



CHELMSFORD FINANCE COMMITTEE
MINUTES

May 28, 2020

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TOWN OF CHELMSFORD
PATRICIA E. DZURIS
TOWN CLERK

MEETING: A meeting virtual was held on Thursday, May 28, 2020 at 7:30 PM using Zoom Video Communications software.

PRESENT: J. Clancy, D. Goselin, E. Chambers, K. Duffett, A. Langford, V. Parks and A. Tanini

ALSO PRESENT: P. Cohen, J. Sousa, D. Pigeon, J. Savoie, J. Lang, J. Johnson-Collins, M. Sheppard, S. Poulton, C. Jeannotte, D. Ayer, L. MacDonald, D. Newcomb, J. Spinney, G. Ryan, G. Persichetti, V. Crocker-Timmins, and public

HANDOUTS: 2020 Spring Annual Town Meeting Presentation, FY2021 Nashoba Budget Presentation

The meeting was called to order at 7:31 PM.

J. Clancy reported that on March 12, 2020 an executive order was issued modifying public meeting law limiting the number of people who could meet and allowing for remote participation in meetings. He said that remote participants were invited to the Zoom Meeting, but others could watch live on TV or access the meeting via the Chelmsford Telemedia website at www.chelmsfordtv.org.

Approval of Minutes:

March 5, 2020 and March 12, 2020:

J. Clancy asked if members were ready to vote on the minutes. At the time there were not enough members present who had read the minutes in order to have a quorum. The approval of the minutes was delayed until the following meeting.

Plans for Town Meeting and Revised Meeting Schedule:

J. Clancy stated that there was a shortened timeline as the new date for the Spring Town Meeting was Monday, June 22, 2020. He stated that this evening the Finance Committee would hear the two school budgets. He added that P. Cohen and J. Sousa would also review the revised capital plan and budget and financial changes made to the warrant articles. He said that the plan would be to meet next week and vote on all of the articles.

Nashoba Valley Technical School District FY21 Budget:

J. Clancy welcomed D. Pigeon, J. Savoie and several members of the Nashoba School Committee to the meeting. D. Pigeon congratulated the Nashoba class of 2020 of which there were 47 students from the town of Chelmsford graduating this year. She gave a special “shout out” to D. Fraser a Chelmsford Senior who was Nashoba’s nominee for statewide MAVVA outstanding student. D. Pigeon announced that Nashoba now has a mobile app which includes the FY2021 budget.

D. Pigeon reported that Chelmsford’s enrollment was up by 14 students in FY21 bringing Chelmsford to 31% of the overall Nashoba population. She explained that this is what drives the assessment. She said that there were no new positions in the FY21 budget. She explained that increases were from contract increases and increases in fixed costs. She stated that the full facility assessment had been completed which allowed them to complete their capital plan of over \$20 million in estimated repairs over the next 10 years. She reported that the balance of the stabilization fund was \$1,597,910 and they would not be adding funds in FY21. She stated that OPEB had a balance of \$759,073 and they proposed adding \$183,476 from excess and deficiency in the FY21 budget. She added that the current OPEB liability was \$7,272, 440.

D. Pigeon reported that most expenses for FY21 had been level funded. She noted that there were increases in instruction, operations and maintenance, benefits and debt. She added that the roof project had increased the debt service line item. D. Pigeon stated that Chelmsford’s minimum contribution for FY21 was \$2,849,728 and the total assessment including transportation, additional assessment and debt service was \$3,445,195. She noted that this was an increase of \$344,178 over the FY20 assessment.

K. Duffett asked if there was a breakdown of enrollment by class and how many of the students were post-graduate students. D. Pigeon replied that 4 out of the 200 Chelmsford students were post-graduate students. J. Clancy asked if there were any changes to the budget since it had been voted on or if Nashoba anticipated any changes to the budget next year. D. Pigeon stated that they had made no changes and were moving forward with what has been presented.

D. Pigeon reminded the Finance Committee that J. Savoie would be retiring and she introduced M. Sheppard who would be replacing her. She added that M. Sheppard was currently working alongside J. Savoie.

Chelmsford Public Schools FY21 Budget:

J. Clancy welcomed J. Lang, J. Johnson-Collins and several Chelmsford School Committee members to the meeting. J. Lang reported that the traditional budget practice of putting the budget together starting in the fall and going before the School Committee in February had taken place with the approval of the \$63 million school budget by the committee. J. Lang reported that he would be recommending some reductions, but they have not yet been presented to the School Committee. He stated that he would present the alterations to the School Committee next Tuesday and then could briefly show the Finance Committee the reductions on Thursday.

J. Lang reviewed the FY21 budget highlights as follows:

He indicated that collective bargaining agreements had been settled and all FY2021 salaries have been increased with step and lane change increases.

He said that the FY2021 budget reflects a decrease of \$225,000 in anticipated out-of-district special education tuition costs, an increase of \$375,000 in anticipated circuit-breaker reimbursement, offset by a decrease of \$175,000 in school choice funds, resulting in a net decrease of approximately \$400,000 in out-of-district special education tuition costs.

He reported that the FY2021 budget reallocates two middle school teacher (8th grade) positions at McCarthy Middle School. He explained that they were continuing to reduce two classes at McCarthy Middle School making it possible to add 12 positions in the district while maintaining the student/staff ratios in-line with district policy. He noted that with this change McCarthy and Parker Middle Schools will have identical grade level configurations.

He reported that the FY2021 budget adds an instructional technology specialist position and two technology assistant positions to provide direct support services to students, and support and professional development to staff. He said that this was year two of the one:one technology initiative to provide all incoming fifth and ninth grade students with Chromebooks for use at home and in school. He explained that the students would keep the devices for four years.

He stated that the FY2021 budget adds three special education teachers at the Byam, Center and Harrington Elementary Schools.

He stated that the FY2021 budget adds a Board-Certified Behavior Analyst (BCBA) position and a special education teacher position at the McCarthy Middle School to establish a middle school level therapeutic program (STRIVE).

He said that the FY2021 budget adds a school psychologist position to support students at the McCarthy and Parker Middle Schools.

He stated that the FY2021 budget adds a Board-Certified Behavior Analyst (BCBA) position at the elementary school level to assist staff in developing strategies to support all learners to develop a proactive approach to social emotional learning (SEL) and behavioral interventions.

He stated that the budget adds a .7 School Nurse (LPN) position at Chelmsford High School which will bring the student/nurse ratio in-line with the state guidelines.

He reported that the FY2021 budget adds a world language teacher position at Chelmsford High School for American Sign Language (ASL) in response to a parent/student/staff survey to identify a third language choice in addition to French and Spanish.

He stated that the budget adds an elementary school teacher (4th Grade) at the Center Elementary School to reduce current/projected class size. He added that there was also funding for two additional kindergarten teachers to maintain desired class size, if needed.

He stated that the FY2021 budget includes funding to support a tutoring support service model at the elementary and middle school levels to augment grant funding that supports interventionist

positions providing small group, Tier II, instruction to students identified in need of targeted academic interventions and academic supports.

He stated that the FY2021 budget includes funding to support an increase in the substitute teacher rate from \$75/day to \$90/day and the daily nurse substitute rate from \$130/day to \$150/day. He noted that these amounts were more in-line with neighboring communities.

J. Lang pointed out that School Choice funds were being used for the one:one computer initiative so it would not impact the local school budget. He reported that the FY2021 budget also included a \$25 per year reduction in student activity and club fees at the middle schools. He explained that they wanted to keep a small fee while maximizing participation.

J. Clancy asked where the public could find the recommended school budget for FY2021. J. Lang replied that it was on the Chelmsford Public Schools website under the Business and Finance menu selection. He added that he would also send an updated budget to the Town Meeting Representatives once the changes are approved by the School Committee.

A. Langford asked if J. Lang would have the new actual numbers next week. J. Lang replied that he did not usually report actuals until the end of the fiscal year. He stated that he could send a year-to-date budget report before the next Finance Committee meeting.

A. Langford asked if additional cleaning supplies would be built into next year's budget or if teachers and parents would need to provide supplies. J. Lang replied that they would provide each classroom with the disinfecting chemical that they used in the building during the flu season. He added that they were always thankful to teachers and parents for donating things like tissues to classrooms.

E. Chambers asked what the new FTE headcount was. He noted that the bulleted list did not seem to match what was in the appendix. J. Lang replied that the correct number was 10 FTE's and he would look into the discrepancy.

K. Duffett asked about the increase in textbooks and instructional materials going from \$522,000 to \$795,000. J. Lang replied that \$250,000 was for the new literacy series in grades K – 4 which contributed to this increase. He noted that they were able to negotiate a good deal and make this purchase in FY20 so they could decrease that line item by \$250,000.

D. Newcomb mentioned that they were required by state law to have student/staff ratios stay at a certain level. She noted that this was a concern in the area of special education for next year and the ability to meet social emotional needs. She added that with the Coronavirus they did not anticipate stress levels easing up next year. D. Newcomb stated that cleaning supplies were on the list for the School Committee to address. She added that they were grateful to the parents who participated with donations.

J. Clancy thanked J. Lang and the school committee members. He added that even though the Finance Committee did not vote the school budget line by line it was helpful to have an in-depth discussion about the budget.

FY21 Revised Capital Plan:

J. Sousa reported that in February he had presented the capital plan of \$3.8 million with 17 worthwhile projects. He stated that the Town had to borrow to fund the capital projects, so they had to take a hard look at the projects and pare the list down. He explained that they kept projects related to public safety and security or projects that were already underway so that they could allow them to be completed. He stated that the revised capital plan was for \$1,472,229. He reported that the projects that had been removed included: Phase 3 of the library carpet (\$25,000), Fire - service plow truck replacement (\$70,534), DPW – sidewalk construction (\$325,000), DPW – road improvements (\$500,000), Facilities – 2 vehicle hybrid replacements (\$100,000), Parker School kitchen upgrade (\$641,355), and McCarthy School auditorium (\$669,332). He stated that with these reductions the amount to be borrowed was reduced by \$2.33 million to \$1.472 million which was a 61.3% reduction.

E. Chambers asked if any of the deferrals posed a risk to the town or if costs would increase down the road. J. Sousa replied that it wasn't easy to defer these items. He added that they also considered which buildings were not being used as much now. He explained, for example, that they kept the Senior Center kitchen renovation because currently the building isn't being utilized as much with social distancing in place. He explained that they were still doing Meals on Wheels but were not doing their normal meal service, so it made sense to do the project now. J. Sousa stated that of the projects removed from the capital plan the one that is most concerning is the road improvements. He stated that relying on Chapter 90 funding only provided one-third of what should go into road infrastructure. He noted that as was done last year they had planned to use the excess snow and ice budget for road improvements, but due to the Coronavirus they had to forego this. He added that June 30th was approaching and thus far no Chapter 90 funding had been released. D. Goselin noted that interest rates were good right now so the cost to borrow was low. He questioned how much would be saved in FY2021 by making these cuts. He said that with borrowing costs so good right now he wasn't sure if not investing in infrastructure was the place to save money. J. Clancy pointed out that the financial hit from the pandemic wasn't just for the coming year. He noted that it was a potential five-year impact. P. Cohen added that capital projects would get backlogged because there would be competing needs. He added that with one out of four people being unemployed it was important to "tighten our belts" right now. D. Goselin noted that he remained concerned regarding the lack of funding for infrastructure.

FY21 Revised Town Budget:

P. Cohen reported that there was already \$3 million in Coronavirus-related expenses. He stated that this included things like disinfecting of buildings, adult meals provided by schools and security fencing at beaches. He explained that the public was not compliant with social distancing rules and wearing masks on the beaches, so the Board of Health closed the beaches and there is a \$400,000 expenditure to provide fencing. He stated that the town offices opened two days ago with plastic shields in places and directional markings. He reported that the library would be opening for curbside pickup on Tuesday. P. Cohen stated that Chelmsford was well positioned to move forward because the department heads were here a decade ago for the great recession and were well equipped to address the financial issues over the next few years. P. Cohen reported that there was not a lot of news from the state house and no information about local aid.

Review of Spring Town Meeting Warrant Articles:

P. Cohen reviewed the town meeting warrant articles as follows:

1. Reports of Town Officers/Committees:

P. Cohen indicated that officers would make brief reports.

2. Amend Fiscal Year 2020 Operating Budget:

P. Cohen reported that the \$550,000 left over in the snow & ice budget and \$121,050 from the Finance Committee reserve fund would be applied to the following increases: \$20,000 for Municipal Administration Expenses for software and telephone, \$180,000 for Public Safety Expenses for vehicle maintenance and recruitment, \$60,000 for Public Works Expenses for solid waste and office space construction, \$13,650 for Facilities Personnel Services for employees who became non-union going from 37.5 hours per week to 40 hours per week, \$140,400 for Facilities Expenses for HVAC, elevator repairs, etc., \$257,000 in benefits & insurance for unemployment and workers compensation insurance.

K. Duffett asked about the increase in unemployment and if people had been laid off. P. Cohen replied that nobody had been laid off. He stated that they were seeing claims from claimants who shouldn't be filing claims. He added that they had an unemployment consultant for the schools reviewing the claims for accuracy. He stated that they hadn't had a chance to contest the claims yet, but they would. He stated that claims pre-Covid-19 were about \$2,000 per month and now they were around \$50,000 to \$75,000 per month.

3. Funding for Collective Bargaining Agreements:

P. Cohen reported that he was waiting for ratification of the agreements by the Board of Selectmen. He said that he expected to have the settlements from the firefighters and clerical before Town Meeting. He added that he expected that the amount for the firefighter's agreement would be around \$300,000 and for the clerical union he expected it to be about \$25,000.

4. Nashoba Valley Technical School District FY21 Assessment:

Presentation made earlier in the meeting.

5. Fiscal Year 2021 Chelmsford Public Schools Operating Budget:

Presentation made earlier in the meeting.

6. Fiscal Year 2021 General Government Operating Budget:

P. Cohen reported that the general government operating budget had the following line items:

Municipal Administration

- 1. Personnel Services: \$2,447,869
- 2. Expenses: \$1,163,343

Out of District Education

- 3. Expenses \$54,000

Public Safety

- 4. Personnel Services: \$12,986,513
- 5. Expenses: \$1,203,440

Public Works

- 6. Personnel Services: \$2,146,125
- 7. Expenses: \$4,003,864
- 8. Snow and Ice Removal \$1,000,000

Municipal Facilities

- 9. Personnel Services: \$946,962
- 10. Expenses: \$990,620

Cemetery Commission

- 11. Personnel Services: \$305,965
- 12. Expenses: \$62,900

Community Services

- 13. Personnel Services: \$925,985
- 14. Expenses: \$375,380

Library

- 15. Personnel Services: \$1,676,525
- 16. Expenses: \$477,211

Benefits and Insurance

17. Expenses: \$25,517,189

Debt & Interest

18. Non-Excluded: \$7,061,627

19. Betterment - Funded: \$2,336,813

20. Excluded: \$3,650,909

P. Cohen stated that there was a lot of uncertainty in the decrease in available revenue from the impact of the pandemic. He stated that he was estimating a 20% reduction in local aid from the state which would be about \$3.4 million. He said that he was estimating a 14% decrease (\$1.5 million) in local receipts from motor vehicle excise, meals tax, hotel tax, permits, fees and interest earnings. He stated that the budget required \$2 million to be transferred out of the stabilization fund. He stated that the end result was a proposed budget increase of \$758,000 or .55% over the current year's \$137 million budget. He stated that the Chelmsford Public Schools budget would increase by 1.1% or \$667,000. He said that other department budgets would increase by 1.3% or \$399,000. P. Cohen said that benefits & insurance would increase by 3.28% or \$809,000 and the debt service budget would decrease by 7.74% or \$1.1 million.

P. Cohen reported that they went through the budget department by department, line item by line item and there wasn't a lot of "wobble room". He stated that the cuts to the budget that they made are as follows:

- Snow and Ice Removal (\$500K)
- Other Post-Employment Benefits (\$500K)
- Debt Service (\$200K)
- Overlay Account for Property Tax (\$350K)
- Public Safety Overtime (\$475K)
- Replacement Police Vehicles (\$45K)

P. Cohen commented that he worried going forward that there was no "fat" to cut. He said that they would continue to run as best they could and then by Fall Town Meeting, they would assess the economic situation and would see what the state had done. He noted that this would probably be a multi-year impact event. He noted that all commercial development had been put on hold. He pointed out that they had grants for economic development for two entities along Route 129 and one had declined the grant and the other was not getting back to them.

P. Cohen said that the police and fire chief were present, and he invited them to comment on the overtime cuts. Chief Spinney replied that there were a lot of unknowns. He said that the decrease could mean that they would need to pull back on security initiatives. He said that the loss of the replacement cruiser could be delayed one or two cycles, but he wouldn't want to see it go beyond that. He said that they would do the best that they could to manage the decrease. He added that right now there was no impact from the overtime cut, but all it would take is one or two unforeseen events and there could be an impact. Chief Ryan stated that they were down \$25,000 in overtime and \$90,000 in positions. He said that they had been down four firefighters from retirements and were filling two of the positions and leaving the other two unfilled. He said that they would keep things at that level through July and then would reassess. He noted that they may need to close a fire station this summer. J. Clancy asked if that would be station number 5. Chief Ryan replied in the affirmative. Chief Spinney commented that since COVID-19 they had seen a significant drop in overtime due to no training taking place and no shift replacement. Chief Ryan said that he had seen the opposite with an increase in overtime with the surge in March. He added that there was significant impact with the additional PPE they needed to put on especially for calls to nursing homes.

7. Air Quality Studies - Citizen Petition:

P. Cohen reported that the amount for the air quality studies would be \$50,000.

8. Finance Committee Reserve Fund:

P. Cohen stated that with the tight budget he was recommending funding the Finance Committee Reserve fund at the same rate as last year at \$400,000.

9. Fiscal Year 2021 Capital Budget:

Reviewed earlier in the meeting by J. Sousa.

10. South Row School Partial Roof Replacement Supplemental Appropriation:

P. Cohen reported that the original amount for the South Row roof project was \$400,000 of which the MSBA would reimburse 50.16%. He said that the approved project budget was \$516,646 and an appropriation of an additional \$120,000 was being requested. P. Cohen stated that with schools closing early they were able to start this project. G. Persichetti reported that the four sections that were part of the project have been removed and the skylight was done. He stated that they were three to four weeks out and just needed to finish the trim and exhaust. He noted that they were right where they should be on the budget for this project.

11. Town Charter Amendment – Increase the Board of Health to 5 Members:

J. Clancy asked why the Board was looking to increase to five members. P. Cohen replied that the Board of Selectmen would be discussing this article on Monday night. He added that V. Crocker-Timmings could address this at next week's meeting.

12. Fiscal Year 2021 Sewer Enterprise Fund Operating Budget:

P. Cohen reported that the personnel services for the sewer enterprise were \$1,143,775 for FY2021 and the expenses were \$2,796,335 for a total sewer enterprise budget of \$3,940,110.

13. Miland Avenue Sewer Pump Station Reconstruction:

P. Cohen reported that the design for the reconstruction of this pump station had been approved at the Fall Town Meeting. He said that this article covered the actual reconstruction and would require an appropriation of \$350,000 in sewer enterprise free cash.

14. Fiscal Year 2021 Stormwater Management Enterprise Fund Operating Budget:

P. Cohen reported that the personnel services for the stormwater management enterprise were \$586,446 for FY2021 and the expenses were \$517,800 for a total stormwater management enterprise budget of \$1,104,246. He stated that the article also requested \$200,000 in stormwater management enterprise fund free cash for the purchase of a catch basin cleaner vehicle.

15. Fiscal Year 2021 Forum Ice Rink Enterprise Fund Operating Budget:

P. Cohen reported that the amount requested for the FY2021 forum ice rink enterprise fund operating budget was \$110,000.

16. Chelmsford Forum Ice Chiller Refrigeration System Replacement:

P. Cohen stated that no action would be requested on Article 16.

17. Fiscal Year 2021 PEG Access and Cable Related Enterprise Fund Operating Budget:

P. Cohen reported that the personnel services for the PEG access and cable FY2021 budget were \$402,885 and the expenses were \$199,575 for a total PEG access and cable budget of \$602,460. P. Cohen noted that there were no staff changes in the budget.

18. Chelmsford Telemedia Computer Servers:

P. Cohen stated that the amount for the new Telemedia computer servers was \$20,000.

19. Fiscal Year 2021 Golf Course Enterprise Fund Operating Budget:

P. Cohen stated that the amount for the golf course enterprise fund operating budget was the same as last year at \$30,000.

20. Annual Authorization of Departmental Revolving Funds:

P. Cohen reported that the amounts for the revolving funds remained constant at:
Dog Pound & Licensing: \$10,000

Senior Citizen Trip Program:	\$75,000
Senior Citizen Respite Care Program:	\$75,000
Police Cruiser Communications Equipment:	\$20,000
Fire Life Safety Equipment:	\$20,000
Sealer of Weights & Measures Inspections:	\$40,000
Cemetery Wreath/Floral Decorations:	\$10,000

21. Cemetery Improvement and Development Fund:

P. Cohen reported that the amount for Article 21 was \$50,000.

22. Community Action Program Fund:

P. Cohen stated that the community action program has been supporting many good organizations in town since 1997. He stated that the amount for the article was \$10,000.

23. Cranberry Bog Dam Tree Removal and Maintenance:

P. Cohen reported that the amount for Article 23 was \$25,000. He said that a conservation study had determined that the cranberry bog dam was diminished by the overgrowth of trees and brush. He stated that the funds would be used to hire a contractor to remove them.

24. Community Preservation Fund: FY21 Debt Service, Admin. Expenses & Reserves:

P. Cohen reported that the Community Preservation Fund FY21 budget remained unchanged from what had been presented with projected revenues of \$1.4 million. He noted that the largest debt (\$2.8 million bond) from the town halls was coming off this year. He explained that this would leave the debt service at about \$400,000 going forward so it may be good timing if any open space parcels become available.

25. Community Preservation Fund: Preservation of Historic Vital Records:

P. Cohen stated that the Finance Committee had seen the presentation by the Town Clerk at the last Finance Committee meeting. He stated that the amount for this article was \$450,000.

26. Ledge Road & Oak Hill Road Easements for Roadway Purposes:

P. Cohen stated that Article 26 was for easements to build a bus turn-around brought about due to the increase in truck traffic. He noted that this would be less expensive than building sidewalks.

27. Boston Road & Concord Road Easements for Roadway Purposes:

P. Cohen stated that Article 27 was for easements for safety improvements at Boston Road and Concord Road. He stated that if Articles 26 and 27 were approved they would go out to bid in July.

Special Town Meeting Warrant Article:

P. Cohen reported that the special town meeting warrant article requested \$710,411 in sewer enterprise fund free cash for the repair of the main break adjacent to the Southwell Pumping Station.

P. Cohen stated that he was hopeful that the Spring Town Meeting would be a one-night meeting. J. Clancy asked if there were any assessments available from the easement takings. P. Cohen replied that the amounts were not material and would be absorbed into the current fiscal year and they would not require appropriations. He added that he would provide maps for the warrant book.

Voting and Reporting:

J. Clancy stated that next week the Finance Committee would get an update from J. Lang on the Chelmsford Public Schools budget and an update on the Board of Health article. He stated that the committee would then discuss and vote on the articles. J. Clancy suggested that the committee meet a little earlier next week starting at 6:30 PM. He asked P. Cohen if there were any conflicts with that time and asked Finance Committee members if that time worked. P. Cohen replied that he was not aware of any conflicts with that time. The Finance Committee members were agreeable with the time change. J. Clancy stated that he would post the meeting for 6:30 PM.

Public Comment:

E. Chambers made a motion to adjourn. V. Parks seconded the motion. All voted in favor.

The meeting adjourned at 9:43 PM.

Respectfully submitted,

Pamela A. Morrison