



Town of Barre

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TOWN ADMINISTRATOR'S REPORT

November 6, 2017

250th Anniversary

The Town of Barre will be celebrating the 250th Anniversary of its founding in 2024. Selectmen Chase has requested that the board begin the discussion of preparations for the anniversary celebration.

Classification Plan

Selectmen Chase has requested a discussion regarding the town's employee classification plan and whether revisions should be made to individual position classifications.

Ethics Disclosure from James Baird

Attorney Baird has requested to be added to the board's agenda to disclose a conflict of interest relative to his involvement with the local 4H program. Attorney Baird will be present to discuss the matter.

Holiday Schedule

With the upcoming Thanksgiving and Christmas holiday, the municipal offices will be closed during the following days and times:

Wednesday, November 22nd (Half Day)
Thursday, November 23rd (Thanksgiving Day)
Monday, December 25th (Christmas Day)
Monday, January 1st (New Year's Day)

Additionally, some offices may be closed for additional days and times to allow for use of personal and vacation time. I will inform the board if any planned time off from any department will have any effect on operations.

Town Administrator Goals

In accordance with the Town Administrator's Contract, the Board of Selectmen shall meet with Town Administrator ninety days from hire for the purpose of jointly discussing and establishing a set of goals and objectives for the ensuing twelve months. I would like to begin the discussion of goal setting at this meeting.

I believe that our team has made great strides to making overall improvements in operations since the beginning of my tenure in mid July, and I look forward to improving upon those accomplishments.

Financial Policies

In preparation for the FY19 budget, I feel that it is important that the Selectboard adopt a comprehensive set of financial policies to guide the budget development process. These best practices have been developed in accordance with those set by the Division of Local Services. A draft copy of these proposed policies have been included in this packet.

Barre Scary Halloween

I would like to thank all of the members of our municipal team and the members of our community for making the first annual Barre Scary Halloween a wildly successful event. We had about 25 residents and businesses set up as part of our Trunk or Treat and approximately 800 people attend the event. We learned what worked and what we can improve upon next year. We are all looking to ha will continue to improve upon next year. We are looking for continued collaboration with member of the business community and residents to make this a great event year after year.

October Windstorm

Despite widespread property damage and power outages suffered by our surrounding communities, the Town of Barre was largely unaffected by the October Wind Storm. Only a few outlying areas saw brief interruptions in power. The limited impacts were largely thanks to the efforts of the Barre DPW in performing preventative tree removal during the summer months.

Route 62 Canesto Brook Bridge Update

Last week, the DPW received a call from District 2 Bridge Engineer Mark Banasieski to ask the status of the bridge and whether or not we had taken any action. The status report was given at that time. MassDOT at that time stated that they would send a reminder letter about the compliance issue.

Last week, I authorized DPW Director Jason Pimental to move forward with the quote for \$9,875 from Gill Engineering to perform Beam End Repairs on the Rt. 62 Canesto Brook Bridge. The estimated timeline on this repair at the time of execution was 2 weeks. Jason indicated that as of October 30th, they have already made significant progress towards final design.

Once we receive the final approved design, we will need to bid the project in accordance with M.G.L. 30, 39M, we will be soliciting prices from three vendors, two of which must be obtained from statewide contracts procured through the Operational Services Division, since the estimated cost is estimated to be under \$50,000. The two contractors we will be seeking for quotes have been identified to expedite the process. If two of the contractors are not on an OSD contract, then the project will need to be advertised for 2 weeks in

CommBuys. I looked into whether we would qualify for an emergency waiver from DCAMM to expedite the procurement of the project, however, DCAMM will only grant a waiver of M.G.L 30, 39M if the bridge has been destroyed by a natural disaster or act of terror.

Following our estimated timeline, we reasonably anticipate work to begin on the permanent repairs November 30th. This timeline has been confirmed with contractors qualified to perform the work.

Veterans Day

On behalf of American Legion, Post 2, All town officials are invited to join the town's Veterans in their Annual Ceremony remembering the signing of the Treaty of Versailles, ending WWI on the 11th Hour of the 11th Day of the 11th Month of 1919.

Those participating in the ceremony will form up at the Town Hall at 10:45 and march to North Park for the 11:00 Ceremony.

FY19 Capital Planning

In preparation for the FY19 Budget development, we have begun the process of soliciting capital requests from individual departments. A meeting of the Capital Improvements Committee is scheduled for November 15th at 6pm to begin the Capital Planning Process.

Heating Control System for HWB

On Wednesday, 11/1 it was brought to my attention that the full implementation of the Henry Woods Building Heating Control System had not been completed. A systems technician from TC Controls was on site Thursday to troubleshoot the system and install the BMS Controls on the Administrator computer. We now have the ability to remotely regulate the building's heating system.

Regional ACO Proposed Changes

On October 25th a joint meeting of all Regional ACO Town Administrators was held at the Rutland Public Library to discuss challenges and opportunities with regional animal control.

At that meeting, a number of proposed changes to the program were proposed by the host community including changes in position classification from hourly to salary, establishment of dispatch SOPs and changes to police policies involving animal incidents. There is some concern from Chief Carbone that some of these proposed changes are not in accordance with the town's SOP. Chief Carbone and I will be meeting with the member towns later this month to continue discussion on the proposed plan changes.

Public Safety Building

On Friday 11/3, I was informed that Spectrum has set a Planned Construction Completion date on or before 11/30/17 for the public safety complex. This would indicate a forecast

service turn on date of on or before 12/15/17 allowing time for service configuration, provisioning and installation activities following fiber network connectivity completion. I am continuing to push forward with any and all contacts that I have to get the installation of the fiber line completed as soon as possible and occupancy to take place immediately.

Council on Aging Director

The Council on Aging is continue to receive applicants for the position of COA Director. They will be scheduling interviews with the applicants as the deadline approaches. I am hopeful that the COA will have applicants prepared for your consideration by the next meeting.

Town Website

We have been full speed ahead on the backend development while front end programming continues. Currently we are on pace for a launch at the beginning of December.

Vacancies

The following positions have been posted:

- Finance Committee - Member
- Council on Aging Director
- DPW Driver/Skilled Laborer

A copy of each job posting and job description is available at the Town Administrator's Office.



DRAFT

TOWN OF BARRE FINANCIAL MANAGEMENT POLICY

Section 1: Overview

Financial guidelines are essential to ensuring the long term fiscal stability and solvency of the Town. This policy shall be used by the Town Administrator in preparing the budget, the Board of Selectmen in approving the budget, and the Finance Committee in recommending the budget.

Section 2: Purpose

The purpose of the Town of Barre Financial Management Policy is to ensure that annually the budget is prepared and presented in a consistent, professional and transparent matter and that the Town's finances are managed efficiently and consistent with best practices in financial management. These guidelines will guide town officials in making financial decisions to ensure stability and a multi-year outlook in town financial decisions.

Section 3: Free Cash

Free cash is not to be used to offset operating expenses in the annual budget unless absolutely necessary. Free cash may be utilized to reduce the tax rate only if the Town has achieved its goal for the stabilization fund stated in these policies, there are no items deferred on the annual Capital Improvement Plan, the Town has sufficient levy capacity to otherwise fund the annual budget, and the amount utilized to offset the tax rate is highly likely to be available the following year for appropriation.

In any given year, the minimum balance of the free cash account is to be \$250,000. That is not to say the Town may or shall always spend free cash annually down to \$250,000, but that the floor of \$250,000 shall not be breached. In any year where free cash exceeds \$1,500,000 any amount over \$1,500,000 shall automatically be transferred to stabilization or utilized to pay down existing debt service.

Section 4: Stabilization Fund (General Purpose)

The general purpose Stabilization Fund is to be the Town's primary fiscal security fund. The Stabilization Fund minimum goal shall be to total 5% of the total operating expenses of the Town. Appropriations from the Stabilization Fund will not draw the fund below 5% of the total operating expenses of the Town for the fiscal year in question. The Stabilization Fund shall not be used to fund the general operating expenses of the Town. In the event the fund exceeds 5% of annual operating expenses of the Town; transfers

may be made to other funds, for capital expenditures, for paying debt service down faster than currently scheduled, or left in place.

Section 5: Stabilization Funds (Special Purpose)

Special purpose stabilization funds are to be established to accumulate money over the long term for known future capital projects or expenses. Special purpose stabilization funds shall be established by Town Meeting in accordance with state law and shall only be appropriated for the purpose for which they are designated. The Town shall abolish individual special purpose stabilization funds once the purpose for their creation has expired; unless it is a recurring expense.

Section 6: Capital Improvement Plan

With the annual budget the Town Administrator shall be required to submit the Capital Improvement Plan (CIP) for the Town of Barre. The Capital Improvement Plan shall contain a list of all necessary capital expenditures for the Town of Barre for the following five-year period along with a proposal of the funding source for each project for the budget year that is being prepared. Regardless of funding availability, the Capital Improvement Plan must be completed annually and submitted to the BOS and the FINCOM as part of the annual budget preparation.

Annually, before the start of the calendar year the Town Administrator shall seek input from all departments and Boards in updating the capital plan. Items completed from the previous year shall be removed, and items that have been added should generally be added at the 5-year mark unless pressing matters require the item to be advanced to a closer year. The determination of funding for the CIP and the placement of priorities shall be the direction of the Town Administrator for the purpose of presenting a balanced budget to the BOS.

Annually the CIP shall include a pavement management/road condition plan that identifies the pavement and road/sidewalk needs of the Town along with proposed levels of funding for pavement management.

Section 7: Debt Service

Total non-excluded debt service shall not exceed 5% of the total tax levy of the Town in any given year. The Town shall continue to program approximately 5% of the total tax levy for debt service, with any amounts below the 5% threshold becoming the Town's general fund capital program. This is to ensure that the Town is investing at least 5% annually into capital expenditures for the Town. New debt service added to the debt service rolls will come out of the total 5% capital allocation. This policy sets a 5% requirement of spending on capital, which may be entirely debt service or a combination of debt service and capital, but shall not otherwise go into the general fund. As obligated debt service decreases below the 5% threshold, the funds shall be

used for either capital expenditures or to pay down existing debt service faster than scheduled.

Section 8: OPEB Funding

The Town shall increase its OPEB funding amount annually by \$10,000 per year, in addition to any transfers from other budget lines or allocations to the account from free cash or other sources. This is to ensure there is always an upward trend in OPEB funding.

Any reductions in retiree health care as a result of plan design changes or a reduction in the split between the Town and retirees shall be allocated to the OPEB fund. This shall not count towards the annually \$10,000 increase in OPEB funding required.

Any reductions in the Town's annual pension obligation shall be directed to the OPEB trust in a separate line item under the pension line item in the budget. This amount shall remain, though if pension obligations increase this line will be reduced or eliminated by said increase. This is to ensure any reductions are utilized towards long term obligations but to allow flexibility in future pension costs as decreases in overall pension funding are likely to be short term.

The OPEB Trust Fund is intended to ensure the long-term availability of funding of benefits. Current benefit expenditures are not paid from the Fund. Therefore, the investment goals are long-term preservation and appreciation of capital.

Section 9: Pension Funding

Regardless of any future changes in Worcester County Retirement regulations the Town of Barre shall always contribute its actuarially determined annual contribution to its pension obligations.

Any reductions in the Town's annual pension obligation shall be directed to the OPEB trust in a separate line item under the pension line item in the budget. This amount shall remain, though if pension obligations increase this line will be reduced or eliminated by said increase. This is to ensure any reductions are utilized towards long term obligations but to allow flexibility in future pension costs as decreases in overall pension funding are likely to be short term.

Section 10: Tax Collection/Tax Title and Tax Foreclosure Policy

Tax liens shall be placed on all tax delinquent properties as soon as legally permissible and in accordance with state law. Tax foreclosures shall take place on all properties, regardless of condition, as soon as legally permissible. Exceptions to

completing a tax foreclosure when legally permissible shall be by vote of the Board of Selectmen and Finance Committee.

Payment programs for delinquent taxes may be established by the Treasurer in accordance with state law, however any payment plan must ensure that the property is cleared on back taxes in a reasonable (defined as no longer delinquent within 18 months of beginning a payment plan) amount of time. In the event a payment program sees two consecutive non-payments, any and all lien and foreclosure processes are to take place immediately.

Section 11: Investment Policy

The purpose of this investment policy is to set general guidelines for the investment of the Town of Barre's available funds.

Massachusetts General Laws, Chapter 44, section 55B requires the Town Treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution. The state law further requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking into account safety, liquidity, and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of the Town's business.

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk (the risk of loss due to the failure of the security issuer or backer) and interest rate risk and interest rate risk (which is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates). These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository.

Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the Treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

Yield is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

Section 12: Budget Preparation

The Town Administrator is required to submit a budget to the Board of Selectmen for their consideration and approval. Annually the budget process includes the preparation of the budget, submission to the Finance Committee for review, approval, or alteration;

followed by submission to the Board of Selectmen for approval or denial, and finally to Town Meeting for appropriation.

- A. The Town Administrator shall prepare the annual town budget in conformance with any adopted Town of Barre fiscal policies.
- B. The Town Administrator will submit to the Finance Committee a balanced budget; that is to say the final budget proposed to the BOS must have a positive dollar figure on the tax recapitulation sheet based on reasonably known revenues and expenses.
- C. The town budget shall be available to the Board of Selectmen, the Finance Committee, and the general public at the same time and at least two weeks prior to the town meeting voting on the budget.
- D. The Town Administrator shall present the budget to a joint Board of Selectmen meeting or meetings. The Town Administrator shall have discretion over whether to present all department budgets or have some or all department heads present their department budgets.
- E. The Budget message shall contain a list of line items slated to increase or decrease by over \$1,000 with the reasons for those changes.
- F. The budget shall not be approved at the same meeting at which it is presented to the Board of Selectmen or Finance Committee, nor shall the budget be approved until it has been publically available for at least a two-week period.
- G. The budget shall include annually the Capital Improvement Plan.

Section 15: Reserve Fund

The Town shall annually appropriate a reserve fund equal to at least 2% of the Town's total operating expenses for the fiscal year. The purpose of the reserve fund, consistent with M.G.L. Chapter 40, Section 6, is to fund extraordinary and unforeseen expenses. The process for a reserve fund transfer is for the Town Administrator to submit a reserve fund transfer request to the Board of Selectmen for approval. If approved by the Board of Selectmen the request is forwarded to the Finance Committee. The request is then voted on by the Finance Committee with a majority vote in the affirmative being necessary for the transfer to take place.

Reserve fund transfer requests shall not be made for purposes that Town Meeting has expressly voted down for the same fiscal year. Annually the reserve fund remaining balance shall close to the Stabilization Fund. Recurring transfers from the reserve fund, with the exception of snow and ice costs, are to be addressed in the next proposed annual budget so that the fund is not continually drawn down for the same reasons in a given year or in multiple successive years.

Section 16: Revenue Projections

A maximum of 80% of prior year actual collections shall be used for all revenue projections.