

FINCOM minutes 11/12/15

Tom Busa, Richard Bowen, Karen Dunn, Steven Steele, Elizabeth McClung, David Powell, Paul Mortenson, Ben Thomas, Victor Garofalo

DPW Presentation Roy Sorenson

- Request: \$1.5M AT LOW END, 1.7M at high end
- Have done considerable paving
- Have had some staffing issues, retirement, some people moving around
- Had money, were understaffed
- Have to really consider adding personnel if we want to maintain 1.7M per year
- Maybe contract out some
- Paving contractor would just want to do the bulk paving
- Richard Bowen: different sources of funds, carryover capital, carryover chapter 90, etc.
- For 700K operating, 600K chapter 90, 200k gap. Does the carryover cover that?
- Still 25% underfunded.
- If we reduce 25 miles in the lower categories, concern is we don't have a plan that addresses it
- Roy: PCI of 66 or 67 is a good road. To get it into the 80s may be very difficult.
- Gradual increase in the budget has been good over the past few years.
- Richard: has the cost for asphalt changed?
- Roy: now, has been pretty stable.
- Tom: rule of thumb has been 4 miles per year for town. restrictions were a blend of staffing, how much disturbance the town could tolerate.
- Roy: engineering people taken away for water lining and other projects
- Tom: what level would \$1.5M bring us to?
- Roy: to a satisfactory level, 69. in the two upper bands. routine maintenance, and do nothing.
- Tom: if it were 2M per year, are you capable?
- Roy: not possible as is now
- Tom: could we add part time additional staff?
- Roy: now we have seasonal employees. Realistically we'd want more permanent staff.
- Can move employees where you need the, like to highways
- To do 2M a year, at least two more people in the field, full-time, and more engineering help.
- Rich: 5 year program, maybe we should hire a 5 year contractor.
- Adrienne does the engineering now. Need someone else at that level to commit to paving. Limited window during the year for road work.
- Tom: considering limited window, what do you do with the extra staff in the off season?
- Roy: plowing, winter clean up. You find things for them to do

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- We've talked about added staff moving forward
- Depends on our expectations
- Karen: how do we compare to other town?
- Roy: depends on who we talk to. Overall average: main roads extremely outstanding. Frustration is the smaller roads. Ratings depend on whose system and who is rating it. some towns just use chapter 90 and no operating budget money
- Elizabeth: any upcoming technology changes?
- Roy: thin overlays. Other towns have tried it and have seen peel up. a little reluctant to try something new.
- What about a hybrid model: have contractors doing the main road and our employees doing the extra details (driveways, etc.) so we don't have the cost of added personnel over the winter months when they can't lay asphalt.
- Ben: looks like PCI is going up and backlog is going up too.
- Impact of the asphalt price built in to the capital plan?
- Roy: they build it is as best they can.
- Ben: what would average cost of a new employee be?
- On average 43K per year plus benefits, under \$100 including benefits
- How much does it cost to maintain sidewalks? Some mention that some are in bad condition.
- Roy: asked the same company to look at the sidewalks. New regulations and requirements now. They'd have to mention code issues.
- Ben: is there an issue? there's a push for more sidewalks
- Roy: yes, a push for walkability. We've fallen behind on new sidewalks, projects in the cue. Didn't get to Concord Road sidewalks. Ran out of time. Community Preservation money.
- Ben: want to think about ongoing cost of maintaining new things, like sidewalks.
- Any leftover chapter 90 funds?
- Roy: have to look at that number.
- Elizabeth: How do we coordinate cleaning and lining with pavement?
- Roy: Railroad Ave in rough shape, will do an overlay (temporary solution)
- Steve: need to spend 1.5M, assume that is what they need just for roads. Do you believe this year when we had 1.5M available we spent it on road rehab?
- Roy: no, had to do loam, aprons...
- Steve: what number would you need to have to spend 1.5M on road rehab?
- You had a true 1.5M; we're still behind the right from the top. **Want to know exactly what was for road rehab and what was for other projects.**
- Rich: sidewalks can be done with chapter 90 funds as long as they're done with the roads. Looks like we need another engineer under a 3 year contract so we can get more done. Sounds like the engineer can work in the winter to design, and then become the program manager in the summer.
- Roy: South, Railroad, Loomis relined. 3 total coliform hits this year. Significant upgrades have improved water quality, chlorine residuals, flushing down.
- Unaccounted water? July, Aug, Sept, Oct:

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- About 10 Million gallons is 5% from the 3 year average, represents
- Around \$600K unaccounted See July meeting.
- 1.7M to 1.9M in capital plan for roads.

Special Revenues

Victor

- Departments were to analyze special revenue funds as of 9/30
- Source
- Type of fund
- Fund usage
- Type of expenditures
- Cost to maintain
- Other info
- Conservation: what should the number be? \$47K making money, no goals?
- when project is done the grant expires for some of these
- You apply to the state for a grant.
- Looking balances as of 9/30/2014?
- Victor: we run on a fiscal year. Not easy to go to that.
- Need 40K from refuse account to balance its budget
- Middlesex Community College: looks negative, gets reimbursement
- Look at recreation
- Two separate groups
- Youth and family, COA
- Revolving, daycare, day camp, springs brook
- Tom: meeting with recreation
- Balances were high; most of payments have been made at this date. easier to see in September after bills paid.
- Number one concern was what does the balance need to have on an ongoing basis
- 10-15% to maintain,
- Ben: why so high?
- Spend 2.2M a year.
- They were not getting their capital projects done.
- Ben: \$255960 the right amount to have in there?
- Tom: I feel happier now
- We need a month's worth of reserve assuming no revenue at all.
- Summary of rec revolving: 582,381
- Less encumbrances: 343,338
- Less approved expenses:
- \$64K in new expenses
- \$127,474 = adjusted balance.
- Want to have \$255,960 to maintain.
- Handicap access for press box not included in the rec budget

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- Cap Ex doesn't want to pay for it
- Selectmen have not reviewed all of these projects for recreation
- Rich: only Rec Commission direct treasurer to disperse funds
- Victor: if a board approves a valid bill to be paid, I cannot stop that bill from being paid.
- Tom: committee can approve security; selectmen haven't done anything with the projects that were approved. Rec Dept. cannot sign a contract. Selectmen have to do that. Suggestion was to put all requests in Capital. These projects sitting there.
- Rug money is not part of this balance.
- Steve: if selectmen don't know about these projects there's nothing they can do about them.
- Tom: if they have no clue there's a major problem.
- Victor: I know some of these projects are out to bid.
- Tom: library has ability to have building maintained using Facilities
- Bill Moonan: confused about selectmen being responsible for their unused project money. Like expanding kids' club.
- Tom: selectmen must authorize facilities to get these projects done for Rec. from my understanding.
- Victor: Selectmen have authority to authorize contract
- Athletic fields revolving: \$30,847
- Field rental and per user fee
- When field was presented, 40K per year presented, for rug replacement, considered "conservative" estimate. Where is the money?
- No money has come out of this.
- This is two years. Should have 80K total in the rug replacement account.
- \$15 per kid user fee, to subsidize field repair, it's all sitting there.

How much of the 30K is from rental and how much from user fee?

- Cemetery Improvement
- Cemetery improvement: 116,957 to maintain lots
- 1.5M down to what it is now with transfers
- Increased rates to help cover the costs
- OPEB 5.3M
- Stabilization 2.998 M
- Maybe move health claims trust to OPEB, 697K
- Upgraded version of Dropbox keeps us from editing

Model:

- Surplus 2.15M in the end
- Utilities: 2% increase for FY17 according to Taissir
- Because it had been bumped up a lot last year, plus 2%.

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- He didn't think 5% was necessary.
- Road Resurfacing: asking for \$700K for this year.
- But we don't know what was unexpended from Chapter 90
- Would bring it to \$1.548 million, which includes 700K from the budget + 848K in chapter 90 including carryover plus FY17.
- Guideline sent out around Dec.17.
- Could we put money aside now? Just not spend the free cash. Could do a building stabilization fund. Requires 2/3 vote to put in and 2/3 vote to take out.

Free Cash:

- Certified at \$3,965,794
- Usually keep 900K out to reserve/ automatic.
- Last year we left \$800,811
- 1% of operating budget.
- Let's put in \$965794, put 3M in for free cash in model.
- Capital last year: 2337,142, they want 2770,000 for cap this year.
- Could put it specifically for school construction.
- Let Cap Ex have time to vet the projects
- Decision to carry forward last year's number for capital
- 2.337M
- Put the rest in general stabilization
- 700K for the roads
- 2.5% initial guideline?
- The free cash wasn't really from operating.
- Some medical reimbursements didn't come to us
- Unemployment claims lower
- Schools turned 257K back
- Don't want to estimate high for things like permits
- Let them come in high and go to free cash

Meetings Attended:

- Ben: selectmen are talking about tax split in town on Monday
- Paul: 3 modulars 2 at Lane and a third at Davis
- 560K for info tech plan replacement
- Dave: community preservation
- Trouble reconciling their 6-year plan with the town's
- Elizabeth : Schools: zero classes over 25 at the high school
- numbers in classes at Davis despite 1 less classroom than planned
- K: 17-22
- 1: 18-23
- 2: 21-23
- 3: 21-24

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- 4: 19-23
- 5: 21-23
- Hanscom non-active not coming to Bedford next year.
- planning wants more money for more of a plan

Motion to adjourn

David Powell

Second: Tom Busa 8-0

10:36 PM