

Town of Bedford Finance Committee

Remote Meeting - Zoom

February 10, 2022

Minutes

Finance Committee Members in attendance: Stephen Carluccio (Chair), Elizabeth McClung, Paul Mortenson, David Powell, Stephen Steele, Karen Dunn, Ben Thomas

Others in attendance: David Castellarin, (Finance Director), Emily Mitchell, Select Board, Margot Fleischman, Select Board, Sarah Stanton, Town Manager, Amy Fidalgo, Asst. Town Manager, David Manugian, DPW, Sandra Hackman, COA, Renu Bostwick, Dan Bostwick, Corinn Dowd, Barbara Feldman, Arbor Resources Committee, Karen Wilson, Katie Duval, Executive Director Bedford TV, Bob Dutton, President, Bedford TV

Chair Carluccio called the meeting to order at 7:03 pm.
Reads Remote Meeting Guidelines.
Calls the Roll of Committee Members in attendance.

Noted for the record that the meeting is being recorded by Bedford TV.

I. REGULAR BUSINESS

1. Public Comment

Sandra Hackman, Chair Council on Aging, discusses the Council on Aging’s request for \$10,000 to be added to the Budget.

Renu Bostwick, Daniel Bostwick (23 Hartford Street), Corinn Dowd (4 Redcoat Road), Barbara Feldman (21 Brooksbie Rd.) each spoke in favor of the Town’s hiring an Energy and Sustainability Manager.

2. FY2023 Select Board and Community Media Budget Presentation

Select Board

Town Manager Sarah Stanton states that she will be providing an overview of the major changes in each budget. As recommended by Ms. Stanton, the FY23 Select Board Operating Budget is \$213 over the Finance Committee’s 2.5% guideline.

At the January 31, 2022 Select Board meeting, the Select Board voted to add the position of Energy and Sustainability Manager to the budget, making the budget increase 2.91% or \$75,213 over the recommended guideline. The total budget is now \$18,681,557.

The FY23 guideline gave the Town \$453,813 to spend in FY23. Of that number, 90% is directly related to previously settled union contract agreements and increases to goods and services contracts due to ongoing pandemic related supply chain issues and cost increases.

Ms. Stanton notes the new Energy and Sustainability Manager position is \$75,000.

Ms. Stanton notes for the Select Board there is an increase of approximately \$36,000 for professional services.

Ms. Stanton notes that the Finance Department has an increase of approximately \$56,000 for postage and computer services.

Ms. Stanton notes the Assessors budget has two increases totaling \$47,732., one for consulting services for Patriot Properties and the other for personal property.

Ms. Stanton discusses increases for the Town Clerk's Office as well as resulting from Municipal and State Election/Early Voting amounting to \$27,951.

Ms. Stanton discusses increases in police salaries including overtime.

Ms. Stanton discusses Fire Department costs for salaries and expenses.

Ms. Stanton discusses Code Enforcement primarily related to reclassifications of two positions reflecting increased workloads.

Ms. Stanton discusses the Facilities Department with expense increases reflecting building repairs, custodial supplies, outside repairs, telephone and subscriptions and publications.

Ms. Stanton discusses the Public Works with expense increases somewhat similar to Facilities.

Ms. Stanton discusses Health and Human Services increased expenses of approximately \$42,000.

Ms. Stanton discusses the Merit Article reflecting a %21,443 increase of FY22.

Ms. Stanton discusses the Select Board budgets which are outside of the Guideline process including Insurance and Benefits, Debt principal and interest, Roads, Refuse and Recycling, Utilities, Water Purchase and MWRA Sewer

Ms. Stanton agrees to take questions.

Member Dunn expresses her thanks for the effort.

Member Powell asks if the increase in Code Enforcement can be offset by fees received.

Ms. Stanton agrees that income here has increased as well.

Member Powell asks about the Water purchase increase.

Ms. Stanton reviews what is involved here.

Member Powell asks about the COA request for \$10,000.

Ms. Stanton explains the reasoning for denying that request.

Member Thomas reviews and questions various budget book numbers provided.

Ms. Stanton provides answers to the requested inquiries.

Member Thomas asks to discuss the Energy and Sustainability Manager position.

Margot Mitchell, Select Board, offers to discuss.

Mr. Thomas discusses information he has received about this issue. States that a lot of what would be involved has been done by the Facilities Department so what is new? Believes the goals here are good. Feels the position should not be under the Select Board but under Facilities.

Ms. Mitchell refers back to the Net "0" Report. Where greenhouse gases are generated in Town. Recognizes that the Facilities Department has been doing a great job. Discusses what is felt to be needed to be done beyond that.

Member Steele asks about the Merit Article and what drove to 9% increase.

Ms. Stanton explains the numbers.

Member Steele asks about water purchase increase.

Member Steele asks about Insurance. Asks about using a lower number based on prior years' actuals.

Member Steele asks about the Food Pantry and the large increase.

Ms. Stanton explains the very large increase in number of families being served.

Member Steele asks about a job description for the Energy and Sustainability Manager position.

Member Mortenson asks about items that would have been funded if we had a 3.5% Guideline instead of the 2.5% Guideline.

Ms. Stanton notes that would have involved an extra \$90,000. Discusses other expenses that might have been increased.

Member Mortenson asks about what might be any potential major financial issues on the horizon.

Ms. Stanton states none.

Member McClung discusses items which have increased substantially such as water purchase numbers. Need to stick with the Guidelines in order to protect the taxpayers.

David Manugian discusses water access from Lexington and the new access line from Burlington. Mr. Manugian discusses increased water use this year and anticipated rate increase.

Member McClung asks about flushing of water done by DPW.

Mr. Manugian discusses efforts to reduce flushing.

Member McClung asks about the land takings needed for the Bike Path project.

Mr. Manugian discusses the process ongoing on this issue. Seems to be going well.

Member McClung asks about Concord's not going to pave the trail.

Mr. Manugian provides current status.

Member McClung asks about an estimate of the costs to the Town for maintenance, cleaning and plowing that will be required if the pavement project goes forward.

Mr. Manugian responds by referencing costs currently incurred for existing paved bikeway.

Member McClung asks about the Merit Article increase.

Ms. Stanton reviews the Merit Article calculations.

Member McClung asks about the COA request.

Ms. Stanton notes that their voices are being heard.

Member McClung discusses adding the Energy and Sustainability Manager position and asks about other funding available. Not sure this is the right thing to do at this time for the costs involved.

Chair Carluccio thanks everyone involved with this presentation. Also asks about the Select Board possibly relooking at the COA request again.

PEG Access

Ms. Stanton notes that Bob Dutton is on line for this presentation.

Mr. Dutton notes that Katie Duvall is also on line.

Ms. Duval states that the main drivers for the increased budget request are salaries and employee benefits. Making effort to keep salaries competitive. Hopes that will lead to more stability.

Mr. Duvall states that salary raises were not arbitrary. Two main drivers. One was the result of having lost more than 8 people over the last two years. Another is our membership in industry groups. Alliance for Community Media does annual salary baselining for over 100 stations across the country including local comparable stations. That data indicates we are not competitive and that is not a sustainable model. Thus trying to get everyone up to par with comparable pay for comparable work. The past 3 years we have returned money to the town since we operated under budget. This year we were forecasting going over but we have kept that down. FY23 should be an increase and beyond that it should be pretty flat. Thus, this is not a trend but a one-time reset.

Ms. Duvall states that we are also working on alternative sources of revenue.

Ms. Mitchell also discusses revenue efforts being made.

Chair Carluccio asks for any questions from the Committee Members.

Member Steele discusses revenue sources. Also asks about potential location change for this operation.

Ms. Stanton states that she does not see any change in the near future.

Member Powell asks about any potential revenue from on line viewers rather than subscribers.

Ms. Duvall discusses this issue.

Member McClung discusses the importance of this service to the town.

Member Thomas notes that we should be looking closely at potential funding issues into the future.

Chair Carluccio expresses thanks to the Committee for their efforts.

3. Review/Discussion/Take Positions on ATM Warrant Items

Chair Carluccio notes that Ms. Stanton is here to provide a presentation on certain proposed Articles.

Ms. Stanton provides a short statement as to Articles 1 through 11.

Ms. Stanton discusses Article 12, Land Acquisition for 33 Shawsheen Road related to Cemetery expansion

Ms. Stanton discusses Article 13, the PEG Access and Cable Budget.

Ms. Stanton briefly notes Article 14, Supplemental Operating Budget

Ms. Stanton briefly discusses Article 15, Salary Administration Plan Bylaw Amendment. Two parts this year.

Ms. Stanton briefly discusses Articles 16 through 20.

Ms. Stanton briefly discusses Article 22, Stabilization Fund and notes there is a placeholder for a \$500,000 contribution.

Ms. Stanton briefly discusses Article 23, OPEB Liability Trust Fund Appropriation. Placeholder.

Ms. Stanton discusses briefly discusses Article 24, Transportation Infrastructure Fund

Ms. Stanton briefly discusses Article 25, 300th Anniversary Stabilization Fund Appropriation.

Chair Carluccio asks for any Member questions.

Member Powell asks if there are any other planned Articles.

Ms. Stanton states no.

Member McClung asks about the decision to bond some of the items listed including Schools IT equipment.

Ms. Stanton and Mr. Castellarin provide responses.

Member Mortenson asks about Article 9, the Fire Station, specifically the relationship of response time.

Ms. Stanton provides a response. Discusses National Fire Standards.

Member Mortenson asks about any known remediation needed with respect to the site.

Ms. Stanton provides a response.

Member McClung asks about the HCC's comments, if any, on this site for the Fire Station.

Ms. Stanton provides a response.

Member McClung asks about any escalator provisions in the estimates received.

Ms. Stanton provides a response.

Chair Carluccio asks about the funds planned to be used for the Bikeway project.

Ms. Stanton provides a response.

Member Steele asks about the loss of training runs area with the Bikeway project.

Ms. Stanton provides a response. States the Coach is on board.

Member Powell asks for specifics about this.

Member Steele states that the project would eliminate the only real training site available for cross country training. Cross country is run on dirt trails an open ground. This project would eliminate that.

Member McClung asks about Article 15 and the Salary Administration details.

Ms. Stanton provides a response.

Member Steele asks about Article 19, Salary Plan Additional Funding. Specifically the increase of 9.5%.

Ms. Stanton provides a response.

Chair Carluccio asks about a Classification Wage Study to be prepared and what it will include.

Member McClung asks about Article 6, Community Preservation Budget and apparent funds to be used for Affordable Housing.

Amy Fidalgo provides a response together with Ms. Stanton.

Chair Carluccio suggests moving on to begin to vote on the Warrant Articles.

Article 1 requires no recommendation.

Article 2 – Debate Rules

Motion to recommend approval by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 7-0-0

Motion carries

Article 3 – Consent Article

Motion to recommend approval by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 7-0-0

Motion carries

Article 4 – Bills of prior year

Motion to give recommendation at Town Meeting by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 7-0-0

Motion carries

Article 5 – Revolving Funds Expenditure Limits

Motion to recommend approval by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 7-0-0

Motion carries

Article 6 – Community Preservation Budget

Hold on this Article at this time

Article 7- Proposed Fiscal Year 2023 Capital Projects Plan

Hold on this Article at this time

Article 8 – Land Acquisition for Fire Station

Motion to recommend approval by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 7-0-0

Motion carries

Article 9 – Fire Station Design and Project Management – 139 The Great Road

Motion to recommend approval by Member Thomas

Second by Member Powell

Roll call of Members in attendance

Vote: 4-2-1

Motion carries

Motion denied

Chair Carluccio suggests that we continue with the Warrant Articles at next week's meeting.

Members agree

4. Review Discussion FY2023 Finance Committee Budgeting Model

Chair Carluccio suggests holding off until next week to vote on all the budgets that have been presented to us.

Members agree.

Members discuss procedural matters concerning voting for the budgets.

Chair Carluccio moves to Mr. Castellarin for discussion of the current Model.

Chair Carluccio asks whether other than the FinCom Reserve, OPEB and the Stabilization Fund, there are any other line items that we should look at now.

Member Steele asks about the debt number on Line 218.

Mr. Castellarin discusses the amount provided by the State each year. Look at Line 51 for the Revenue.

Member Thomas leaves the meeting at 10:00pm

Member McClung discusses OPEB number and suggests going to \$959,190 after missing two years.

Member Powell agrees with that number. Also asks what the certified Free Cash number would be. Need to discuss how much should be set aside for the Reserve Fund, OPEB and Stabilization.

Member Dunn states that there will be \$5.16 million left in remaining Free Cash. DOS recommends leaving between 3 to 5 million. Asks Mr. Castellarin about what rating agencies think about funding these accounts and Free Cash.

Mr. Castellarin notes that with the excess capacity that Bedford has it is a benefit to tap into that because that way you are raising the levels of your reserves instead of keeping them flat. States

that even though we did not contribute to OPEB last year, the fund still made substantial money from interest received.

Member discussion about contribution to FinCom Reserve Fund.

Chair Carluccio discusses a transfer to the Reserve Fund.

Members agree that Reserve Fund Model number should be raised to \$1 million for next week.

Members discuss contribution to Stabilization Fund. Chair Carluccio discusses a \$250,000 contribution. Also suggests waiting to hear what the Select Board says on these issues.

Member McClung suggests adding \$250,000 to both Stabilization and OPEB and have \$500,000 added to Free Cash. This is just a starting point.

All Members present agree to this as a starting point.

Mr. Castellarin states that with these suggested changes, the excess capacity number will be \$8,073,997.

5. Minutes

Motion to approve the Minutes of the November 4, 2021 meeting, as amended, by Member Powell.

Second by Member Steele

Roll call of Members in attendance

Vote: 6-0-0

Motion carries

II. RECURRING BUSINESS

1. Meetings Attended

Member Powell discusses Planning Board meeting proceedings concerning significant amount of property located on Carlisle Road behind the convenience store intersection. Seven different lots. Possible friendly 40B project for up to 100 residential unit development of various types. The friendly 40B would be Select Board issue. Also discussed new multi-family requirement set out by the State. Requires by right process for multi-family dwellings in a designated area. New law does not require that such units be built. Only that the area be designated and the any proposed project be as of right and not require a special permit. The Town does not have to comply with this new law but, not complying would preclude the Town's access to certain State funded grant programs.

2. Open Discussion

Member Mortenson wishes to discuss Open Meeting Law potential issues.

Member discussion with respect to 2 Members meeting with other people and discussing Planning Board related matters.

Select Board Member Moonan confirms that there is no Open Meeting Law issue with two Members of this Board doing that.

Chair Carluccio suggests dealing with this matter after Town Meeting.

Chair Carluccio discusses there will be a meeting with Town Manager and DPW in May concerning water and sewer issues.

Motion to adjourn by Member Mortenson

Second by Member Powell

Roll call of Members in attendance.

Vote: 6-0-0

Motion carries

Time: 10:41PM

John B. Connarton
Recording Secretary

DOCUMENT LIST

Agenda for February 10, 2022 Meeting

Memo from Sarah Stanton – Town Manager - FY23 Select Board Budget Submission – Finance Committee February 7, 2022

FY2023 Select Board Budget Presentation – February 10, 2022

FY2023 – Select Board Budgets and All Budgets – Finance Department

FY23 – Budget Guideline Allocation 2-10-22

Bedford Community Media Committee – FY2023 Bedford TV Budget Proposal – January 25, 2022

2022 Annual Town Meeting Warrant

Model FY23 – February 10, 2022

Draft Minutes for November 4, 2021 Meeting