

WEST NEWBURY FINANCE COMMITTEE

REC'D - NEWBURY CLERK
23 FEB 22 AM 7:53

Meeting Minutes

Date, Time, Location: Th. Dec. 15, 2022, 6 PM (1910 Bldg.)

Attendees (& initials): Chris Wile (CW), Rob Phillips (RP), Walter Burmeister (WB), Dan Innis (DI), Jim Sperelakis (JS), Angus Jennings (AJ).
Absent: Ross Capolupo (RC). Guests/Participants: Town
Acct: Jenny Walsh (JW) & SB: Wendy Reed (WR)

1. Call to Order: 6:00 PM
2. Public Comment: AJ introduced new Town Accountant Jenny Walsh, who had been working for the Town in another role. Jenny replaces Stephanie Fronteira, who has found a role outside WN. Welcome Jenny!
3. Approval of Minutes: 11/16/22 FC Mtg Minutes. Motions to approve: CW.
2nd: DI. **Approved 5-0**
4. Select Board FY24 Budget Policy Direction: AJ distributed and reviewed the one page document, approved at the SB meeting on Dec. 5. Key items highlighted include the following (with corresponding document item #):
 - a. (Item #1), i.e., limiting the expense budget increase to no more than 2.5%, not inclu. the Pentucket school budget. CW commented/asked, "when an override happens, why is it only the school budget on the override? An unintended outcome is that is pits the Town against the Schools. Why not put the entire budget (town & schools) on the override?" That generated further good discussion.
 - b. (#4) AJ also pointed out the Capital Improvement Program, particularly the customary (in past years) appropriation of \$500K annually, from the operating budget to the Capital Stabilization Fund, and whether this was an adequate amount for FY24 and future years' to fund the Town's anticipated capital needs. One key comment is that a 2/3 majority is required at Town Mtg to use Capital Stabilization Funds.
 - c. (#7) Study of fee (and non-tax revenue) generation in specific town depts and commissions, and whether fees generated are sufficient to suitably offset the underlying town operating costs, as well as comparability to other surrounding towns. Examples include the Building Dept., Parks & Rec., etc.
 - d. (#8) The FY24 budget will take into account estimated cost impacts of new bylaws, regulations or policies, upon the Town's operating budget. An example may be the proposed 'wetlands protection bylaw'.

5. Update on Capital Improvements Committee process/timeline: AJ highlighted the anticipated FY24 process and is pleased with the discussion and outcome of the CIC mtgs. AJ also mentioned that approx. \$301K in the current FY23 budget will zero out in FY24, due to payoff of two long-term bonds: the public safety complex and a land acquisition bond. Currently there are two large 'enterprise funded borrowings' for the Town, i.e., \$1.7M Brake Hill water tank and \$1.1M in Bond Anticipation Notes (BANs), which can eventually be converted to long-term debt. AJ also highlighted that some projects, e.g., water main replacements, could potentially be candidates for MA state 'SRF' financing, which if accepted, carry a very attractive interest rate of approx. 2%. The next CIC mtg is planned on Jan. 12. See entry #4b above for add't CIP comments. AJ intends to put the proposed capital program on the town website, along with an explanatory narrative/intro.
6. Page School Feasibility Study update: AJ commented on the status of the 'Page School feasibility working group'. Their initial intention is to ensure the Page study (approved at Fall '22 Town Mtg) has a wide and appropriate scope. The working group intends to present their initial recommendations on Mon. Dec. 19. The timing objectives are to prepare an RFQ by Jan. '23, hire a study firm by Mar. '23, and complete the Page study latest by Dec. 1, 2023. RP asked if there are aspects of the Page School restoration that can be covered by CPA funds? AJ/WR responded "Yes, if the funds are used for historical restoration purposes."
7. Monthly Financial Review: WB asked why the Town Mgr. Budget had \$73.5K in salary & wage expense, which to date is unspent. AJ responded that the Asst. to Town Mgr. hire has not yet been made and this salary expense is budgeted to cover that hire. RP also mentioned that in the budgeting process, it may be prudent to roll-up all employee wages into a 'personnel budget', so the budget itself will appear less fragmented, esp. since wages/benefits will likely make up the majority of the operating budget. AJ commented that this salary aggregation is doable, for illustrative purposes, and he has access to these figures.
8. The remaining agenda items were largely tabled, as the 1st floor hearing room, was slated for use by another committee meeting at 7:30 PM.
9. Future FinCom meeting schedule (all start at 6 PM):
 - W. Jan. 11, 2023 (added prior to 12/15/22 FC mtg adjournment)
 - W. Feb. 15, 2023
 - W. Feb. 22, 2023
 - W. Mar. 1, 2023
 - W. Mar. 8, 2023
 - W. Mar. 15, 2023
 - W. Mar. 22, 2023
 - W. Mar. 29, 2023 (place-holder, in case we need it)

Adjournment: Motion to Adjourn: CW. 2nd: WB, **Approved 5-0** at 7:30 PM