June 18, 2019

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:27
TOWN OF LUDLOW

The Meeting of the Board of Selectmen held on Tuesday, June 18, 2019 beginning at 6:00 p.m. in the Selectmen's Conference Room, Town Hall.

Members Present: Chairman Mr. DeBarge, Mr. Goncalves, and Mr. Rosenblum.

Members Absent: Mr. Silva and Ms. Fernandes

First Order of Business: The Pledge of Allegiance

Visitations:

The Board met with Patrice Squillante, Melanson Heath to go over the Audit for Fiscal Year 2018

Ms. Squillante presented financial statements and reports for Fiscal Year 2018. Ms. Squillante stated when there are new Board members, I like to give a summary of what we do, what an audit does and doesn't do and provide you with an explanation of the documents you have in front of you. Starting with what an audit does and doesn't do. Audits are conducted in accordance with audit standards. When you are in government, there are governmental auditing standards. The standards are designed to give readers reasonable assurance that the financial statements are materially, fairly stated. All auditors work within this concept of materiality. Materiality is a standardized calculation which varies depending on the size of the community. The materiality for Ludlow would be different than my hometown of Bernardston which is a tiny community. Ludlow's General Fund Budget is about $67 million dollars. Materiality goes off revenue. In a General Fund, the materiality will range from $100,000 to $400,000 depending on how we are looking at it. It certainly doesn't mean that we are not looking at things below that level but in terms of our opinion on your financial statements, that they are materially, fairly stated.

Mr. Goncalves asked what that works out to be

Ms. Squillante stated about 5%. The different amounts depend on what we are testing. We'll use different thresholds for either different types of balances or if we're sampling transactions so there is a range even within different materiality. An audit is what we are required to do. Part of it is to evaluate your internal controls over your major transaction cycles. We look at the receipt processing, departmental turnovers, Tax Collector, Accounting, Assessors, and Treasurer's offices. We focus our internal controlled testing and evaluation on your vendor disbursement cycle, payroll disbursement cycle, general ledger maintenance journal entry as well as the internal controls of each of your key money departments. We will also spend time in other departments on a rotating basis. For example, we might look at recreation or the ambulance, how it is being billed and collected and what's the assurance that the records reflect everything that you did bill. That is how we breakdown the audit. We obtain evidence to support the balances that are in the financial statements such as cash, receivables and liabilities. We issued three reports: An Annual Financial Statement which is like a district report, a Management Letter of comments and recommendations, and the Single Audit Report which is required because you spend over $750,000 in federal expenses. In total, all your federal grants are more than $750,000, so the federal government requires that you have an audit conducted in accordance with the single audit act which requires more compliance auditing. There's a process we go through to determine which federal grants we are going to audit. Unless you get a big community development grant, it's mostly focused on the school because that's where most of your federal money is. You have special education grants, Title I, and school lunch are all federally funded in whole or in part. We will then perform an audit of each grant for the year. We test the expenditures to make sure they are eligible depending on the requirements of the grant. The single audit report is required by the federal government which shows everything you spent and that you complied with the rule. There's one issue with policies and procedures and I'll touch on that when we talk about The Management Letter.

The financial statements are compiled in accordance with the rules that are set by the Government Accounting Standards Board (GASB). In the commercial world it is Financial Accounting Standards Board (FASB). The intention of GASB is to make the financial statements more understandable to the public or bankers who are used to looking at business financial statements. Some of the way it is presented is the way that GASB says it is supposed to be presented. There are 5 sections: (1) The Management Discussion and Analysis is a required narrative that must have certain components and the intent is to

explain to the reader what happened for the year and what the major events were; (2) our Audit Opinion stating whether your financial statements are fairly stated; (3) there are two sets of financial statements, one is called a Fund Basis which is like your internal records such as the balance sheet for free cash that is prepared and your monthly budget vs actual reports; and (4) the other is called Government Wide Financial Statements. We take all your funds combined, such as your general fund, special revenue, grants, revolving and capital projects gets consolidated together into one column and we make entries to convert it to the way a business would record things. Essentially, what we are doing is adding your long-term assets and long-term liabilities. That is the only place you see it in is the government wide financial statements. GASB's intent was so that the government wide financials would be comparable to a business and that is how they could be evaluated. There is good and bad with that. It does require that all your long-term liabilities get on the books and be recorded, however, a business can set their prices and have more flexibility in terms of their revenue than a government does which is why I question how useful that is. (5) Lastly, you have the footnotes which completes the pieces of financials.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

On page 13 in the financial statements, titled, "Statement of Net Position". This is the balance sheet for the government wide financial statements. There's two columns and a total column. That first column of Governmental Activities is everything in Town except for your Enterprise Funds and OPEB Trust Fund, General Fund, Special Revenue, Capital Projects all that gets consolidated in that one column and then added to that are your long-term assets and liabilities. On that same page looking from the bottom up, the total Net Position section is a negative $(86,812,121). Bracketed numbers in financial statements are not good. Every community is in this same position. What's causing that is recording your long-term liabilities, primarily your net pension liability and Other Post-Employment Benefits (OPEB) liability which is health insurance for retirees. This has been a GASB standard. In FY2018, there was a change to how the OPEB liability was required to be reported which increased it dramatically. Although there is a negative $(86, 812,121) in total net position, but what we are really looking at is the Unrestricted net position which is $(127,079,433), that total is being driven by Net OPEB liability which is $(68,864,458) and the Net Pension liability is $(47,605,853). Net Pension liability is your share of the Hampden County's retirement system's overall total unfunded liability and you are about 13% of them. That reflects 13% of their total unfunded liability. The pension systems are on a funding schedule so the assessment you pay every year towards the retirement system, a part of that is intended to pay for the unfunded liability piece as well as the current operation. There is no requirement for the Net OPEB liability to be funded or to be on any kind of a funding schedule. The Net OPEB liability of $(68,864,458) is based on actuarial valuation so it has certain assumptions in it such as health care cost trends, using the demographics of your actual group of employees and it factors in discount rating. Therefore, depending on what your discount rate is could dramatically affect the cost.

Mr. Goncalves asked if that is based on the average age of the amount of people in the system and how long until they are at full benefits?

Ms. Squillante stated yes, but not the average age. It is based on the individual. They get the data from the census data with specific names, ages, birth dates, if they have a spouse, what plan they are on, what group they are in because for example, police and fire are calculated differently.

Mr. Goncalves asked if there's somebody that we are picking up at age 68 or 69 and they decide to work three or four more years. How does that compare to somebody at age 65 and making the same pay, as far as our financial responsibility?

Ms. Squillante stated you have adopted the law that requires people to go on Medicare at age 65 so that cuts your liability dramatically. The calculations are only based on the age up to 65.

Mr. Goncalves asked what if the ages were 64 and 50 instead?

Ms. Squillante stated she's not sure how to answer that because she's not familiar with how they calculate it.

Mr. Goncalves stated it would be safe to assume someone at 80% retirement and go out at age 50 versus someone at 80% at age 60, we are going to have to fund a lot more for the 50-year-old than the 60-year-old and their spouse?

Ms. Squillante replied yes. The requirement to even record the Net OPEB liability first came out in Fiscal Year 2015 or 2016. That was the first time the liability had to be put on the books at all. I think GASB's intent was to force governments to recognize that they have this liability because they've made this

commitment through union or employee contracts. It seemed fair that governments should reflect that to see what it is and what it will take to fund it over the next 40-50 years.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:01
TOWN OF LUDLOW

Mr. Goncalves asked if this is kind of what happened at the post office not too long ago?

Ms. Squillante stated yes, it's sort of accounting's way to force them to recognize this large liability out there because of the agreements that you've made. You have options of trying to fund it or looking at whether you can afford to continue to offer the same type of benefits. Not just Ludlow, but governments in general. When you can make the agreement but then somebody twenty years later is going to pay the bill, it's easy to separate that from decision making as opposed to when you see the cost of that. It is based on actuarial evaluation so depending on what is going to happen with healthcare costs. If you change that percentage slightly, it does have a dramatic affect on what the liability is. I think it has value in showing a large liability and a large negative net position that has made people stop a minute and think what options we have and is it real. The standard for the OPEB liability changed in Fiscal Year 2018. It is dramatically more than what it was last year. Liability increased by $62 million. It is just because of the way GASB said it needed to be recorded. It was being recorded incrementally in the past and as of Fiscal Year 2018, GASB said the whole liability needs to be recorded instead of a little bit at a time. This is reflecting the total liability as of the latest valuation. This is not an uncommon situation to be in. It's not that the rate setting agencies are looking at this and saying they are going to do anything dramatic. They are looking at what you are putting away towards OPEB trust. You put away $50,000 a year for Fiscal Years 2016, 2017, 2018 and 2019. Your balance is about just under $250,000 as of June 2018.

Mr. Goncalves asked what would we need annually?

Ms. Squillante stated it's a crazy number annually, it seems to be unreachable.

Mr. DeBarge stated it seems to be completely unreachable.

Ms. Squillante stated the retirement system's liability is based on actuarial evaluation. For example, if they change the discount rate, or the investment earning rate which they have been doing because the retirement systems had anticipated the investment income to be very high. It was like 8%. Nobody was getting 8% consistently. Then they dropped it to 7.75% and I think yours is down to 7.75% so it's been coming down and every time it comes down, the liability goes up. But, at least your paying an assessment, a portion of which is going to fund the unfunded liability so conceivably over some period of time, originally it was supposed to be 30 years, but I don't know where we are now, 40 years? At some point in time the liability would be funded. When and if that happens, it's possible that if you don't have to pay that, you could use those funds to fund your OPEB liability. There's certainly no talk of any kind of requirement to fund it or that the State is going to require to fund it or anything of that nature. At this point, it's just a matter of marking time and this is where your liability is and no requirement to do anything about it.

Mr. DeBarge stated he thought it was rumored that it had to be funded by 2039.

Ms. Squillante stated yes, and I can't see them enforcing that without giving you money to do that. I haven't heard anything pushing in that direction. All I've heard is the possibility that when the pensions are funded, that they would switch to some sort of an OPEB liability assessment. You are just switching to which type of liability you are paying. That's the government wide financial statements. That's the biggest issue most people want to discuss and understand the OPEB liability.

Page 15 is the balance sheet. This is the funded bases financial statements. This is more akin to what you would be used to seeing similar to the balance sheet that would be submitted for free cash. In accordance with GASB standards, that first column is the General Fund and the Stabilization Fund combined because that is what GASB requires. GASB standards are national so they do not recognize any uniqueness of Massachusetts. If you have a Rainy-Day Fund, which is essentially what a Stabilization Fund is, it is part of your General Fund. Starting from the bottom of the page, the third number up under the General column, $3,212,103 in Unassigned Fund Balances is a combination of the General Fund which out of that $3.2, the true General fund is $1.1 million, and Stabilization Fund is $2.1 million. The other amounts there are reserved for things like encumbrances where you didn't spend out of this year's budget that is being carried forward into the next year. Any free cash you would have voted in May 2018 for FY 2019 budget, like your capital articles, all of that has been reserved out. Out of the Unassigned Fund balance, the General Fund of $1.1 million is about 2% of your General Fund budget and Stabilization is about 3% of your General Fund budget. Financial advisors and rate setting agencies are

looking at the percentage of your operating budget. The General Fund and Stabilization Fund have been holding steady at the rate of 2-3% for several years. It's great that the Town has committed to not using as much free cash to reduce the levy as it had been. Years ago, it used to be a million and a half, a million and eight to 2 million a year, which unless you are replenishing it, and the only way to replenish it is to bring in more revenue than you anticipated or spend less than you anticipated. The tighter your budgets got, the scarier it was. If you are used to using a million and a half to two million dollars of free cash, and you cannot replenish that, all of sudden you are in a year where you have to cut that much because you don't have the free cash now. Years ago, that had been one of our recommendations. As far as the Balance Sheet, the only other numbers we look at and try to evaluate are the Receivables under Assets, the third and fourth numbers from the top, Property taxes and Tax liens, that too can also be an indication of how well or not you are doing. In your case, it's good. Out of that property tax $598,613 figure, $477,000 of that is in the current levy year. What that tells me is you do not have a lot of old receivables. That's a positive indicator. The Tax liens and foreclosure figure $587,357 is about 1.5% of your net tax levy, also a very good indicator. We have some communities that have a real problem because they are at 6-9% of their net levy. That means you have a lot of money sitting on the table. The whole collection effort is not successful. That's not the case here. Property bills are being paid timely and are being collected and it's continued at that level for several years.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

Page 19 is the budget versus the actual. This is the General Fund. The variance in the last column is the variance between the budget and the actual and whether it's positive or negative. If you bring in more revenue, it's positive. If you spend less money on your expenditures, it's also positive. The top sections show Revenue, the middle section shows Expenditures, and the bottom section shows the conceptual sources and uses of money. When you vote from free cash to fund something, nobody is writing you a check called free cash. The revenues you took in $211,259, more than you anticipated, which on a $65 million budget is less than a half of a percent which is typical.

Mr. Goncalves asked how the negative $228,650 happened.

Ms. Squillante stated that was vastly overestimated, mostly in the building permit line that Kim noticed and was adjusted in the FY 2019 budget. On that you had a $600,000 budget but the last two years it was around $300,000.

Ms. Collins will send Mr. Goncalves last year's Balance Sheet and the General Fund sheet.

Ms. Squillante stated there was at least one maybe two years in a row where you had a lot of building stuff going on so the revenue was just extraordinarily high. Because of the way the tax recap is put together, you have your current year estimate next to your prior year actual. If your actual was unusually high and they keyed the budget off that without having vetted.

Mr. Goncalves stated it would not surprise me if it was more like 4 or 5 years because in 2011 and 2012 we had the microburst and the hurricane and kept that number in place longer than they should have.

Ms. Squillante stated yes, and they kept that number in place a year or two maybe because I think it was short last year but not quite as much. This year was much more noticeable. We verified that the FY 2019 budget was reduced. You should not see that sort of shortfall again. Beyond that, there were no other variances that rose to the level to where we would inquire about them. The other large number on the revenue side that mostly offset that negative $228,650 was in the Transfer in column which you do not normally see variances for. In this case, the close outs of your 53E ½ or Volume Funds. DPW bags was one of them where whatever the excess is, whatever revenue is coming in there gets closed out to the General Fund which was about $94,000. The other big one was the school went through a process of reconciling and closing out balances so that the school's records and the Town's records agree for their grants and revolving funds. In doing that they ended up closing $64,000-65,000 into the General Fund. That's primarily what driving that $188,000. On the expenditure side, you're closing out unspent $487,000 which is slightly over a half of a percent. Both numbers are less than one percent which is not unusual for municipalities in general. The days of having large closeouts are not common. You need to estimate your revenues more realistically. You don't want to be aggressive but at least more realistic. On the expenditure variances there is a negative $21,000 under Public Works which is driven by snow and ice over expenditure which you raised in FY2019 for $145,000. On page 19, the snow and ice deficit of $456,995 was for FY2017 that was raised in FY2018. FY2018's actual was even better. The Town has raised snow and ice deficits for at least three-four years in a row. The other large negative is under Intergovernmental which is where you are accessed by the State for charter schools

and school choice. There's always a fluctuation because of the way they budget. You are always a year behind.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:27
CITY/TOWN OF LUDLOW

Mr. Goncalves inquired about the Golf Fund listed on page 21 and asked if this happens yearly or is the $52,000 unique. Ms. Squillante stated she thinks there's been a loss here for several years. Ms. Collins will provide Mr. Goncalves with the numbers for the last 3-4 years. Ms. Squillante stated municipal golf funds generally struggle. The competition, cost of it, and weather makes it hard to run a profitable business. Mr. Rosenblum stated he has spoken with Kim Collins about ways to generate revenue that the town has not done.

Ms. Squillante moved on to page 3 of the Management Letter and stated there are different types of comments we can have such as recommendations for improvements, efficiencies, any significant issues you may have such as a deficiency or material weaknesses which the Town has had in prior years. There is nothing like that here. These are all just recommendations for improvement efficiencies. The first comment, which internally the Town has already addressed, half of the ambulance receivables are very old. You need a process to abate and to write off and collect. A lot of Towns do not want to use a collection agency. You will always have a fair amount of write offs in ambulance. People are either cannot afford it, or they do not have insurance. The key for me is to make sure you have a process to look at it quarterly or a governing board of some kind that is authorized to write off.

The next comment is informational, there are a couple of new GASB standards that are coming out in the next few years. I've discussed them with Kim Collins.

The next comment is regarding the current year with the School Department and the Town reconciling grant and revolving funds. This has gone on for several years. The Town and the school came together through May of 2018 and agreed on balances and made the necessary adjustments. However, nothing has been done since. This will create a problem. Ms. Collins and Mrs. Cincone are working on the problem.

Mrs. Villano stated at one point they had two different accounting systems. We each had our own separate MUNIS programs and finally a few years ago they have merged into one and it is getting better.

Ms. Squillante stated there is still a Town MUNIS and a School MUNIS. The problem is the school is making the decisions and taking directions and returning money or spending money based on their number, but their number is not the Town's number. You only have one general ledger and it's the Town's. So, if the Town's numbers are not right then let's fix it.

The next item we tested was compensated absences, sick, and vacation time. We found that the Fire Department internal records did not agree with what the Treasurers records showed. This has since been corrected. In terms of Prior Year comments on page 4, this has to do with withholdings for insurance. We recommend that the Treasurer expand the spreadsheet that she started from a prior year. To be able to track each employees' amounts withheld compared to what you are paying in insurance for that person, you want to make sure you are withholding for the correct rate, meaning family versus single and the correct plan. Next on page 5, in the contracts that we tested at the School Department, there wasn't a suspension on debarment certification which is required for federal purposes. Next, there's an account for tax foreclosures in the General Ledger. As activity is happening, it should be recorded. In FY 2018, one entry was made and should have been reconciled at year's end. The last item which has been repeated for a few years, is Escrow deposits that come in from outside through DPW. There's no reconciliation or agreement between the general ledger, the Treasurer and DPW departmental records. All three departments should have the same correct number.

The last item, noted as a compliance finding, deals with the federal grants. The federal grants require that certain policies and procedures be adopted and very specific. You and the schools have adopted the policies and procedures, but they are not complete and comprehensively compliant as the federal government says they should be. We must report it to the Federal Government as a finding in the single audit report. I don't see it hampering you, but it needs to be corrected because at some point it will be an issue. Mr. Goncalves suggested the Board should revisit this in 30 to 60 days to make sure the town complies.

The Board met with the School Committee to discuss the Track and Field at Ludlow High School.

The School Committee meeting is called to order by Chairman, Charles Mullin.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

Mr. Mullin stated this meeting is a result of a discussion we had at our first meeting in May. The purpose for this evening is to update you on the current state of the Ludlow High School Track and Field, to provide the School Committee's proposal, and to open for general discussion.

Mr. DeBarge discussed the room capacity issue for the conference room, ground rules for the meeting so everyone will have an opportunity to make their comments and for the Board to respond. He decided to keep the meeting scheduled at this location due to the PowerPoint presentation provided by the School Committee.

Mr. Mullin stated the current state of the Ludlow High School Track is that it was deemed unsafe by the Western Massachusetts Officials Association in April 2018. In a letter sent to our Athletic Director on April 11, 2018, the President of the Western Massachusetts Officials Association, Lisa Helpa detailed deficiencies relative to the current state of the track. The Western Massachusetts Officials Association is the arm of the MIAA responsible for outfitting all officials relative to all the inter-athletic sports. At that point, the decision was made to discontinue the use of the track for all school events. This is the second straight Spring Track Season with no home meets which averages out to 5 home meets impacting 124 student athletes. We closed the track for all use, both to the public and student athletes in March of 2019.

Mr. Goncalves asked when the current track was installed and how much it cost.

Mr. Gazda stated it was installed in 2001 as part of the high school renovation and the price was for the entire stadium, not just for the track and field. Mr. Goncalves also asked since 2001, who has been charged with maintaining it and budgets for it. Mr. Harrington stated initially, when Mrs. Kurty was the Athletic Director, she hired a private contractor to do the maintenance of all the fields as well as the lines. Mr. Harrington does not recall the year the DPW began doing general maintenance to the fields not the track.

Mr. Brillo stated it was recommended that a coating needs to be put on the track every 5 years which has not been done. Ms. Gauvin stated Lane 1 was painted during Mrs. Kurty's time. Mrs. Villano stated in 2014, the school spent about $33,000-$34,000 to coat. Mr. Brillo stated that was for the three jumping areas. Mr. Gazda stated that came out of capital not the operating budget.

Mr. Mullin stated the next four slides showcase the level of track deterioration. There are portions of the synthetic track that are broken down to the asphalt, moss is coming through the track, and patchwork called flex seal are in certain areas. The School Committee decided the future state of the track should comprise of a complete track replacement including milling asphalt down, repaving and replacing the new track system with an estimated cost of $700K. This would also be the best opportunity to complete the soccer and football field replacement to include removal of existing grass and dirt, leveling the field, and installation of turf with an estimated cost of $1.6 million. Conceptually, this Future State is not a formal bid from Kaestle Boos Associates Inc., an architectural engineering firm based out of Springfield that specializes in athletic fields and complexes. Most notably, they have completed athletic complexes in New Britain, CT, Canton, Framingham and Springfield, MA. This is a courtesy bid so that school districts can use as a place holder when they are going out to solicit the funding.

The School Committee also discussed other Future State ideas relative to the field complex such as engaging in Marketing of the new field across the region to entice invitational meets and games to generate new revenue. Lastly, the School Committee suggested to clearly define the responsibility for securing field usage and maintenance with Parks and Recreation moving forward.

Mr. Goncalves states Monson has organized to put in a new field for approximately $850,000. Ludlow's informal bid is approximately twice the amount at $1.6 million. There needs to be a formalized maintenance plan for this because somebody dropped the ball on this over the last fifteen years. He recommends the Board of Selectmen, DPW and the School Committee work together on this project.

Mr. Gazda suggests looking into a maintenance plan for all the fields in Town. Coordination between the various departments with oversight of all the fields, including the high school track and field, maintained appropriately is key because there is no clear chain of command. The Park and Recreation Committee only does programming.

Mr. Rosenblum states Minnechaug is doing a turf field for $800,000. They had a preservation act funding $250,000 and are also having fundraising efforts. They are approximately $300,000 short and are installing the field. My priority would be the track. If the track is closed, theoretically, you must

close the field which means there is no football or soccer. There needs to be policies and procedures in place as far as upkeep of all the fields in town. As for the football field, maybe it's doing the work to make it a very good grass field and then work on doing the other fields in town such as Whitney and Baird. Organizational structure is lacking. There must be something in place. We can put an article out to warrant at Town Meeting in October. Focusing on the track should be priority instead of doing both at the same time.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:27
TOWN OF LUDLOW

Mr. DeBarge stated we need to discuss how to move building funds for the track and field through privatized money. Even though this number is not concrete, we asked our financial advisor to look into the taxes for this number. We are looking at an addition of $25.00 per year to the debt excluded money from the school and Senior Center on top of the taxes on top of the debt excluded money. I cannot agree with my colleague because the population of the seniors cannot keep paying for taxes upon taxes. The debt exclusion money for the school and Senior Center are going to keep getting higher and higher over the next four years. I think there are other ways to do this. We need to get a true number of what this is going to cost. We need to get an engineer which we are offering to pay for, to see what it is going to cost for the track, field, and irrigation system. Then we can decide where to go from there. I would support going to the Town with a lesser cost or maybe we could pay for it without taxing the people.

Ms. Gauvin states she does not think the drainage system on the track has been cleaned out.

Mr. Brillo states he has met with several different companies. Astro Turf is coming out on Tuesday to do another walk-through estimate. He does not think anyone is going to give you a true number until they start digging. The biggest issue with the track is the cracking concrete and asphalt underneath. The number is so big because they must replace the asphalt. The longer we wait, the higher the number is going to be. I agree with Selectman DeBarge, like Minnechaug, they got a certain amount from the town and fundraised the rest.

Mr. DeBarge stated he has discussed with our Town Administrator and Town Accountant about opening up a gifts and grants account, so we can get donations. We've also talked about putting in money from the Town. It must be done correctly, and not rushed. That's why we think the engineer is the best first step.

Mr. Walsh stated someone asked him will we be able to compete on our track this year. He thinks about these kids who are freshmen now and to go four years without being able to compete at their own high school. We have one of the biggest track and field programs in Western Mass. There are only two other programs bigger than ours and they are much bigger schools. We have a lot of kids who want to be involved in our sport. Our youth program also continues to grow. He would like to see something happen soon. We don't want it to be rushed but, we need to take steps to get it going.

Mr. DeBarge stated he wishes there was somebody out there that could give us the money. I would be the first one to go ask them. I cannot in good conscience, support something that is going to raise our taxes even more without knowing, for sure with an engineer, this is the way we should be doing it.

Mr. Goncalves stated 4 or 5 years ago when Lusitano Stadium was done, even though there was a lot of work that was volunteered. It was done for about $600,000. Town Meeting could turn you down. Maybe you need to think about a Plan B such as Lion's Den, some benefactors, or Big Y field. You also need to start thinking about maintenance.

Mr. Rosenblum stated he has spoken to influential people in town who own companies and have talked to them about the possibility of labor and materials being a donation to help defer the cost. His research on turf fields reveals that every 6 to 10 years, the fields need to be turned over. That's another cost close to $400,000. Maintenance of both the track and field is key.

Dr. Kelliher stated Mr. Gazda had a good idea on this when we were talking about long range planning. We discussed putting money aside from the Medicare reimbursement into an account for maintenance and upkeep.

Mr. Gazda stated we budget a certain amount of that money in the Medicare reimbursement account that gets returned to the town. But, if we set a certain amount that we work into our budget for instance, at $200,000 and anything over that amount goes into a maintenance account. Although it may be a different amount every year, it can build over time.

Mrs. Villano stated to be careful making promises like that because there are laws that require certain funding go right to the General Fund and you cannot divert those funds. Town meeting is not going to

be the total answer. Debt exclusion requires a ballot question. We are talking March of 2020 before the ballot question is put forth. I don't want anyone to think that this engineering study can be done, and the money will be funded at October Town Meeting.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

Mr. DeBarge stated the new school, the Senior Center, and the entire communication system which includes police, fire, school costs $4.8 million will be added to our tax base. He stressed the engineer as the way to go to get a good number, go from there and see what we can do.

Ms. Gauvin stated, just to be clear, the $700,000 was the quote for just replacing the track. The $1.6 million number includes both the track and field replacement.

Dr. Kelliher stated the field is in very bad shape and we must limit what we can put on it for play. With soccer and football on that field in the Fall, the field gets chewed up badly a few games into the season.

Mr. DeBarge agrees to meet with Mr. Brillo and Astro Turf on Tuesday to walk the track. Mr. Brillo stated he does not know the process of how you want to find your engineer, but that's a start. We'll find out what the engineer costs and we'll have a number. Mr. Brillo states if he can put some money down on a grant saying this is what we have secured, then maybe we can get grant money too. There may even be some foundation money from Chicopee/Westfield Savings Bank. Their application asks what the town will be contributing. Whatever that number is, maybe we can get that out there and get the ball moving.

Mr. Walsh stated after talking with several coaches over the years who have had their tracks done, I hear similar numbers to these. I don't believe Monson is doing their track. I think that's just for their fields alone.

Mr. DeBarge asked if any of the players have anything they want to say.

A Ludlow graduate stated when he was in high school, Ludlow's track was the worst he had ever ran on and I loved running for the team. The quality of our track was not at the level of other schools. The longer we wait, the more money we are going to lose. Not only is it going to get more expensive, but what does it say to potential home owners who are looking to raise their kids here.

Mr. DeBarge stated we all want it done. We just want to make sure it's done right.

A Ludlow High School student stated this is her senior year and she has only had one home track meet her 4 years of high school. She stated the team gets excited about going to other schools because they have the nicest facilities, fields, we love to play on turf, we love to go to Minnechaug to run on their track because theirs is a better quality than all of ours. She states it would be exciting to have home meets again.

Ms. Gregoire stated she's been listening to this argument for years. She's a 10-year veteran of the running system in Ludlow with all her kids participating. She stated there must be momentum behind this. It's great to throw down mats or find ways to get the kids on the football field or they can still play soccer, but it stinks for our kids who need the track. They have nowhere else to go. There is no other track in town for them to use. They go out of town for meets, but what do they do for practice? Track and field athletes need a track to practice on. It's going to take years before this happens. Ms. Gregoire reached out to Senator Lessor and emailed anyone she could think of who would be willing to provide us funds. Senator Lessor responded to her on May 23, 2019 and he said, "Just to let you know, Ludlow High School Track Replacement Amendment was accepted into the Senate budget this evening. We were able to secure $100,000 for the track. The next step is to push for the inclusion into the final FY20 budget during the conference committee. Once that is taken care of, it needs to go to final budget signed by the Governor." He is confident that it will go forward. I'd like to have a little confidence that someone is going to do something. This is $100,000 more than anybody else has promised us. She states she does not know of anybody in this community who's going to provide us a million dollars to build a new track.

Ms. Gregoire stated she has also reached out to the businesses in town. Minnechaug reached out to local people to get the rock they needed to put down for the minor surface on the field. It's an awful lot to expect of a local business to help us out. We have several baseball fields, football fields, and soccer fields but we've only one track. Like Mr. Walsh said, we have freshmen who know now that they are never going to step foot on that track and that's a sad thing to have to accept and tell these kids. Parents are spending $145.00 per athlete to have their kids participate in a sport at the high school. Parents spend $145.00 for their kid to participate in these programs and they can't use their track? It's

an embarrassment. People come here knowing we have the worst track. Talk is great, and I appreciate the conversation, but I do want to see some action. This needs to move forward. We can't keep putting this off. Every day that goes by that nothing happens, it's another dollar that's getting added on to that amount. Ten, fifteen years ago if we had a proper maintenance plan in place we wouldn't be having this conversation. Somebody dropped the ball back then. We can't do anything about it now, but we can change it going forward.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:25
TOWN OF LUDLOW

A parent of a track athlete stated this is her daughter's second year doing track. She had never been to a track meet before, could not believe how many kids in high school do track, and saw kids who probably never even did a sport but do track. It is the one sport in this town any kid can do despite their athleticism. It's the one sport we have in this town that anyone can compete in and feel good about themselves. What are we saying to those 100 plus kids, we don't care about them? Our soccer team won the State and they play on an awful grass field. It's an embarrassment when you go to other towns, because I've been to every track meet, and I've seen their fields, it's an embarrassment to say I live in Ludlow and these are our fields and we don't care about these 100 and something children. Because it might cost me an extra $25.00 a year? It's an embarrassment to our children that we do not care enough to spend an extra $25.00 a year on them. That's a shame.

Mr. Harrington thanked the Board for moving forward with the engineer. The bigger picture is we have a systemic problem with all our fields in town and need to address the long-term needs of all the fields. The one group that is not here is the Department of Public Works and the Board of Public Works. The three of our boards need to get together.

Dr. Gazda stated the sprinkler systems from Chapin Street School are being pulled and installed at East Street School. Mr. Harrington stated we are in charge of education not fields. We have a budget, but we have departments in town that are the experts in maintenance who should be at the table. When the new high school and middle school were built, they hired a private firm to do the maintenance. Budget cuts happen. We've cut $600,000 in the last two years. We then reached out to the DPW and asked if they could help us out and they did but it's not to the level that it needs to be. I'm more than happy to work with that department and this Board but we have a very significant issue in the entire town when it comes to fields.

Mr. DeBarge stated initially, we were talking about a sports complex with Veterans Park School being knocked down and environmental was on board and was going to do the track and field and everything together. Dr. Kelliher stated you can't afford to do that all at one time. Realistically, you will probably have to prioritize in stages what needs to happen. We have issues with all our fields in town and need dedicated funding for field maintenance. When we get into a tough budget year, maintenance becomes an easy picking line item. We need to make sure that we know what must be maintained and we put funds to it. We are talking at least until October, Town Meeting and then to a vote. We should work towards those dates. We can get an engineering study done, a number and fundraise. People want us to act. We may get turned down at Town Meeting and the ballot box. We can work on parallel tracks. We can start working on getting that information together with the eye towards, this is going to be on the October ballot, assuming all goes well, we can put it on the March ballot.

Mrs. Villano stated the October 7th Special Town Meeting would be to appropriate the funding through a debt exclusion vote. If that passes, the Board of Selectmen vote to put the question on the ballot in March. Sometime in January, 45 days before the ballot is written, the Board of Selectmen will write a letter saying please put this ballot question forward. In March, if the ballot passes, the monies are good to go.

Dr. Kelliher stated if this goes to a successful ballot in March, then construction could start this time next year. People want to hear we have a process in place. If we show that we are serious, some donors will come forward. Having a definitive process will go a long way. In terms of the tax burden, we received good bid numbers on the school project. It came in a little under what we had anticipated so the tax impact will be a little less for people. We will not know the exact number until we close that project out.

Mrs. Villano clarified that the $25.00 tax increase is to the average homeowner. However, if your home is valued at $400,000, you are doubling and tripling that amount.

Mr. Brillo thanked everyone for attending. It shows how much athletics at our facilities mean to this community. He appreciates the Selectmen and the School Committee. This is a priority for our town.

Ms. Gauvin stated she would like to remind everyone watching, the track is not just for these 120 kids but for everyone in town. Other events use the track such as Relay for Life, the Sheriff's Department uses it for PT training, Ludlow Boys and Girls Club uses it for their Youth Track and other youth programs, Veterans Park School uses it for their Fun Run, and the high school uses it for the PE classes.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

A resident mentioned safety. Kids are running throughout the town on the street for practice. What if one of them gets hit by a car during practice time. Who's liable for that? And what about DPW? The kids are running in the street that have potholes. What if one of them twists an ankle and falls? These issues need to be addressed and thought of as well.

A student athlete stated a lot of athletes get injured every year because of the condition of the track. Even though we run on streets, it is equally as hard on our legs as running on our track. It puts us at a disadvantage compared to other towns who have a nice cushioned track to use for practice. When they compete, they are in good shape, nobody is hurt, or have shin splints and they do better. She spent her whole senior year injured because she ran on our track all four years and would not want to see that happen to any other athletes.

A student athlete asked if soccer teams will be using the field in the Fall. Dr. Gazda stated soccer teams will use the field and they are looking into something we can lay over the track, so people can cross it.

Mr. Walsh commented about people getting injured. He stated every year we have good athletes. Currently, a fantastic female sophomore distance runner, who someday could be looking at money for college to join their track team. We limit how much she's on the track because the pounding is too much. What if she gets injured and jeopardizes a scholarship? Or, what if a soccer player runs after a ball on the track and slips, falls, and gets hurt. We should start looking at things like that.

A resident stated we are putting little faith in the citizens of Ludlow that they would not want to participate and have their taxes go up that we'd feel that a Senior Center is more valuable than our youth. Keeping our youth safe should be our highest priority. If we do not put this out to ballot, how do we ever get the citizens an opportunity to vote for it? You are making that decision for the citizens of Ludlow. Let's put it out there and get it moving.

Ms. Gregoire stated there is a sign posted at the track that says, "Track closed. Do not use." People in the community are still using the track even though they've been notified not to use it. She chairs the Relay of Life in Ludlow. The event was unable to be held on the track. Instead, it was held on the soccer field at the Ludlow Boys and Girls Club. She had to tell cancer survivors they could not go walk on the track because the track was detrimental to their health and well-being. If it's a liability to the students and for events, where do we draw the line as far as stopping people from going out there? We're saying we're going to put down mats so that football and soccer can go use the field. If it's good enough to maintain the field for that type of a sport, where do we draw the line for community use? Is it going to be policed? Are we going to put up a better sign that says, "Walk at your own risk. The Town will not be responsible." If someone out there runs on the track and trips and falls, the current sign does not state the Town is not liable. Mr. Goncalves suggests asking assistance from the police department. Dr. Gazda stated we could change the sign.

Mr. Goncalves made a motion that the Board transfer from available funds in the 40R account to transfer an amount of up to $75,000 to do an engineering study which is to include environmental for the purpose of studying the proposed new track and soccer field. Seconded by Mr. Rosenblum. Motion carries 3-0.

Mr. Mullin asked how the School Committee can assist with the engineering. Mr. DeBarge stated we will tell you when we get one and we'll all go out with them.

Mr. Mullin stated as we move forward to October 7, Town Meeting, we'll just prepare the language relative to the article on the Town warrant and present it to you. Mrs. Villano suggests joint language would be appropriate. The warrant will open in July and close on August 15 and all departments will get notification. Mr. Rosenblum stated once we know our dates, we can put the School Committee back on the agenda.

Mrs. Villano stated putting the article on the warrant does not preclude the engineering process to keep continuing. You may not need the exact dollar amount. The article should state, not to exceed a certain dollar amount as you get closer. She does not want anyone to think that within three weeks we are going to be able to get the engineering dollar amount in. You can still get your article on the warrant and get your dollar amount.

Mr. Rosenblum stated this is a step in the right direction. Getting committees together at the same table, is great and he appreciates the School Committee and everyone attending tonight. As a citizen, he supports it. He has an 8-year-old and a sophomore in high school that runs track. It's what is right for the community, Relay for Life, athletes, and for the people that run. You have my support and he hopes we do the right thing.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:28
TOWN OF LUDLOW

Mr. Harrington suggested the BPW, School Committee and Board of Selectmen, have another meeting about the future of our fields. Dr. Kelliher stated he would like to see Recreation added to the meeting. They'll be able to tell us what the usage of these fields are, and what we need for maintenance. Mr. Goncalves stated if we had this conversation 10 years ago, the track would probably have another 10 years to it. Mr. Kelliher stated we would have had to resurface it 4 or 5 times and may have saved some of the asphalt underneath. You would have spent about almost as much on the resurfaces. We would have had a much nicer track for the kids to run on at the time.

Mr. Rosenblum stated the policies and procedures of the upkeep and the maintenance are just as important as the dollar amount. Mr. Kelliher stated a manufacturer will be coming in telling us how to maintain their product. We need to put that in writing because Boards change, and the issues will survive the individual Board members memorializing what needs to happen.

Mr. Mullin clarified the School Committee, the BPW and the Board of Selectmen will be a full Board Meeting.

Mr. Mullin made a motion to adjourn the School Committee meeting and it was seconded by Dr. Kelliher.

Correspondence:

144. Brian Quinn, Engineering and Generation Assets Director, Massachusetts Municipal Wholesale Electric Company – requesting feedback from the Board by evaluating the effectiveness of the program relevant to natural gas pipelines.

Moved by Mr. Goncalves seconded by Mr. Rosenblum to file. Vote 3-0 all in favor.

145. David Bearce, Eversource Energy Project Manager – informing the Board that Eversource will soon be inspecting and repainting existing transmission structures in the towns of Ludlow, Wilbraham, East Longmeadow and Hampden until completed by Fall 2019, weather permitting.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to file. Vote 3-0 all in favor.

146. Jean E. Christy, P.E., Senior Engineer, Tighe & Bond – informing the Board of their Quarterly Inspection Report associated with the Holyoke Street Landfill Post-Closure Use Permit.

Moved by Mr. Goncalves seconded by Mr. Rosenblum to file. Vote 3-0 all in favor.

147. 2019 Festa Committee - requesting Chief Paul Madera to reconsider the safety fees for the Our Lady of Fatima Festa this year.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to file. Vote 3-0 all in favor. Mr. DeBarge will meet with Chief Madera and Festa's designee.

148. Debbie Williams, Events Chair/Vice President Foundation for TJO Animals – request for permission to allow the annual ride to travel into Ludlow and requesting assistance from the Ludlow Police Department on Holyoke Street (turning onto West Street) between 10:50-11:00 a.m. on Saturday, September 7, 2019 for their 11th Annual Ride Like an Animal Motorcycle Run & Car Show.

Moved by Mr. Goncalves seconded by Mr. Rosenblum in favor of allowing them to use the road upon successful conversations with the Chief about the proposed safety issues. Vote 3-0 all in favor.

149. Joe Mitchell, Eversource Energy – providing the Board with an update on some of the innovative programs developed for New England. (Note: The Public Utilities Fortnightly magazine is in our office for perusal.)

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

Moved by Mr. Rosenblum seconded by Mr. Goncalves to file. Vote 3-0 all in favor.

150. Board Reorganization – Zoning Board of Appeals

Moved by Mr. Goncalves seconded by Mr. Rosenblum to accept and file. Vote 3-0 all in favor.

151. Paul Madera, Police Chief – informing the Board of the retirement of Dispatcher Penny Lebel effective July 1, 2019.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to send letter of thanks and congratulations, accept retirement and to present an appreciation citation for her years of service to Dispatcher Penny Lebel. Vote 3-0 all in favor.

152. Susan Santos, Ludlow School Department – informing the Board to "Save the Date" of the ground breaking for Harris Brook Elementary scheduled for Friday, June 28, 2019 beginning at 11:00 a.m.

Moved by Mr. Goncalves seconded by Mr. Rosenblum to file. Vote 3-0 all in favor.

153. Brian Shameklis, Safety Committee Chairman – recommending to the Board to relocate the crosswalk located on East Street in front of the Walgreens Plaza closer to the intersection of Chestnut and East Street on the West side of Chestnut closest to Memorial Park and to enhance the location of the crosswalk with flashing lights to be installed on a pole.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to bring in the Safety Committee Chairman, Brian Shameklis to discuss further. Vote 3-0 all in favor.

154. Theodore Miga, District Two – Structures Maintenance Engineer – informing the Board that MassDOT is scheduled to perform wearing surface repairs on the Putts Bridge during night time operations on Wednesday, June 19, 2019 and Thursday, June 20, 2019 between 7:00 p.m. and 5:30 a.m. Only one lane will be available for alternating traffic across the bridge during the night time work. All lanes will be open during the day.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to file. Vote 3-0 all in favor.

155. Shawn Ryan Howe, Post Commander American Legion Post 52 – requesting the Board to approve a Buddy Poppy Drive to raise funds to help veterans in Town and various youth programs to be held July 1-4 at Randall's Farm; July 5th at LUSO Federal Credit Union; and July 6 at the United States Postal Service.

Moved by Mr. Goncalves seconded by Mr. Rosenblum to approve a Buddy Poppy Drive to be held July 1-4 at Randall's Farm; July 5th at LUSO Federal Credit Union; and July 6 at the United States Postal Service to raise funds to help veterans and various youth programs. Vote 3-0 all in favor.

Unfinished Business:

Board to ratify the letter of support provided to Belchertown relative to the grant application for the – Carriage/Grove/Belchertown State School Infrastructure Project – Belchertown EDA Economic Development Assistance.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to ratify the letter of support provided to Belchertown relative to the grant application for the – Carriage/Grove/Belchertown State School Infrastructure Project – Belchertown EDA Economic Development Assistance. Vote 3-0 all in favor.

Board to accept and approve the Department of Commerce's Economic Development Administration (EDA) Financial Assistance Award in the amount of $3,126,750.00 for the Ludlow Mills Riverside Drive Infrastructure Project in the Town of Ludlow.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2:29
TOWN OF LUDLOW

Moved by Mr. Goncalves seconded by Mr. Rosenblum to accept the Department of Commerce's Economic Development Administration (EDA) Financial Assistance Award for the Ludlow Mills Riverside Drive Infrastructure Project in the amount of $3,126,750.00 and approve the Chairman to sign all relevant documentation. Vote 3-0 all in favor.

Board to approve and sign Selectmen Executive Session Meeting Minutes of April 16, 2019 and May 7, 2019.

Moved by Mr. Goncalves seconded by Mr. Rosenblum to approve and sign Selectmen Executive Session Meeting Minutes of April 16, 2019 and May 7, 2019. Vote 3-0 all in favor.

New Business:

Board to discuss the Senior Center and the "heating systems" that will need to remain after the Senior Center vacates the building. Notification to the State.

Mrs. Villano stated the heating system in the Senior Center heats the Senior Center, the School Business Office and the Early Childhood Building. The Senior Center could vacate before the School Business Office does. The Town needs to decide what it wants to do with the heating system, how will it be maintained and, since the building belongs to the State, the State needs to be notified the New Senior Center has been approved and will be built within the next two years and the old building will be vacated. The Town owns the Early Childhood Building and the School Business Office, but the heating system is in the Senior Center which is the Ludlow Housing Authority.

Mrs. Villano stated a couple things need to happen: (1) when will the Board notify the State; (2) need to come up with a plan on how not to heat the Senior Center but keep the heating system going into the other two buildings and the apartments above.

Mrs. Villano states if we do nothing and the heating system stays on, the Town would be responsible for the bill. A memorandum of agreement may need to be drafted. There is a lease agreement for the Senior Center between the Town and the Ludlow Housing Authority. The Town pays for the Senior Center portion, the schools pay for their portion, and then there's another section split between the Housing Authority and the Town.

Moved by Mr. Rosenblum seconded by Mr. Goncalves to revisit the heating systems at the Senior Center after reviewing the lease agreement to see how much notice The Town needs to provide the State before vacating the building. Vote 3-0 all in favor.

Board to peruse Selectmen Meeting Minutes of April 30, 2019 and May 7, 2019.

The Board perused the Selectmen Meeting Minutes of April 30, 2019 and May 7, 2019.

Upcoming events are as follows:

June 25	New Ludlow Senior Center Public Forum at the Ludlow Senior Center at 10:30 a.m.
June 28	Groundbreaking for the Harris Brook Elementary School
July 27	Celebrate Ludlow

Closing Comments:

Mr. Rosenblum – The passion for the track was seen by all those in attendance at tonight's meeting as well as the community as a whole. This Board and the School Committee are not the final say. It will be up to the voters. The long process has been started and hope to get the support of everyone in Town. Also, I would like to remind everyone the Groundbreaking for the Harris Brook Elementary School is next Friday.

Mr. Goncalves – Congratulated the Ludlow Youth Soccer for their upcoming tournament which includes nine teams on June 28 in Lancaster, PA.

RECEIVED
TOWN CLERK'S OFFICE
2019 OCT 23 P 2 21

Mr. DeBarge – The coming together needs to continue. I want our student athletes in this town to have the best of everything. However, we would not be doing our jobs if we did not consider every resident in town. When taxes are brought up, we must consider every resident in town. As a Selectman, I must think of what's best for the town and the majority. These are very volatile times for finances for everyone. I'm not convinced that public money is a solution or can't be a big help. We can do both. Thank you to everyone coming out. We've been working a long time on this, have progressed and need to keep going.

Lastly, Celebrate Ludlow is on July 27. Last year, there was a big crowd and they had a very positive monetary collection which provided startup money for this year. Please support all the local booths.

Meeting adjourned at 8:35 p.m.

The Board to enter Executive Session for the purpose of strategy for negotiations with collective bargaining with the Police unions and to discuss pending litigations. To discuss strategy with respect to collective bargaining or litigation if an open meeting, may have a detrimental effect on the bargaining or litigation position of the public body and the Chair so declares.

Ludlow Board of Selectmen

All related documents can be viewed at the Board of Selectmen's Office during regular business hours.