

**JOINT MEETING – BOARD OF SELECTMEN & FINANCE COMMITTEE
MARCH 1, 2014**

I. Call to Order/Roll Call:

Selectmen Chairman Alex Vispoli called the Joint Meeting of the Board of Selectmen and Finance Committee to order at 9:06 A.M. in Memorial Hall at the Memorial Hall Library. Present from the Selectmen: Chairman Vispoli-Y and Selectmen Paul Salafia-Y, Brian Major-Y, Mary Lyman-Y and Dan Kowalski-Y. Also present Town Manager Buzz Stapczynski, Assistant Town Manager Steve Bucuzzo and Finance Director Donna Walsh. The meeting was duly posted and cable-cast live.

Finance Committee Member Paul Fortier opened the meeting for the Finance Committee. Present: Joanne Marden-Y, Margaret Kruse-Y, Linn Anderson-Y, Eugenie Moffitt-Y, Greg Serrao-Y, John Barry, Jr.-Y and Paul Fortier-Y.

II. Opening Ceremonies

Chairman Vispoli led the members in a Moment of Silence followed by the Pledge of Allegiance.

III. FY-2015 Budget Presentations

The Town Manager thanked everyone for reworking their schedules to attend a Saturday Budget Meeting. The Department Heads have been asked to give a five-ten minute presentation followed by a ten-minute discussion period. He noted that the Town Manager's Budget is available on the Town's website at www.andoverma.gov.

Memorial Hall Library

Beth Mazin, Memorial Hall Library Director, led her budget presentation by noting that there are two changes requested for this year:

1. The System Librarian position was moved from Information Technology (IT) back to the Library.
2. Summer Sunday hours – Currently MHL is open 40 Sundays per year. They are requesting to open an additional 8 Sundays over the Summer as a service to residents. They have determined the cost to be \$1,400 per Sunday to staff the Service Desk and cover additional utility usage; a custodian is already on site.

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>\$ +/-</u>
Personnel Services:	\$1,902,582	\$1,988,517	\$85,935
<u>Expenses:</u>	<u>\$ 620,000</u>	<u>\$ 641,000</u>	<u>\$21,000</u>
Total	\$2,522,582	\$2,629,517	\$106,935

Included in expenses is the yearly membership fee of \$79,000.00 to the Merrimack Valley Library Consortium which involves a very complex data base that covers most everything except the museum passes and provides infrastructure support.

A CIP Article in the amount of \$50,000 for renovations to the Reference Area on the Main Level has been submitted for consideration this year.

Elder Services

Kathy Urquhart, Elder Services Director, recognized the members of the Elder Services Council in attendance at today’s budget presentation.

This year, they are requesting an increase in the Intake Coordinator’s position from half-time to full-time to accommodate and coordinate the many requests by seniors for transportation to medical appointments – last year 14,000 rides were requested. The senior population in Andover has increased 27% over the past decade. Although there are forty seniors in the SCRIPT Program who provide transportation, a full-time person is needed to arrange and coordinate requests.

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM’s Recommendation</u>	<u>\$ +/-</u>
Personal Services:	\$537,452	\$571,718	\$ 34,266
Expenses:	\$167,640	\$174,140	\$ 6,500
Federal Grants	(\$61,000)	(\$55,000)	\$ 6,000
Sale of Service:	<u>(\$55,000)</u>	<u>(\$50,000)</u>	<u>\$ 5,000</u>
Total	\$589,092	\$640,858	\$ 51,766

<u>Personnel</u>	<u>FY-14</u>	<u>FY-15</u>	<u>+/-</u>
General Fund FTE’s	9.13	9.58	0.45
Revolving Fund	<u>2.05</u>	<u>2.05</u>	<u>-0-</u>
Total FTE’s	11.18	11.63	0.45

Ms. Urquhart said the SCRIPT Program has 300 volunteers who work 93 hours receiving a reduction of \$675 on their real estate tax bills. A warrant article is being submitted to increase this amount as a way to validate the work hours seniors provide and improve their standard of living. Selectman Lyman suggested they research if a 1099 form needs to be provided if the amount is increased.

Selectman Kowalski inquired about additional funds needed to cover small improvements at the Center. The Town Manager said Plant & Facilities Deputy Director Ed Ataide will address that in his presentation. Selectman Major said the Selectmen support Ms. Urquhart’s leadership and the work her staff provides to the community.

Youth Services

Youth Services Director Bill Fahey reported that the Youth Services Department provides over 200 programs serving 7500 students, and will celebrate their 20th anniversary this year. The new Youth Center Building will be ready by the end of December and will present many opportunities and challenges; it will also benefit the citizens of the community.

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>\$ +/-</u>
Personnel Services:	\$294,861	\$338,033	\$43,172
Expenses:	\$ 52,510	\$ 76,510	\$24,000
Sale of Service:	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Total:	\$347,371	\$414,543	\$67,172

<u>Personnel:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>+/-</u>
General Fund FTE's:	3.0	4.0	1.0
Revolving Fund	<u>1.0</u>	<u>1.0</u>	
Total FTE's	4.0	5.0	1.0

The \$43,172 request in Personnel Services is for a Program Assistant and Expenses was increased to reflect an increase in utility costs when the new building opens. The additional personnel request is not a new one. A future position would provide stability, support and help with providing outreach services to connect to families in need and provide a bridge between social agencies. He said there is a lot going on with the youth in Town. The position would also provide a succession planning team to take some of the work load away from the Assistant Director.

Selectman Kowalski suggested they provide better performance statistics and information on what the division is doing and the benefits they provide. They have a small staff, the positions do not have regular hours and they deal with a lot of abstract issues.

Mr. Fahey was asked to describe how they plan to maintain the Youth Center. He said the plan is not to create a situation where you have a hard time using the building because of fees and they envision using the young people as the stewards of the building and involve them in the care and cleaning. Mary Lyman said a detailed plan for the Budget outlining who will be responsible for cleaning the building must be provided if they don't want to use a traditional custodial model. Alex Vispoli stated there is a commitment to the seniors to use the building in the off hours and without additional custodial time, they need to determine how the building will be maintained.

CIP requests: Youth Services is asking for \$62,000 for the Skate Park to replace the material on the ramps (14 years old). The rich-lite material costs \$200 per sheet with 98 sheets needed. The price includes materials and labor.

Mary Carbone, 3 Cyr Circle, asked how many vehicles AYS has. Mr. Fahey said they have three mini-buses used by Youth Services, the School Department, DPW and the Senior Center.

Joanne Deso, 81 High Street, said she would like to see the funds found for an outreach person to help with crisis situations and that having the young people help with the maintenance will connect them to the building.

Community Services

The Community Services Division is in the process of restructuring due to the upcoming retirement of Director Mary Montbleau and the recent loss of staff member Meg Batchelder. The Town Manager recognized Kim Stamas and her staff who have been through a lot but have done a marvelous job of keeping the department moving.

Assistant Director Kim Stamas said it is important that they hire two new staff members as soon as possible as they are headed into their busy season. Last year they experienced a shorter Summer than usual with school extended to the last week of June and opening a week earlier than normal in September. She said 62% of their revenue comes from Summer programs. They made less but they spent less. They plan on spending \$20,000 more this year and expect to make that up over the Summer through an increase in price for camps and playground programs.

Community Services was able to utilize school facilities during vacation weeks and P&F Deputy Director Ed Ataide was able to schedule Summer maintenance at the schools to provide DCS with the opportunity to complete their programs. Families in need are identified through partnerships with the schools and camperships are offered with assistance from the Andona Society. On-line registration has continued to improve participation.

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>\$ +/-</u>
Personnel Services	\$441,003	\$423,801	(\$-17,202)
Expenses	\$243,120	\$238,220	(\$ -4,900)
Sales of Service	<u>(\$533,000)</u>	<u>(\$500,000)</u>	<u>\$ 43,000</u>
Total:	\$141,123	\$162,021	\$ 20,898
Personnel Summary	3.0	3.0	0
Personnel (Revolving fund)	<u>2.0</u>	<u>2.0</u>	<u>0</u>
Total	5.0	5.0	0

CIP Request: Funds are requested for hydroraking the Pond and applying the Sonar Treatment next Spring which is required every eight years to remove growth that reduces clarity; if it is not removed they would not be able to open in 2015.

Municipal Services

Director of Municipal Services Chris Cronin and Assistant Director Ed Ataide provided the first presentation of the new Department (a combined Public Works, Plant & Facilities and Water & Sewer Department) starting with the Budget Summary Overview for FY-15.

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>\$ +/-</u>
Personal Services:	\$4,882,097	\$5,120,968	\$238,871
Expenses:	\$5,338,990	\$5,514,609	\$175,619
Sales of Service:	<u>(\$ 129,755)</u>	<u>(\$ 121,000)</u>	<u>\$ 8,755</u>
Total:	\$10,091,332	\$10,514,577	\$423,245

Mr. Cronin said Town Counsel is reviewing the Requests for Proposals for Recycling & Solid Waste pickup with several different options. Once the RFP is completed it will be sent out to bid. The new contract would go into effect on July 1, 2014.

The total number of FTE's for 2014 is 69.0 and a total of 71.0 for the Town Manager's FY-15 Budget. The head count is being reduced by one FTE (Building Maintenance) with two new FTE's requested – one new custodian for Facilities Services, one new Electrical/HVAC Mechanic for Mechanical & Electrical and a half time (.5) Admin. for Public Works and a half-time (.5) Admin. for Plant & Facilities.

The additional custodian would work a 12:00 P.M. – 8:00 P.M. shift to maintain custodial coverage at the Youth Center (duties the youth cannot perform) and provide coverage at the Senior Center which, in turn, will allow them to increase their programs offered after hours. The Youth Center will be open 7 days a week. The position would be partially funded through the Youth Foundation's yearly support.

The increase in technology across Town has expanded the requests for electrical services. An additional electrician would help with the backlog of requests and handle additional responsibilities for the IT Department and the Water Treatment Plant that is currently outsourced. What the Department has not been able to attend to has been outsourced at a cost of \$82 per hour and \$97 for afterhours vs. the in-house cost of \$37.20 with benefits working the 2nd shift. Dan Kowalski suggested they create a performance matrix and Alex Vispoli said they should do a comparison of OPEB /pension costs.

Water & Sewer

Chris Cronin reviewed the FY15 Water & Sewer Enterprise Budgets:

<u>Budget:</u>	<u>FY-14 Budget</u>	<u>FY-15 TM's Recommendation</u>	<u>\$ +/-</u>
Sewer	\$2,238,421	\$2,373,522	\$135,101
Water	<u>\$4,299,825</u>	<u>\$4,707,568</u>	<u>\$407,743</u>
Total:	\$6,538,246	\$7,081,090	\$542,844

FTE's:	<u>2014</u>	<u>2015</u>	<u>+/-</u>
Sewer	4.3	4.3	no change
Water	<u>22.9</u>	<u>22.3</u>	<u>0.4</u>
Total	27.2	27.6	0.4

The increase in personnel under Water is to add additional hours to the Office Assistant II.

Part of the Town Manager's budget is to reduce the burden of borrowing for routine maintenance by increasing water rates. The projected sewer rate increase of 2.5% would equate to an increase of \$9.99 for the average user, and for water it would be \$7.77 for the average user. A suggestion was made to change the funding model for maintenance; i.e. creating a fund similar to the CIP, roll funds not used over, and appropriate it differently. The Board of Selectmen will vote on the projected rate increases for Water and Sewer for FY-2015 before the Finance Committee's Book goes to print.

Mary Carbone, 3 Cyr Circle, asked where does the cost comes from for the legal case related to the Water Tank cleaning shows in the Water account. *The cost of litigation will not show until the authorized judgment is received.*

IV. Adjournment:

At 11:53 P.M. the Board of Selectmen motioned to adjourn from the Joint Meeting and move into the Regular Meeting. Roll call: Chairman Vispoli-Y and Selectmen Mary Lyman-Y, Brian Major-Y, Paul Salafia-Y and Dan Kowalski-Y.

On a motion by Linn Anderson and seconded by John Barry, the Finance Committee motioned to adjourn from the Joint Meeting. Roll call: Joanne Marden-Y, Paul Fortier-Y, Mmargaret Kruse-Y, Linn Anderson-Y, Eugenie Moffitt-Y and John Barry, Jr.-Y.

Respectfully submitted,
Dee DeLorenzo
Recording Secretary

Documents: Budget presentations: Municipal Services, Water & Sewer, Elder Services, Youth Services, Memorial Hall Library, and Community Services

I. Call to Order

Chairman Alex Vispoli reconvened the Regular Meeting of the Board of Selectmen to order at 11:55 A.M. in Memorial Hall at the Memorial Hall Library. Present: Chairman Vispoli-Y and Selectmen Paul Salafia-Y, Brian Major-Y, Mary Lyman-Y and Dan Kowalski-Y. Also present: Town Manager Reginald S. Stapczynski. The meeting was duly posted and cablecast live.

II. Bond Sale

Finance Director Donna Walsh explained the process and application of obtaining the long-term bonds that were secured at a very favorable rate.

Selectman Kowalski moved that the bids received on \$29,074,000 for long-term bonds on various Town and School projects be awarded to the low bidder of FTN Financial Capital Markets at a net interest cost of 2.894981% which includes a premium of \$2,621,173.47 – \$1,283,000 will be used to reduce the amount borrowed to \$27,791,000. The motion was seconded by Brian Major and voted 5-0 to approve.

III. Adjournment

At 11:59 A.M. on a motion by Selectman Kowalski and seconded by Selectman Major, the Board unanimously voted to adjourn. Roll call: Chairman Vispoli-Y and Selectmen Paul Salafia-Y, Brian Major-Y, Mary Lyman-Y, and Dan Kowalski-Y.

Respectfully submitted,

Dee DeLorenzo
Recording Secretary

Documents: