

**Joint Budget Task Force Committee
Minutes of September 24, 2015
Selectmen's Chamber, Town Hall**

Present for Board of Selectmen: Alison Hughes, Tony Archinski, Linda Wright, Town Accountant, Ann Vandal, Assistant Town Manager/Finance, Jim Duggan, Town Manager and Recording Secretary Shannon Rowe Beaulieu

Present for School Committee: Betsy Murphy, Michael McNamara Steven Stone, Superintendent of Schools and Bill Frangiamore, Business Manager

Present for Finance Committee: Louise Tremblay

Mrs. Hughes opened the meeting at 5:09 p.m.

Continuation of Review of "Draft" Town 5 Year Expenditure Projections

Mrs. Vandal discussed the Solid Waste expenditure projections and stated that the next Solid Waste bid would be going out for FY19.

Mrs. Vandal discussed the Cemetery Department's expenditure projections and explained that the Cemetery Department has moved over to the Department of Public Works and Mr. Buxton was able to cut a little bit of its budget. Mrs. Vandal discussed the projected investments with expanding cemetery space at Oakland Cemetery and discussed the Capital Improvement Fund.

The Committee discussed the maintaining of stones at the Cemetery's.

Mr. Archinski questioned the increase in salary and stated that he thought that the move to the Department of Public Works would save the Town \$8,000 and the expenditures show the payroll budget increasing by \$8,000. Mrs. Vandal stated that she would need to look into that.

Mrs. Vandal discussed the Board of Health Departments expenditure projections. Mrs. Vandal stated that the Board of Health has a full time Health Agent, Secretary and a part time Nurse.

Mr. Duggan stated that they also have a part time Health Inspector. Mr. Duggan discussed maintaining the part time Health Inspector for inspections and ticketing.

Mrs. Vandal discussed the increase in medical supplies which is what is used to pay for vaccines. Mrs. Vandal explained that some of the vaccines are reimbursed and the rest are sent back to the State. Mrs. Vandal explained that a good portion of vaccines used to be free but not they have to pay for vaccines in advance.

Mrs. Hughes asked why have the Service Contracts gone up? Mrs. Vandal stated that she would need to look into that. Mr. Duggan stated that the increase is for a Hearings Officer and legal costs.

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Mrs. Vandal discussed the Council on Aging expenditure projections. Mrs. Vandal discussed the increase in the part time payroll for additional bus drivers. Mrs. Vandal stated that there are no major changes to the expenditure projections.

Dr. McNamara asked if the 2% increase after the FY16 budget is for gas and electricity? Mrs. Vandal stated yes.

Mr. Duggan discussed Municipal Aggregation for businesses and homeowners. Mr. Duggan discussed the 30% metering credits and stated that he is hoping to see a reduction in the future. Mr. Duggan stated that phase 2 of the metering credits includes everything and discussed the transformation to LED street lighting.

Mrs. Vandal discussed the Veteran Services expenditure projections. Mrs. Vandal stated that 75% of the benefits are reimbursed by the State but they have to budget for the total benefits.

Mrs. Vandal discussed the Library expenditure projections. Mrs. Vandal discussed the increase in the part time payroll for more shift coverage.

Mrs. Vandal discussed the Municipal Appropriation Requirement (MAR) and having to bring the numbers up for State Aid.

Mrs. Vandal discussed the Recreation Department expenditure projections. Mrs. Vandal explained that the cost of daily operations are split between the Recreation and Conservation Departments.

Mrs. Vandal explained that the increase in part time payroll is for the Skateboard Park which closes for the season on Columbus Day weekend.

Mrs. Vandal explained that most Recreation programs are self-sufficient.

Mrs. Vandal discussed the Veteran Organization Memorial Day Parade expenditure projection.

Mrs. Vandal stated that there has been no change over the years and the budget is to pay for the bands in the parade.

Mrs. Vandal discussed the Parks expenditure projections. Mrs. Vandal discussed the increase in payroll for a full time position in FY17. Mrs. Vandal stated that they need to make this investment for the amount of parks that have come and coming on board.

Mrs. Vandal stated that the 5% increase in water is for the spray and play area at Veteran's Memorial Park.

Dr. McNamara asked about the concession stand at Veteran's Park. Mrs. Vandal stated that the concession stand is self-supported.

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Mr. Duggan stated that they tried to outsource the concession stand and created an RFP to lease the space but received no response.

Mrs. Vandal discussed the Historical Commission expenditure projections. Mrs. Vandal discussed their need for help with operations and preservation of Harmony Hall.

Mrs. Vandal discussed the Debt Service expenditure projections. Mrs. Vandal stated that they currently know what has been issued and know what is coming in. Mrs. Vandal stated that the debt is supported by MSBA and the net is zero.

Mrs. Vandal discussed Short Term debt and explained that they could run into a cash flow issue and would have to pay interest on the debt.

Mrs. Vandal discussed the FY16 Short Term debt issuance and stated that the Robbins Avenue Betterment Assessment goes away.

Mrs. Vandal discussed the Miscellaneous expenditure projections including pensions, workers compensation and health insurance.

Mrs. Vandal discussed the Middlesex Retirement System having a projected increase of 6% the next five years.

Dr. McNamara discussed the charge backs to the School Department.

Mrs. Vandal discussed the charge backs and discussed net school spending.

Dr. McNamara discussed the 7% charge back for the Dracut Library. Mrs. Vandal discussed the need for the charge back for the summer reading programs by the School Department.

Mrs. Vandal stated that 90% of the charge backs are personnel related.

Mrs. Vandal discussed Other Post-Employment Benefits (OPEB).

Mr. Duggan stated that the pension liability must be whole by 2037.

Mrs. Vandal discussed health insurance having a projected increase of 7% and discussed what has happened with the increase in health insurance.

Mrs. Vandal discussed the GIC and stabilizing the investment in health insurance.

Mrs. Vandal discussed the dental insurance going out to bid.

Mrs. Vandal discussed the Contingency and Reserves expenditure projections and the need to invest in the Capital Improvement Fund.

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Mrs. Vandal discussed the projected 2% increase in salaries and wages and discussed the wage buy back only for employees that are retiring.

Public Input

Mrs. Susan Koufogazos, 22 Blackberry Field Road, appeared before the Committee to discuss the Mosquito Control account being in the red and the deduction in the State funding for this program. Mrs. Koufogazos discussed health benefits of mosquito control in the spring and possibly decreasing areas where water is pooling. Mrs. Koufogazos discussed swale clean up, catch basin clean up and this being a crucial health issue if mosquito control goes away.

Mrs. Koufogazos discussed the concession stand at Veteran's Park being closed and revenue being brought back to tax paying business' in that area.

Mr. Duggan stated that he would discuss the Mosquito Control with the Board of Health to see how the program is doing. Mr. Duggan stated that if the Town re-signs with mosquito control it would be a three year commitment.

Mrs. Alison Volpe, 32 Clement Road, appeared before the Committee to discuss a Recreation summer program for children and discussed the Pelham, NH full time summer program. Mrs. Vandal stated that the Recreation Department has tested a summer program but it was not cost effective.

Mrs. Volpe asked if the Town could charge for Veteran's Memorial Park access? Ms. Tremblay stated that Veteran's Memorial Park was built with Federal Grant money so the Town cannot charge for access to the Park.

Mrs. Volpe asked how the Town decides how much money goes into the Stabilization Fund? Mrs. Vandal discussed how they come to the estimated need and discussed the Contingency Fund, Stabilization Fund, Free Cash and Capital Improvement Fund. Mrs. Vandal explained how these help with the interest rates with bonding.

Mrs. Vandal stated that there are only two Stabilization Funds; one for Department of Public Works/Fire Department and one for Town Hall.

Mr. Duggan explained that the Stabilization Funds should be at a 10% level.

Mrs. Koufogazos discussed the water usage at Veteran's Memorial Park and stated that the Town does not have to keep the spray and play area open and could spend the money elsewhere.

Mr. Archinski discussed putting a simplified budget narrative together that taxpayers could understand. Mr. Archinski discussed including a sheet of definitions with the summarization.

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Dr. McNamara stated that Superintendent Stone expected to start his presentation tonight and employees from the School Department have been at this meeting since 5:00 p.m.

Ms. Tremblay stated that it is only fair to give Superintendent Stone the same amount of time for his presentation as Mrs. Vandal had.

The Committee agreed to have Superintendent Stone start his presentation at their next meeting.

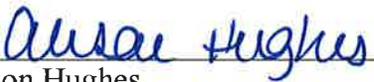
Schedule Next Meetings

The Committee scheduled their next meetings through November 18th, 2015.

Adjournment

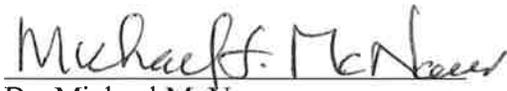
Motion made by Ms. Tremblay to adjourn the meeting. Motion seconded by Mrs. Murphy. Motion passed unanimously.

The meeting adjourned at 6:45 p.m.


Alison Hughes


Tony Archinski


Betsy Murphy


Dr. Michael McNamara


Louise Tremblay

ABSENT
Bob Corey