

**West Newbury Finance Committee
Minutes of the Meeting
Monday, January 22, 2018**

Finance Committee Meeting

Vice Chairman Beaudoin called the Finance Committee meeting to order at 7:04 p.m. in the second floor hearing room of the 1910 Building with Ms. Grammer, Mr. Kelly, and Mr. Ellis in attendance. Treasurer/Collector Gould was also present.

There being no public comment, the Committee considered its agenda.

Mr. Gould reported there have been no transfer requests.

Review of FY19 Omnibus—Treasurer/Collector Andrew Gould

Mr. Gould had previously forwarded the Finance Committee a copy of the budget. Ms. Grammer requested if he could also include on the Omnibus Budget columns the amount each department or committee requested last year. The information would enable FinCom to assess this year's omnibus accurately. *Mr. Gould will provide the information regarding last year's budget requests.*

Board of Selectmen (BOS)

The BOS requested budget for FY19 includes only \$5,000.00 for Professional and Technical Services. The funds cover such items as Trade Show attendance.

Town Manager

Salaries for the BOS Administrative Assistant Mary Winglass and Finance Department part time Administrative Assistant Annie Sterling are now a line item under the Town Manager. The line item for Technology Expenses also moved from the Finance Department to an item under the Town Manager.

Finance Department

Itemized salaries include that of the Accountant Ms. Laurie Zywaik and Assistant Treasurer/Collector Ms. Susan Yeames.

Town Clerk/Town Counsel

Ms. Grammer noted Preservation of Town Records remained a line item, without a budget request. She inquired if the preservation was complete. Mr. Gould replied Mr. McCarron had given a presentation and therefore he believes it is complete.

Public Safety—Police Department

Mr. Gould reported level funding the police budget. Currently, the amount of contributions to the School Resource Officer (SRO) by Merrimac and Groveland is not established. Therefore, the full salary of the SRO is in the West Newbury police budget.

For transparency purposes, Ms. Grammer suggested spelling out Family Medical Leave Act, rather than using the acronym, FMLA. In the same vein, another suggestion was to add the term-two cruisers- next to the Capital Outlay line item.

Fire Department

Mr. Gould noted the increase in the Fire Protection Fee is a direct result of the increase in water fees. Ms. Grammer remarked whether a citizen receives water from the town or from a private well, adequate water for hydrants benefits everyone in town.

Emergency Management Agency

No report has been received therefore Mr. Gould level funded the budget.

Animal Control

Mr. Gould remarked the budget increased. He stated Chief Reed is looking into establishing a long-term contract for animal control.

Harbormaster

Currently, West Newbury shares expenses with Salisbury. However, Salisbury's needs are perhaps not consistent with ours. Mr. Gould reported speaking with officials in Newburyport, where a new facility is in process of being constructed. Future discussions would be beneficial.

Public Safety—Dispatch

Mr. Gould reported Chief Reed had increased overtime for both dispatch and police. Due to the difficulty of finding reserve officers to cover open shifts, it has been necessary to pay full-time officers overtime. Each year it has been necessary for the chief to request transfers in order to pay overtime expenses for the fiscal year. This increase request is an attempt to eliminate further transfer requests.

Education

Mr. Gould stated it is too early for school budgets. He budgeted a 5% increase. In reality, it would most likely be higher.

Community Center Committee (CCC)

Ms. Grammer inquired into the use of past funds. Mr. Gould replied the committee has expended a small amount of provided funds. *Mr. Gould will provide FinCom with specific expenditures.* FinCom members believe the Community Center expenses should be in the form of an article request rather than a line item on the omnibus. *Acting Chairman Beaudoin will consult with the BOS regarding the option of an article request.*

Recreation

Mr. Ellis requested some clarification regarding the Action Cove Playground. Ms. Grammer stated the Department of Public Works (DPW) also has a line item for playgrounds. *Mr. Gould will follow up to clarify the breakdown of funds dedicated to playgrounds.*

Debt Service

Mr. Gould reported a decrease in the debt service. This is accounted for by the removal of duplicative line item amounts for the Dunn property and the septic system debt, which are handled through standard articles.

Health Insurance

Health Insurance rates have yet to be determined. Mr. Gould did factor in a 10% increase, but warned it could be more.

Medical Insurance—Federal Insurance Contribution Act (FICA)

Mr. Gould reported two separate increases of 2% brought FICA up to 4%.

Insurance and Bonds

Massachusetts Interlocal Insurance Association (MIIA), the town's current carrier, will no longer cover vacant buildings or the municipal apartments. The Carr Post is an example of one of the vacant buildings. The town is in search of a new carrier for the buildings in question.

Omnibus Discussion

Acting Chairman Beaudoin queried Mr. Gould regarding the goal to increase the budget by no more than 2.5% per year. He remarked some of the increases are higher. Mr. Gould replied the increase is not based strictly on the tax rate but also property values and new growth. Ms. Grammer added the BOS usually able to pare down the budget to 2.5%

Mr. Gould stated he was hoping to achieve AAA credit rating status for the town, which currently stands at AA. West Newbury's association with the Essex County Retirement Fund had a negative impact on the credit rating. Unfortunately, there was an inappropriate use of funds by a board member approximately five years ago. There have been no reported indiscretions since that time. However, participating towns became associated with a greater liability.

Mr. Kelly inquired if West Newbury would be able to manage its own retirement fund. Mr. Gould replied it is possible but very expensive. An independent city or town retirement fund, by law, must employ two full-time employees to manage the investment portfolio. One employee may be associated with the Fire and/or Police Departments and the town Accountant is required to participate as an ex officio member. He stated the city of Newburyport does have its own but it is a larger community. Mr. Kelly asked if West Newbury could collaborate with other communities regarding the Retirement Fund. Mr. Gould replied West Newbury would establish its own Retirement Fund or remain with Essex County Retirement Fund. Our town cannot collaborate directly with other towns.

Mr. Gould stated some smaller towns utilize the services of a branch of the state government-the Pension Reserve Investment Trust (PRIT). PRIT employees are knowledgeable regarding investments.

Action Plans

Acting Chairman Beaudoin will speak with the BOS regarding:

- *Addition of a line item for electricity for the DPW*
- *Removing a line item for the Community Center and adding an Article Request*
- *Update of the \$5,000.00 for the playground*

Acting Chairman Beaudoin asked committee members to provide him with any notes regarding the omnibus budget by Friday, January 26, 2018.

Ms. Grammer provided some background regarding the playground to new members. Previously a report was prepared for safety issues with the Action Cove Playground. The report listed several safety issues at the playground. In response to the report, safety concerns were addressed. Since that time, the playground is physically safer. Mr. Kelly remarked, as a new citizen to the community, he was more concerned that the physical layout of the playground precluded safe supervision of children.

Review of Prior Money Articles

Acting Chairman Beaudoin asked Mr. Gould about the status of prior money articles. Mr. Gould replied the DPW had closed 5 or 6 requests. However, there has been a problem with the Finance Department Software. Two consecutive companies have bought out the company supporting the current software. The current company will not support three different software programs. Therefore moving forward is currently at a stalemate.

Mr. Gould noted if a new Chart of Accounts is in place come July 1, 2018 (FY19), it is not worth fixing the current Chart of Accounts. Acting Chairman Beaudoin asked Mr. Gould to look into the status of all of the prior money articles.

Acting Chairman Beaudoin inquired into the status of surplus vehicles. Mr. Gould replied there are 3 trucks and 1 drug truck listed as surplus. Municibid Auctions sells municipal vehicles online.

Police Vehicle Rotation

Acting Chairman Beaudoin asked for clarification regarding the Police vehicle rotation. This year the police are requesting the replacement of 2 cars and will request 1 replacement for the next 2 years. Mr. Gould replied in order to maintain the fleet this would be the procedure.

Administrative Assistant for the Finance Committee

Acting Chairman Beaudoin reported feedback from surrounding towns regarding the use of an administrative assistant. In Groveland, the Finance Committee handles secretarial duties. Newbury employs an administrative assistant. Officials from Merrimac did not respond.

As Mr. Ellis was absent during the initial discussion of FinCom's potential use of greater administrative assistant help, Acting Chairman Beaudoin asked for his thoughts on the matter. Mr. Ellis remarked employing an administrative assistant would bring stability and frees up member's time. He added a clear job description establishes duties of the administrative assistant. Mr. Ellis stated he is leaning towards the affirmative.

Ms. Grammer stated the FinCom web site is searchable. This allows both members and citizens to obtain information regarding a specific topic found in past minutes.

Mr. Ellis asked what is the next step regarding the administrative assistant. Acting Chairman Beaudoin stated FinCom would reevaluate after the budget season. Until that time, FinCom members will equitably share the workload. Mr. Ellis requested maintaining the position of note taker, regardless of the outcome of the administrative assistant discussion.

Council on Aging (COA)

Mr. Kelly reported on the status of the COA van. Previously, the municipal garage housed the van. However, the van is now outside when not in use. Needs of the Fire Department displaced the van inside. Mr. Kelly added the driver does regularly maintain the van. The driver washes the vehicle at a Seabrook car wash every 2 weeks. The facility can accommodate the height of the van. A facility in Byfield performs routine maintenance.

COA did also mention the need to replace approximately 18 unsafe chairs. Following the WB Mason link, COA employees determined the cost to be \$1,500.00. Mr. Kelly did also follow up on Amazon and found the cost at that site to be \$1,000.00. Mr. Kelly suggested COA call Ms. Winglass in order to add the request to the BOS agenda. Acting Chairman Beaudoin inquired if the request is in the form of an Article. Ms. Grammer reviewed the progression of events. The BOS first considers a request for funds. Once a request is added by the BOS, both FinCom and BOS will vote to support the article. Once reviewed, there may be a Warrant Article.

Meeting Minutes

FinCom members voted to approve amended minutes of January 16, 2018, 3, 0, 1, Ellis abstaining.

Article Request—\$2,000.00 for Early Voting FY19—Town Clerk/Council Michael McCarron

Mr. McCarron explained the request for extra funding. During presidential and gubernatorial elections, the state mandates municipalities provide early voting 2 weeks prior to the election. This involves extended hours for employees and election workers. The state will reimburse municipalities for the extra expense.

Last year, one third of the votes were from absentee and early voters. Therefore, early voting was successful, but disruptive to Town Clerk employees. Mr. McCarron suggested the Article Request—which the state is supposed to fully reimburse—would provide separate accounting and allow more precise tracking of the funds.

In order to minimize disruptions at Town Hall, during this period, Mr. McCarron is proposing a temporary takeover of the downstairs obby. Replacement of furniture with voting booths and employing 2 part time election workers will minimize interruptions to town employees. Unregistered voters would continue to need to proceed to the clerk's office. However, the number of people is minimal.

Status of Preservation of Town Records

Mr. McCarron reported digitalization of town records (birth/death) is complete and resides in the cloud. The Community Preservation Committee (CPC) provided funding and offered a presentation. Currently, Mr. McCarron is the only one with access. He hopes to soon share with the library. Enrico software will allow search ability of the records. *Mr. McCarron will remove the line item from the omnibus.*

Expected Articles

Mr. McCarron anticipates a “clean up” article to remove references to the Finance Director. Additionally, the Bicentennial Committee will have an article request funding and is planning 2 major events. The first in February, which is the actual bicentennial. Establishment of the town took place on February 18, 1819. The second town wide event will occur in June/July 2019. In conjunction

with the events, information from the historical inventory will provide a narrative to an historical presentation.

Status of Carr Post Building

Mr. McCarron stated any plans are on hold in anticipation of final approvals of the Drake's Landing Development. If approved, there is a plan to create a parking lot behind the Carr Post building. In addition to the new development, West Newbury may incur a potential debt of \$12 to 14M for the high school project.

Mr. McCarron suggested there was some concern regarding the decline in the student enrollment and building a new school. Mr. Carron believes the 2008 recession caused a stagnation in the real estate market. Typically, empty nesters would down size their homes. Due to the poor market, older citizens decided to hold on to their homes. Improvements in the market should entice older people to sell their larger homes to incoming young families.

Article Request—\$2,000.00 for Early Voting FY19

FinCom voted to approve the Article Request for early voting—\$2,000.00, 4, 0, 0.

FinCom member of the Investment Policy Committee

FinCom will need to replace Mr. McGrath as a member of IPC. Present members will ask Mr. Durey if he is interested in becoming a member of the IPC.

Tentative Agenda for Monday, January 29, 2018

- Review and approve draft minutes from January 22, 2018
- Review draft budget
- Review prior money articles
- Review any new Article Requests
- Elect a member of the Investment Policy Committee

Upcoming Meetings

Monday, January 29, 2018: 7:00pm

The meeting adjourned at 9:05 p.m.

Respectfully submitted,

Elisa Grammer
Secretary Emerita

Meeting materials:

Draft minutes January 16, 2018
FY19 Omnibus budget