

Cotuit Fire District
Prudential Committee
9 May 2016
5 PM

Fran: I'm going to call the Cotuit Fire District Prudential Committee to order on the 9th of May, 2016. Is anybody recording? Amy Kates is recording. One note, since Mr. Daily isn't here, why don't we move down to the letter for the Cotuit library? It's on the table. Why don't you read it over and see what you think?

Laurie: I figure if they put the lift and I'll be able to work there until I drop. Log in books help those stairs. Get them to me.

Stan: Can Laurie sign this letter as just-

Laurie: As a letter of support I'd ... Surely that's not. It's not a financial thing.

Stan: Community preservation is.

Fran: I guess you can't sign. There's a letter of support for the library's request for money from the CPC, so I'll just wait.

Laurie: Yes, better not to take a chance.

Fran: I'll wait you out.

Stan: Exactly.

Fran: To say I abstained. Okay, why don't we move to the Water Department?

Mike: Okay, turning it on ?

Fran: Yes.

Mike: Okay. Did you want to introduce yourselves so I know .

Fran: Sorry, I forgot. Fran Parks.

Lori: Laurie Hadley, Prudential.

Stan: Stan Goldstein, Prudential.

Charlie: Charlie Eager, clerk.

Ted: Ted Barnacle, chairman of the Water Department, commissioners, something like that. I'm here, Fran. We're going to go back over ... Do you want to go back over in particular I guess it was the salaries.

Fran: The salaries, right. We had a concern that everybody else was held to 3%. That was a concern and we were interested in your criteria.

Ted: Those that I just gave you are the salaries of those people that are the peers of our employees from Osterville, Marstons Mills, Mashpee, Falmouth, Dennis, Yarmouth, and Barnstable. We're bringing up the rear.

Laurie: That kind of makes sense, doesn't it, Ted, because they are mostly towns and weren't. I mean.]-

Ted: Our biggest issue over the last few years has been the fact that once we train them, we lose them and our overall budget increase is a one point one and a half percent or 1.3%, or something of that nature. I don't have it in front of me, but the overall nature. Let me give you a little bit of background, too, on ... First stop-

Laurie: Ted.

Ted: Go ahead, Stan.

Stan: You said we lose them. We lose them to what? Another water district or-

Ted: Yes, we lost the John English over to CONM. We lost our other two off Cape. One was in the 40s. We've even tried it a couple of different ways by ... We thought first why don't we hire young guys? Maybe they'll stay around. Then, maybe we'll hire old guys because they can't play golf and go fishing because they're all too old, so hire them. I think the bottom line here is that we just need to make a little bit of a move. It's not much. We're pretty cognizant of the fact that we need to make some changes in rates. We need to make some changes in our thought process. I'm happy to say that today, when I went over the financials today, that look likes we'll come in somewhere around \$650,000 in revenue which will be nice to pay.

Mike won't be able to yell at us anymore because he won't be here, but we appreciate that. We're thinking about it. It's not something that's not on our mind. We definitely are thinking about it. I just want to give you a little rundown.

Let's take the second largest increase which is Jen. When Sherry Leavenworth started the job in 2006, fiscal year '06, which would have been 2005, she started at \$42,750. That's 10 years ago. Jen started at \$42,500 10 years later. If you look at some of the gang in Mashpee and some of the other places that have three girls, four girls, with four girls, we've got quite a bargain at \$42,000 what Jen does because Jen does everything that those girls do.

No matter what we do in terms of water, no matter what we pump, no matter what we put down the road, there's no less work for these girls to do or these people to do just because there's less services or part and parcel handled by the DEP and all the regulations that these guys are trying to fulfill take care of us. I find these guys pretty important to me because I think water is right next to oxygen, and I like the fact that these guys are out there and they got a positive attitude and I think we can afford to give him a couple more bucks to get this done.

Jen will definitely need to make a move as time goes along, but Sherry finished in the fiscal year 15 at 56,573. I shall see that's the normal, pretty much the normal rate for those girls. Some of the office administrative cost you see in that rundown right there are average cost at 53 and 54.

Fran: She's only been here what, a year?

Ted: I don't really care how long she's been here. That girl can deal. She's doing a great job. She's as good as Sherry. She's-

Fran: I'm not saying she's not doing as good a job, but I don't think you're going to immediately jump her up to a 56,000.

Ted: No, I don't plan on doing that. I don't think she wants to do that either, but I know, number one, a good person when I see one, and number two, a great employee when I see one. I've had my own business for a long time and I know the good ones when I see them. That's a good one. I'm glad she's there. Chris is below the norm. I'll give you a story so that you can relate to what these guys can do.

Over in Yarmouth, they had a senior operator by the name of Tom Rooney. He talked to me a couple of times and he was hesitant to go out and take a job as a superintendent, but Barnstable job became open and the guy was very capable. Now, he'd never been inside with the DEP. He's never done any of that before, so he went and applied for the Barnstable Fire District job, and lo and behold, he got the fire district job. If you look at his salary, it's \$100,000. That's what we face in terms of keeping Chris here, so we have to make ... If we make them in small little bites, we'll be good. I think it's important. Do you guys have any questions [inaudible 00:10:39].

Stan: Do you have any idea of ... I'm trying to phrase it, but I'm looking for a utilization. Does she have a lot of idle time or is she busy most of the time?

Ted: She's important, a cog to us down there because she is busy. She not only does her job, but she fills the phone calls from the people. She fills the phone calls from those guys in the field. She helps Chris coordinate what's going on. Vic wanted me to come in, and he was correct, with a new job description or a job description that you could see what Jen does at the shop. It's huge. That's very important. Sherry did it, too. Everybody's hands on deck down there because there's only five people down there.

Stan: Would she have a [inaudible 00:11:35] what the Prudential committee like as a webmaster? She has computer skills?

Ted: I don't know that. I'd have to ask her. It might be something that would help her gain a couple more bucks and do something like that, yeah, but it would be up to here. She's talented. She's very good.

Fran: Thank you. Any questions, Laurie?

Ted: Okay, I did good?

Fran: Thanks for coming.

Ted: It's my mother's birthday, so I got to go get her, take her out to dinner now. Thank you.

Fran: Thanks. Mr. Daley has joined us. Next on the agenda is fire fighters contract. One of the agreement requirements that the new contract would be on the annual warrant has been fulfilled as are the numbers off for the payments to them?

Mike: Let me cover this agreement. The agreement has been amended on the salary side at a 3% per annum. The schedule in front of you is the new salary wage schedule for the fiscal years -- I just handed it to you.

Lori: No, I'm good. I'm just going-

Mike: It's on. I think it's on. The first block of numbers you see was the last year of the old contract. It's kind of a funny matrix. I've never built a matrix like this one. If you stay in the fiscal 14 rates, that column that has the 100%, it's the middle number in the second column, 58,150.89?

Lori: yes.

Mike: That is the same number as step 5 for the firefighter MT, the column to the left, at the very bottom, in the box. They anchor off that boxed number and as you go down the step from that number for a straight EMT, it drops 5% per year. You start at that 46,520 and you get a 5% base salary adjustment for five years in this bargain unit. That number then migrates over to the step 3 for a paramedic and it drops down 5% for the first two years and is 5% higher in the trailing two years. You make the same if you're a step-3 paramedic as you do if you're a step-5 EMT.

Now, this one I don't understand, but I'm not bargaining I remember. The lieutenant without a paramedic license gets 10% more than a full time firefighter EMT, so that is that 63 number, and they don't get any steps. Lieutenants don't get steps. Never seen it, but that's the way they want it. If you have the paramedic license, then you get 10% more than that which puts you 120% over the base number. Lieutenants only

have one pay step. If they have the paramedic, they get one amount. If they don't, they get the other. Firefighters have five steps.

When you factor up 3% in fiscal 15, you see the new base is 59,900 if you will, and then, the 3% for this fiscal year takes it up to 61,700 and then, effective July 1, the base is going to be 63,543, unchanged. That's the new agreement schedule. At the end of 17, you start all over again. That's the first piece I have for you.

In view with this, this is your cost estimate. At that two years, I have to cost out. What this does is it takes an employee and some employees have steps midyear, and some are step that doesn't change during the year. For example, the first employee on your schedule last year actually took a pay reduction. You see that they have earnings in two sections to come to a grand total at the bottom of their particular work area. That particular employee is going to cost us \$3926.08 to pay the difference between what they were paid in 15 and what the 15 contract called for.

Stan: Where are you on this page?

Lori: First page.

Mike: Yes, where it says total earnings midway down.

Stan: Yes, okay.

Mike: On the first gentleman?

Stan: Yes.

Mike: His 15 old earnings measured against his 15 new earnings results in a 15 cost. You see it?

Stan: Yes.

Mike: He happen to have two different rates of pay across the 52-week pay period, so he gets broken and shows two types . The next gentleman has the same thing. I would also note that this bargaining unit has two classes of employees; pre-ascertain date and time and post-ascertain date and time. If you pre-date that, you have eligibility for longevity and you have eligibility for educational incentive. If you don't have that date, then you don't get those two particular earnings types. You see the first gentleman has the longevity in education. The second gentleman doesn't because of his hire date. He just shows base salary and holiday pay, and in this particular employee, he's going to reach step 5 in fiscal 16, so his fiscal 15 cost is \$2307.91.

The next page, same thing. You have a very short term employee who came to work late in 15, so he only has \$181.44 of adjustments for his fiscal 15 work. The next employee had two steps, went from a 3 to a 4 in 15. His earnings difference is \$2988.19. So forth, we have a 3123. We have 3065. We have a 3554, a 22, a 38, a 23,

etc., and if you go all the way to the end, this is a clean calculation because we have all of the hours in our pay data, so that contract here cost us \$36,105.97. It was a combination of [just shy 00:19:24] 2400 of regular earnings and about 12,000 of overtime earnings.

We're going to fund the 15 adjustment of roughly 36,000 and the roughly 75,450 if the second year. It's pretty logical because in fiscal 15, the amount you increased the earnings was 3%. When you come in to fiscal 16, the three is compounded, so it should be roughly 6% or more, or roughly double what the prior year was. You see the 36,000 unchanged here becomes a 75 unchanged here because you also have steps going on in there. You get your doubling up plus some effective steps.

Right below that, you see that \$112,000 to be added to the fiscal 16 budget? If you go back to page one of your handout that I just printed for you, on the first page, Charlie, the chief has pulled Article 19, so there will be no Article 19 on the warrant. There's not going to be a transfer back to the stabilization fund. You won't see that on your new worksheet.

Now that we end that is Article 18, and that 112 that you see in there for article, that's the 112 that we have calculated here. The one thing about fiscal 16 is we only have 10 months of actual because we've only paid everybody basically through April. This template that I've calculated, you can see, if you stay on the last page of that, this one here, with all the gentleman's names on it, the very last page summarizes the earnings by type and so forth.

I've added a little bit more money because we don't have Memorial Day in the holiday pay calculations and we don't have overtime for the months of May and June in that data. I've added another 200+ for the Memorial Day cost holiday pay and I've added another \$4250 roughly for the difference in the overtime earnings between the old number and the new number. That's how we are arrived at 112 that we're asking for in that Article 18. Article 18 at 112, I think, will supplement the fiscal 16 budget to get us where we [inaudible 00:22:14] the back end of the year, and as proposed the company free cash. That's how we get to that one.

Now, we also hadn't finished the fire budget last time we met because we had to calculate the new earnings based on the new contract amounts. What I've done on this work paper and this is a two-sided work paper, I've taken the same employees and . Now, we had a termination in April, and so that position is vacant. We're budgeting that as a step-3 firefighter with a paramedic license. A contract allows employees to be hired at step 1 or step 3, depending on their experience. It's likely that they'll hire somebody that will qualify to come in on step 3.

The first gentleman is funded for his base. His longevity is calculated, his educational component is calculated, and his regular rate and overtime rates are calculated on your work paper there. The next person, the same thing. He's one of the newer employees, so he doesn't have longevity. I'm not calculating any holiday calculation on a per employee basis because it's their overtime rate times the hours if they work

that holiday. Right now, we're calculating annual earnings, longevity, and if they have educational earnings, that would add to their regular earnings.

What you can see here is the annual regular earnings calculated for each of our bargaining members except for the vacancy which is step 3. Then, at the bottom, what you see I've done is I've summarized that when you take those base earnings, we need to budget 836,000 of regular earnings basically for our 12 union employees. The educational component is roughly 22,200 unchanged. The longevity earnings are \$11,000, and in this contract, those two earning types will vaporize as the older employees retire. Those will go away. You won't have those cost anymore. Then, holiday earnings based on an average, what you see also is I've developed some work data because there never strikes me to be any logic behind any of the requested amounts within the fire budget.

There's this obsession with all these types of earnings that have no validity at all. You don't use your chart of accounts to maintain your pay data. You use your payroll system to maintain your pay data. As far as I'm concerned, if you budgeted regular earnings and overtime earnings, the Fire Department's budget would be a lot easier for people to understand and appreciate. This earnings estimate is tied to those specific calculations. The educational is tied to those specific calculations. The longevity and the holiday are tied. Overtime in 15 actually ended up exactly 50% of the 12 employees' regular earnings when you add up all the types of overtime.

In this year, there's been some exceedingly high injuries on duty which is driven through the first 10 months the overtime factor is 52% of the earnings year-to-date. Extrapolating that, we've come up with the \$463,500 overtime necessity for fiscal 17. That average of 4912 will drive both the holiday earnings and it would drive the overtime earnings. Holiday is pretty easy to calculate because we have 11 holidays, we have three employees, and we have 24 hours. We know exactly how many holiday hours we will have times the average overtime is how I develop that cause. If it falls that more higher priced employees land on a holiday, then it might be a little higher. If less higher priced employees work the holidays, it's going to be a little bit less, but it's very close to what it should be and the cheapest is approved [inaudible 00:26:55].

Bottom line now, with this work paper here, we went back in and if you go back into for Article 5 for Fire Department budget, if you look in Fiscal 17 at the Fire Department budget, and I'm on page 6, now the permanent full time 12 employees is budgeted at \$836,000 which ties back to what we calculated using this new calculation based on your contract agreement. The chief is not changing because that's already been brought forth by the commissioners. The support staff position is not changing. Then, I've just taken the amount of money we needed to get to 463,500 and I've allocated it into those line items that say "OT tied to schedule."

Those are all of the reasons why you might have overtime, and so, I've just arbitrarily assigned additional numbers to bring it up to the total overtime that we need in conjunction with the chief because it's all who knows. It's really all overtime. The expectation that these are accurate should not be held. People should expect that

these are arbitrary numbers with no value at all, but they will bring us to a bottom line that will get us through the fiscal year, but there's not going to be any rational behind how these numbers end up on the pay checks.

All of the ones that say "OT tied to schedule," that ties to the 463,500. You're going to see the union positions are going to tie to the 836. You're going to see that the educational coverage is going to tie back to the schedule. The holiday pay ties to the schedule and what we will do is we will come back in and tie this back, but your 131, 77, 25 should be footed into this at this point in time because the chief and I just finished calculating the 17 and modifying this budget. I'd like one opportunity to go back and check my math because literally, just before 4:00, these are still struggling to come up the printer, but what we're doing is we're taking this single sheet and we're tying it back into this Fiscal 17 budget, and we will have a locked and loaded logical budget.

As you can see right now, the budget jumped from 16 to 17 at 6.9% on this page 6. What you don't see is if you look in that 16 budget column to the immediate left, there's a line called contract negotiations. That line is going to have \$112,000 added to it at this district meeting which will raise your fiscal 16 budget to the tune of \$112,000. It doesn't present in this document right at the moment. What's going to happen is that 6.9 is going to come down because the cost of the labor for fiscal 16 is going up by another 112 during this district meeting. What I'll do is I'll amend this column so when I send you your next work paper, the 112 that you're appropriating at this district meeting for 16 will be reflected in the 16 column, so you'll be better matching 16 total budget dollars against 17 total budget dollars. That 6.9 is going to change in the next work paper. Yes, sir?

Stan: What you're saying is on the Fiscal 17 proposed, the 1.5, that's pretty much an actual ... That's an actual because we know what the raises are?

MIke: No, that's a budget.

Stan: Okay, it's a budget. I mean-

MIke: It's tied to something that has a lot more logic than anything that's ever been done in the history of the district.

Stan: Okay, and the 1.4 just doesn't include the retro?

MIke: The 112.

Stan: Yes.

MIke: That 1443 is going to go up to 1555 to be matched against the 1542, so what's that going to do? It's going to see ... Right. We're actually lowering the cost of the Fire Department salary and wages in 17 from what we're going to end up spending because you're spending two years of raises in 16. You've got two in one year, then

you've only got in the next year. When I straighten out this column, it's going to actually be two in one year and two in another year, and it's going to be basically well funded .

Stan: On the sheet that you gave us here, the 1.371 total all union earnings, at the very bottom of the page?

Mike: Right. That's an estimate of the total union because in here, you also have the chief, you have the secretary, you have-

Stan: Okay, thank you.

Mike: Calls tie Fridays. Again, this budget is a monster to understand because somebody has forced fed the system an arbitrary bunch of numbers that have no logic at all and no meaning at all, and it just makes the district taxpayers, I will think, yank out their hair because to makes the chief yank out, it made me yank out my hair. What? Well, go on. Right in the middle.

The next time you see this, the 16 column will reflect the additional appropriation to 16, the 17 will be all tied right out, and it should be just what you need to get through 17. I've also built, because I had to build all these templates, I built you a new template for 18, 19, and 20 contract negotiating, so you settle the contract without knowing a Hill Billy's ounce of what the cost was.

Stan: The absolute cost, yes.

Mike: Now, you're finding out that what you negotiated cost you 36,000, 75,000, and whatever the third year total cost is. The next time you negotiate, the chief will have a model where you just drop in 333 and you're going to know what it cost you, and when you negotiate a salary that is greater than 2.5% on your total levy, then you're going to know that if you give away a contract that is so great that it makes you exceed the statutory for cities and towns two-and-a-half, then, your policy is going to get blown to hell.

You begin to start thinking in terms of if you're going to live on a two and a half increase, and I got an email over the weekend and I know the chairman got an email over the weekend from a resident who's going to start working to consolidate districts through the town Charter, you need to think in terms as policy makers abstain within those two-and-a-half guidelines because you're going to get railed on by not only your own constituents, but no constituents. Your own constituents can vote whatever they want. Yet, they're going to get railed on by people for doing things that they did themselves as if you did it.

Laurie: I don't know how Fran felt about it, but I know how I feel-

Mike: It's immaterial and it's off this topic, but the point is you've got to control the way you negotiate. You don't negotiate by not knowing what you're giving away. That's

basically what I just watched happen. It won't happen the next time. At least you know what you're giving away and the chief would be able to provide you with that data.

I think we have covered your agenda item that is called firefighter's contract. We've covered the agreement. We've covered the cost of 15, we covered the cost of 6, and we've covered the cost of 17. The next one, I think, is a .

Fran: Yes.

MIke: I think you meant notes not transfers.

Fran: Yes

MIke: We're going to do notes at your next board meeting.

Fran: Okay.

MIke: I think I asked you to put that on your agenda. I think you all know we've been approved. Our application has been accepted by the USDA and that includes the homeland security requirement for the water systems wellfields and tanks. The easement for the trust property, the tank, are there basically three water projects that are bundled into that. The easement and the tank, we need to transact and they have told us it's okay to go ahead and issue notes. Whatever they're going to do for us, they'll give us the money, we'll pay down the notes with their money as opposed to permanently bonding. Then, they don't give us, they'll loan us. I've amended the debt page of this budget and that's going to be page ... we're going to sell notes before the end of the month .

Stan: Thirteen, right?

MIke: Yes, 13.

Stan: Page 13?

MIke: So, what I've done is, if you had the last one, the line called interium interest notes" now says 20,935.50. It's almost two-thirds down that top schedule. That now has, we're going to take a one-year note, not quite a year because we're going to take in May and it's going to mature in April next year, but I budgeted 2,235,000 at 75 basis points just to get a place holder in here.

It changed out debt service estimate a little bit, but this is a number we'll go with to district meeting. I think it's ample. It also amended on the water. If you go back a couple of pages, water, last time, we had estimated that the taxation funding level was about 42% from water. It's now up over 43%. That increase for those two water projects increase the debt service associated with Water debt, so it's all loaded into the Water.

I would note that the chairman thought that they were going to receive 650,000 in fiscal 16. Last year, actual 15, we had 645,000, so there's no real marginal change. We estimated for 16's budget 589,000 and we're carrying a 596,000 right at this moment, so we'll logically try to defend a higher Water number, but for the moment, I'm just pushing it up a couple percent to a revenue estimate for next year. The debt service figure we had left open last time, that's been modified since we last met.

At this point, you all, we had left open the finance budget because you're still working on your strategy for your hiring for fiscal 17. Nothing's changed and it looks like you may end up with lower needs than what's in this budget. It seems ample to hold you, so we'll stick with this and your job will be to beat it down if that's okay with you folks. We'll just leave that budget as it sits since the last time we reviewed it.

We haven't changed this one and then the only other one that we didn't do, I think, Charlie, was the public buildings. The last time, I think, we left that because there might be some changes and I think we're going to leave that pretty much alone as well. I'm working with, in fact, the insurance folks, probably going to be here tomorrow. I was going to be here, but she's going to call me and I'll probably come over [inaudible 00:40:04] response until tomorrow, but as far as the public buildings goes, I think we had pretty much said it. I don't think we've changed it, but as it sits right now, we've got enough for the employee, and I think all of the changes you'd given us, the new irrigation system you had sent me data for, I've got that at 300 and-

Fran: You mean for the Water cost?

Mike: Yes for the second line in that 300. We've got that because we're going to assume we're going to have more than just a basic.

Fran: Maybe more than just a basic right now because we have leak.

Mike: They don't bill us that much. In fact, as you can see, in 14 and 15, they only billed us a half-a-year. I'm not sure of we're going to see two bills this year or not, but we haven't seen two bills in the prior two years. We're supposed to get-

Fran: Yes, we will.

Mike: Okay, so we've got 300 in there. We've got a logical calculation behind the heat. I think we said we're okay at 600 a month for the maintenance, 1400 for the grounds. HVAC, I think we're okay at 850. The alarm service, I think we're okay at, you just sent me a number for that. If you're okay, then, public buildings is the way it is. We're using five for Article 10, that was another question, 5000 for the structural review. That's adequate?

Fran: Yes.

Mike: Then, the 25 for the facility lease or whatever it is you're going to do there, that second article for new administrative office.

Fran: Yes, correct. Just back to ... I need to speak to our neighbor back there. He actually mows ... His people mows his property, so I'm not sure if he's going to continue to do that once we have a new landscaping, so I'll double check with him because that might change that.

Mike: There should be ample in here. If it's going to be radically different, then we'll change it, but I think there's enough cushioning here to support a little give or go across the universe.

As far as warranty session goes, the cover page sort of give us our warrant articles. Three were 30,000. That's still the same. Finance and administration is 323,775 as it rings up on page 5 of 15. Is that what you got, the 75,850; 247 [crosstalk 00:43:12] ... Yeah, there was a ... I don't know what changed, Charlie, but these are the latest greatest numbers. This final set of numbers, 75-A to 247 for the 323 will be your article.

Stan: Okay.

Mike: Then, we have no capital articles in that grouping. Five is now the 1872497. It should have this override. Yeah, and that's going to break 1542, 79, 249, and a thousand. Okay?

Then, the capital articles, 50 from free cash for the rehab and 26 from free cash for the HVAC. Water hasn't changed. Water is still as it was. Public buildings is 18,985 and that breaks that 4325, 9450, 5110, and 100 for a total of 18,985. Charlie, you got that one? You got the--

Charlie: 18,985, yes.

Mike: Yes, and that's on page 10. Then, the 5000 for the high street structure review and 25 for the new admin, and that's Article 11. Then, Article 12 is [free lights 00:45:15] that hasn't changed. That's still 10,100. Then, library hasn't changed. That's 19,725. Principal and interest did change. That's now 494.88. Benefits didn't change. Stabilization didn't change. Then, the rescinding debt didn't change. Article 18, we put the 112 into that. There is no Article 19.

If the math works right, we're appropriating to shy a 4.3 million which is less than it was in 15 and less than it was in 16, and on page 2, you get a quick summary of how things have greatly [inaudible 00:46:18]. We're down about 35% from what we appropriated last year because we don't have the tank. We're budgeting basically the same amount for the overlay. The levy as it sits in this booklet is going up 3.51% and local revenue is going up by 1.2%, and that may go up some more, and if that goes up then the levy comes down when we do the recap, but for the district meeting, we'll use the 3.51%.

Free cash nonrecurring, the reason it changed was because of the Article 18, 112,000. OPEP is still the same. Free cash is still the same. Then, we're going to actually rescind some debts, so it looks like we're using negative debt. We're basically reducing the annual appropriation by about 35%. The average two years about six and a quarter, and the levy increases 3.51, and when you look at the levy increase for the prior two years, it's a -2% on average because it was substantially down. It was down 5.32% last year.

The contract settlement ends up putting us at about a percentage point above what the target was and with the budget the way we built it this year, we should be able to manage it better going forward into the future, especially around that bargaining unit. That's how it sits as of today. I think you're, at this point ... I have a warrant, Charlie.

Lauri: Can I just-

MIke: I think they need to quote it. That's fine.

Fran: Before we voted, I'd like to ... Can we put a warrant article just to ... for an information purpose just to ask people what they would think about increasing the prudential committee from three to five members?

MIke: You can do nonbinding referendum, but I defer to council a district article on the warrant that is nonbinding. What seem to be appropriate, but it's only measuring people in the room, it's not measuring the constituency, so it doesn't have any meaning. It's an arbitrary action.

Laurie: That's what we needed to do previously-

Fran: Last time? Yes so-

MIke: If you have 70 people that's not representative of the thousands of people who live in the district, show up and be counted or not, but I would defer to legal counsel.

Fran: Probably better to put it on the ballot next year.

Lori: I think the last time we going back we had to wind up for the ballot.

MIke: That would be the better place. Non-binding ballot question on the referendum basis is much cleaner. You have a warrant now that you can post and if you would vote to approve, I think you can make it evoke to improve the warrant as on page 1 of this work paper to consolidate your growth. Charlie's got the numbers off this work paper for each article and he's got the supporting detail for the actual pieces on the work paper pages in site. I think that's what you really need, it's a final vote to approve the warrant as printed on this work paper.

Fran: Ms. Hadley, can you make that motion?

Laurie: I move that we approve the budget as it's presented on page 1 of the 2017 Prudential Committee Administration Financial Article's funding request dated April 25, 2016.

MIke: That's really today's .

Fran: Is there a second?

MIke: Seconded.

Fran: All those in favor?

MIke: Aye.

Fran: Aye.

Laurie: Aye.

Fran: So moved.

MIke: All right, Mr. Clerk, you got a warrant.

Fran: Now, we're done with the warrant, the firefighters. We need to vote to approve the memorandum of understanding between the agreement, between the two firefighters or Local 3642 in the Cotuit Fire District. The above name parties have reached agreement on terms of a successor contract to the agreement that expired on June 30, 2014, that the agreement is retroactive to July 1st of 2015, and will expire June 30th of 2017. Unless set forth below, all the terms and conditions of the collective bargaining agreement that expire on June 30, 2014 shall remain in full force in effect for the term of this new second agreement.

The only change to the prior agreement is as follows. Effective July 1, 2014, 3% across the board wage increase effective July 1, 2015, 3% across the board wage increase effective July 1, 2016, 3% across the board wage increase. The parties agree that the above across the board wages increases will be implemented with a full retroactivity to July 1, 2014. Both parties agree that the wage increase set forth will be included in the budget to be approved at the May 25, 2015 annual agreement. The agreement was signed on April 13, 2016.

I move that we approve the agreement with the Cotuit Firefighters.

Laurie: I second it.

Fran: All in favor?

MIke: Aye.

Lori: Aye.

Fran: Aye. Great. Thank you.

Stan: I just have a question for Mike. You were talking about the way the account for their figures in the Fire Department. You said that there are other methods that you thought that they might use that would

Mike: Also I'm talking about is budgeting.

Stan: Just budgeting?

Mike: Budgeting is regular and overtime. If you look at that budget, they've got overtime for personal days, overtime for sick days, overtime for holidays, vacations. It doesn't matter why. It only matters that it's overtime and there's no logic behind the numbers. I tell you, I just [inaudible 00:53:25] at a 20, 20, 30 in 16 and changed the four numbers to get the budget up to where it needs to be. No logic at all. It's all overtime.

If you look at that budget and we took out all those lines and just put in one number overtime, the appropriation, the budget in the chart of accounts would be much more manageable than if you want to track did I take a personal day? You can do that in the payroll system because the person gets charged for personal day or in sick day. Somebody else gets overtime because if you take a sick day, somebody else gets overtime.

Does it really matter that we need to know that that guy got overtime because of a sick pay versus a personal day? No, not in my budget world, not in the government of Massachusetts mandatory, statutory, universal municipal accounting system. They don't care. They want to know what you pay in regular wages and what you pay in overtime. Your chart of accounts and your chief is trying to budget, how does he know who's going to be sick? How does he know who's going to take a personal day? How does he know?

Here, we see 18 months before our period starts, we start the budgets roughly 18 months before they start, and we got to drop silly numbers into a line that have no value at all other than making somebody happy somewhere that at the end of the year and look at what they were, they're nowhere near what they originally were budgeted at nor do they need to be trapped. Who cares? Obviously, somebody does, so I didn't say-

Fran: Somebody did.

Mike: I just say budgeting and accounting do not need to have that level of convoluted and confusing. All we need to know is are they getting paid straight time or overtime? That's about it, but we've done this budget the way that it's historically been done. It

will go that way and at some point in the future, it might be proven to not go off to craziness and just budget overtime and regular salary wages.

Lori: It's never made sense to me because we don't even vote line item budgets.

MIke: No, we don't. It's arbitrary numbers on a paper. They have no meaning whatsoever, none. The numbers that we calculated today, we can calculate the number of hours and it will be holiday pay. If you work a holiday, you get paid that shift time and a half plus your regular week's pay. We have guys that never worked a holiday in the whole year, so they didn't get any money. Bottom line is right now, we have a calculator that calculates based on overtime as a factor of regular earnings based on historical spending, and that's roughly 50%.

Stan: That's the way I used to do it.

MIke: That's the way most finance people do it. I've never seen anybody who does it this way, but we're just old guys. We don't know how to do things in the new world

Laurie: I don't think it's the new world.

MIke: I don't know who's world it is, but-

Fran: This is the reason we can't request that that be changed for 18.

MIke: When you do your exit budget for fire, it might be prudent to just use a factor of your regular salary wages. You basically looks to me like you spend about 50% of your regular salaries and wages on OT.

Stan: Thank you.

Lori: We did have a lot of-

MIke: You're at, I guess, the Cotuit Library .

Fran: No. We passed the Cotuit Library. We did that.

MIke: The Water Department is done.

Fran: We're down at the minutes for April 11th and 29th.

Lori: I move we approve the minutes for the 25th and 29th of April 2016.

MIke: Second.

Fran: All in favor?

Lori: Aye.

Fran: Aye. Just as a point of information, we are moving along transferring our web server's web master to Barnstable County.

Mike: That was another reason why we had left the open item, it was that we had carried a heavy number and you're probably going to reduce that one as well.

Fran: We're probably going to reduce it, but for right now, until we get them up and running, they said it might be the same as this year, so I'll accept them. Anything else?

Lori: I move to adjourn.

Mike: Second.

Fran: all in favor?

Mike: Aye.

Fran: Aye.

Mike: Charlie, if you send me your draft warrant tomorrow or tonight, I'll so you have some-

Charlie: Okay.

Amy: Any Kates.

Mike: It was on before.

Amy: Amy Kates. I wanted to bring to your attention that the by-laws require that the warrant be closed 30 days before the annual meeting. That didn't happen at the April 25th meeting and there wasn't a vote at that meeting to include certain articles in the warrant, and there also wasn't a report from the chairman of the by-laws committee to the clerk or a report from the prudential committee liaison by-laws committee person, and so I wanted to bring that to your attention and get some feedback on your thoughts about not meeting the requirements in Cotuit Fire District By-laws.

Laurie: Sometime ago, the prudential committee gave the By-Law Committee the authority to ... It was done. It was sent to the clerk. It was not sent to us.

Amy: The clerk was not aware of the by-laws because one of the last comments at that 25th meeting, because one of the last comments that Charlie made was were there by-law that we're going to be-

Laurie: He said we saved them . Don't worry about it anymore.

Amy: No, but that wasn't presented to the clerk at the April 25th meeting and even though the by-laws committee has the authority to put by-laws on the warrant, it normally

would be presented to the prudential committee when the warrant closes for ... To be put into the record and to be voted on by the prudential committee.

Fran: What is your solution, Amy? You want us to change the date of the annual meeting?

Amy: I want to bring this to your attention.

Fran: We were waiting for numbers or figures for the firefighters for the budget which is part of the warrant. What else can I say?