Rowe Finance Committee
Regular Meeting and Joint Budget Hearing with the Board of Selectmen
January 23, 2019
6:00 P.M. at Rowe Town Hall – Meeting Room 1

Present:	Chair Wayne Zavotka, Christopher "Selmi" Hyytinen, Paul McLatchy III
Absent:	Vice-Chair Loretta Dionne, Laurie Pike
Board of Selectmen*:	Chair Jennifer Morse, Vice-Chair Dennis May, Selectman Chuck Sokol
Executive Secretary*:	Janice Boudreau
Other Attendees*:	Daniel Poplawski, Board of Health; Margaret Rice, Board of Health; Joanne Semanie, Board of Health Clerk & Town Treasurer; Katherine Sprague, Town Clerk

*During the budget hearings which began at 6:30.

Call to Order: Chair Zavotka called the meeting to order at 6:06 P.M., with a quorum of the committee present.

Minutes: The minutes of December 17, 2018, November 5, 2018, and January 16, 2019 were submitted for review. With no corrections, the minutes of December 17th were approved and signed. The minutes of January 16th were approved with one change (attachment list). Mr. McLatchy will fix the last page and return to the next meeting for signatures. The set of minutes from November 5, 2018 had already been approved at a previous meeting and just needed to be signed.

Stipends: Chair Zavotka reported on his research into stipends in surrounding towns. The definition he received from Heath was that a stipend was to cover costs, such as for mileage, copying, etc… Heath determines stipends based on the number of meetings a committee has per year. Colrain only gives stipends to two boards- Board of Selectmen and Board of Assessors. Ashfield gives stipends to their Board of Health, Board of Selectmen, Assessors, and School Committee members. He is still waiting to hear back from Charlemont and Buckland.

> Chair Zavotka felt that the stipends need to be reviewed and determine how each body should (or shouldn't) be paid. There appears to be no precedent, other than "they've always been this way". There is no clear practice for when stipends have been increased.
>
> Mr. Hyytinen asked about whether a pay scale could be used for officials, as more experienced officials might be more efficient with their work. Mr. McLatchy opined that for elected officials, the amount is set by town meeting, and not likely something that can be varied based on the individual elected to the position. This would be possible with appointed positions.

Budget Hearing: The Board of Selectmen joined the Finance Committee and called their meeting to order at 6:30.

Conservation Commission Budget: Due to the weather conditions, Conservation Commission Chair Ramon Sanchez did not attend. They have also not yet submitted a written budget. Their hearing will be postponed to February 20th.

Town Clerk Budget: Town Clerk Kathy Sprague attended the meeting to discuss her budget. The stipend has been increased by the COLA of 2.5%. She requested an increase from $350 to $450 for registrar stipends, going up from $75 to $100 per person. This is because the need to certify signatures can be quite numerous. Ms. Sprague said that sometimes she gets thirty or so documents that need certifying, and three members have to sign each one. Her overall budget is down 3.6%, but this is due to one less election in the upcoming year.

> In regards to elections, Chair Zavotka's term is up, and as both Ms. Pike and Mr. Hyytinen were appointed to fill vacancies, they will have to run for their seats at the annual election as well. This will mean that there will be three open seats.

Accountant Budget: Town Accountant Tracey Baronas was not present to discuss her budget. She has requested an 8% increase in her salary on top of the COLA as she has had to deal with the broadband accounting, which wasn't in her job description and has added additional time each week. She also feels that the accountant's salary should be more in line with the treasurer's salary. There is a question about whether joining Wired West will take away much of the accounting responsibilities of the town. If so, perhaps a permanent increase to her salary is not warranted, but a one-time extra payment to cover her additional time could be sought. Some concern about whether this position's line *should* be comparable to the treasurer's line was raised. More research is needed.

Board of Health: As they had been waiting patiently, the Selectboard recognized the Board of Health members. They requested that a third member be appointed to the board to fill a vacancy, and also wanted to update the Selectmen on a matter with a resident that has a "crowded" yard. Apparently there are legal avenues that the town can take to compel the resident to clean up certain items from his yard (old tires, oil drums, etc…) that pose a public health risk. In the absence of a blight bylaw, nothing can be done about items that don't pose any risk.

Treasurer Budget: Treasurer Semanie presented her budget. In general, the costs of most things are going up, which has been reflected in her budget. She also realized that she did not budget anything last year for borrowing fees, which have now been added to the proposal. As this is the first year she has had a budget, there is still some "trial and error" in figuring out numbers.

> Discussion ensued about ways that the town might save money in the payroll department. A suggestion was made that all employees be required to sign up with direct deposit, and perhaps pay stubs would no longer be mailed, but available online. This idea seemed to be supported, but ultimately it will be the Selectmen who make the final decision on if and when this change would be ~~implanted.~~ implemented The two boards also discussed PO boxes and

whether it might make sense to purchase a large inside box and have one person sort the mail rather than rent ten or so boxes each year.

OBRA/Social Security: Treasurer Semanie updated the Selectmen and Finance Committee that her research into the OBRA vs. Social Security matter was still ongoing. Apparently there is no clear answer about whether or not part-time employees can choose to have deductions go into *either* Social Security or OBRA, or if they must go into OBRA. While the town matches the employee's contribution to Social Security, they do not match OBRA contributions. The school committee may also have made it policy that the part-time school employees need to contribute to OBRA, which brought up a question of whether payroll matters for those employees falls to the School Committee or the Board of Selectmen.

Stipends Revisited: Chair Zavotka repeated his findings to the Selectmen on stipends. A brief conversation ensued about salaries vs. stipends and how stipends for elected officials should be calculated.

Next Meeting: The Finance Committee will meet on Wednesday, January 30th for the next budget hearing. They will meet at 6:00 and go over a few things before the budget hearing at 6:30.

Adjourn: A motion was made and seconded to adjourn the meeting at 8:15 P.M. The vote was 3-0-0 in favor.

Respectfully Submitted,
Paul McLatchy III, Secretary

Approved: 1/30/19

Wayne A Zavotka
Wayne Zavotka, Chairman

Paul McLatchy III, Secretary

Christopher "Selmi" Hyytinen, Member

Attachments:

- Stipend Email
- Stipend Findings
- Town Clerk Budget
- Town Accountant Budget
- Treasurer Budget

Stipends

Wayne Zavotka
Wed 1/23/2019, 11:23 AM

To: Wayne Zavotka <wzavotka@hotmail.com>; loretta.dionne7@gmail.com <loretta.dionne7@gmail.com>; Paul McLatchy <pmclatchy@hotmail.com>; Chris Hyytinen <chrishyytinen@gmail.com>; Laurie Pike <ljeanpike@gmail.com>; Chuck Sokol <chucksokol@chucksokol.com>; Dennis May <dmay11@verizon.net>; Jennifer Morse <jennm.bos@gmail.com>

Heath: have offered stipends for long period of time.
Stipends are intended to cover expenses such as travel, etc.
Amount is based on number of meetings generally attended/year.
less than 9 meetings/year: no stipend
9-12: chair, $375/member, $250 per year
12-25: chair, $750/member, $500 per year
more than 25: chair $1500/member $1000 per year
last year was first year for planning board and since budgets were tight they received half of the 9-12 and this year the full amount of 375/250 per year.

Colrain: Select Board: $3232/year
Board of Assessors: $3200/year
No others

Charlemont: waiting to hear
Buckland: waiting to hear

Ashfield: checking

Town	Rowe	Charlemont	Heath	Colrain	Ashfield	Shelburne
Asessors Chr			750	3200		1500
Assesors	5354		500	3200	1250/	
BOS Chair			1500	3232		1500
BOS Mbr	5928		1000	3232	1250/	
Brd Hlth Chr			375			
Brd Hlth Mbr	4938		250		3@750	
Sch Com Chr			1500			
Sch Com Mbr	4564		1000		2@500	
Plan Brd Chr			375			
Plan Brd Mbr			250			
Fin Com Chr			750			
Fin Com Mbr			500			
Lib Chr			375			
Lib Mbr			250			

Town Clerk Proposed Budget 2020			
Operations - Postage (census, dog license, copies, absentee ballots) Office Supplies			$1,500.00
Registrars 4 @ $100.00			$400.00
Census			$50.00
Election Expenses			
Presidential Primary March 2020			
4 Tellers	15 hours @$13.00		$780.00
1 Constable	15 hours @$13.00		$195.00
1 Clerk	15 hours @$14.00		$210.00
1 Warden	15 hours @$14.00		$210.00
Mileage and Food Reimbursement	$200		$200.00
			$1,595.00
Annual Town Election May 2020			
4 Tellers	10 hours @$13.00		$520.00
1 Constable	10 hours @$13.00		$130.00
1 Clerk	10 hours @$14.00		$140.00
Warden	10 hours @$14.00		$140.00
Mileage and Food Reimbursement	$200		$200.00
			$1,130.00
Total Clerk Ops			$1,500.00
Total Registrars & Census			$450.00
Total Estimated Election Costs			$2,725.00
Total Town Clerk Proposed Budget			**$4,675.00**

Town Accountant Budget Request FY20

Account Name	FY 19 Budget	FY 20 Request	Variance	
Town Acct Salary	16368	18119.38	1751.38	8% increase in salary plus 2.5% COLA
Town Accountant Exp	400	400	0	supplies, meetings etc....
Software Acquisition/License	1200	1225	0	note 1
Town Accountant Consultant	450	450	0	note 2
Totals	18418	20194.38	1751.38	
Capital Request				
Accountant Software Replacement Stabilization Fund		1000	1000	note 3

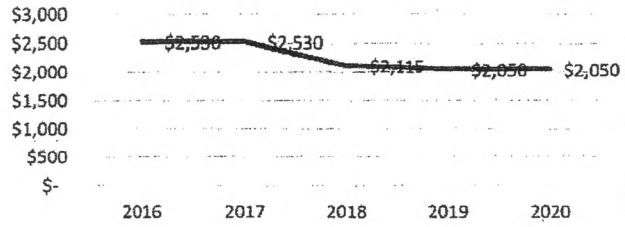
Salary-I am requesting a 8% increase on the salary, plus a 2.5% COLA. The broadband accounting is an added layer to the position that did not exist prior. There may be an opportunity to charge some of the 8% (which works out to $25 per week) back to the utility.
Additionally the accountant salary should be more in line with that of the treasurer.
$16368 x8%=$1309.44 plus 2.5% COLA $441.94= $18,119.38

Note 1-This is for the annual Muniware license. Increases 2.5% annually.
Note 2-There are still some older issues that require resolution, from prior acccountants/systems. Each year I have been researching and performing "due diligence" on the balances. It is helpful to discuss those findings with a more seasoned consultant to determine course of action. This funding will allow for 4 hours and one trip to Rowe ($82.91x4 plus $30 mileage)

Note 3- At some point in the future (hopefully more than 9 years from now) the software will require replacement. It would be prudent to begin saving for that event a bit at a time. There exists an option to save a bit annually in a designated stabilization fund while still having it be available for an emergency of another sort.
The last time I priced commercial accounting software the acquisition fee was greater than 10K.

Accountant Expenses

$2,050 Voted FY19	Budget History	01-5-135-430 Account Number
Requested Amount		App'd by Selectmen
Amount of Increase		Finance Committee



Description	VOTED 2017	VOTED 2018	VOTED 2019	REQUESTED 2020
Accountant's Expenses	$ 2,530	$ 2,115	$ 2,050	$ 2,075
Totals:	$ 2,530	$ 2,115	$ 2,050	$ 2,075
Actual Increase (decrease):	$ -	$ (415)	$ (65)	$ 25
Percentage Change:	-16.40%	-16.40%	-3.07%	1.22%

Explanation:

Departmental Capital Expenditure Request Form

Department: __Accountant_____ Date: 11/27/18

Contact: Tracey Baronas Tel # 339-5520 x12

Purchase/Project :_Software_____

Estimated Total Cost: _____10K or more_____ Fiscal Year of expenditure: _FY2028___

Source of Estimate: ___prior purchase in another town_____

Departmental Ranking: No. ____1___ of __1____ capital requests

Priority category:

Very High	_____
High	_____
Medium	___X____
Low	_____

Criteria:

Emergency	_____
Public safety issue	_____
Court ordered	_____
To maintain service	___X___
Asset preservation	_____
Matching funds	_____
Multiple deferrals	_____
Continuation of prior funding	_____

Purchase/Project Description At some point in the future (hopefully after I retire) the software will require replacement or upgrade. It would be prudent to begin saving a bit at a time for this eventuality. You could open a designated stabilization account and place a bit there each year, which will help mitigate the eventual cost. These funds are still available for emergency use by vote at town meeting if need be.

Explain Impact on Future Operating Budgets Useful life __10___ years

Reduce cost _____ Cost unchanged _____ Increase cost __perhaps___X____

Attach other data, photographs, quote sheets or information as warranted

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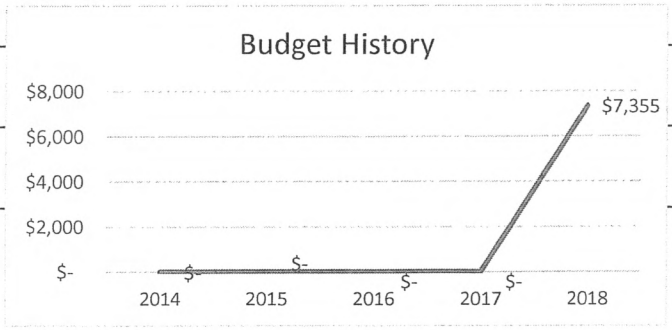
TO BE COMPLETED BY SELECTBOARD & FINANCE COMMITTEE:

Funding Source:

General Fund	$_____
Free Cash	$_____
Stabilization	$_____
Borrowing	$_____
Rate revenue	$_____
State/Federal	$_____
Chapter 90	$_____
Other:	$_____

Treasurer

$7,355	
Voted FY19	
$10,590	
Requested Amount	
$3,235	
Amount of Increase	



01-5-145-410
Account Number

App'd by Selectmen

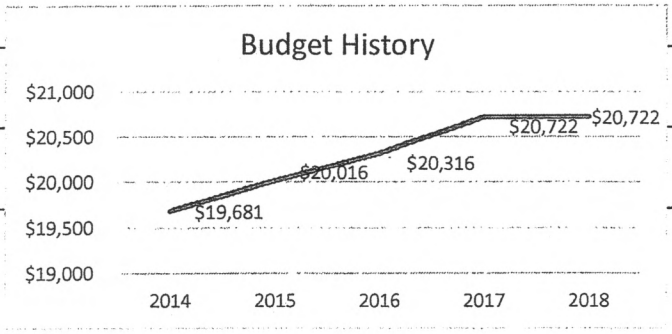
Finance Committee

Description	VOTED 2017	VOTED 2018	VOTED 2019	REQUESTED 2020
Treasurer's Operations				
Payroll Expense			*$ 3,600*	**$ 5,000**
W-2 Processing			*$ 550*	**$ 650**
Postage/Env/Money Orders			*$ 1,265*	**$ 2,000**
USPS Box			*$ 90*	**$ 90**
Consulting			*$ 500*	**$ 500**
Mileage			*$ 450*	**$ 450**
Education			*$ 500*	**$ 500**
Supplies			*$ 400*	**$ 400**
Fees				**$ 1,000**
Totals:	**$ -**	**$ -**	**$ 7,355**	**$ 10,590**
Actual Increase (decrease):	**$ -**	**$ -**	**$ 7,355**	**$ 3,235**
Percentage Change:	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**43.98%**

Explanation: Treasurer did not have her own ops line prior to 2018

Treasurer

$20,722	
Voted FY19	
$21,240	
Requested Amount	
$518	
Amount of Increase	



01-5-145-000	
Account Number	
App'd by Selectmen	
Finance Committee	

Description	VOTED 2017	VOTED 2018	VOTED 2019	REQUESTED 2020
Treasurer's Stipend/Wages	$ 20,316	$ 20,722	$ 20,722	**$ 21,240**
Totals:	**$ 20,316**	**$ 20,722**	**$ 20,722**	**$ 21,240**
Actual Increase (decrease):	**$ 300**	**$ 406**	**$ -**	**$ 518**
Percentage Change:	**1.50%**	**2.00%**	**0.00%**	**2.50%**

Explanation: