

Town of Marlborough

Board of Finance Members

Michael Nastri, Chairman
Jeffrey Plourde, Vice Chairman
Robert Mirabal, Secretary
Liz Gorgoglione
Kenneth Hjulstrom
John (Jack) H Fidler



Board of Finance Alternate Members

Christopher Barella
Sal Senna
Karen Pakulis Paul

**Board of Finance
Regular Meeting Minutes
Thursday, October 19, 2023
7:00 PM**

Marlborough Elementary School Library and Zoom

Minutes are considered “Draft Minutes” until approved at the next meeting.

1. Call to Order, Alternate Appointment

Board members present were Michael Nastri, Jeffrey Plourde, Kenneth Hjulstrom, Karen Pakulis Paul for Robert Mirabal, and Christopher Barella for Liz Gorgoglione and John (Jack) Fidler. Michael Nastri called the meeting to order at 7:00PM.

2. Public Comment

None.

3. Additions to Agenda

None.

4. New Business

Representatives from areas in town were invited. Present at meeting: Board of Selectmen, Marlborough Elementary School, Chatham Health District, Richmond Memorial Library, AHM Youth and Family Services, RHAM Board of Education, General Board of Directors, RHAM Board of Education.

a. BOF 2023/2024 Budget guidelines

i. Keep Mill Rate constant or slightly reduced

- The last several years the Mill Rate has been slightly reduced. Other things have offset that – assessment on cars, for example. To hit that goal, Capital Plans.

ii. Capital Plans are complete and accurate

- Capital Plans from different boards – Library, Fire, etc.
- When large purchases are in the picture, Board of Finance would like to be involved/aware.

iii. Restore Town Reserve to 15%

- Present: 14.5%.
- Goal to bring the reserve back up.
- Next couple of years – looking to bond. Rating agencies look closely at town reserves.

iv. Preserve Capital

- Infrastructure: Library has needs that haven't been fulfilled due to rising costs.
- The Audit is still being worked on. Upon conclusion, hoping to get money back from that fiscal year and this past fiscal year.
- Goal: Capital planning to prepare for the future and put money aside for important town projects/needs.

v. Shared services – School and Town

- RHAM with schools; shared bus services occurs now.
- Reduce costs to share when possible.

b. RHAM budget planning discussion

Carey Fraulino:

- Capital improvement plan over the next 10 years – \$12 million. Middle school, High School roofs; boilers; chillers, associated pumps and frequency drives; cooling tower, industry standard expectancy is 20 years. It is currently at 20 years; improvements on HVAC controls and compatible technologies; baseball/softball fields – bring up to ADA accessibility.
- In 2015 there was an evaluation of the building; looking for that to be performed again.
- Athletic fields: have encountered unexpected issues: poor drainage, uneven surfaces. In the process for getting bids to do the job. There is limited funding for that issue.
 - Using money from capital non-reoccurring funds so far for these unexpected costs.
- Bond payment reduction: 2026-2027 final payments.
- Jeffrey Plourde inquired whether the recently repaired portion of RHAM's roof would be included in the \$12 million estimate. It was not, in the next 10 years, both the high school and elementary school's roofs would be replaced.
- Michael Nastri asked if there is a plan to do another survey of the facilities. With the goal of getting matching state funds, he suggested going to the Board of Finance during budget season to look between 5 and 10 years. Carey explained there would be a survey done and she will follow up to see what an estimated time frame to have that evaluation done would be. There was a suggestion to look into solar if the roofs would be replaced.

c. Marlborough Elementary School budget planning discussion

Holly Hageman:

- Provided a handout to attendees outlining the Elementary School Budget Development highlights. Document will be shared with those interested before kicking off the budget as well.
 - The document posted on district website, under "Budget", this year's budget development.
- Strategic continuous improvement Plan (SCIP) is used. SCIP spells out why and where the focuses and priorities to educate the children. Budgeting is around those focuses and priorities.
- Budget Development – Budget supports students, programs, curricula and professional development. Reflect contractual obligation and market factors.
- There is a collaborative transportation contract with DATTCO that expires at the end of this year.
 - In productive negotiations with DATTCO to extend the contract.
 - Seeking another 5 year contract; nothing less than 3 years. Working with RHAM, Hebron and Andover.
 - Anticipating the same number of 8 big buses budgeted for.
 - Enrollment is generally stable. No major anticipated enrollment changes.
- There is a plan to reduce one class section. Based on class guide guidelines, reduce one class section – does help the budget. Do not anticipate a reduction in force due to anticipated retirement(s).

- Anticipating that the special education out-of-district placement is to be reduced from one to zero.
- In-house PCBA, received a 3-year state grant for having RBTs working under the PBCA. This helps the school serve kids in the school without having to go to an out-placement. Not anticipating any out placements at this time.
- 2% reserve is present for available funds if an unbudgeted expense comes up that cannot be covered by the budget.
- Michael Nastri inquired about positions being fully funded and then 70% by the third year, full time after that for self-service?
- Holly Hageman explained that yes, it is the proof of concept without being burdensome on the tax payers. Also, excess cost grant does reimburse some funds. The school district did have a part-time People Services Director. The position went away. It has shown problematic to not have that position. Administration will look to proposition up to .45 PTE to the Board of Education.
- The school is part of the Region 8 Medical Insurance Consortium, which helps manage medical insurance costs. Insurance consortium has been so well managed, it has been able to buffer the real costs of claims over time.
 - Publicly held consortium meeting last week to go over claims. Claims are outpacing the actual costs budgeted for. The reserve can cover those.
- Included in future budget, percentage increase: this will be higher than proposed in previous years to the Board of Education, balancing the reserve.
- Budget neutral item: There are typically 2 people in the main elementary school office. Retirement occurred 2 years ago. Capitalize on retirements to fill the office.
 - This position would work under Director of Operations. Replacing tech coordinator position and the office.
- Notable improvement investments – current operating budget, higher than typical for Marlborough but included two new important positions: Director of Operations which is a broad position.
- This year's Capital Plan: the town budgeted for \$25,000 toward an architectural study. RFQ has been put out for that. Firms that have been invited to submit full proposals, these are due October 27, 2023. Team of board and town members and internally will meet to review those proposals. A firm will then be chosen. Goal to have the final deliverables by January 18, 2024.
- SRO hired has been an asset to the building and school safety and security. Annual Safety Plan, looking at safety procedures; made important grant funded security (hardware) improvements.
- Received a grant for over \$80,000 which allowed for the replacement of all instructional computers as well as replace outdated whiteboards with smartboards in all instructional spaces.
- Infrastructure investments have been made, a lot of which were grant funded.
- Ken Hjulstrom inquired whether the rates for diesel were locked in. Holly explained the electricity rates were locked in at just over 11 cents. If fuel has not been locked in yet, the costs are being watched.

d. BOS budget planning discussion

- Town Manager David Porter is looking ahead to the next budget year – high points:

- Procurement – fleet management in particular. Light/medium duty vehicles. Fortunate to have access of state rates; town can purchase these vehicles for significantly less than the private purchase.
- Public Works – purchased a gently used small excavator.
- Beginning to budget for Public Works – would like to deploy staff with some of this equipment so that they can do more of the work that historically has been contracted out.
- Due to the higher inflation, the competitive bids for contractors have an increased cost. Could be cost effective using Public Works as an in-house contractor.
- Significant cost center: Tree Removal and Maintenance –There is a relatively low-cost attachment for Skid Steer that would allow workers to reach higher to trim branches, keeping routine tree maintenance in-house.
- Michael Nastri inquired about any anticipation for needing more personnel. David Porter explained there would probably not be a need in the next budget cycle, but maybe in future years.
- Automated lawn mowers – advanced GPS chip capabilities. If practical, could free up maintainers time and efforts, while maintaining high level of services in a fiscally responsible manner.

Richmond Memorial Library:

Aubrey Muscaro

- Two issues: Computers and the server – life expectancy has been reached.
- Business computers usually last 3-5 years, come 2024 it will be 6 years old. The public computers are also at end of life. Staff computer is also malfunctioning.
- Looking at replacing the server in addition to computers. Approximate cost at this time appears to be \$23,000.
- Looking to replace 12 computers: 6 public and 6 staff.

AHM youth and family services:

Sara Tarca

- Improve communications how AHM impacts the towns served.
- 34% of the annual operating budget comes from the towns served.
- Annual report is out on the AHM website.
- In past year, 2,074 Marlborough residents served, with 8,900 total regional residents served
- New clinicians have been hired, but there is still a waiting list for services.

Chatham Health District:

Russell Melmed

- \$85,000 given from the Marlborough budget to Chatham Health District.
- Handles permitting for business inspections, disease investigations, vaccination services, diabetes self-management program, opioid awareness, lead abatement and more.
- Driving costs: personnel and fringe. Has gone from 60% of budget to 80% of budget in recent years.
- Grants have helped alleviate costs. FDA inspection grants for example – digitalized inspections.
- Transparency software installation will be occurring soon.

- State is pushing for lead inspections (3x), proactive lead education and statutory response for positive lead tested child; abatement for removal. Physicians in hospitals responding to the lead poisoned child.
- Increased budget for town between 4-5% each year; target for this year is lower.
- Education has been done at the senior center, school, library.

e. Update on 2022 Town Audit

- Contractor, Linda Savidsky, second large amount of requested documents by auditor. By the end of the month, hoping to be completed. Anticipate one in-person day visit.
- Jeffrey Plourde inquired once this audit is completed, is there a plan for the next fiscal year's audit? David Porter responded there have been talks for the next year's audit, however it will be up to auditors' availability.

5. Reports

a. Financial Reports – Sep 2023

Received September reports from town.

Michael Nastri asked David Porter to look over the reports and identify any concerns he may have.

b. Liaison Reports (RHAM, Local BOE)

Jeffrey Plourde: Recent RHAM meeting, BOE, well issues with water at RHAM.

- Two new wells were drilled and fracked and did not get the output desired. After third well-drilling and fracking, satisfactory result - enough to take care of fields at RHAM.
- Past meeting: Talked about high school roof issues. Portion of the roof leaks when heavy rain occurs. Next rain, was covered and it did not flood. 10 seams hitched incorrectly and what they need to do is take it off, reroof it. 2000 sq. ft. roofing material needed. Approximated it at \$35,000. Repair.

Ken Hjulstrom: Elementary School – key items involving facilities.

- RFQ for architectural study.
- Cameras in the boiler rooms; monitor the boilers.
- Roof inspection done with some minor repairs.
- BP/EV chargers are planned to be installed.
 - Grant funded.

6. Approval of Minutes

a. Aug 17th Regular Meeting

Ken Hjulstrom motioned to approve. Michael Nastri seconded.

Correction to Minutes: Under the Call to Order, Susan Lester – correction to Susan Leser.

Correction: MES had hired Elementary School Facilities Operator, not RHAM.

All approved.

b. Oct 12th Special Meeting

Michael Nastri motioned to approve. Jeffrey Plourde seconded. All in favor, Christopher Barella abstained.

7. Correspondence

None.

8. Public Comment

None.

9. Adjournment

Michael Nastri motioned to adjourn, Karen Pakulis Paul seconded. Michael Nastri adjourned meeting at 8:20PM.

Respectfully Submitted,

Kathryn Overturf Nohelty
Board Clerk