

FINANCE COMMITTEE MEETING (Monterey Library)

MARCH 10, 2020
MINUTES

ATTENDING MEMBERS:

GEORGE CAIN, CHAIR MICHELE MILLER
JON SYLBERT
REBECCA WOLIN

The meeting was called to order at 5:35 PM.

Discussed the filing of the required Fire Department documents. It has been reported that all required documents have been filed. The Chief has copies of any of the documents in question.

The Fire Department's revised budget was discussed. All of the requested information has now been received, and the Finance Committee is ready to review the proposed budget with the Select Board. Items to review include the following:

- Truck 172. This vehicle is the most expensive piece of equipment in the Fire House, e.g., the Town's most costly asset. Over the last 4 ½ years, Medical Calls averaged 42% of all calls. The Finance Committee strongly recommends that the Rescue Truck and the Suburban be used for Medical Calls. For the remaining 58% of the calls, use of Truck 172 or one of the other trucks would be more practical and prudent.
- The average number of respondents is split fairly equally between the daytime and nighttime shifts at 7 to 8 first responders. If the fire company can schedule 3 firefighters five nights per week to sleep at the fire house, why can't it schedule 4 firefighters per week to respond to the daytime calls? Again, if 7 or 8 are responding during the day and if 7 or 8 are responding during the night, there would appear to be enough firefighters available for both shifts.
 - This option would allow the daytime responders to get an increased payment for "signing up" for the on-call daytime schedule that would be associated with the savings of not sending 7 or 8 responders when only four are needed.
 - In addition, this option could be a trade-off for those firefighters that might not want to take night shifts.
- The night shift compensation is set at \$100 per shift. The actual working hours is 3 hours. What is the rationale for the \$100 shift payment? Could a shift payment of \$75 be considered? Although there is an inconvenience of sleeping at the fire house, there is the added value of being able to earn a guaranteed payment for doing so. Under the current system, the annual payment/earning amount is much less predictable.

The various Library bond borrowing options were discussed in terms of the payback periods. Borrowing at current low rates over a 20-year period for the Library loan was again reviewed. It was decided to re-examine this idea with the Select Board because of the 10 years of "extra interest" associated with an extra term of 10 years.

The DPW's plans to sell the Osh Kosh truck for \$20,000 to \$50,000. This is too large a range to accept for this still very viable piece of equipment.

The Lake Garfield Committee's proposal to include \$30,000 as an on-going budget item was rejected on a 2 to 1 vote as was idea of carrying this item as a \$30,000 as a special article. The possibility of having a special Lake Garfield tax district along the lines of Lake Buel was favorably noted.

The Town Clerk's budget for a part-time helper through November was reviewed and the Finance Committee recommends that the Assistant Clerk be budgeted through the entire fiscal year.

Healthcare. Based upon current estimates, the Finance Committee recommends that the Town continue with MIIA. The change in deductible presented at the previous joint meeting with the Select Board by the MIIA rep should be reviewed.

- The idea of moving the entire Town to a 75/25 healthcare split over a 5-year period was discussed as an item to review with the Select Board. See the attached spreadsheet.

Stipends. The Finance Committee voted 2 to 1 not to include "Stipends" in the COLA increase.

Wage and Salary Increases. The Finance Committee voted to hold the Wage and Salary increases at 2.0%. The rationale was as follows:

- Increases over the last 15 years for most positions equaled 7.1%
- Health Insurance costs over the last 15 years increased 12%
- There is no policy or HR professional to address increases at this time.
- This is an area best left to a new Town Administrator
- This year's budget probably carries more spending than any time in the last decade.
 - New Library Costs
 - New Fire Department Reorganization
 - Extra hours added
 - Library
 - Town Clerk
 - Community Center
 - Fire Department
 - Capital items spending
- We have an aging population and we may well be heading into another recession.

Outside contractor payments were left in place according to the negotiated agreements.

The meeting was adjourned at 8:00 PM.

Respectfully submitted,
George Cain, Chair

annual cost	current cost to employee	25% cost to employee	increase per employee	8-year savings since 2012
(2) couple @ 90%	\$1,891.72	\$4,729.29	\$2,837.57	\$22,700.59
(1) couple @ 80%	\$3,783.43	\$4,729.29	\$945.86	\$7,566.86
(1) family @ 80%	\$5,821.68	\$7,277.10	\$1,455.42	\$11,643.36
			\$8,076.43	\$64,611.41

*Leffman
FY 2021*

Fiscal Year	(2) couple @ 90/10	couple @ 80/20	family @ 80/20	Annual savings to town
2020	\$2,837.57	\$945.86	\$1,455.42	\$1,615.27
2021	\$2,270.06	\$189.17	\$291.08	\$1,164.34
2022	\$1,702.55	\$756.69	\$567.52	\$873.26
2023	\$1,135.04	\$378.35	\$378.35	\$582.18
2024	\$567.53	\$189.18	\$189.18	\$291.10
2025	\$0.02	\$0.01	\$0.01	\$0.02

Internal equity: all employees should pay the same premium split.

External equity: all employees should be offered competitive premium splits, which the survey shows is 75/25.

Currently, every 2 years Monterey taxpayers pay an extra \$16,148.94 for the town's portion of premiums.

That means that every 2 years, we could have given another employee health insurance for free.

Since we have added 2 employees in the last year and will add a third (TA) this year, savings from implementing internal and external equity would pay for half of one new employee's insurance.