

Finance Committee



Meeting Minutes from February 1, 2024

Members Present:

Chair- Kurt Fraczkowski

Vice Chair- Andrew Sealey

Clerk- Eric Sechman

Member- Jin Hong

Member- Bob France

Also in attendance:

Fire Department Chief- Timothy Johnston

Fire Dept Deputy Chief- Jeremy Januskiewicz

Town Manager- Robert Pontbriand

Finance Manager- Barbara Tierney

The meeting was called to order at 6:02pm.

Kurt asked if there were any comments or corrections that needed to be made to the meeting minutes from January 18, 2024. There were none.

Motion: Andrew Sealey made a motion to approved the meeting minutes. Eric Sechman seconded. Unanimous approval.

Kurt asked if there were any comments or corrections that needed to be made to the meeting minutes from joint meeting on January 25 with the Select Board. There were none.

Motion: Kurt Fraczkowski made a motion to approved the meeting minutes. Andrew Sealey seconded. Unanimous approval.

Chairman: Next item on the agenda will be a presentation by the Fire Chief Timothy Johnston for the Fire Department's FY25 budget. Deputy Chief Jeremy Januskiewicz presented as well. Presentation is attached to the end of these minutes and can be found online at <https://www.youtube.com/watch?v=YC126pFzgHI&list=PLA1de-WrXI0MZAa15CyEpSL4TD09kbpO&index=3>.

The 2023 call volume for fire incidents was discussed. Question from Andrew- what is driving the numbers during the day? Answer- People being awake. It is due from a mixture of house fires, accidents, etc.

The 2023 call volume for the ambulance service was discussed. Question from Eric- What is the difference between ALS intercept and mutual aid? Answer from Jeremy- The patient in is the Ayer ambulance and transported to the hospital. With intercept the Paramed/EMT provides ALS services in the other town's ambulance. Question from Andrew- How do you determine which hospital to go to? Answer from Jeremy- That is largely dependent on the care the patient needs. Question from Jin- How do you bill, town or individual? Answer- The department contracts with a billing company that will bill the patient and whatever insurance they use directly when the Ayer ambulance is the transport. If it is an intercept, they bill the town that requested the assistance. Question- how often are bills not paid. Answer from Chief- there are always nonpayers, but the Deputy does a good job of making sure the proper billing is processed. It is difficult right now to give an estimate. They are in the process of purging the system of very old outstanding bills. In the future, it will be easier to get an estimate.

Question from Eric- Is \$350 enough to bill for an intercept? Answer from the Chief- It is very competitive with the surrounding area. The Chief said he worked with surrounding communities to settle on a rate that everyone uses. It would be approx. a break even amount in the worst-case scenario. In most instances the cost for the service is much less.

The Deputy presented what destinations the ambulance delivers to. It is predominantly Nashoba.

Budget drivers were then discussed. Main drivers are COLA and step increases, educational pay, and the end of the SAFER grant. There is a significant increase in educational pay due to the retirement of more experienced staff.

The increase in pay to the members of the call department is estimated to result in a \$4000 impact on the budget.

The SAFER grant is ending in February 2025. The impact to the FY25 budget will be ~\$118K. For FY26 the impact will be ~\$420K.

Question from Kurt regarding the Mandatory OT. Answer- the staff already works an average of 42hr/wk so everything else they do is overtime- education time, sick time coverage, vacation coverage.

Upcoming capital expenditures-

Turnout gear will need to start being replaced in FY2026. Would plan to purchase 5 sets/yr at ~\$3500/set. Lifespan of 10 years. This would result in an even expenditure by replacing 1/10th of the sets every year.

The dept has 2 ambulances. The debt for one will come off the books in FY26 and was bought in 2016. These have a 10 year service life. The cost is anticipated to be ~\$500,000. The second will be paid off in FY29. These costs are anticipated to be partially offset by the retained earnings which has a balance of ~\$251K according to Barbara Tierney.

How the revenue and retained earnings are calculated and used was discussed. The retained earnings are used to help offset ambulance costs. Question- If there are retained earnings, why is there a subsidy from the general fund. Answer from Barbara- this is a conservative approach because you don't know in advance what the next year will bring for revenue and you need to plan in advance and can only request funds from the general fund at Town Meeting.

Kurt opened the meeting to public comment.

Pauline Conley- In reference to the ambulance and the status of Nashoba valley Medical Center. She suggested that the Chief present to State administrators the ambulance service numbers to possibly strengthen the argument for savings the hospital.

Kurt- Update to the FY25 town budget process update. February 15th meeting will have the NVTHS. March 7 meeting will be the police chief. March 31 will be DPW. Jin added that DPW chief will come to February 15 meeting for a 10min presentation on a storm water project.

Robert Pontbriand- Tuesday Feb 6 there will be a joint meeting of the Select Board and FinCom at which the ASRSD will present their budget. Also looking to target February 20 to distribute the 2nd draft of the Town budget.

Outside committee updates-

Kurt- Rate review committee next meeting is March 6th at which the water and sewer rates will be set.

Kurt- Capital planning committee- all capital planning for FY25 has been approved.

Andrew- Bi-board- nothing to add.

Kurt opened the meeting to any other public comments. There was none.

Motion: Andrew Sealey made a motion to adjourn the meeting. Kurt seconded. Unanimous approval.

Meeting was adjourned at 7:40pm.

Approved 2/15/2024

KJH

KURT FRACZKOWSKI
FINANCE COMMITTEE, CHAIR