

Lunenburg Finance Committee Meeting Minutes
Bilotta Meeting Room
Lunenburg Town Hall
March 28, 2024

Present Members: Chair Evan Watters, Vice Chair Chris Menard, Clerk Tiffaney Tavares, Board Member Tom Gray, Board Member Dave Passios, Board Member Jean Russell (Zoom), Board Member Jay Simeone.

1. Call to Order

The meeting opened at 7:00 PM.

2. Pledge of Allegiance

3. Announcements

There were no announcements.

4. Public Comment

Rhonda Liscio questions if there will be public comments during the article discussions. Evan Watters says yes.

Evan Watters states Jean Russell is joining the meeting remotely thus all votes taken will be roll call votes.

5. New Business

a. 7:05pm - Public Hearing on Warrant Articles

There was a motion to open public meeting by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye.

Annual Town Meeting Articles

Article A: To see if the town will vote to hear and/or accept the regular written reports of the Town Officers and Committees.

There were no Committee or public questions/comments.

Article B: Annual article to vote on the spendings threshold every year for the rest of the revolving fund.

There were no Committee or public questions/comments.

Article C: The Conservation Commission chair recently reviewed this bylaw and saw reference to a revolving fund. This is a creation referring to the

revolving fund that's already in the existing law. The total amount generated from the bylaw is \$50,000.

There were no Committee or public questions/comments.

Article D: Article to see if the town will vote to raise, appropriate or transfer funds from a sum of money for payment of prior years' expenses.

This is a reoccurring article that currently has no prior year expenses.

Article E: Article to transfer from available funds all sums of money necessary to amend the amounts voted for the towns FY 24 budget.

Currently Heather Lemieux doesn't have the numbers for this article.

Article F: Article to see if the town will vote to raise and appropriate, borrow, or transfer from available funds a sum of money for the FY 25 Capital Plan.

There were no Committee or public questions/comments.

Article G: Article to see if the town will vote to raise and appropriate, borrow, or transfer from available funds a sum of money to defray the charges and expenses of the Town and to fix the salaries and compensation of all elected officials of the town.

TJ Laughlin, 207 Rolling Acres Road, questions if the recommended budget conclusion slide includes the schools. Heather Lemieux confirms the slide includes the schools.

Article H: Article to see if the town will vote to raise and appropriate \$948,000 to supplement the Lunenburg Public Schools operating budget for FY 25 contingent upon the passage of prop 2 ½ ballot question.

This is the gap between the needs-based budget up to the level service budget minus Esser funds.

Rhonda Liscio, 181 Reservoir Road, appreciate the increasing efficiencies between the town and the school and that the Committee has been doing everything they can to share the resources between the 2. The extra money added to the school budget came from the town's side. Every group in town has lost service to give to the school group. Rhonda Liscio wants to see the dollar amount of the impact on taxpayers based on the values of homes. Evan Watters states that information will be put into the Finance Committee report that shows the breakdown across a wide range of property values.

TJ Laughlin believes what the Committee decides, includes and recommends is important and it should be aligned with other departments, the Town Manager, and Select Board goes a long way to the viability of the override

Chris Menard says he can see both views. The question is what the right recommendation for the financial health of the town is. It's a school and town problem going forward and is in support of the override.

Evan Watters is also in support of the override and thinks is necessary and not something that should be pushed off.

Tiffany Tavares believes this is the time to start looking at how we are operating as a town, including the schools.

Laura Brzozoski, 21 Francis Ave., states if anyone has strong feelings about the school funding they should contact the state legislators.

Evan Watters requested and was sent historical data starting back in 2009. There are 2 expense lines that take up the most expenses: transportation and health insurance. The other expense lines don't show much change. For the personnel side, aside from a few positions there hasn't been a substantial increase in high school teachers' education pay in the last 8 years. General education teachers are the main driver on the personnel side. Over 15 years, the increases have been about the same with a few exceptions. In the last 15 years, Health Insurance has increased 90%, transportation has increased 62%, general education has increased about 50%, special education has increased by 91%, paraprofessionals pay has increased 74%. The schools have been increasing incrementally as expected.

Chris Menard disagrees and says that the burden of the salaries should be reflected in the budget that hires them to see the full cost.

Tom Alonzo is questioning how the ARPA funding is being used in the school budget.

Carol Archambault states the schools are trying to close the gap in the budget and ARPA funds were used. Next year the budget is starting at 4.3%, it's not starting at 5.4%.

Evan Watters wants to know how much of the \$948,000 includes the money that was given the ARPA. Carol Archambault states it was \$221,000. A Select Board member said if you're going to do an override then we must make sure that's enough.

Tom Gray believes there needs to be a well thought out plan for what needs to be done in town.

Article I: Article to amend the Salary Administration Plan (SAP) Classification and Salary Schedule

Susan Andrews, 81 Horizon Island Road, stated that 2 years ago the goals were set to determine if the job descriptions for the entire organization were up to date. Consultants were hired to write descriptions and assess the grid. A Survey of 8 comparable towns were used to determine that the 2.2% was not enough. On top of the 2.5% being requested there is a request to start the pay scale at \$1,550. This is roughly an \$89,000 change.

Evan Watters asks if this is just changing the grid and doesn't have anything to do with money. Susan Andrews confirms that is the case.

Article J: Article to transfer a sum of money from available funds to fund the wage increase for FY 24 and transfer a sum of money from available funds to fund the wage increases for FY 25 for Salary Administration Plan employees

Susan Andrews states the anticipated cost to the retro 24 is \$101,468.69. The additional requested increase would make an impact on the budget of \$89,761.69. This article will fund the additional sums of money which would be 3% on top of the 2.5%.

Heather Lemieux states that for FY24 the cost will come out of the surplus revenues. There is about \$76,000 in the salary reserve account for FY24. The FY24 adjustment article makes the necessary transfer for the full amount into the salary reserve account. The fiscal 25 amount will be out of the salary reserve account.

Article K: Article for the Town to vote to amend the Chapter 70 entitled Salary Administration Plan Section 20

Susan Andrews wants the added factor that if an employee becomes a parent with or without giving birth. For example, if the employee's spouse gives birth to a baby or the employee adopts a child the employee may access up to 8 weeks or 40 days of sick leave however all other available accrued time vacation and personnel must first be exhausted.

Chris Menard believes the language needs to be changed. This article just says once you have a child at any time forever you can take up to 40 days of sick leave. It doesn't say in any way it's the first 8 weeks.

Susan Andrews confirms they are getting a recommendation from the Select Board about wording.

Tiffany Tavares questions if a person adopts or fosters a 16-year-old does that fall under the same category too? Susan Andrews states yes if they choose to. Generally, people plan when they have these events and

may save sick or vacation time. Adopting at 16 can be just as traumatic for a family as a brand-new baby.

Chris Menard asks if this would cover fostering and Susan Andrews says yes.

Article L: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money to the stabilization fund totaling \$100,000.

There were no Committee or public questions/comments.

Article M: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money to the stabilization fund.

There were no Committee or public questions/comments.

Article N: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money into the OPEB Trust Fund totaling \$187,000.

There were no Committee or public questions/comments.

Article O: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money to operate the Sewer Enterprise Fund for FY 25 totaling \$1,712,419.87.

There were no Committee or public questions/comments.

Article P: Article to see if the town will vote to raise and appropriate or transfer from available funds, \$35,000 into the sewer Capital Reserve Stabilization Fund.

There were no Committee or public questions/comments.

Article Q: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money to operate the Solid Waste Disposal Program Enterprise Fund for FY 25.

Dave Passios asks if there are any other options for lowered recycling costs. Heather Lemieux states the bid was put out 3 years ago and only received 1 bid. The costs are high due to the market, not the contractors.

Article R: Article to see if the town will vote to raise and appropriate or transfer from available funds, a sum of money to operate the Water Enterprise Fund for FY 25 totaling \$45,000.

There were no Committee or public questions/comments.

Article S: Article to see if the town will vote to raise and appropriate a sum of money to fund the FY 25 Public Educational Government (PEG) Access Enterprise operating and capital budget totaling \$1,843.03

There were no Committee or public questions/comments.

Article T: Article to see if the town will vote to raise and appropriate the sum of \$10,000 from the sale of cemetery lots from the sale of cemetery lot accounts to be used for the care, improvement, embellishment of the town cemeteries.

Jay Simeone wants the cemetery commission and DPW to discuss if that's the correct number.

Evan Watters will request the Cemetery Commission to come to a meeting to discuss the sale of the cemetery lots and account.

Article U: Article to see if the town will vote to accept M.G.L. Chapter 59 Section 5C1/2 which provides for an additional real estate exemption for taxpayers who are granted personal exemptions on their domiciles under M.G.L. Chapter 59, Section 5, including certain blind persons, veterans, surviving spouses, and seniors. The additional exemption shall be up to 50 percent of the personal exemption.

Chris Menard questioned why the Select Board didn't make a recommendation on this article. Heather Lemieux clarifies that there is a question that the assessors are still looking into.

Article V: Article to see if the town will vote to amend the vote decrease the exemption age from 70 to 65 and further to amend the reimbursement amount up to 100 percent of the exemption

There were no Committee or public questions/comments.

Article W: Article to see if the town will vote to re-adopt and accept the previous provisions of Section 20 Chapter 32B, as amended by Section 15 of Chapter 218 of the Acts of 2016, establishing an Other Post-Employment Benefits (OPEB) Liability trust Fund; to authorize the Select Board and Treasurer to execute a declaration of trust creating an expendable trust for the purpose of holding monies appropriated to such funds to designate the treasurer as the trustee of said such trust to authorize of any and all monies currently being held for the purpose of paying all retiree health and life benefits to such trust and to authorize the trustee to invest and reinvest the monies in such funds in accordance with the prudent investor rule.

Heather Lemieux says the town voted to create a OPEB fund in 2010. The law changed in 2016 and that law requires towns to report the provisions of the law otherwise it just continues from their other adoptions. There is no financial impact.

Article X: Article to see if the town will vote to amend the code of Lunenburg Chapter 12 entitled Boards, Commissions, and Committees by adding a new article 4 thus codifying the affirmed votes of the May 1979 annual town meeting articles 21 and 22 and the May 08 annual town meeting article 18.

Dave Passios states there is no financial impact in this article.

Article Y: Article to see if the town will vote to amend the code of Lunenburg to modify a Section of the Protective Bylaw entitled 'Use Table", by inserting a new use entitled "Battery Energy Storage System"

Richard Harris states the town was approached by a company that wants to put a battery storage system in town. The Attorney General has ruled that battery engine storage systems are allowed under an exemption for solar. Chris Menard questions what happens if a battery ruptures or there's a failure in the mechanisms that go into a storage system. Additionally, he asks if the town would need to have any special hazardous gear or special trucks. Richard Harris says no. The systems are monitored 24/7 at an offsite location that can detect if there's a surge.

Article Z: Water Supply Protection District. The Water Supply Protection District is an overlay district superimposed on the zoning districts

There were no Committee or public questions/comments.

b. Vote on Recommendations

- A. There was a motion that there is no direct financial impact on Article A by Chris Menard, seconded by Tiffaney Tavares. Roll Call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- B. There was a motion to recommend approval of Article B by Chris Menard, seconded by Tiffaney Tavares. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- C. There was a motion to recommend approval of Article C by Chris Menard, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- D. There was motion to recommend deferring Article D by Chris Menard, seconded by Tom Gray. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote to defer was unanimous.
- E. There was a motion to defer Article E by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote to defer was unanimous.

- F. There was a motion to recommend approval of Article F by Chris Menard, seconded by Tiffaney Tavares. Roll call vote. Jean Russell aye, Dave Passios no, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was 6-1 to recommend approval.
- G. There was a motion to recommend approval of Article G by Chris Menard, seconded by Jean Russell. Roll Call vote. Jean Russell aye, Dave Passios no, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares abstains, Chris Menard aye, Evan Watters aye. The vote was 5-1-1 to recommend approval.
- H. There was a motion to defer Article H by Chris Menard, seconded by Tiffaney Tavares.
Chris Menard and Tiffaney Tavares want to hear the opinion of the Select Board before making a recommendation. Evan Watters disagrees and thinkings postponing the vote is going to do damage to the override potential. There was a roll call vote to defer the vote on the override. Jean Russell no, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares abstains, Chris Menard aye, Evan Watters no. The vote was 4-2-1 to defer the override vote.
- I. There was a motion that there is no direct financial impact on Article I by Chris Menard, seconded by Tom Gray. Roll call vote. Jean Russell aye, Dave Passios abstain, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was 6-0-1 to find there is no direct financial impact.
- J. There was a motion to recommend approval of Article J by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- K. There was a motion that there is no direct financial impact on Article K by Chris Menard, seconded by Tom Gray. Roll call vote. Jean Russell aye, Dave Passios abstain, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was 6-0-1 to find there is no direct financial impact.
- L. There was a motion to recommend approval of Article L by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.

- M. There was a motion to recommend approval of Article M by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- N. There was a motion to recommend approval of Article N by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- O. There was a motion to recommend approval of Article O by Chris Menard, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- P. There was a motion to recommend approval of Article P by Chris Menard, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- Q. There was a motion to recommend approval of Article Q by Chris Menard, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- R. There was a motion to recommend approval of Article R by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- S. There was a motion to recommend approval of Article S by Chris Menard, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- T. There was a motion to recommend approval of Article T by Dave Passios, seconded by Jean Russell. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- U. There was motion to recommend deferring Article U, seconded by Tiffaney Tavares. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard

aye, Evan Watters aye. The vote to defer was unanimous.

- V. There was motion to recommend deferring Article V, seconded Tiffany Tavares. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The vote to defer was unanimous.
- W. There was a motion that there is no direct financial impact on Article W by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- X. There was a motion that there is no direct financial impact on Article X by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- Y. There was a motion that there is no direct financial impact on Article Y by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.
- Z. There was a motion that were is no direct financial impact on Article Z by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The vote was unanimous.

a. ****Public Hearing Close****

There was a motion to close the public meeting by Chris Menard, seconded by Dave Passios. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffany Tavares aye, Chris Menard aye, Evan Watters aye. The public hearing closed at 10:55 PM.

6. Old Business

- a. FinCom Report for Warrant Discussion
- b. FY21-FY23 Revenue and Expenditures Recap Discussion

c. FY25 Budget Update/Discussion

Heather Lemieux shares the FY 25 recommendations. The recommended budget reflected a needs based LPS budget and level service town department budget with some exceptions.

\$100,000 of free cash was moved into the FY 25 Reserve Fund account. \$105,000 from the health insurance stabilization account was used to offset insurance costs.

The local receipts increased by \$41,360 more than the recommendation presented in February.

Below are the updated FY 25 projected revenues:

- Property tax: \$32,823,309
- State aid: \$10,682,086
- Local receipts: \$3,307,851
- Other available funds: \$2,541,625
- Totaling: \$49,354,871

Property tax revenue

- Prior year level limit: \$29,375,035.67
- 2 ½ increase to levy: \$734,375.89
- Estimated new growth: \$400,000
- Debt exclusions: \$2,313,898.33
- Totaling: \$32,823,309.89

Enterprise Budgets for FY 25

- PACC Enterprise: \$208,773
- Sewer Enterprise: \$ 2,114,689
- Water Enterprise: \$45,000
- Solid Waste Enterprise: \$500,000 for PAYT program

The Governor provided \$10,682,186 as the estimated number for state aid for FY 25. This is a 1.04% decrease from FY 24.

Evan Watters questions why the investment income was so high last year. Heather Lemieux states it was due to the market.

Changes from the Preliminary Budget to the Recommended Budget for FY 25:

- Solid waste & recycling line increased \$100,000
- Reserve Fund Account increased \$100,000
- Salary Reserve line increased \$55,000
- Funding for an additional Police Officer was cut.
- Additional hours for IT Administrative Assistant, COA Meal Site Manager, Recreational Director, Teen Libraries were cut.

- Data Collection line was cut \$5,000
- IT Hardware line was cut \$18,000
- Active Health Insurance was cut \$77,000

Highlights for non-discretionary budget:

- Retirement assessment increased 10.94%
- Health insurance reflects a 5.7% increase for active employees and a 6% increase for retired
- Solid waste and recycling increased 33%
- Debt services decreased 16.39%
- Cherry sheet offset charges decreased 6%

FY 25 Capital Plan Town Managers - These projects are all being funded by free cash and unexpected capital.

1. Public Safety Radio System, Phase 2: \$315,263
2. Townwide Keying, Card Access and Alarm System Upgrades: \$185,000
3. Northfield Culvert Construction: \$200,000
4. Turkey Hill Elementary School, ADA Study for Reservations and Assessment and Schematic Design: \$275,000
5. Marked Replacement K9 Cruiser: \$92,211
6. Library Security Cameras, Phase 1: \$36,000
7. Marked Replacement for Traffic Cruiser: \$73,627
8. Turkey Hill Elementary School Installation of 3M Window Safety Film: \$33,569
9. Security Camera Upgrades at Town Buildings: \$36,450
10. Wallis Park Basketball and Tennis Courts: \$70,000

i. Previous FY25 Presentations

There were no additional discussions.

7. Town Manager Report

There were no additional reports from the Town Manager.

8. Finance Director Report

There were no reports from the Finance Director.

9. Minutes

There were no minutes to review.

10. Committee Reports

Dave Passios states that the Green Communities will be meeting next Monday.

11. Topics for Future Meetings

Evan Watters took note to invite the Cemetery Commission to an upcoming meeting to clarify some questions.

12. Upcoming FY25 Budget Meetings

- a. Apr 4th - Meeting for ATM Report & Warrant Article Recommendations

13. Important Dates

- a. Apr 5th - FinCom Report for Warrant
- b. May 4th - Annual Town Meeting
- c. May 18th - Annual Town Election

14. Public Comment

John Bowen thanks the Committee for their work. John Bowen clarifies that an amendment can be raised at Town Meeting regarding the numbers specifically in Article J. Additionally, he is not satisfied that there is an increase in wage of the DPW Directors salary relating to Article I and thinks it's a mistake in structuring. John Bowen states the Cemetery and town is only responsible for graves over 100 years old and he believes the money from taxes should be used towards that.

15. Adjourn

Motion to adjourn by Chris Menard, seconded by Tiffaney Tavares. Roll call vote. Jean Russell aye, Dave Passios aye, Tom Gray aye, Jay Simeone aye, Tiffaney Tavares aye, Chris Menard aye, Evan Watters aye.

The meeting closed at 11:39 PM.