

Advisory Board meeting March 1 2021

AB Attendees: Dave Clinton (Chair), Jay Polito (Vice Chair), Dan Sullivan (Clerk), Bob Carney, Jason Frady, Matt Mitchell, Chad Wolfe, Robyn Healey, Steve Kiley, Peter Larsen

Pat Cormier excused mid meeting with authorization

Town employees: Phil Lemnios (PL) Town Manager, Mike Buckley (MB), Town Accountant

Others: George Boylen, Town Moderator

Exhibits: Norfolk County Agricultural School tuition letter.

Meeting called to order at 7:05.

PL update: No big changes in budget structure

New Dept. Heads for library, and Council on Aging

After the Town Managers update, the following questions and items were addressed by various board members:

Town buildings budget is up by 14.76%. PL has hired a cleaning company to clean town hall. An attempt was made to use 2 employees to do the cleaning work but it didn't work, so an outside company has been hired. The increase is offset somewhat by lower expense in town personnel not being paid for the extra assignments anymore. MB added that some of the cleaning expense will be attributed to Covid 19 protocols and the town will be seeking reimbursement from the Plymouth County federal relief funds.

The Building Dept. budget is increasing by 16.5%. PL explained that as Peter Lombardo retired and Bartley Kelly was put in that position, a new Assistant Building Commissioner was needed. Jason Harris was promoted with the understanding that he would have to get certain certifications, which he met, and that resulted in a salary increase.

PL addressed questions regarding the Senior Center. The new director of the Council on Aging, Lisa Thornton, has been tasked with seeking outside guidance as to real needs and services. PL feels that previous internal surveys and such have not resulted in realistic needs assessment

PL addressed Townwide Insurance increases attributing them to both general overall cost increases and sometimes to major incidents such as a fire dept. medical damage event. As part of the Mayflower Group that includes many cities and towns, PL is content with both the reason for being part of that group and with the way we budget our premiums wherein we set aside more than required so that when large premium increases happen, we have reserves. The budget line item is Health&Life Insurance under the heading of Other Insurances. The town increases this item every year and whatever is not needed for Mayflower premiums is given over to free cash at year end.

A question was asked if premium increases due to an event were permanent. PL and MB replied that they don't carry forward permanently but that because events that cause spikes can come at any time,

there is the expectation that premium bumps are to be expected. Rates are set according to experience of losses and some of the factors affecting us currently are the payouts due to some personnel lawsuits.

The idea of adjusting our deductible to get lower rates has not been seen as viable as the town has explored that option and doesn't see a significant advantage.

PL will be seeking to have new hires pay 40% of their health care costs.

To the question of whether or not any department heads were seeking more than their department was allowed, MB said that all were content with their allocations.

To the question of why auditing costs are so much higher, MB responded that every other year the state requires an actuarial audit which therefore increases the cost accordingly.

To the question of how underfunded the town is in pension coverage mandates, MB responded that we are 30 million underfunded but that we are catching up by paying 3-4 million per year and expect to be at the required reserves in 10 years. PL explained that the underfunding isn't a real world consequence because the state requires reserves equivalent to all pension payments having to be made at once, a situation which is probably never going to happen. Pension payments also include whatever sick days an employee has accrued but not taken. Their value is assessed at 30% of what their daily rate was at retirement.

To the question of whether or not this underfunding affects our bond rating, MB replied that it doesn't and that we have an AA rating.

The town has only 1-2 pensioners from the time when employee pension contributions weren't required.

Regarding debt service, MB projected a much higher number for FY 23 due to the bond payments for the infrastructure projects that were approved at 2019 and 2020 Town Meetings. Non debt service is expected to be kept at around 5%.

PL warned that the landfill remediation could be much higher than originally projected. The slope of the hill is too strong at a 2 to 1 ratio and a revetment wall may have to be built along the Weir River.

General seawall expenses are converted to a bond with expected expenses of \$50,000 per year.

An engineering firm hired to analyze the seawalls has identified spots where more pinpoint engineering will be needed.

PL will provide the AB with an updated Capital Outlay schedule.

FY21 Capital Department expense will be lower this year because there is a lower need for vehicle replacement.

The A St handicap ramp project is proceeding with most of the expense paid by grants. 25% of the \$300,000 cost is paid for by the town and is used for design work.

The next AB meeting will cover the specifics of the Fire, DPW and Sewer budgets.

Minutes of the Feb.17 meeting were approved on a motion by Steve Kiley, seconded by Robyn Healey
Dave Clinton and Jay Polito abstained as they were not at that meeting.

Minutes of the Feb 24 meeting were approved unanimously on a motion by Peter Larsen, seconded by
Jason Frady.

Motion to adjourn at 8:45 by Jason Frady, seconded by Bob Carney. Unanimous vote.