



**OFFICE OF THE
Advisory Board
TOWN HALL
511 MAIN STREET
DUNSTABLE, MA 01827-1313
(978) 649-4514 x222 FAX (978) 649-4371
advisory@dunstable-ma.gov**

April 8, 2019

Present: Adria Fischer, Eric McKenzie, Bob Nelson, Harold Simmons, Leo Tometich
Also attending: Town Administrator Brian Palaia, Town Accountant Lorraine Leonard

Meeting called to order at 6:08 p.m.

Re-cap of Water Project Discussion With Select Board

1. Water project cost analysis is based on a \$2.5 million water project financed with a 20 year 2% interest MA State Revolving Fund program. Annual debt service payment would be \$151,765.
2. Current consensus on how to pay the water project debt service each year is 25% from the Town, and 75% from the water ratepayers.
 - 2.1. Note that the Town of Dunstable is a ratepayer, using approximately 17% of the system water.
 - 2.2. Stated another way, approximately 17% of the water supplied by the Dunstable water system is consumed and paid for by public facilities.
3. Town Counsel has indicated that a town meeting article to borrow money for this water system project does not need to be contingent upon town wide ballot box passage of a debt exclusion.
 - 3.1. Passing a debt exclusion is preferred compared to making other budget cuts or an override to pay the water project debt service.
4. Some discussion about whether we should we anticipate some water rate increases in the FY20 utility budgets, but decided not to because the water project debt service will probably not start until the project is completed in FY21 or later.

Funding for Interim Fire Chief

During the Select Board meeting last Tuesday evening an interim Fire Chief was hired. Initially a 30-day term at \$10,000 per month, with the possibility of an extension.

1. Initially there were several concerns about why the AB was not consulted before taking on additional immediate expenses without a funding plan. Brian stated some reasons and benefits to maintaining a qualified fire chief, of which a few are listed below, to abate some of these concerns.
 - 1.1. Help maintain fire office coverage during the day, plus 24/7 on call access.
 - 1.2. Provide on-site incident command structure should a fire or other accident occur.
 - 1.3. Review fire department best practices, standard operating procedures, and suggested operating guidelines.
 - 1.4. Periodic reports to the Town Administrator.
2. Some possible funding options for the interim Fire Chief.
 - 2.1. Re-allocate some existing fire department budget line items. Any unspent fire department money may also be needed for fire station safety improvements or equipment.
 - 2.2. Reserve account transfer. March 19, 2019 reserve account balance was \$23,617. This requires AB and Select Board approval.
 - 2.3. Transfer from other department budgets. This requires a majority vote at town meeting.
 - 2.4. Note that many budget line items, especially salaries, can run a deficit as long as it is replenished via account transfers before the end of the current fiscal year (i.e. in May and June of the current fiscal year).
3. The current intent is to try to work through some of the concerns with Fire Chief Brian Rich in the next few months with hopefully no significant change to the FY20 fire department budget.

FY20 & FY21 Budget

1. Some new growth should be added into the total revenue column of the Municipal and School Budgets 2007-2025 spreadsheet.
 - 1.1. Allowing some new growth to compound forward will help reduce the projected deficit.
 - 1.2. Possibly average the new growth number from the past few years.
 - 1.3. DLS is one possible source for past new growth numbers.
2. Something in the spreadsheet must not be defined properly, because the FY19 projected deficit amount should probably equal the amount of free-cash used to balance the FY19 budget, and it does not.

Miscellaneous Topics

1. No new information on the police officer arbitration.

Some Possible Topics for the Next AB Meeting

1. Review draft town meeting warrant.
2. FY20 budget adjustments.
3. Identify relevant water project justification documents.
 - 3.1. Note that the water commissioners are anticipating that someone from the MA DEP will attend our town meeting to answer questions and support for the water project.

Motion to adjourn at 7:25 p.m. - Harold, - 2nd Bob. Vote: Unanimous to adjourn
Meeting adjourned at 7:25 p.m.