



Town of Medway
FINANCE COMMITTEE
155 Village Street
Medway MA 02053

Tel: (508) 533-3200
Fax: (508) 533-3201

Monday, March 28, 2018 – 7:00 PM
Medway Middle School – Presentation Room
45 Holliston Street

Present: Frank Rossi, Chair; Todd Alessandri, Clerk; Dan Doherty, Ellen Hillery, Michael Schrader, Jim Sullivan, Sue Segarra

Others Present:

Mr. Boynton, Ms. Carol Pratt, Maryjane White, BOS Chair; Chief Lynch, Chief Tingley

At 7:03 PM Chairman Rossi called the meeting to order. He declared that there was a quorum with seven members present.

FY2019 Operating Budget Review:

Chief Lynch – Fire Department:

- ❖ Mr. Rossi thanked the Chief for giving them a tour of the premises. Mr. Boynton explained how the existing premises are outdated based on the current needs of the fire department. The inefficiencies of having two fire houses will be looked at closely moving forward. The location of the fire station was perfect for 1991 standards but it definitely needs a closer look and evaluation. The building behind the town hall is not in good shape. There was some discussion on the Medfield facility built recently at a cost of \$16-\$17 million.
- ❖ Operational line items have increased. The overtime cost is at (\$140,000) and the amended FY 2018 cost is \$149,000. Chief Lynch appreciated FINCOM's, BOS, and CIPC's support to the fire department. He said his department has come a long way with all of their support.
- ❖ Mr. Boynton explained that BOS and FINCOM approved funding for four additional fire fighters last year. Portion of Exelon funds will be used to fund the salaries of the four fire fighters. With the town moving towards the advanced life support level, Chief had submitted the grant for additional fire fighters (paramedics) staff and town was successful in receiving the federal grant. The current budget accounts for full salary amounts for the four firefighters although the grant is expected to pay 75% of those amounts. In the FY2019 budget, \$895K is being shown for full time salaries line item. About \$140K will be reimbursed by the state. There will be

reimbursements on other line items as well. The un-utilized funds will be transferred into free cash at the end of the year.

- ❖ Pg. 57- Fire Stipend covers expenses for monthly staff meetings. The EMS enterprise fund will be phased out in the future. It will be converted into special revenue ambulance fund. General fund is supporting the enterprise fund. Mr. Boynton stressed the idea of maintaining funds in the ambulance fund to cover the costs of buying the ambulance(s), stretcher, etc. when required. He said trucks are replaced every five years. Mr. Alessandri asked if the grant money could be added to the ambulance fund rather than adding it to free cash. Mr. Boynton said that could be a possibility.
- ❖ With a surplus of \$140K and some monies in the overtime line item, Mr. Doherty asked how much latitude does chief have to spend that money elsewhere when those funds become available.
- ❖ The line item for “Fire and Other Clothing” is at \$33,000 when the spending was at \$22,500. Mr. Rossi asked the reason for the increased funding for this line item. Mr. Boynton and Chief Lynch responded to the question.
- ❖ Mr. Lynch said there will be rapid intervention training to the fire fighters next month. FINCOM members are welcome to attend.
- ❖ Mr. Boynton acknowledged that both chiefs have been instrumental in working with the school superintendent, Mr. Pires on the emergency response planning.

Chief Tingley- Police Department:

- ❖ Chief Tingley gave an overview of the FY2019 budget for Medway police department. There have been four retirements over the course of the year. Two of those retirements were senior staff at higher pay grade. Three of the positions have been filled. The fourth position will be filled by someone at the academy.
- ❖ With the new hires, the salary line item has reduced. Holiday pay has gone up with the additional personnel. There’s been an increase in the education benefit package. Mr. Rossi commented that the number went up from \$191K last year to \$223K in FY19 budget.
- ❖ There was a request to increase the training budget by \$5000. BOS requested \$25,000 for this line item out of which \$20,000 will be appropriated by the town. Mr. Boynton stated that some portion of annual Exelon funds will be used for training purposes. Chief Tingley also reported that the line item for stipend has also increased.
- ❖ Mr. Rossi thanked the Chief for giving the Committee a tour of the police station.
- ❖ Mr. Boynton said in the context of the history of the town, both the fire and police station buildings are the new buildings but the reality is that they are 26-27 years old. From technology and equipment size perspective, they are outdated and have reached functional capacity. More space is required to provide effective service. He said this will be an ongoing topic for the next five years. Mr. Rossi asked if there was any plan to implement short term improvements to address some of these issues. Response was that if there is space, providing a temporary shed for the cruisers, ATV’s is definitely an option.
- ❖ Pg. 55- Fire Communication and Reimbursement: Mr. Doherty asked if the request for \$2500 (*same amount was requested for FY18 as well*) for this line item is adequate considering that \$8000 was spent last year and about \$10,000 was spent this year. He said it should be enough as they also receive 911 grant money which offsets some of the additional funding required.

Michael Boynton- Town Administrator:

- ❖ Mr. Rossi started the discussion on the memo received from Ms. Pratt on overlay balance. He asked for an explanation on the definition of overlay balance. Mr. Boynton said it’s required that certain amounts are allocated and set aside for abatement, exemptions, and statutory allowances on property taxes and other types of local taxes. Normally the practice is to set aside

\$170-200K for this purpose. Members asked about the source of funding for overlay balance. Discussion ensued on the mechanics of fund allocations for various utility companies that have equipment/ property in Medway.

- ❖ The general stabilization fund is at \$2.56 million. Mr. Boynton said at the special town meeting the stormwater, health, and operating stabilization funds as well as the fiscal stability trust fund will be transferred into the general stabilization fund. As part of this exercise, \$627K will be added to the general stabilization fund while zeroing out the monies in the four funds described above. The funds in the general stabilization fund will be at about 3.2 mil when that happens. Discussion ensued on the stabilization fund.
- ❖ Mr. Rossi asked the definition of ESCO. Ms. Pratt said this is one of the funds that will be zeroed out soon.
- ❖ Mr. Rossi asked if the funds in the stormwater stabilization fund was considered to be used for snow and ice needs and the response was no. To a question on who recommends the amounts for the stabilization funds, Mr. Boynton responded that town usually recommends the amounts for each of the above stabilization funds.
- ❖ There was brief discussion on outstanding Account Receivable (A/R).
- ❖ Ms. Pratt said the increase between the two budget years (FY18 to FY19) is 12% in order to have a balance budget.
- ❖ *Projected Fiscal Revenue* deals with potential taxes that could be billed to the Medway residents. General discussion ensued on the different line items for the projected fiscal revenue.
- ❖ The annual Exelon taxes to the town is around \$3.8 mil. \$500K out of that amount will be used towards offsetting the tax levy for several years.
- ❖ Overall the amount collected from the tax base from the town is reduced by \$1.275 million.
- ❖ There was brief discussion on state aid, debt service stabilization line items.
- ❖ Estimated In-Directs: On the budget summary, it's not a revenue source. It's a different way of demonstrating the indirect costs. It's a reduction of expenses, benefits that are paid through town's expense lines.
- ❖ There was a question on how the line item increases for Medway compare with neighboring town budgets. Response was that Medway is consistent with what other communities do in terms of budget deltas from year to year. It's in fact better than some of the neighboring communities.
- ❖ For town administrative salaries, non-union staff have 2% factored in for cost of living adjustment budget for FY19.
- ❖ There's an increase in the treasurer collector salary as JoAnne recently received treasurer collector certificate. The salary is being brought back to the number her predecessor made as a certified collector.
- ❖ Mr. Boynton reported that there will be a change coming in the town counsel as Barbara Saint. Andre the current counsel has accepted the position of Director of Community Development for the town of Medway.
- ❖ There was discussion on the difference between retirement funds and OPEB.
- ❖ Based on the zoning and planning board decisions enforcing the rules and regulations, Mr. Boynton talked about the town having a need for a zoning enforcement officer. He said it will be a policy discussion between the Planning Board, BOS, and town staff.
- ❖ Sunshine Group requested \$60,000 in the FY19 budget. This number is higher than it has been in previous years. It was discussed that the program has some revenue coming in from fee and camp charges.

Discussion -- Subcommittee Reports for Town Book --

- ❖ Mr. Rossi made the following assignments for the sub-committee reports:

- Mr. Rossi will do the finance committee and general government reports. He will seek everyone's input.
 - Education sub-committee report: Mr. Alessandri and Mr. Sullivan will work on the report and submit it by April 16th.
 - Public Safety sub-committee report- Ms. Segarra and Mr. O'Neill will work on the report.
 - DPS sub-committee report- Mr. Schrader
 - PEDB sub-committee report- Mr. Doherty and Mr. Sullivan
 - Library sub-committee report- Mr. Doherty and Mr. Ashok
 - CPC and Health and Human Services sub-committee reports- Mr. Hillery
 - Parks sub-committee report- Mr. Doherty
 - Affordable Housing sub-committee report- Mr. Ashok
- ❖ Mr. Rossi will email the Committee members with their assignments. He will reach out to Mr. Boucher, Director of Information Services, to bring to the next meeting an updated projection plan for new projects/ upgrades with details/ description on the proposed tasks in the plan.

Approval of Minutes:

None.

At 9:39 PM Mr. Schrader made the motion to adjourn; Mr. Alessandri seconded. No discussion.

VOTE: 7-0-0.

*Respectfully submitted,
Sreelatha Allam
Night Board Secretary*