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

Present: Chair Wayne Zavotka, Vice-Chair Loretta Dionne, Christopher "Selmi" Hyytinen (arrived 6:26), Paul McLatchy III, Laurie Pike

Board of Selectmen*: Chair Jennifer Morse, Vice-Chair Dennis May, Selectman Chuck Sokol

Other Attendees*: Dennis Annear, Fire Chief Candidate; Janice Boudreau, Executive Secretary; Paul McLatchy III, Administrative Assistant (briefly); Joanne Semanie; Julie Shippee, Police Chief; Brandon Sprague, Fire Chief

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

Call to Order: Chair Zavotka called the meeting to order at 6:05 P.M., with a quorum of the committee present.

Minutes: The minutes of January 30th were presented. With no changes, the minutes were approved as written.

Stipends: Mr. McLatchy presented a draft table that offered a possible way to objectively calculate stipends for boards and committees. It takes into account various factors such as number of meetings a year, additional trainings and regional meetings, employee oversight, etc…

Levy Limit: Per Ms. Pike, the utilities are not happy with their tax assessments and are likely to contest it via litigation.

Preliminary Budget Review: Members noted that the stipends for the fire chief and deputy fire chief have not followed the 2.5% COLA adjustment. This will be discussed when the hearing is conducted later in the meeting. Mr. Hyytinen and Ms. Pike suggested that budgets would be more complete if job descriptions were included, so that wages could be compared against responsibilities, number of hours, qualifications, etc… This idea seemed to be supported by the other members.

Joint Meeting: The joint meeting began at 6:30 with the Board of Selectmen.

Regional Radio: Chair Morse and Mr. McLatchy recently attended a conference hosted by FRCOG to discuss the regional radio system used by emergency services. The system is owned and administered by the 26 municipalities in Franklin County through FRCOG. The network is starting to fail, and parts are no longer able to be purchased new- they must be purchased via eBay and Craigslist or stripped from less-used towers. When originally built, FRCOG did not factor in a depreciation reserve, and as such, there are no funds available to rebuild. This leaves the towns with two options:

Option 1 is to build a new network from scratch. This will be designed so that existing reception problems will be fixed. The network would be owned by FRCOG, and administered locally. Taking into account design, construction, ongoing costs, and a depreciation reserve, it is estimated that it will cost $5-$10 million to start from scratch. Currently there is no mechanism that allows FRCOG to borrow on behalf of the towns, so legislation would need to be sought to give them authority. A preliminary payment schedule would assess towns an additional $10,500 per unit (fire department, police department, etc…). Rowe only pays for one unit per department, but some towns pay more- up to six units per department. No other repayment mechanism was offered by FRCOG, but this may not be the only option.

Option 2 is to join the state network. There would likely be little upfront cost, and possibly little to no ongoing costs. However, control would be at the state level, and there are currently coverage gaps in the existing network for the county. The state has also made no written commitments to adding Franklin County, though many verbal promises have been made. While many have touted it as a state-wide system, at this time only Barnstable County and part of Worcester County use it. There is no clear timeframe as to when Franklin County would be able to be added, and the existing system could critically fail in the next few years.

Yankee Road: Chair Morse and Mr. McLatchy attended a meeting last week with the engineering firm that examined Yankee Road. Currently the road is starting to crumble on the side closest to Deerfield River. This is due to poor soil conditions and settling over the years. Left alone, it would likely collapse at some point. It is the only reliable point of access to the site of the former power plant as the dam may not be traversable during severe weather and may not be rated for the extreme weights needed to move the dry storage casks. Therefore, the road needs to be replaced. The engineering company provided three options, but recommended the best and simplest option, which is also the cheapest. By moving the road three feet, installing subsurface reinforcements, and building a retaining wall, the road will no longer be in danger of eroding away. The option has been priced at $660,000, and a further $100,000 is estimated for final engineering costs. Chair Morse and Mr. McLatchy therefore have opined that a goal of $800,000 should be sought. State and federal assistance is being sought, with a letter going out to a number of different officials and bodies.

Zoar Road: The bridge on Zoar Road near the church has to immediately be brought down to one lane due to structural issues. When asked why this is only coming to light now, members were informed that the state recently redefined what constitutes a bridge. Before, bridges under ten feet and culverts were not examined. Now that they qualify, they are being inspected and deficiencies identified.

Grants: Chair Morse informed the two boards that the town received another grant for the King's Highway Bridge. As it took so long to receive approval, a different grant had been applied for and received. Chair Morse will try to see if she can shift moneys around to make every dollar count.

Insurance Budget: Mr. McLatchy briefly stepped out of his role as a member of the Finance Committee as he has two siblings on town insurance. He also stepped into his role as

Administrative Assistant as he has been involved with the insurance through the Hampshire County Group Insurance Trust (HCGIT). Ms. Pike also recused herself as she is on town insurance.

Ms. Boudreau presented a budget for next year's insurance costs. She has only included what the costs would be using the current plan enrollments. Premiums will be staying the same, but benefits will be lowered with increases to copays and a new deductible for medication. This was done by the HCGIT to avoid increasing premiums. In a town like Rowe where a large portion of the premiums are paid by the town, employees will be hardest hit over the changes. In other towns where employees pay a greater percentage, the increase in copays will likely be offset by the lack of a change in premiums.

She typically likes to budget for two or three extra plans in case new employees are added or change to a higher plan. A cushion of $41,000 was suggested to cover two unexpected employees on the highest plan.

There is approximately a 5% increase for the MIIA insurance as the town had a serious worker's comp claim this last year.

Old Home Day: No written budget has been submitted. There is no active Old Home Day Committee. The two boards briefly discussed looking into Old Home Day as a whole, but ultimately it was agreed to leave it as it is. The budget from last year- $5,000 for fireworks and $2,000 for everything else will be level-funded. Grants from the Local Cultural Council will also be sought to help defray costs.

Special Town Meeting & OBRA: The Selectmen have set a tentative date of March 5th for a special town meeting. This may be delayed as the OBRA matter is still being figured out. Depending on what is discovered, the town may be required to reimburse individuals for their social security deductions. Chair Morse spoke with the town's auditor, who said that the town can go with *either* OBRA or Social Security for its part-time employees, but not both. Selectman May said he spoke with someone from the state retirement system who also said the same thing.

Fire Department: Though the budget was discussed briefly, most of the discussion around the Fire Department had to do with bringing in a new chief and future plans to possibly regionalize. Dennis Annear will most likely be appointed as the new chief, and brings with him over forty years of service in the fire department. He listed just some of his many qualifications for the position.

There are a number of towns in the western part of the county that are looking into whether it might be beneficial to form a fire district. This would shift central authority and financing to a district organization rather than through the towns, though the decision makers would still be voters and elected officials. It may allow for greater efficiency and improved response, as well as a possible reduction in cost as some services and equipment could be downsized and/or shared. Nothing is being proposed at this point, and a possible district is still several years away at best. A district would essentially operate as a "mini-town", meaning costs would be raised through taxation, anyone in the district could vote and elect members of the prudential committee, etc…

In the meantime, Mr. Annear will serve as Fire Chief in both Rowe and Charlemont, though he will be employed individually by each town and not via an inter-municipal agreement. As he has such an impressive list of credentials, members seemed comfortable with the larger-than-COLA increase to the chief's stipend.

Mr. Annear recommended that the town consider selling its tanker, and has already done research into this process. He has found an interested fire department that will trade a body for the department's F-550 truck, essentially turning it into a brush truck. He also suggested that the town consider disposing of its 1993 truck and purchasing the 2003 model that Charlemont is going to be selling soon. Apparently the truck in Charlemont is in great condition and has low miles, it just simply no longer fits the needs of that town's department. He also suggested that the town look at leasing new SCBA units rather than buying a few every year. The cost would be roughly the same and allow for uniformity.

Next Meeting: The Finance Committee will meet on Wednesday, February 20th 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 by Mr. McLatchy and seconded by Vice-Chair Dionne to adjourn the meeting at 8:40 P.M. The vote was 5-0-0 in favor.

Respectfully Submitted,
Paul McLatchy III, Secretary

Approved: 2/20/19

Wayne Zavotka, Chairman

Loretta Dionne, Vice-Chairman

Paul McLatchy III, Secretary

Christopher "Selmi" Hyytinen, Member

Laurie Pike, Member

Attachments:

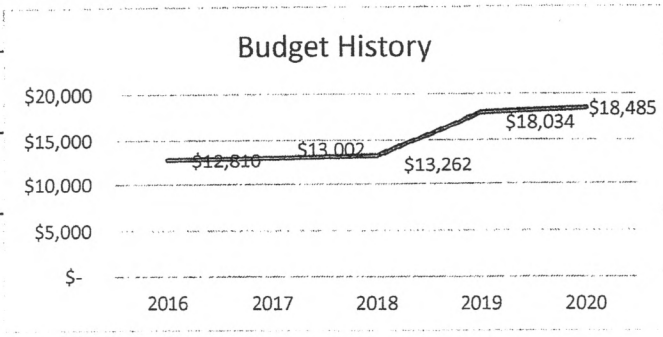
- Custodian Budget
- Insurance Budget
- Fire Department Budget
- stipend Table

Custodian Salary

$16,368
Voted FY19

$18,485
Requested Amount

$2,117
Amount of Increase



01-5-192-100 Custodian Salary
Account Number

App'd by Selectmen

Finance Committee

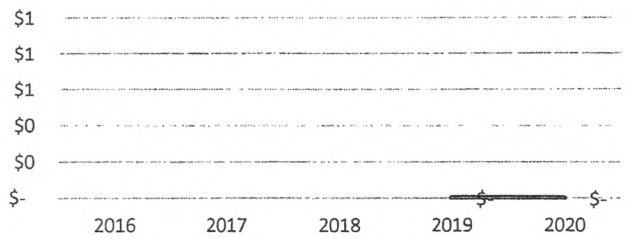
Description	VOTED 2017	VOTED 2018	VOTED 2019	REQUESTED 2020
Custodian SALARY	$ 13,002	$ 13,262	$ 18,034	**$ 18,485**
Totals:	**$ 13,002**	**$ 13,262**	**$ 18,034**	**$ 18,485**
Actual Increase (decrease):	**$ -**	**$ 260**	**$ 4,772**	**$ 451**
Percentage Change:	**2.00%**	**2.00%**	**35.98%**	**2.50%**

Explanation: FY2020 Cola 2.5%

Custodian

~~Accountant~~ Expenses

Voted FY19	Budget History	**Custodian Expense** Account Number
Requested Amount		App'd by Selectmen
Amount of Increase		Finance Committee



Description	VOTED 2017	VOTED 2018	VOTED 2019	REQUESTED 2020
Custodian Supplies				**$ 2,925**
Custodian Expenses				**$ 850**
add catagories				
Totals:	**$ -**	**$ -**	**$ -**	**$ 3,775**
Actual Increase (decrease):	**$ -**	**$ -**	**$ -**	**$ 3,775**
Percentage Change:	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**

Explanation: Custodian will not be responsible for own custodian supplies and expenses (mileage)

Remove	850	TH Operations	Mileage
Remove	1658.00	From TH Operations	Supplies
Remove	265	From Gracy House	Supplies
Remove	500	ire Station Operatior	Supplies
Remove	500	DPW Op's	Supplies

FY20	Employees	Total/Month	85%/Month	Rowe/ year	FY20
PLANS:					
Network Blue/NE - HMO	17	$ 23,027.90	$ 19,573.72	$ 234,884.64	
Blue Care Elect - PPO	10	$ 18,669.18	$ 15,868.80	$ 190,425.60	
MED EX 2	22	$ 7,612.00	$ 6,470.20	$ 77,642.40	
Health Insurance		$ 49,309.08	$ 41,912.72	**$ 502,952.64**	
Dental		$ 2,993.04	$ 2,544.08	**$ 30,529.00**	
Life		**$ 213.00**	$ 181.00	**$ 2,172.60**	
Group Medical/Medicare				**$ 535,654.24**	
SHARED INSURANCE 01-5-914-400					
MTRSD Shared School Employees				**$5,500.00**	
			Total FY20	**$ 541,154.24**	
01-5-192-430 Bonding & Insurance					
Police/Fire/EMS	Chubb		$ 8,054.00	$ 8,054.00	0.00%
Property & Workers Comp **	MIIA		$ 42,905.00	$ 45,050.00	5.00%
Bonds: Treasurer/Town Clerk/Tax	Travelers		$ 1,105.00	$ 1,105.00	0.00%
			$ 52,064.00	$ 54,209.00	4.12%

* How many extra to add in???

**due to claims frequentcy/severity
are assess this will go up
MIIA Rep. Mick Garrold rec. 5%
final figures in March

	① Trust	GIC	Westfield	Berkshire Health Group	Scantic Valley	② 7/1/2018 Proposed Change	③ 7/1/2019 Proposed Change
Medical Deductible	0	$500/$1,000 *$400/$800	$250/$750	$250/$500/$750	$0 or $250/$750	0	0
Office Visit	$15/$20	$10/$15/$20/$40	$ 20	$ 20	$ 20	$ 20	$ 20
Specialist Visit	$15/$20	**$30/$60/$75	$ 35	$ 35	$ 35	$ 40	$ 35 ↓
ER Visit Co-pay	$ 75	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Imaging Co-pay	0	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Out Patient Co-pay	0	$ 250	$ 110	$ 150	$ 150	$ 250	$ 150 ↓
Hospital co-pay	0	**$275/$500/$1,500	$ 250	$ 500	$ 500	$ 500	$ 250 ↓
Rx co-pay & Dedcut.	$10/$25/$45 $20/$50/$90	$10/$30/$65 $25/$75/$165 Ded $100/$200	$10/$25/$50 $20/$50/$110	$10/$25/$50 $20/$50/$110	$10/$25/$45 $20/$50/$110	$10/$30/$65 $25/$75/$165 Ded $100/$200	$10/$30/$65 $25/$75/$165 Ded $100/$200
Premium -HMO Ind	$ 633.26	$ 743.45	$ 637.67	$ 730.00	$722-$743	$ 633.26	$ 633.26
Premium -HMO+1	$ 1,474.70	n/a	n/a	n/a	n/a	$ 1,474.70	$ 1,474.70
Premium -HMO Fam	$ 1,817.88	$ 1,811.87	$ 1,667.80	$ 1,957.00	$1,791-$1,840	$ 1,817.88	$ 1,817.88
Premium - PPO Ind	$ 729.84		$ 993.06	$ 1,089.00	$1,356-$1,411	$ 729.84	$ 729.84
Premium - PPO Fam	$ 1,993.26		$ 2,651.81	$ 2,921.00	$2,947-$3,070	$ 1,993.26	$ 1,993.26

* Limited Network
** Tiered

Town of Rowe				
FY 20 Budget				
Department Name: Fire Dept.				
Submitted by: Brandon Sprague				
Categories of Expense	**Account Number**	**FY '19 Original Budget Amount**	**Requested FY 2020**	**Dollar Change**
Fire Chief Stipend	01-5-220-100	**$7,898.00**	**$10,000.00**	**$2,102.00**
Asst. Fire Chief Stipend	01-5-220-115	**$7868 (Admin)**	**$7,500.00**	**-$368.00**
EMS- Emergency Response Consulting	01-5-291-400	**$2,221.00**	**$2,221.00**	**$0.00**
Fire Department/EMS Personnel Stipends	01-5-220-130	**$16,865.00**	**$19,000.00**	**$2,135.00**
Fire Dept. General Operations	01-5-220-400	**$25,017.00**	**$25,017.00**	**$0.00**
Fire Department Electricity	01-5-220-420	**$1,560.00**	**$1,560.00**	**$0.00**
Fire Department Oil	01-5-220-410	**4,440.00**	**4,440.00**	**$0.00**
Fire Dept./EMS Operations Totals		**65,869.00**	**$69,738.00**	**$3,869.00**
Special Projects				
Hose Testing			**$1,500.00**	**$1,500.00**
Pump Testing			**$700.00**	**$700.00**

Fire Fighters F

Payrate $15.00 Station/Training Hours
$17.50 Emergency Response
$12 Junior Fire Fighters

8 FireFighters - 8 Hours Month Training
2 Jr. Fire Fighers - 8 Hour Month Training

$11,520 Fire Fighters
$2,304 Junior Fire Fighters
13,824 - Training & Station Hours

How to use: establish a base rate by using the first table, then multiply that rate by the factors in subsequent tables

In a typical year, how many times does your committee meet?

1-9	9-12	12-18	18-26	26+
0	250	500	750	1000

How many hours a month, on average, does **each** member of your committee do outside of meetings? (ex. If the chair of a 3-member board does 30 hours a month of work and the other two do nothing, each member does 10 hours) Do not include work done by staff employed by the board/committee.

0-3 Hours	3-8 Hours	8-12 Hours	12-16 Hours	17+ Hours
x1.0	x1.05	x1.1	x1.2	x1.3

Does your board oversee staff? If so, how many do they oversee? (Employees working less than 10 hours a week count as .25 employees, 10-20 hours a week as .50, and over 20 as 1.0)

No Staff	0-1	1-3	3-5	5+
x1.0	x1.1	x1.15	x1.2	x1.25

Per year, how many regional meetings, events, and trainings would members of your board not only be invited to, but actually attend?

Less than 2	2-3	4-5	5-6	6+
x1.0	x1.1	x1.15	x1.2	x1.3

How large of a budget does your board/committee control?

$0-$25,000	$25,001-$50,000	$50,001-$100,000	$100,000-$250,000	$250,001+
x1.00	x1.05	x1.10	x1.15	x1.20

Is your committee/board elected?

Yes	No
x1.0	x0.66

Do members of your board/committee have to go through required training to be a member of your board/committee?

Yes	No
x1.05	x1.0

	FinCom	BoS	Assessors
Meeting Frequency	750	1000	500
Outside Work	1.0	1.2	1.3
Staff	1.0	1.25	1.1
Other Meetings & Trainings	1.1	1.2	1.2
Budget	1.0	1.2	1.05
Elected vs. Appointed	1.0	1.0	1.0
Required Training	1.0	1.05	1.05
	$825	$2,268	$946