to cut anything. The Selectmen decided that the only item that they kept on the cut was the Building Inspector's part-time position and $10,000 from the Building Inspector's Other Professional Services. The $167,000 and the $5,000 was added to the budget which again changed the numbers. The total expenditure was $74 million and change, with an excess Levy Limit of $84,000. That figure has changed again. The total budget for the Town would be $77,196,821 and the new Levy Limit is $184,174. The committee has to revise the recommendations previously voted on based on new information that came after the last vote. A motion to rescind the vote taken at the last meeting will need to be taken and a new motion made. The committee will deal with that at the next meeting on May 4th. just in case the numbers change again.

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Ms. Downing informed the committee in a written letter that she will be leaving as a member of the Finance Committee on June 30th. She handed in her resignation to Mr. Strange to be given to the Selectmen, Town Clerk and Moderator. She thanked the members of the committee that she served with now and in the past. They've been intelligent, dedicated people, eager to serve their community and she can't speak higher of the group of people on the committee. She would like to thank the departments that she worked with, who have become partners with the Finance Committee over the years and have worked hard to use the taxpayer's money wisely. It's been her pleasure to serve the community where her family has lived since 1914. Her family and heritage reside in Ludlow and it's been an honor to serve the community. The committee does hard work, puts in many hours, with no pay.

Mr. Alves thanked Ms. Downing for her 25 years of service. He is also handing in his resignation as well, effective the end of the April. This will be his last meeting. It's been five years and has other commitments. Ms. Downing said that he's worked hard and thanks him. He will still be a Town Meeting member, and thanks everyone. He gave his letter to Mr. Strange as well.

Moved by Ms. Cavallo, seconded by Mr. Moskal to approve and sign the Finance Committee Minutes of March 30, 2022, as indicated.
Vote: 4-0-2 in favor. Ms. Boyea and Mr. Alves abstained

Moved by Mr. Alves, seconded by Ms. Cavallo to adjourn the Finance Committee Meeting at 7:23 p.m.
Vote: 6-0 in favor

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