

Auburn Finance Committee
Minutes of the Meeting – March 6, 2019
Auburn Town Hall Selectmen’s Meeting Room
104 Central Street, Auburn, Massachusetts

Members Present: Kevin Hussey, Anne Cavanaugh, Ed Coleman, Kimberley Holstrom, Malory O’Brien, Kevin Kennedy and Trevor Sansoucy
Also Present: Chief Financial Officer Ed Kazanovicz and Adm. Assistant to Town Manager Sharon Kwiatkowski

The meeting was called to order at 7:00 P.M. by the Chairman Kevin Hussey.

Chairman Kevin Hussey gave an overview of the meeting agenda. The first order of business was consideration of departmental transfer requests.

#01220 Fire/Rescue Department:

\$2,663.16 from Acct. #011322-5782 Salary and Wage Reserve Account to Acct. #012211-511211 Deputy Chief Salary Account, to cover COLA and performance review increase. The Finance Committee voted to approve the transfer (Motion made by Ms. Holstrom; motion seconded by Ms. Cavanaugh) voted in favor 7 to 0.

The next two transfers from the Fire/Rescue Department were verbally approved by the Chairman for emergency repairs.

\$5,000.00 from Acct. #012211-5130 Overtime Account to Acct. #012202-543001 Building Maintenance Account, for unanticipated repairs to the building.

Fire Chief Stephen Coleman explained the transfers for unanticipated electrical and plumbing problems (pipes, etc.) that came up during the work on installing the machine for cleaning Turn-Out Gear. He said that workers had to access the pipes through the woman’s locker room to make the repairs. Chief Coleman discussed the history of the Building Maintenance Account for the two fire stations and why the account was depleted early in FY19. One transfer for \$5,000.00 is for the repairs and one transfer for \$5,000.00 is to have funds in the account for the rest of the fiscal year, since this account covers the two stations. The Chief said that steps have been taken in the FY20 budget to bring the account appropriation up to the 3-year average.

Ms. Holstrom read from the Chief’s email to the CFO outlining the amounts needed in the transfer and she said that most of the items didn’t sound like they were related to the repairs and seemed more like a renovation project in the women’s locker room.

Chief Coleman stated that he was using the woman’s locker room as the identification point because that’s where they had to break the wall open to access the pipes. He said that he had decided that some of the planned projects on the list could be delayed and he ended up scraping them from the original transfer. The Chief said that there is no renovation project going on. He advised that he did have to purchase some lockers because he has six female firefighters now and he did not have enough lockers. He also installed a wall with a door on it in the woman’s locker

room so they would have some privacy. Everything else in the transfer was related to the repairs. Chief Coleman said that he shouldn't have used the word "renovation" in his email.

Ms. Holstrom said she does not have an issue with projects that need to be done. She has a problem with departments coming to the Finance Committee after the fact and not before.

Ms. Holstrom said there is no difficulty if it is a huge emergency and she asked if Ed knew about this problem ahead of time. CFO Kazanovicz said that the Fire Chief had kept him in the loop about the dwindling funds in the account. Mr. Kazanovicz said that when the problem came up he contacted the Finance Committee Chair to let him know about the matter. He advised that he has no issues about calling a meeting on short notice to consider a transfer if that's what the Finance Committee wants.

Kevin Kennedy thanked Chief Coleman for the clarification and he asked about centralizing building needs so that the public safety departments can focus on public safety.

Ed Kazanovicz advised that there have been discussions about having an in-house plumber and electrician in the future and the potential for an expanded facilities maintenance department.

The Finance Committee voted to approve and ratify the Chairman's verbal approval of the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Sansoucy) voted in favor 6 to 1. Ms. Holstrom opposed.

\$5,000.00 from Acct. #011322-5781 Reserve Account to Acct. #012202-543001 Building Maintenance Account for funding to meet repair and expense obligations until June 30, 2019.

The Finance Committee voted to approve and ratify the Chairman's verbal approval of the transfer (Motion made by Ms. Cavanaugh; motion seconded by Mr. Sansoucy) voted in favor 6 to 1. Ms. Holstrom opposed.

Chief Stephen Coleman discussed the Federal SAFER Grant. He explained the staffing proposal in the FY20 Budget for 1 additional full time individual to begin in January. If the department is awarded the grant request for two Firefighters that would bring the shift staffing levels to 9, so the minimum shift staffing would be 7. Chief Coleman also detailed the cost to the town of the two firefighters and the financial benefits from the grant if awarded to mitigate the expense.

Ms. Holstrom discussed current staffing levels. The Fire Chief discussed his rationale for aiming for a minimum staffing level at 7 that would still allow 2 firefighters off at a time. There was also discussion about 24 hour shifts that the department has been on since 2003.

Kevin Kennedy suggested using a per diem person to help out occasionally. Chief Coleman replied that they would have to look at that. It might need to be negotiated with the union.

The Finance Committee then voted to support filing the SAFER Grant application (Motion made by Mr. Kennedy; motion seconded by Mr. Sansoucy) voted in favor 7 to 0.

The Finance Committee reviewed the Fire/Rescue CIP requests with Chief Coleman:
Replace Fire Tower –Chief Coleman said that the tower is slated to be replaced in 2023 but administration is waiting for the results of the public safety facilities study.

Mr. Hussey asked if there are fees from other towns to use the facility. The Fire Chief replied that there were fees that pay for the maintenance of the training tower. The fees go to a special revenue account that was established as part of the agreement allowing other towns to use the fire tower.

Fire Chief Coleman discussed the replacement of vehicles.

Building Improvement Line – Chief Coleman said that there are no current projects for either station (\$50,000 in 2023) pending buildings study results

Ms. Holstrom asked how many non-Fire Truck or Ambulance vehicles were in the department.

Chief Coleman replied that those vehicles were: Fire Chief's vehicle, Deputy Fire Chief's vehicle, two Fire Inspector cars, one Shift Commander Vehicle and one support vehicle (a pick-up truck with plow that is sometimes used at incidents).

FY20 Operating Budget for #01220 Fire/Rescue Department:

Fire Chief Steve Coleman gave an overview of the operating budget for FY20.

The Finance Committee discussed the following line items:

5130 Overtime - The Committee discussed the line item in terms of the 3-year average and year to date status following the increased appropriation last fiscal year. Chief Coleman described the impact of IOD on the overtime account due to potential insurance payments.

5112-09 Call Firefighters – Ms. Holstrom discussed the balance of the Call Firefighter Account in light of the decreased appropriation request. She asked about the number of call staff. Chief Coleman replied that there are 4 call firefighters. There were seven. One left because of an injury, one went to another town and one went to full time status in Auburn. The reduced appropriation assumes that out of 4 only one firefighter is hourly and the rest are on probation at \$500.00 per year annual stipend per the collective bargaining agreement. In addition, the Chief said that a large amount of that account had gone to one employee out on IOD that has since left the department.

Anne Cavanaugh asked about ambulance receipts.

Chief Coleman replied that the status year-to-date is \$964,000.00 for FY19 and the total appropriation account balance is \$2.6 million. The amount utilized for FY20 is \$875,000.00. The Fire Chief advised Ms. Cavanaugh that the level of collections is a little higher this year.

Anne Cavanaugh asked about other revenues. Chief Coleman replied that the money from inspections and citations goes into the General Fund.

Kevin Hussey asked about money from donations. The Chief answered that the donations go into a gift account and the department uses those funds to reinvest in the community by supporting community projects.

Ed Coleman discussed the state mutual aid program and asked if these calls added to the call volume and if there was any reimbursement. The Fire Chief replied that there are no reimbursements; it is part of the agreement. He said that Auburn's department could respond anywhere in the state.

The Chief added that about 150 of the 3,700 calls are for mutual aid where they go out of town and it's pretty evenly split with the calls (125) that other towns respond to in Auburn.

Mr. Hussey asked if the Career Firefighters Account reflected an increase to include the one (1) additional one-half year full time Firefighter. The Chief replied affirmatively. Ed Kazanovicz said that amount was approximately \$27,000.00.

5736 License/Certifications – Mr. Kennedy asked about this line item. The Chief said that this account encompasses ambulance licensure, controlled substance, the increase in CMED dues, emergency reporting software, ambulance reporting software and certifications. \$13,000.00 of the appropriation pays EMTs and Paramedics for their continuing education.

Kim Holstrom asked if it was logical to combine employee licenses and certifications with software items. Chief Coleman said that these two items could be separated into their own accounts going forward.

5857-01 New Equipment – Mr. Kennedy asked about this account. Chief Coleman advised that this was for replacement of equipment that breaks during the year. It is not earmarked for any specific new piece of equipment.

Mr. Kennedy asked about the offset of ambulance receipts to the Fire/Rescue operating budget. CFO Ed Kazanovicz responded that the ambulance receipts capture 10 salaries and indirect costs (benefits). He said that we use a percentage of 30% as a calculation from the original business plan. Ambulance receipts also pay for supplies for the ambulances and for replacement ambulances in the capital budget.

The Finance Committee then voted to recommend approval of a total budget appropriation of \$3,179,326.00 for #01220 Fire/Rescue as presented in the Recommendation of Town Manager (Motion made by Ms. Cavanaugh; motion seconded by Mr. Sansoucy) voted in favor 7 to 0.

Police Lt. Eileen Harrigan was present on behalf of the budget for the Auburn Police Department.

The Finance Committee reviewed the CIP Budget for the Police Department with Lt. Harrigan. Kevin Hussey noted that there were four cars for lease purchase this year. He also discussed items for the FY2024 CIP:

- Police Vehicles \$185,000.00
- Body Armor \$ 42,000.00
- Mobile & Hand Radios \$ 66,220.00
- Replace Dispatch Radio Console \$50,000.00

Malory O'Brien asked if the Fire Department has the same radios as the Police Department and if they would be upgraded. Lt. Harrigan said that the dispatch consoles were the same. The portable and mobile radios were not the same and they are on different frequencies.

FY20 Operating Budget for #01210 Police Department:

Lt. Harrigan gave an overview of the operating budget for FY20.

5305 Technology Support – The increased request was for upgrading the Wi-Fi in the building and for software support fees. Also included are the back up and outside storage of data.

5111-08 Patrolmen - Positions are funded that will probably be hired off the civil service list and that might not be filled right away because of the lack of police academy availability.

5430 Building and Ground Repairs – The department is waiting for the facilities assessment before requesting any additional appropriation. Lt. Harrigan said that, as with the Fire/Rescue Department, this account is volatile and has already been depleted to about \$500.00 in this fiscal year (FY19). Lt. Harrigan said that she will be coming before the committee for a transfer soon.

Kim Holstrom suggested increasing the Building and Ground Repairs Account now.

Mr. Kazanovicz suggested an additional appropriation in this account can be done at the fall town meeting. He stated that the three-year history shows that there is a need for the increase. Ed Kazanovicz pointed out that we are \$8,000.00 from taxing to 2.5% and it's too early to know what's going to happen at the state level. The year-to-date revenue projections are down from expected and there is the potential for a one billion dollar shortfall at the state level. In addition the positions that are budgeted that may not be filled allow some leeway within the accounts for addressing a problem with the Building and Ground Repairs Account.

Chairman Kevin Hussey stated that he would rather address the account during the budget process by recommending a correct number. He further stated that the appropriation in the salary account could be adjusted at the fall town meeting if the administration is not going to be filling positions. Mr. Hussey said that he supports increasing the appropriation now.

Ed Kazanovicz suggested holding this off to the fall town meeting for more information to be available.

Mr. Kennedy asked about the Quinn Bill. The Lieutenant advised that new employees hired from the civil service list are not eligible for the Quinn Bill.

5315 Training - Mr. Kennedy asked about the request that is below the three-year average expenditure. Lt. Harrigan explained the anomaly for the expenditure in FY18.

Mr. Kennedy asked if the Communications Director was a contracted position. Mr. Kazanovicz replied that the position is By-law or non-union.

Mr. Kennedy asked what account contained the CEMLEC fees. Lt. Harrigan responded that they are in the Dues Account #5732.

The Lieutenant mentioned that the police union contracts expire at the end of FY19 so this budget does not include increases. Ed Kazanovicz advised that a sum of money is accommodated in the Salary and Wage Reserve Account for the negotiated salary adjustments.

The Finance Committee voted to recommend a revised appropriation of \$22,000.00 in the Building and Ground Repairs Account (Motion made by Kim Holstrom; motion seconded by Kevin Kennedy) voted in favor 5 to 2. Mr. Coleman and Mr. Sansoucy opposed.

The Finance Committee voted to recommend approval of an amended total budget appropriation of \$4,603,969.00 for #01210 Police Department (Motion made by Ms. Holstrom; motion seconded by Ms. Cavanaugh) voted in favor 7 to 0.

#01129 Executive Office of Town Manager:

\$2,350.26 from Acct. #011322-5782 Salary and Wage Reserve Account to Acct. #011291-511101 Salary, for a contractual salary increase (Motion to approve made by Ms. Cavanaugh; motion seconded by Ms. Holstrom) voted in favor 7 to 0.

The Finance Committee discussed the Debt Management Policy proposed by the Chief Financial Officer.

The Chairman Kevin Hussey described his recommendation to revise the Debt Strategies section to include a cap of \$2 million dollars from tax levy annual contributions and that once that limit has been reached to make \$100,000.00 annual contributions to the Town's Capital Improvement Trust account.

The Finance Committee voted to adopt the Debt Management Policy with the amendment proposed by the Chairman (Motion made by Kim Holstrom; motion seconded by Anne Cavanaugh) voted in favor 7 to 0.

The Finance Committee voted to recommend to the Board of Selectmen that they vote to adopt the Debt Management Policy as amended (Motion made by Kim Holstrom; motion seconded by Anne Cavanaugh) voted in favor 7 to 0.

The Committee voted to adjourn at 9:25 P.M. (Motion made by Ms. Cavanaugh; motion seconded by Ms. O'Brien) voted in favor 7 to 0.

Submitted: Sharon A. Kwiatkowski

Assistant to the Town Manager, Admin.

The following documents were part of the Finance Committee's Meeting of March 6, 2019 and are retained in the Executive Office of the Town Manager:

- March 6, 2019 Agenda
- Transfer Requests – Fire/Rescue Department and Executive Office of the Town Manager
- Information from Fire Chief on SAFER Grant for FY2018 Federal Money
- FY20 Budgets (capital and operating) - #01220 Fire/Rescue Department and #01210 Police Department
- Draft Town of Auburn Debt Management Policy recommended by the Chief Financial Officer