



Franklin

MASSACHUSETTS

Finance Committee

Meeting Date: April 17, 2018

Present: Dufour, Conley, Dewsnap, Fleming, Huempfner, Wiech, Dowd, Moses, Smith

Absent: None

Call to order: 7:00 PM

Citizens Comments: None, no citizens present

Approval of minutes: Minutes of January 30, 2018 were reviewed and approved. Vote 9-0,

Budget Overview: TA Nutting

- Jeff Nutting updated the committee on the budget process and the overall status of the fiscal 19 budget. The school committee has asked for the largest year over year budget in recent memory - \$3 million. This is primarily due to the drawing down of revolving fund balances to supplement the yearly budget that have now been reduced to lower levels. In effect the remainder of the budget is level funded with adjustments for contractual salary adjustments along with a 3% COLA. The Health Department is being merged into the Inspections Department resulting in a slight staff reduction but will provide more staff access overall. He indicated that to balance the budget approximately \$1.5 million will be transferred from the budget stabilization account that was created for a rainy day. He indicated that it is now raining in Franklin. A more permanent solution must be found for next year. There are two ballot questions this November (sales tax reduction and surtax on very high earners) could have a dramatic effect on future budgets.

Department Overviews:

- **Veterans Department - Dale Kurtz:** who is paid for by Norfolk County although he works in Franklin indicated that his budget is down slightly due to him getting employment for several clients and getting others signed up on Mass Health. VA benefits do get reimbursed at a 75% rate.
- **Council on Aging – Karen Alves:** All agreed that the Franklin Senior is among the best if not the best such facility in the state. Funding of about \$200,000 is provided by the town with grant money, fees and other sources supplementing the budget. 7 Hours is

being added to her social services employee. The main reason for the increase is the demands for housing, fuel assistance and social needs have risen steadily. Dozens of homeless Franklinites of all ages have been helped over the last several years.

- **Inspections – Gus Brown:** Inspections will absorb the health office which will result in a slight staff reduction but better staff availability. E-Permitting will be implemented later this year which will also increase efficiency.
- **Fire Department – Chief Gary McCarraher:** Fire Department will reach about 4,300 calls this year which is a significant increase over last year. Through three quarters of this year we are at a level equal to a full year's calls less than 5 years ago. Back to back calls are at record levels leaving the department with no resources to respond to the next call. This drives up the need to go to mutual aid resources. Mutual aid resources will be required about 200 times this year. This combination leaves about 5 hours daily that we are unable to respond. A Franklin ambulance responds to a call in about 5 minutes while mutual aid takes an average of 12 minutes. The solution will be to add 8 firefighters but at this point it is just fiscally impossible. The addition would also permit the addition of supervisory staff that is needed. With the added call volume vehicle maintenance is also increasing which has resulted in the decision to keep the current backup ambulance when the new vehicle arrives thus spreading the backup duties over two vehicles. As for staffing, it is anticipated that the current deputy may retire and there are currently 14 staff members with less than 5 years' experience with another 5 to be replaced soon.
- **Health Department:** Budget down \$19K due to reorg with Inspections.
- **Planning and Community Development – Brian Taberner:** Level funded budget – COLA adjustment only. Minor changes to marketing/advertising.
- **Assessors – Kevin Doyle:** Level funded – COLA only.
- **Treasurer/Collector- Chris Sandini:** Slight salary increase to allow for hiring new deputy treasurer/collector in anticipation of the retirement of the existing deputy.
- **Finance Director (formerly Controller):** Purchasing and the Treasurer/Collector now report to the Finance Director. Slight contractual increases and COLA.
- **Human Resources:** COLA increase and increase in medical expense due to the hiring of police officers and firefighters.
- **Facilities:** Contractual increases and a rebid of electricity resulting in an increase from \$.07 to \$.10 or about \$100,000. 90% of our electricity comes from the solar farm. Overall the town ranks very high in energy efficiency due to many years of paying attention to energy efficient equipment when replace old equipment.
- **Street Lights:** The replacement of current street lighting is being delayed by National Grid lagging behind in validating current inventory of 1,700+/- street lights. Several "test" streets will get new lighting shortly to test various configurations.
- **Department of Public Works:** Contractual wage increases and COLA. Current pavement management plan being updated and ready in several months. Tremendous job considering that they have absorbed added parks, playgrounds and fields over the last few years with virtually the same staff.

- **Enterprise Accounts:**
 - **WATER:** Small rate increase anticipated to cover costs of water treatment plant for wells 6&7, cost is about \$17 million probable bond authorization coming.
 - **SEWER:** Rate increase looming, primary driver is Charles River Pollution Control District. They have gone through an upgrade in recent years.
 - **TRASH:** Recently approved \$4 yearly increase but still remains lower than several years ago.
- **Tri-County Regional School:** Cost is driven by number of Franklin students enrolled and is set each October. They will be looking to do repairs to the building that was built in 1978. Clearly an asset to Franklin.
- **Employee Benefits:** Pension costs are up 8-9%. Health costs rose a reasonable 4.5% considering the health insurance environment. Committee of town staff and employees deserves much credit for their work in researching all options and holding the line on costs.
- **Liability Insurance:** Increase due to past large claims primarily at High School and Keller-Sullivan. Both claims were the result of sprinkler issues.
- **Debt Service:** High School debt does not impact this since it was debt excluded. Library renovation cost will cause increase but existing debt is coming off so we will continue with some debt capability.
- **Town Council:** Routine memberships and publications.
- **Town Administrator:** Increase due to wage adjustments only.
- **Finance Committee:** Memberships and meetings only.
- **Legal:** Includes in-house attorney and money for labor attorney for arbitration. All employees under contract until summer 2019.
- **Central Services:** Primarily for office supplies etc.
- **Animal Control:** Shared service with Bellingham – long standing great deal for both communities.
- **Historical Commision:** Some money provided to start the process on cataloging and preserving the many items that have been donated.
- **Memorial Day:** Primarily for flags etc.
- **Cultural Council:** Highly successful program that is bringing business to the downtown.

General Discussion:

- **Future Large Projects:**
 - **Police Station:** Building opened in 1991 and much has changed since that time. Dispatchers will be moving out this year and potential of regional lockup exists.
 - **Recycling Center:** After state land swap is completed the final capping of the old landfill must be done. Guessing the cost will be in the \$3 million range.
 - **Water/Sewer:** Water projects must continue to maintain quality. The Beaver Street interceptor will eventually need to be addressed with a very large cost

- **Roads:** Will also be an issue but borrowing is not the answer since it is a continuing issue.
- **General Building Maintenance:** Town buildings are currently in very good shape but over time roofs and HVAC need to be replaced.
- **Land:** Need to be aware of potential to by land in town as it comes available,

Adjourn