

## **FINANCE COMMITTEE MINUTES**

### **FEBRUARY 7, 2013**

The meeting was called to order at 7:30 PM in the Selectmen's Meeting Room of Town Hall. The following members were present: Ken Szajda, Michelle Zeamer, Michelle Johnson, Charlie Kaslow and Dan Alfred. Kathleen White was absent from the meeting.

The Planning Board's FY14 budget was presented by Karen Sherman, the Town Planner. She had two scenarios - a +1.5% and a level funded budget and she added that both would be attainable, but would be a matter of what gets squeezed with the level funded. Personnel is what it is and would be the same in both scenarios. They hired a new clerk a couple of years ago and she is mid-chart and still receiving step raises. Longevity decreased since FY11, when the person prior to the present clerk left. Purchase Services is communication, legal aid and mailings. Professional Development is for both the Planner and the Board for associations and attending classes. Professional Services had no money in that line until FY13, when the Board put in \$3500 for revamping the rules and regulations. If litigation arose, that was handled through the Reserve Fund. If it becomes necessary to go to a level funded budget, the cuts will come from Professional Services. Supplies are down because the Technology Dept. purchased a large printer/scanner that has allowed Ms. Sherman to reduce outsourcing. Michelle Johnson asked if the \$3200 in Professional Services is for legal litigation and Ms. Sherman said "no" it is to be used to review and revamp existing rules and regulations - legal advice rather than litigation. Michelle Zeamer pointed out that the level funded budget is \$1000 more than the FY13 budget. Ms. Sherman said she would decrease Professional Services to get to level funding. Charlie Kaslow asked about potential risks to the budget and how many open cases are out there. Karen Sherman responded that Chamberlain Pines is the only issue in litigation. The Planning Board issued a decision and the decision was appealed. They were supposed to go to court in Sept. 2011, but that has not happened yet. Charlie Kaslow then asked about the fee schedule. Ms. Sherman said that there is a 2 part fee schedule -- the application, which the applicant pays for and that goes into the general fund; and there are peer review applications, usually from professional engineers, which are handled through 53G's, an escrow account. A typical application is \$150.00 and a larger issue, dealing with commercial property is usually \$5000. Charlie Kaslow asked this because he noted the variations in revenue in the dept. Ms. Sherman said that there have also been several permit extension acts passed that keep issues open much longer and prevent her from charging them to reopen the issue. Ken Szajda commented that this department trends with the economy. Ken Szajda then asked Ms. Sherman what effect the cutting of Professional Services would have with the level funded budget. She said that it is in the town's best interest to review and revamp the rules and regulations. There are no penalties if not done. The Planning Board would rely on other sources for some of it's' work, which they do now, if possible. For example, Ms. Sherman has been discussing with Paul LeBeau the issue of medical marijuana. It is up to the Building Inspector to determine if falls within a category. If he thinks it doesn't, and denies the permit, the applicant can appeal it. There are no regulations in place in the town to deal with this. Solar is another issue that has come up recently. There is a long term detriment to the town if not reviewed on regular basis. Michelle Zeamer asked if the town loses funding if there is not

master plan, but was told no. Charlie Kaslow commented that if there were a master plan, wouldn't it help if there were something in writing showing it was not the town's intent, when denying someone.

Peter Tartakoff presented the Building Inspector's FY14 budget. He began by pointing out an error in the level funded budget - he didn't add in longevity. With changes in the telephone service, he was able to use money in communications to offset expenses. Inspections are "0" because the inspectors (plumbing, gas and wiring) are all paid out of a revolving fund. Charlie Kaslow asked why it was done that way. Peter explained that it was difficult to know how much to budget 6 months out each year when the amount of inspections, etc. fluctuates year to year. Charlie asked how he keeps track of the loses and Peter said that he starts each July 1 with nothing in the account. Charlie Kaslow said that it is not a clear form of cost accounting. Ken Szajda did not agree. Charlie Kaslow responded that the current process is for ease of budgeting and does not support cost accounting basis that would enable actual cost of services to be determined. He went on to comment that Reserve Fund transfers were still available if needed. If they didn't budget enough needed money to pay an inspector (before the revolving fund was started), the options were to wait for May Town Meeting, a Reserve Fund transfer, or wait until after May 15, when money can be transferred from one line to another within a budget. Ken said that the expenses track the revenue. Paul LeBeau said that the money paid to the inspectors can be shown as to how much each inspector has been paid. Peter Tartakoff added that the inspectors are contracted and receive no benefits from the town. Dan Alfred asked if he really needs \$750 for phone service, as he cut it for the level funded budget. It is a new system that has not been in place an entire budget cycle yet, so he is unsure. Dan then asked what Professional/Technical includes and was told it education, outside technical assistance and professional memberships. Michele Zeamer commented on the increase in revenue for building permits and Peter Tartakoff said there are a couple of big projects going on right now. Michelle Johnson asked if there are any plans to change the fees and Peter said not at this time; Holliston is in line with surrounding towns. Charlie Kaslow then asked if there is a cycle for reviewing fees and was told that comments from contractors can give info on fees and Peter said that he looks at the revenue stream and costs. Ken Szajda asked Peter Tartakoff if there is a limit to fees that can be charged and he said that it is his understanding that he cannot charge more in fees than the service costs. Ken Szajda asked the impact of the level funded budget if money is cut from Professional/Technical and was told that there would be no impact in FY14, the money would have to be made up in the future for Peter to maintain his certification.

Paul LeBeau presented the FT14 budget for Motor Vehicle Fuels. It is a guideline budget, in spite of the uncertainty with costs. The town is presently paying \$3.47 a gallon for diesel and \$3.33 for gas. The FY13 budget was based on paying \$3.50 a gallon for gas and more for diesel. Besides the cost of fuel, another variable with this budget is the severity of the winter. The first 7 months of the FY13 budget has favorability. The town gets a bulk rate purchase contract for fuels through a consortium with several area towns. Dan Alfred asked why there had been an extra 100 gallons of fuel used in October and Paul LeBeau said it probably had to do with Hurricane Sandy.

Paul LeBeau then presented the Snow and Ice budget, which to date has expended \$91,000. It is level funded at \$250,000 for FY14. Dan Alfred asked if the town has the figures as to how it compares with surrounding towns in regards to expended funds. Paul said he can get the information. Towns with more miles of roads may use more private contractors, and that will make it more difficult to compare. Michelle Zeamer asked if the town buys sand and salt a year in advance and Paul LeBeau said that depends on money left in budget. There is a limited storage area. Michelle Johnson asked about the vehicle maintenance and was told that it is maintenance directly related to snow and ice use, such as hydraulics and plows. Jay Leary, Selectman and member of the audience, commented that perhaps frontline equipment purchased through capital should be done in May and not held until fall Town Meeting because the Highway Dept. won't have the planned replacement truck they ordered in the fall until sometime in March. Charlie Kaslow asked about revenues generated from snow plowing and was told it is minimal. He asked how fees are assessed and was told it is usually an agreement based on the equipment needed, how long it takes to do it, etc.

The Wastewater budget for FY14 was presented by Paul LeBeau. It is at guideline. It is a contracted service by the company Whitewater for the operation and maintenance of the facility and filing reports with the EPA. One of the challenges with the facility, which services the Placentino, Miller and Adams School as well as the town departments housed in the Flagg School is that usage drops down in the summer to almost nothing compared to the 10 months school is in session. There have also been issues with pump failures. These two problems seemed to have been worked out; but now the facility itself is just over 10 years old and maintenance issues may begin to pop up. Dan Alfred asked why the schools don't pay to maintain it and Paul LeBeau said that it is a decision that was made years ago.

Paul LeBeau then presented the ZBA budget, which is a guideline budget at \$10,738. Their budget is basically for a part time person who attends hearing, takes minutes at these hearings and prepares the information on the decisions. They do not budget for legal. Revenues cover  $\frac{2}{3}$  of the required budget. There is a filing fee of \$150.00 and applicants pay for newspaper notices of meetings and mailings to abutters. Charlie Kaslow asked when the fee was increased last and was told about 5 years ago. Not only were the fees increased, but there was also a restructuring and shifting of costs.

The Board of Health presented their FY14 budget which they have voted on. It is above the guideline, but Rich Maccagnano said it is "absolute bare bones" to operate the department. They put back the 109 hours that were cut last year from office staff, restoring it to 35 hours a week and have give the food inspector the raise they had asked for at Fall Town Meeting. Michelle Johnson asked if the \$5100 puts them where they want to be and the answer was yes. Mr. Maccagnano also said that the Sharp's program is up and running (started the end of January) and they have not spent any of the \$2,640 given to them at Fall Town Meeting. They anticipate the program costing about \$1,896 going forward next year. Michelle Johnson asked if that was reflected in the FY14 budget and was told that it wasn't - the Board of Health hopes to have the \$1,896 allocated to them to continue the program. Michelle Zeamer asked if there was information on revenue generated and was given the following figures: revenue in 2010:

\$64,355; in 2011: \$61,040.02; in 2012: \$71,002.60; and halfway through 2013: \$48,429.10. The increase this year comes from large developments, which need soil testing and septic systems put in. Revenue tends to go up when construction is up. This money goes into the general fund. There is an additional \$10,000 in revenue from food service. Charlie Kaslow asked how often the fee structure is reviewed. The food service fees were looked at in 2009. There is too much money being taken in and that needs to be looked at. The fees for site inspections and permits are also looked at periodically. Charlie asked if they try to cover the cost with fees, why isn't more covered. The fee taken can only cover the cost of the service the fee is for -- it can't be used to cover other expenses. Dan Alfred asked Rich Maccagnano how he knows that \$1,896 will cover the cost of the Sharp's program for the year. Rich said he feels sure that it will, based on the bid costs received for removal of the bins and projecting monthly amounts taken in. If it is not enough, he will ask for money later in FY14. Dan also asked if the 1% raises were included and was told for all except the director. Ken Szajda asked about the flu clinic and being reimbursed for the 109 hours of clerical time. A discussion followed regarding the free flu vaccine received from the state and that purchased by the Board of Health and should certain people get the free ones and others charge their insurance company. They ran out of flu shots at the last clinic held and Ken Szajda asked if it was because they had used the money to pay the additional clerical hours. He was told it was because they miscalculated and more people showed up at the last clinic than had been anticipated. Jay Leary asked how much money the 109 hours translated into and was told about \$2000.

At 10:10 PM. Dan Alfred, seconded by Michelle Zeamer, made a MOTION to adjourn the meeting. Passed 5-0-0.

Respectfully submitted,  
Faith Antonioli, Secretary

Date Approved: April 18, 2013