

Groveland Board of Selectmen
Meeting Minutes
February 27, 2017

Present: Chair William Dunn, Selectman Ed Watson, Selectman William O'Neil, Selectman Daniel MacDonald, Selectman Michael Wood

Absent: None

Others Present: Denise Dembkoski (Finance Director)

Recorder: Melanie Rich

Jeff Pappas (Capital Improvement Committee Chairman) said there are six items on Capital Planning covering the Council on Aging (COA), Fire, Highway and Police Departments.

The COA had requested a design study for the senior center. They said there are 2,000+ residents over 60 years of age; half are on fixed income with the number growing, and they need a safe place to meet and socialize. The COA did their homework and came back before Capital to ask for money to do a design study; Capital felt it was worth the investment to come up with a conceptual plan for a design and to find out the price. Cost \$35,000

The Fire Department has two items: (1) radios: this is the 2nd phase of the replacement of radios; portable radios were replaced last year; truck radios will be replaced this year. Capital felt that as a safety standard the Fire Department should be able to hear and communicate with one another. Cost \$44,000. (2) replacement of the F-450 EMS vehicle: it was purchased in 1996; it is in line to be replaced; it will be replaced with a Suburban equipped with EMS equipment. Cost \$95,000.

The Highway Department replacement the 2005 Peterbilt five-ton truck: it is over ten years old; extending the life will cause wiring problems and salt erosion. It is on the schedule to be replaced every ten years. Capital recommended replacement. Cost \$182,000. Ms. Dembkoski would recommend borrowing the money. She explained how typical municipalities work where every year you have debt coming off because you pay it off and add new debt in that capacity. We have not had debt so we have nothing coming off; we started last year with the borrowing of the console for \$16,000. In five years when that comes off there will be a \$16,000 capacity that we have built into the budget.

The Police Department have two items: (1) purchase of one cruiser to replace the line cruiser, which is a five-year rotation. Deputy Gillen said the true cost would be \$36,000 including outfitting it, rather than \$28K which has been put forward, and (2) purchase of 12 Tasers. Cost \$12K

DISCUSSION AND POSSIBLE VOTE: FY18 Budget Discussion

Bob Arakelian's request to deficit spend the FY17 Snow & Ice line item by \$50,000 – Mr. Arakelian said it is to pay bills. He spent approximately \$107K for de-icing; the rest was for fuel, hires and repairs. Ms. Dembkoski said after the last round of bills, the account is currently in a deficit of just under \$18K; that has to be paid along with a lease payment for the Bombardier snow plow (\$26K). More bills will be coming; he will need another \$25K. Ms. Dembkoski recommended the board act on the \$50K request and discuss if \$25K would be the amount to put on the next agenda.

Next week Mr. Arakelian will be in with Nick Cristofori to discuss the Stormwater MS4 Permit requirements; it is required funding. The board needs to discuss possibly using free cash to pay the \$65K/year.

Selectman O'Neil asked Deputy Gillen about the vehicle maintenance increase of 3% and if it was due to the Chargers. Deputy Gillen said he thought so. They went into a deficit the last few years and had to

transfer money. He said they might find with the Chargers gone it may be better; he may be able to save money. Selectman Wood asked what the 30% increase in the general budget covers. The Deputy said some utilities, office supplies, equipment, etc. Harbormaster expenses include fuel and random items; most of it comes out of the boat ramp fees.

Two Fire Department Reserve Fund Transfer Requests (\$8,186 for repairs to Engine 2; \$5,260 for Engine 3) – \$20K/year is put into a reserve account that the Finance Committee controls for unforeseen expenditures. Chief Lay explained the costs to fix Engine 3. Chair Dunn asked the board if they wanted to put the \$5,260 into Engine 3 to get it running; it would last about 3 years. After discussions, it was a consensus of the board to fix Engine 3. Chair Dunn asked if the \$8,186 was to coverage the overage? The Chief said his budget is based on actual; he has \$13K of expense still to happen in maintenance. Ms. Dembkoski said the \$8,186 has been paid to fix Engine 2; he now needs to backfill his maintenance line because he doesn't have enough to finish the year. Engine 3 has not been fixed yet. Selectman Watson asked if he could cover the smaller amount with his budget; in February he had \$16K remaining. The Chief said they bought a ladder truck that did not come with any equipment. Selectman Wood made a motion to transfer funds from the reserve fund to the Fire Department Maintenance account for Engine 3 in the amount of \$5,260 and Engine 2 in the amount of \$8,186; Selectman O'Neil seconded; voted 5-0-0.

The new EMS vehicle was discussed. Chair Dunn asked how much equipment could be taken off the current vehicle. The Chief said they are dependent on certain pieces of equipment only being on one truck; they are trying to add more EMS equipment; it will be good to have two of all EMS equipment. The Chair asked what the plan is for the Ford F-450; it will be sold. Selectman O'Neil said medical supplies are up 57%. The Chief said some of it is Epi-Pens; he is working to see about using generic Epi-Pens. Selectman Watson questioned the \$7,500 for the MA Fire Academy being eliminated and added to the Fire Salary Drill and said it hadn't been used yet. The Chief said it will be gone in two weeks and he will be taking \$5,000 out of the Fire Drills account; he is paying \$12,500 for academy training. The Chair asked if the alarm calls would affect the payroll; no. The ladder truck is in Attleboro. After many delays, there is still no set date for delivery but it is hoped to be soon.

Selectman MacDonald asked why the unclassified Essex County Retirement is up 11%. Ms. Dembkoski said that is the retirement appropriation (2.21%); the unfunded liabilities. He asked if we had any control over the pension obligation. Ms. Dembkoski said it is set by Essex County; she received a revised assessment; it has decreased; it is based on the overall value of the retirement system. There is still no final state aid number. Town Counsel has been increased by \$25K. Selectman MacDonald asked her to check other communities to see what they spend for Town Counsel; the majority of towns this size budget over \$100K. The technology line item was increased slightly; most of it being licensing fees. The computer consultant line was eliminated; Ms. Dembkoski does all the IT work. Property & Casualty, there are numerous insurance claims; Worker's Compensation is included in that number.

Chair Dunn asked about the library increase; Ms. Dembkoski said they met with Finance but she did not attend. It is recommended that the Planning Board figure for the Planner (\$66,400) be a separate Article. The Conservation Commission additional \$2,895 is to reestablish their stipends and expenses. The Assessor's additional \$9,257 is for Merrimack Valley Planning to do all our GIS/map work. The Assessors would like that to be put in the Technology budget.

Selectman Watson made a motion to allow the Road Commissioner to deficit spend an additional \$50K from the FY17 Snow and Ice line item; Selectman Wood seconded. Chair Dunn asked if any money could be recovered. Ms. Dembkoski explained that we can only recover funds from FEMA or MEMA when it is declared a snow emergency. Voted 5-0-0.

Chair Dunn feels most of the budgets are cut and dry. Selectman MacDonald said the overall budget is up 3.41%. Ms. Dembkoski said the Fire Department was under 1%; most of the departments came under 2%;

it is the shared expenses such as health insurance and liability. Selectman MacDonald said renegotiate contracts; the school is giving us a budget that's 2.5%. Ms. Dembkoski said Dr. Mulqueen said it might be around 2% overall, but we pick up a higher share because of our wealth factor, so our budget may go up 4%. Most department budgets are under 2% except for those anomalies. The Building Department increase is because we are taking in revenue in the general fund with the permit fees now, but have to pay the expense, so that increase will net to zero. Selectman MacDonald thinks the pension obligation for the employees and each respective department should be reflected in the department budgets. He said the cost run-ups are in salaries, benefits and pensions. He said if the insurance costs go up 8%, maybe the employees should share in the cost of that increase or give up the cost of living adjustment. He sees it as a package deal; he doesn't care if you get benefits, doesn't care if you get cash. If you cost more than 2.5%/year you're wrecking the Prop 2.5 formula he subscribes to. If each employee is costing the town 5% more each year, then it is not sustainable. We have a benefit obligation that is \$1.4 million; we are going backwards on the pension obligation. If the overall cost of labor is exceeding 2.5%, we have to do something about it. It is the root problem of the budget. Chair Dunn said we will talk about it further.

The next regular meeting will be held **Monday, March 6, 2017** at 6:30 p.m.

Selectman Wood made a motion to adjourn; Selectman Watson seconded; voted 5-0-0. The meeting was adjourned at 9:55 p.m.

*** Unanimously approved on March 20, 2017 ***