Rowe Finance Committee
Joint Meeting with the Board of Selectmen
April 20, 2021
6:00 P.M. via Remote Participation

Finance Committee: Chair Wayne Zavotka, Vice-Chair Loretta Dionne, Christopher "Selmi" Hyytinen (arrived at 7:31) Paul McLatchy III, Laurie Pike

Board of Selectmen: Chair Charles Sokol, Vice-Chair Joanne Semanie
Absent: Selectman Edward Silva

Other Attendees: Frederick Williams, Assessors Chair

Audience of Citizens: Rosemary Gordon

Note: Due to the national COVID-19 pandemic, this meeting was held via remote participation as authorized by executive order of the governor. All votes are taken via roll-call vote.

Call to Order: Chair Sokol called the Board of Selectmen meeting to order at 6:03 P.M., a quorum of the board present. Chair Zavotka called the Finance Committee meeting to order at 6:05 P.M., a quorum of the committee present.

Fire Department Shift Work: The Finance Committee decided against funding a shift work position in the Fire Department for FY22. The Selectmen still have the power to add additional articles to the warrant at their discretion. Neither member was in favor of funding the full $19,000 that was requested, but they may be willing to fund a smaller portion, which would incentivize the fire chief to obtain a grant to fund the other portion. The Selectmen agreed to wait until their meeting on Thursday to finalize their decision.

Fire Apparatus: $300,000 has been requested by the Fire Department from the Capital Stabilization Fund for an attack vehicle that is smaller than existing vehicles. This vehicle would be able to get to more areas in town due to its size and driving capabilities, and would also have more storage for medical equipment. This would replace one of the larger engines in the fleet, and Chief Annear indicated his willingness to sell one of the vehicles to offset the cost. Nothing else is being requested from Capital Stabilization this year.

> In the Fire Chief's opinion, there are no used vehicles that meet the criteria of the Fire Department, and leasing a vehicle like this is more akin to borrowing and paying off over multiple years rather than a traditional vehicle lease. Members agreed that if a vehicle was to be pursued, it would be paid outright rather than leasing due to the interest that accumulates.

A motion was made by Chair Zavotka to approve the purchase of an attack vehicle, and to require the sale of one of the other two existing engines. The motion was seconded by Ms. Pike.

Vice-Chair Dionne questioned the status of the last vehicle purchased by the department, as it seems to be sitting out in the parking lot without any use.

Mr. McLatchy was unsure of the purchase of a new vehicle as it seemed to be a very large sum of money for what the town was getting.

On the motion, the votes were as follows:

Wayne Zavotka	Aye	Loretta Dionne	Nay
Paul McLatchy III	Abstain	Laurie Pike	Aye

Due to the lack of three affirmative votes, it was agreed to have the Board of Selectmen decide this at their meeting on Thursday.

Other Post Employment Benefits (OPEB): Members were asked whether they want to authorize the creation of an OPEB Stabilization Fund, which would be used to help cover costs of future retirees. A motion was made by Chair Zavotka and seconded by Mr. McLatchy to request the creation of a stabilization fund at the annual town meeting. It was agreed that a stabilization fund would be considerably easier to manage than a trust fund.

On the motion to request creation of a fund, the votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye

Members then discussed whether any funding should be put into this fund, at least in FY22. Mr. McLatchy had advocated depositing half of the unallocated free cash into the account, as it would otherwise go into regular stabilization. Vice-Chair Semanie said she was hesitant as free cash has not yet been certified, so an amount couldn't be put on the warrant, which needs to be finalized soon.

Mr. McLatchy made a motion to add an article to the warrant asking for "a sum of money" from free cash to the OPEB Stabilization, with an explanation that a number will be provided at town meeting or tabled, and that the number requested will represent approximately 50% of unallocated free cash. The motion was seconded by Chair Zavotka, and the votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye

A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to concur with the Finance Committee's vote. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Highway Stabilization Fund: Members discussed the creation of a highway stabilization fund to help fund larger-ticket items like paving and bridge replacements. A motion was made by Chair Zavotka and seconded by Mr. McLatchy to request creation of a Highway Stabilization Fund. Chair Williams asked about whether this might include broadband, but Chair Sokol noted that there are already plans in the business model of the broadband network to cover depreciation costs. The votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye

A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to concur with the Finance Committee's vote. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Members continued to discuss whether any funding should be done in FY22 toward this fund. The Selectmen would like to see a permanent override pass which would provide a dedicated revenue source for the fund. However, because town resources cannot be used to advocate for or against a Proposition 2½ override question, the Board of Selectmen did not want to put a question on the ballot this year, as people would not have any information on it prior to voting (many people are voting by mail due to the pandemic).

A motion was made by Chair Zavotka to not fund the stabilization fund this year. The motion was seconded by Ms. Pike. After being requested, Chair Williams explained that with the current operating budget, the estimated tax rate will be $5.45 for residential, with around $600,000 in excess levy capacity. Therefore, any one-time appropriation up to $600,000 wouldn't require an override. If $400,000 was requested, the tax rate would jump up $0.50 to approximately $5.95, or roughly a $120 increase in the average tax bill. Chair Williams expressed concern over raising too much due to the unresolved appeals at the Appellate Tax Board (ATB).

Chair Zavotka suggested a smaller amount, but Mr. McLatchy suggested a smaller amount might cause some people to be shocked next year when a much larger number is proposed.

On the motion, the votes were as follows:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Nay	Laurie Pike	Aye

Chair Sokol asked whether the levy limit changes if the ATB rules in favor of the utilities. He answered that he was not entirely sure as it was new territory for the town. Vice-Chair

Semanie suggested waiting on funding and discuss the plan for next year with voters at the upcoming town meeting. She suggested transparency, but caution. Chair Sokol agreed, saying the Board needs to be careful and articulate in its explanation.
A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to concur with the Finance Committee's vote. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Broadband Principal: Members discussed whether to pay down any of the principal on the outstanding $500,000 in broadband borrowing. Chair Sokol pointed out that any appropriation is outside the levy limit due to an override. Chair Zavotka made a motion to request the town vote to raise and appropriate $100,000 towards the broadband debt principal. The motion was seconded by Mr. McLatchy, and the votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye

A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to concur with the Finance Committee's vote. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Free Cash: Historically the town has put any unallocated free cash into the stabilization fund. Mr. McLatchy made a motion to request the town allocate 50% of the remaining free cash into the stabilization fund, with the same explanation that will be given on the OPEB request. The motion was seconded by Chair Zavotka, and the votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye

A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to concur with the Finance Committee's vote. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Adjourn: A motion was made by Chair Sokol and seconded by Vice-Chair Semanie to adjourn the meeting at 7:23. The votes were unanimous in favor:

Charles Sokol	Aye	Joanne Semanie	Aye

Chair Sokol, Vice-Chair Semanie, and Chair Williams left the meeting.

Arrival: Mr. Hyytinen arrived at the meeting at 7:31.

Recommendations: Though the Committee has voted on all aspects of the budget, the warrant articles do not always mesh with votes. For example, the general government article took a half-

dozen votes by the Finance Committee as they voted on each department rather than as a group. Therefore, members agreed to review recommendations based on the draft warrant. Abstentions and non-unanimous votes were noted for each article.

Draft Report: Members reviewed the draft town meeting report written by Mr. McLatchy. Small changes were made, and it was agreed to meet closer to town meeting to finalize it.

Next Meeting: The committee will meet on May 4th at 6:00 to finalize the report and any last-minute changes to the budget.

Appreciation: Chair Zavotka wanted to express his appreciation for all the work the members of the committee have done this year. Though Mr. McLatchy will be stepping down and Ms. Pike is not running for re-election, he felt that this has been a very good group that works well together. The appreciation was echoed by other members.

Minutes: The minutes of February 11th, March 30th, and April 6th were reviewed. A motion was made by Chair Zavotka and seconded by Ms. Pike to approve the minutes as written. The votes were unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye
Chris Hyytinen	Aye		

Adjourn: A motion was made by Mr. McLatchy and seconded by Ms. Pike to adjourn the meeting at 7:43 P.M. The roll-call vote was unanimous in favor:

Wayne Zavotka	Aye	Loretta Dionne	Aye
Paul McLatchy III	Aye	Laurie Pike	Aye
Chris Hyytinen	Aye		

Respectfully Submitted,
Paul McLatchy III, Finance Committee Secretary

Approved: May 4, 2021

Paul McLatchy III, Secretary

Unable to be signed by entire committee due to COVID-19 pandemic.

Attachments:

- Agenda
- Draft Warrant
- Draft Town Meeting Report

Meeting Notice

Body: **Rowe Finance Committee & Board of Selectmen**

Dates: Tuesday, April 6, 2021 at 5:30 p.m. – Selectmen Only to Discuss Ballot Question

Tuesday, April 6, 2021 at 6:00 p.m.

Tuesday, April 13, 2021 at 6:00 p.m.

Tuesday, April 20, 2021 at 6:00 p.m.

Meetings normally held at the Municipal Offices are being held remotely, with adequate, alternative means of public access and, where required, public participation provided, in accordance with the Governor's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, M.G.L. c.30A § 20.

The public is welcome to participate.

REMOTE PARTICIPATION INFORMATION:
Meeting Host: zoom.us
Meeting ID: 288-065-7034
URL: https://zoom.us/j/2880657034
Telephone: 312-626-6799

Agenda: (Same for All Dates)

1. Call to Order
2. Recognize Online Guests
3. Review Presented Budgets
4. Review Items for Annual Town Meeting Presentation
5. Financial Planning
6. Any Items of Necessary Business Raised in the Last 48 Hours
7. Audience of Citizens
8. Adjourn

Wayne Zavotka, Chair
Rowe Finance Committee

Chuck Sokol, Chair
Rowe Board of Selectmen

Posted: Janice Boudreau – April 1, 2021 at 1:30 pm
Filed: Town Clerk – April 1, 2021

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Annual Town Meeting – FY2022

Town of Rowe
Commonwealth of Massachusetts

Franklin, SS.

To either constable of the Town of Rowe in the County of Franklin,

Greeting:

In the name of the Commonwealth of Massachusetts, you are directed to notify and warn the inhabitants of the Town of Rowe, qualified to vote in the elections and town affairs, to meet at the **ROWE ELEMENTARY SCHOOL** in said **ROWE**, on **SATURDAY**, the **FIFTEENTH** day of **MAY 2021** at **10:00 A.M.** in the morning, with a rain date of **SUNDAY**, the **SIXTEENTH** day of **MAY 2021** at **10:00 A.M.** in the morning, then and there to act on the following articles:

ARTICLE 1: To act on reports of the Town Officers and Committees.

ARTICLE 2: To see if the Town will vote to authorize, pursuant to M.G.L. c.44 §53E½ and the Town of Rowe General Bylaws, the following sums for **REVOLVING FUNDS,** or take any action in relation thereto:

Revolving Fund	Entity Authorized to Spend from Fund	Fees, Charges, or Receipts Credited to Fund	Program or Activity Expenses Payable from Fund	Restrictions or Conditions on Expenses Payable from Fund	Fiscal Years
Emergency Dispensing Site	Board of Health	Receipts Related to the Emergency Dispensing Site Operations	Dispensing medicines or medical supplies during an emergency	Limit of $1,000.00	Fiscal Year 2021
Recycling Program	Board of Health	Receipts Related to the Recycling Program	Operation of solid waste and recycling programs, membership in and services of the Franklin County Solid Waste Management District, and the purchase of recycled content or environmentally preferable products	Limit of $5,000.00	Fiscal Year 2021
Vaccine Services	Board of Health	Receipts from Insurance Billing	Vaccine Services	Limit of $6,000.00	Fiscal Year 2021
School Programs	School Committee	Fees for School Programs	Offset Department Costs of School Programs	Limit of $10,000.00	Fiscal Year 2021
Old Home Day	Old Home Day Committee	Receipts Generated by Old Home Day Activities and Programs	Expenses of Old Home Day	Limit of $2,000.00	Fiscal Year 2021

Refuse Garden	Board of Health	Receipts Related to the Refuse Garden Operations	Operation of the town Refuse Garden	Limit of $5,000.00	Fiscal Year 2021 and Subsequent Years
Planning Board Legal/ Consulting	Planning Board	Receipts Related to Fees for Special Permits and Other Work of the Planning Board	Legal consultation and representation	Limit of $50,000.00	Fiscal Year 2021 and Subsequent Years
Park Programs	Park Commission	Receipts Related to Park Programs	Operation of programs run by the Pelham Lake Park	Limit of $2,000.00	Fiscal Year 2021 and Subsequent Years

ARTICLE 3: To see if the Town will vote to **AUTHORIZE** the **BOARD OF SELECTMEN** to apply for, accept, and expend federal and state grants as may be available, or take any action in relation thereto.

ARTICLE 4: To see if the Town will vote to **AUTHORIZE** the **TREASURER** to enter into compensating balance agreements during the 2022 fiscal year, pursuant to M.G.L. c.44 §53F, or take any action in relation thereto.

ARTICLE 5: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums and to set the stipends/salary compensation for all elected officials of the town as provided by M.G.L. c.41 §108, to be made effective from July 1, 2021, as follows or take any action in relation thereto:

Elected Boards & Committees:

Board of Assessors (3) $5,354
Board of Health (3) $4,938
Board of Selectmen (3) $5,928
School Committee (3) $4,564

Elected Town Officers

Constable $549
Moderator $439
Town Clerk $13,835

TOTAL ELECTED OFFICIALS SALARIES FROM TAXATION $35,607

Recommended by the Finance Committee, Unanimous (one abstention)

ARTICLE 6: To see if the Town will vote to **RAISE AND APPROPRIATE** the sum of **$2,150** for **INTEREST ON INDEBTEDNESS** for the 2022 Fiscal Year or take any action in relation thereto.

Recommended by the Finance Committee, Unanimous

ARTICLE 7: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **THE CONDUCT OF GENERAL GOVERNMENT**, including the charges and expenses of the various town offices, for the 2022 Fiscal Year or take any action in relation thereto:

Administration

General Administration	$135,752
Municipal Audit	$8,000
Executive Secretary	$50,469
Administrative Assistant to the Boards	$43,706
Town Hall Custodian Wages	$19,422
Custodian Expenses	$4,775
Legal	$8,000
Tax Collector Salary	$8,528
Tax Collector Operations	$7,997
Treasurer Salary	$28,397
Treasurer Operations	$10,000
Assistant Town Clerk Stipend	$1,200
Town Clerk Expenses	$2,960
Conservation Commission	$1,180
Council on Aging	$3,800
Goal Post Editor Wages	$6,304
Goal Post Operations	$3,000
Veteran's Services	$4,869
FRCOG Services	$23,044
Town Accountant Salary	$44,373*
Town Accountant Expenses	$3,972
Subtotal Administration	$419,748

Board of Assessors

Assessors' Clerk Wages	$12,000
Assessors' Reval/Annual Updates	$22,600
Assessors' Operations	$9,900
Subtotal Board of Assessors	$44,500

Planning Board

Planning Board Operations	$2,000

TOTAL GENERAL GOVERNMENT FROM TAXATION $466,248

***Explanation:** 40% of the Town Accountant's salary is paid for by the Town of Monroe through a shared services agreement. However, Rowe must budget the entire amount and then be reimbursed. This "jump" will not increase taxes and is only an accounting mechanism.

Recommended by the Finance Committee, Unanimous (one abstention)

ARTICLE 8: To see if the Town will vote to **RAISE AND APPROPRIATE** the sum of **$5,000** to the **PLANNING BOARD LEGAL/CONSULTING REVOLVING FUND** for the 2022 Fiscal Year or take any action in relation thereto.

Recommended by the Finance Committee, Unanimous

ARTICLE 9: To see if the Town will vote to **RAISE AND APPROPRIATE** the sum of **$20,000** to be used as a **RESERVE FUND**, pursuant to M.G.L. c.40, §6 for the extraordinary or unforeseen expenditures for the 2022 Fiscal Year or take any action in relation thereto.

Recommended by the Finance Committee, Unanimous

ARTICLE 10: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for the operation and maintenance of **PUBLIC WORKS AND FACILITIES** for the 2022 Fiscal Year or take any action in relation thereto:

Highway Department

DPW Salaries and Wages	$296,033*
Roadside Work	$5,000
DPW Operations	$215,038*
Winter Roads	$68,612
Subtotal Highway Department	$584,683

Other Public Works & Facilities

Street Lighting	$5,500
Municipal Light Plant Operations	$1,000
Municipal Light Plant Manager Stipend	$6,800
Dam Maintenance/Repair	$1,200
Subtotal Other Public Works & Facilities	$14,500

Cemetery Commission

Cemetery Operations	$15,000

TOTAL PUBLIC WORKS & FACILITIES FROM TAXATION.....$614,183

***Explanation:** $20,000 was removed from the DPW department as the Grasshopper program has been cancelled in 2021 due to the pandemic. This amount is being requested in the Park's budget to enable them to hire additional youth workers from the grasshopper program, with the intent that it will be shifted back for FY23. $1,500 from youth expenses for the grasshopper program will also be shifted to the park, with the intent to return it in FY23.

Recommended by the Finance Committee, Unanimous

ARTICLE 11: To see if the Town will vote to **APPROPRIATE** from **ANY AVAILABLE FUND** the sum of **$141,851** for the maintenance, repair, improvement, and construction of town highways, or any other purpose allowed under Chapter 90, which amounts shall be reimbursed by the Commonwealth of Massachusetts through funds made available by Chapter 90 or take any action in relation thereto.

Recommended by the Finance Committee, Unanimous

ARTICLE 12: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **PUBLIC SAFETY** for the 2022 Fiscal Year or take any action in relation thereto:

Police Department

Police Salaries	$57,347
Police Operations	$10,200
Subtotal Police Department	$67,547

Fire Department

Fire Department Stipends & Wages	$35,722
Fire Department Operations	$43,392
Subtotal Fire Department	$79,114

Emergency Management

Emergency Management Stipends	$3,864
Emergency Management Operations	$1,000
Generator Maintenance	$3,500
Subtotal Emergency Management	$8,364

Animal Control and Inspection

Animal Control Stipends	$1,157
Animal Inspector Stipend	$532
Regional Dog Kennel	$350
Subtotal Animal Control	$2,039

TOTAL PUBLIC SAFETY FROM TAXATION $157,064

Recommended by the Finance Committee, Unanimous (one abstention)

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the sum of **$19,000** for **FIRE DEPARTMENT SHIFT WORK** for the 2022 Fiscal Year or take any action in relation thereto.

Explanation: The $19,000 requested by the Fire Chief for shift work was not approved by the Finance Committee during the budgeting process. Therefore, it does not appear as part of their budget proposal and required a separate warrant article proposed by the Board of Selectmen.

Commented [AA1]: Is the BOS going to propose any funding for this position or going to scrap this article?

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **PUBLIC HEALTH** for the 2022 Fiscal Year or take any action in relation thereto:

Public Health

Health Department Stipends and Wages	$77,394
Board of Health Operations	$66,085

TOTAL PUBLIC HEALTH FROM TAXATION $143,479

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **PUBLIC SCHOOLS** for the 2022 Fiscal Year or take any action in relation thereto:

Education

Rowe School PreK-6 Operating Budget	$1,146,527
Rowe School Secondary 7-12	$503,453

TOTAL PUBLIC SCHOOLS FROM TAXATION $1,649,980

Recommended by the Finance Committee, Unanimous (one abstention)

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **ROWE TOWN LIBRARY** for the 2022 Fiscal Year or take any action in relation thereto:

Rowe Town Library

Library Wages	$43,975
Library Operations	$28,150

TOTAL ROWE TOWN LIBRARY FROM TAXATION $72,125

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **MANAGEMENT AND OPERATION OF PELHAM LAKE PARK** for the 2022 Fiscal Year or take any action in relation thereto:

Pelham Lake Park

Park Wages	$117,108*
Park Operations	$23,500*

TOTAL PELHAM LAKE PARK FROM TAXATION $140,608

***Explanation:** The $20,000/$1,500 increase in wages/operations is due to the grasshopper program being cancelled, which cannot be safely run due to the Covid-19 Pandemic. These funds have been reappropriated from that program to the Park budget which will allow the Park to hire additional youths from the grasshopper program over the summer. It is planned to return these funds to the DPW's budget in FY2023 and is a one-time increase in wages.

Recommended by the Finance Committee, Unanimous (two abstentions)

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **CULTURE AND RECREATION** for the 2022 Fiscal Year or take any action in relation thereto:

Culture and Recreation

Gracy House Operations	$1,000
Beautification	$500

TOTAL CULTURE AND RECREATION FROM TAXATION $1,500

Recommended by the Finance Committee, Not Unanimous

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the following sums for **PENSIONS AND INSURANCE** for the 2022 Fiscal Year or take any action in relation thereto:

Pensions and Insurance

Franklin County Retirement Assessment	$151,240
Unemployment Insurance	$20,000
Group Health/Dental/Life Insurance	$655,000*
Medicare Tax – Town Share	$27,000

TOTAL PENSIONS AND INSURANCE FROM TAXATION $853,240

***Explanation:** Please see the Finance Committee's Annual Town Meeting Report for a more detailed breakdown of the Health/Dental/Life Insurance costs by department.

Recommended by the Finance Committee, Unanimous (two abstentions)

ARTICLE X: To see if the Town will vote to **APPROPRIATE** from **FREE CASH** the following sums for **SPECIAL PROJECTS** or take any action in relation thereto:

ADMIN	Oil Tank Removal from School	$20,000
ADMIN	Oil Tank Replacement & Oil Removal	TBD
PARK	Tree Removal	$9,500
PARK	Trail Assessment	$4,420
ASSESSORS	Consultant/Legal Support	$50,000
CEMETERY	North Cemetery Wall Repair	$3,600
FIRE	Equipment Rack	$8,000
FIRE	Wilderness Rescue Equipment	$4,500
OHD	Fireworks- 2022	$5,000

TOTAL SPECIAL PROJECTS FROM FREE CASH $105,020

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **TRANSFER** from **FREE CASH** to the **STABILIZATION FUND** the sum of **$12,500** to replenish funds appropriated from the Stabilization Fund in October 2020 or take any action in relation thereto.

Explanation: As Free Cash had not been certified yet, $12,500 was appropriated from Stabilization for security equipment at the school and for cemetery legal fees, with the intent to replenish these funds when Free Cash was certified.

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **APPROPRIATE** from **FREE CASH** the sum of **$100,000** for the purpose of paying down principal on the Broadband Debt or take any action in relation thereto.

Commented [AA2]: BOS Needs to decide how much to pay down, if any. Also, where to appropriate from.

ARTICLE X: To see if the Town will vote to **APPROPRIATE** from the **CAPITAL STABILIZATION FUND** the following sums for **CAPITAL IMPROVEMENTS, REPAIRS, AND PROPERTY** or take any action in relation thereto:

FIRE	Utility Vehicle	$300,000

Note: Appropriations from a stabilization fund require 2/3 majority vote.

Recommended by the Finance Committee, Unanimous

Commented [AA3]: Need to make a final decision on whether to propose this at this year's ATM or not.

ARTICLE X: To see if the Town will vote to **CREATE AND ESTABLISH** a new **OTHER POST EMPLOYMENT BENEFITS (OPEB) STABILIZATION FUND**, for the purpose of funding retiree benefits, including, but not limited to health insurance, dental insurance, life insurance, and pension assessments, or take any action in relation thereto.

Note: Articles creating new stabilization funds require a 2/3 majority vote. This article does not appropriate any money to this fund and only authorizes the creation of said fund.

Explanation: It has been recommended that the town begin contributing funds to an OPEB fund that can be used to pay for some or all of future retiree benefits. Even in the event of a massive loss in tax revenue, the town is obligated to pay for current and future retiree benefits. Savings in this stabilization fund would be accumulated over years and would be used in the future to help offset some or all expenses in the event that tax revenues are drastically reduced.

Commented [AA4]: Decide if this is appropriate for wording and explanation.

ARTICLE X: To see if the Town will vote to **TRANSFER** from **FREE CASH** to the **OPEB STABILIZATION FUND** the sum of **$XXXXX** or take any action in relation thereto.

Note: This vote is contingent upon the creation of the OPEB Stabilization Fund in Article XXX.

Explanation: It has been the practice to appropriate any unappropriated Free Cash to Stabilization at the end of the budgeting process. This represents half of the remaining Free Cash.

Commented [AA5]: Should any funds be appropriated this year?

ARTICLE X: To see if the Town will vote to **TRANSFER** from **FREE CASH** to the **STABILIZATION FUND** the sum of **$XXXXX** or take any action in relation thereto.

Explanation: It has been the practice to appropriate any unexpended Free Cash to Stabilization at the end of the budgeting process. This represents half of the remaining Free Cash.

Commented [AA6]: Will update if changes are made.

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **CREATE AND ESTABLISH** a new **ROAD INFRASTRUCTURE STABILIZATION FUND**, for the purpose of funding infrastructure repairs and improvements, including, but not limited to: paved roads, dirt roads, bridges, culverts, and drains, or take any action in relation thereto.

Commented [AA7]: Need to decide on a name.

Note: Articles creating new stabilization funds require a 2/3 majority vote. This article does not appropriate any money to this fund and only authorizes the creation of said fund.

Explanation: The cost of road repairs/improvements has risen drastically in the last twenty years- even accounting for inflation, the cost has more than doubled. Chapter 90 funds are no longer sufficient to adequately maintain our infrastructure, and many project costs are too large to be absorbed into a single budget year. This fund would be used to help save and pay for future large-cost improvements like paving, dirt road rebuilding, bridge replacement, etc.

Commented [AA8]: Is this explanation adequate/appropriate?

Recommended by the Finance Committee, Unanimous

ARTICLE X: To see if the Town will vote to **RAISE AND APPROPRIATE** the sum of **$XXX,XXX** to the **ROAD INFRASTRUCTURE STABILIZATION FUND** or take any action in relation thereto.

Commented [AA9]: How much, if anything, does the BOS/FinCom want to raise into this account?

Recommended by the Finance Committee, Unanimous

ARTICLE X: To transact any other business that may lawfully come before the meeting.

And you are directed to serve this warrant by posting up attested copies thereof at the **ROWE TOWN HALL** and **ROWE TRANSFER STATION** in said Town, fourteen days at least before the time of holding said meeting.

Hereof fail not, and make due return of the warrant, with your doings thereon, to the Town Clerk at the time of said meeting as aforesaid.

Given under our hands this _____ day of _____ in the year **TWO THOUSAND AND TWENTY-ONE.**

_____
Charles Sokol, Chair

_____
Joanne Semanie, Vice-Chair

_____
Edward Silva, Selectman

A true copy, attest: _____
Henry Dandeneau, Constable

Franklin, SS.
Pursuant to the within warrant, I have notified and warned the inhabitants of the Town of Rowe by posting up attested copies of the same at the **ROWE TOWN HALL** and the **ROWE TRANSFER STATION**, fourteen days before the date hereof, as within directed.

_____ _____
Henry Dandeneau, Constable Date

Annual Town Meeting

Report of the Finance Committee

Introduction

In the past Finance Committees often included a written financial report alongside the proposed budget prior to the Annual Town Meeting. We are pleased to start this again and provide additional information for our voters. We hope that this information is helpful and educational while politically neutral. Whether you are an experienced town meeting attendee or showing up for the first time, we thank you for your participation in our democratic institutions and for your role in shaping town policy.

Finance Committee Changes

Last year there was a change to the role of the Finance Committee in the budgeting process. Previously the Board of Selectmen would set the budget with the Finance Committee having recommending authority, but no ability to make any changes and no ability to bring something to town meeting floor. Last year a change was made in the bylaws that clarifies it is the duty of the Finance Committee to submit a budget to the townspeople. This shifted the Finance Committee from being merely an advisory body to actually having some control over the budget proposals. This has given the Finance Committee a more meaningful role in town governance.

In the past few years, not only have all five seats been filled, but the members have even sought reelection to their seats. While new people are always encouraged to run, it's reassuring to see that the committee is likely to have a full complement of members for the foreseeable future.

Budget Comparison

Due to the revaluation of the hydroelectric properties in town a few years ago, Rowe has been fortunate in that we are not being tightly constrained to the limits of Proposition 2½. However, just because we *can* tax more does not mean that we *should*. We have therefore strived to try and formulate a budget that both continues to provide the services we desire while being fiscally responsible.

Under the Finance Committee's proposed operating budget, the total amount being requested is $4,161,184. Removing $24,300 for Monroe's portion of the shared accountant, this reduces the amount raised from taxation to $4,136,884. This is a $99,194 increase over last year, or a 2.46% increase. This does not include things like special projects or payment on debt, which are not recurring expenses.

In a normal year, the "magic number" most people look for is 2.5%. Due to the pandemic having a major impact on how certain departments function, the Finance Committee and Board of Selectmen made sure to examine more than just the last fiscal year when drafting the budget. This was important to help explain any larger discrepancies.

Noteworthy Items (i.e. Which lines are more likely to raise questions)

Stipends: This article combines all the elected officials in one section. Stipends for elected officials have not seen any increase in at least two years.

Treasurer: The treasurer position was changed from a part-time position to a full-time position.

Town Accountant: Rowe shares its town accountant with Monroe. The requested amount is for the total cost, which Monroe will reimburse 40%.

Road Surface Reclamation: As this line had been level-funded for a few years, it was agreed to increase to help keep pace with rising costs.

Nurse Wages: As the previous nurse retired, a new nurse has been hired on at a lower wage. This does not represent a reduction in hours.

Rowe School: Cuts made in FY21 were restored, with contractual increases and expenses driving the bulk of the increases.

7-12 Schools: Busing costs have been reduced due to reduction of a vehicle. More students are attending Tech, driving up the tuition.

Park Wages and Operations: As the Grasshopper youth program cannot be held, funds from that line were shifted to the park to hire youth from that program. It is intended to return these funds back to the DPW in FY23.

Pensions and Insurance: These are often uncontrollable that fluctuate each year.

New Stabilization Funds

The Finance Committee is supporting two new stabilization funds. At this time, no dedicated revenue source is being approved, and every appropriation to/from these accounts require town meeting approval.

(Continued on Next Page)

Other Post-Employment Benefits (OPEB) Stabilization Fund: This fund is planned on being used as a "rainy day" fund that will be used to help pay for retirement benefits if the town's revenues decrease in the future. OPEB liabilities include retiree health, dental, and life insurances, and regional retirement assessments. Even if the town loses its major source of revenue, the town is still required to pay on these liabilities. Right now, we pay on an annual basis as part of the benefits line, but if our tax base decreases we may have to make major cuts elsewhere to continue to pay for it out of the operating budget. There is no intent to utilize this fund unless the town's revenues shrink drastically or liabilities decrease to a much lower level and there is a surplus.

Highway Stabilization Fund: This fund would be used to help pay for road/bridge maintenance for larger projects. This past year Kings Highway Bridge was replaced for approximately $600,000. Luckily, the town obtained grants, but there may be times when funding is not available from the state and a project needs to be completed. This fund can be used to help offset some or all those costs. This would not be used to pay for smaller projects like filling in potholes but would be used to help pay for large expenses like paving or road reconstruction that cannot be covered solely by Chapter 90 and/or town appropriations.

Conclusion

The Finance Committee and Board of Selectmen worked closely together with departments during a pandemic to try and develop an appropriate budget for town meeting. We want to thank town hall staff and all department heads for their cooperation and support during this endeavor.

We hope that voters will feel encouraged to ask questions during town meeting.

Respectfully Submitted,

Wayne Zavotka, Chairman
Loretta Dionne, Vice-Chair
Paul McLatchy III, Secretary
Christopher "Selmi" Hyytinen, Member
Laurie Pike, Member

Rowe Finance Committee

Budget Numbers Including Benefit Costs

For every benefitted position that is created, the town must budget $21,426 in benefits (health, dental, life). This information is not being provided to discourage hiring or target any one department, but to educate the public and town officials on the "hidden" costs of employees that may be overlooked.

General Government/Administration	
Operating Budget:	$419,478
Benefit Costs:	$46,214
True Costs:	$465,692

DPW/Highway	
Operating Budget:	$584,683
Benefit Costs:	$52,217
True Costs:	$636,900

Police Department	
Operating Budget:	$67,547
Benefit Costs:	$0
True Costs:	$67,547

Board of Health	
Operating Budget:	$143,479
Benefit Costs:	$73
True Costs:	$143,552

Parks	
Operating Budget:	$140,608
Benefit Costs:	$19,672
True Costs:	$160,280

Library	
Operating Budget:	$72,125
Benefit Costs:	$19,672
True Costs:	$91,797

Elementary School	
Operating Budget:	$1,146,527
Benefit Costs:	$330,574
True Costs:	$1,477,101

Retirement	
Operating Budget:	$0
Benefit Costs:	$154,812
True Costs:	$154,812