

**West Newbury Finance Committee  
Minutes of the Meeting  
Monday, February 5, 2018**

**Finance Committee Meeting**

Vice Chairman Beaudoin called the Finance Committee meeting to order at 7:02 p.m. in the second floor hearing room of the 1910 Building with Ms. Grammer, Mr. Kelly, Mr. Durey, and Mr. Ellis in attendance. Treasurer/Collector Gould was also present.

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

Transfers: none

**FinCom Review of Previously discussed Omnibus Line Items**

Mr. Ellis asked Mr. Gould if departments do not submit a budget and Mr. Gould level funds the budget, could he or FinCom input a smaller amount. Mr. Gould replied in the affirmative.

Acting Chairman Beaudoin requested comments regarding Selectman Anderson's email reply to questions presented by FinCom regarding clarity of the Board of Selectman's (BOS) omnibus line items. The salary line of \$62,564.00 was transferred. The salary line item of \$109,037, under the Town Manager, includes the salaries of Mary Winglass (with an increase), salary of the BOS note taker, and that of Annie Sterling, Administrative Assistant (formerly under the Finance Department). The remaining line item includes salaries for town accountant Laurie Z and assistant treasurer/collector Susan Yeames.

The lines reflecting the costs related to the 1910 Building telephone and postage expenses moved under the Town Manager's expense line with an additional amount of \$10,000.00. *Acting Director Beaudoin will summarize the changes in the FinCom Booklet cover letter.*

Ms. Grammer asked Mr. Gould why the Finance Department is requesting the same amount of \$36,400.00 for expenses when there was a significant turn back in FY17. Mr. Gould explained the department currently utilizes Veda a collector's software program and Accela government accounting software. The purchase of Accela, Inc. by a private equity, which will not continue to support the software. Ms. Z is reviewing a Veda accounting package for both applications.

**Prior Monies Update**

Acting Chairman Beaudoin reported several departments had responded to the request for the status of prior Monies. Mr. Gould stated he had reviewed the Department of Public Works (DPW) spreadsheet with Selectman Archibald. Under Chapter 90, cost of roadwork is supplemented by the state. To date, \$135,000.00 of the \$150,000.00 were spent. Spring roadwork will expend remaining funds.

Additionally, \$30,000.00 allotted to the exterior of the library will also be expended this spring. Acting Chairman Beaudoin asked Mr. Gould if excess funds from completed projects were transferred to the General Fund. *Mr. Gould will investigate.*

Mr. Gould stated \$67,194.00 of the approved \$100,000.00 approved for maintenance of the Paige School remains in the budget. Over time, the funds will be used on the maintenance of the school building.

Ms. Grammer queried Mr. Gould regarding the removal of the Community Center Committee as a line item on the town budget. Mr. Gould replied it would be removed from the omnibus budget. Ms. Grammer stated if any departments or committees ask what they need to bring to a FinCom meeting, they should be referred to the “How do I” section of the town web site.

Acting Chairman Beaudoin remarked Mr. Gould would remove the line item “Preservation of Town Records” under the Town Clerk from the omnibus.

### **Omnibus Discussion**

Ms. Grammer requested Mr. Gould provide FinCom with a copy of the wage schedule. She is interested if there is a standard rate for minute takers and administrative assistants. Both the Conservation Commission and the Planning Board are requesting the addition of a note takers or administrative assistant.

Ms. Grammer suggested the need for more transparency regarding the Community Preservation Committee (CPC) budget, which is not included on the omnibus. For example, how much of the town’s expenditures are matched by the state. In addition, what are the CPC’s expenditures and revenues? *Mr. Gould will provide FinCom with the information.* Mr. Gould remarked CPC requests for funds are not listed on the omnibus but rather in the form of Articles.

Ms. Grammer remarked there are approximately \$2.5M in the CPC fund. Approximately 1 to 3% of the real estate taxes are forwarded to the CPC. The distribution of CPC is limited to:

- Open space and recreation
- Historical buildings
- Affordable housing

Mr. Ellis questioned as to why there is a lack of transparency. Ms. Grammer it remains a work in progress and the CPC is working to develop policies.

Ms. Grammer stated there are some potentially costly projects in the horizon. One particular project is the development of a potential well site. Owners originally rejected the town’s initial offer. The BOS cannot offer more than the assessed value for the land. It is in the rights of the town to take over the land by eminent domain. This approach, however, could be very costly.

Mr. Durey inquired about the \$150,000.00 Article for the Town Manager approved during the fall meeting. According to Selectman Anderson, Ms. Grammer reported approximately \$3,000.00 has been spent. The Article specifies unused funds are returned to the general fund. Ms. Grammer asked Mr. Gould what was purchased with the \$3,000.00. FinCom asked if technological equipment such as a computer and printer were purchased in F18, are they also included in the FY19 budget. Mr. Gould replied some double account might be occurring presently.

### **Pipestave Apartments**

Ms. Grammer questioned Mr. Gould regarding the Pipestave Apartments. Do apartments repairs use West Newbury funds but are owned by Newburyport? Mr. Gould reported the West Newbury DPW is responsible for interior painting and repairs. He added DPW manager Mr. Bill met with the inspector and listed necessary repairs.

Mr. Gould excused himself to attend the BOS meeting. Town Clerk McCarron joined FinCom to field any questions they may have.

Ms. Grammer stated a \$30,000.00 Article had been approved to allow West Newbury to perform “due diligence” in order for Newburyport Housing Authority (NHA) to acquire the title of the properties. Mr. McCarron remarked the Housing Authority manages the property, owned by the town of West Newbury. The outsourcing of building management was initially thought to save West Newbury money, but review of various administrative fees charged by NHA have caused the town of West Newbury to re-evaluate this relationship. Essentially under the current arrangement the NHA collects all the income from these properties through various “fees” while West Newbury is stuck with all the Capital Improvement expenditures .

Currently, Mr. McCarron reported NHA manages the property. However, West Newbury is responsible for building maintenance. Ultimately, Mr. McCarron added the Town Manager would determine the transfer of the title of the low-income properties to NHA.

### **Town Clerk Budget**

Mr. McCarron reported the increases in the line depicting photocopiers and facsimiles is necessary for the purchase of new equipment. Mr. Durey inquired why there was an increase in expenses when there was a significant turn back in FY17. Mr. McCarron explained expenses also cover possible legal fee expenses. He also stated the addition of a \$1.00 legal fee under Special Counsel allows for transfer of funds, if necessary. Mr. McCarron stated unused funds return to the general fund.

### **Board of Registrars**

Mr. McCarron stated expenses for this office are related directly to the number of elections taking place throughout the year. There are three elections slated for FY19: state primary on September 4<sup>th</sup>, the gubernatorial election on November 6<sup>th</sup>, and the town elections.

### **Pentucket School Building**

Mr. Durey inquired if there could also be an election to vote for the school building. Mr. McCarron stated it would probably take place next year. He remarked local municipalities could have local elections on the gubernatorial ballot if the request is submitted in August.

In order to prevent a large one-time payment, Mr. McCarron stated the town is using the levy limit. As the debt is paid down, the town continues to “raise and appropriate” (levy). Therefore, the debt exclusion is replaced with “raise and appropriate”.

Mr. McCarron added the town is paying a portion of the cost of the school building. However, the Pentucket School Committee is responsible for the debt, not West Newbury.

### **Expected Standard Articles**

Mr. McCarron reviewed some of the expected articles.

#### Dunn Farm

Ms. Grammer stated loaned funds purchased the land. Mr. McCarron added an open space grant is to be used to pay off the bond. The 0% bond (for municipalities only) covered all expenses.

#### Septic Loan Revolving Account

This is the standard request for repayment of loan debt service.

#### CPC Article

This is the standard request to appropriate funds for the CPC.

#### Water Enterprise Fund Free Cash Account

This is a standard article transferring of funds from the Free Cash Account to purchase water from Newburyport. Ms. Grammer asked Mr. McCarron why management of the Water Department is separate from the town. Mr. McCarron stated, in 1936, a statute was created. The thought was to control town water separately from well water used by many townspeople. He cited an example of the use of underground sprinklers using town water.

#### Bicentennial Celebration

Mr. McCarron stated there would be an Article pertaining to the bicentennial celebration.

#### Bylaw Update

Ms. Grammer suggested there also would be a bylaw update to remove reference to the Finance Director and adding the Town Manager.

#### Fire Department

Mr. Durey stated the Fire Department will submit an Article to cover the cost of protective gear. Acting Chairman Beaudoin affirmed this. However, the request is a Capital Improvement Committee (CIC) project.

### **Minute takers**

FinCom members stated several committees have requested minute takers. Mr. McCarron was asked is this fact due to providing evidence for possible lawsuits. Mr. McCarron replied Planning Board minutes are not admissible in litigation. However, audio recordings of meetings are admissible. Acting Chairman Beaudoin inquired if there is a standard method to pay minute takers. Mr. McCarron replied this is a grey area. Employees are paid hourly, whereas contractors are paid by the project. There are separate indices for employees and independent contractors. Mr. McCarron added the BOS minute taker remotely watches the meeting on cable television.

### **Review of the Omnibus**

FinCom members resumed the review of the Omnibus. FinCom members generated a series of points to address with Mr. Gould upon his return to the FinCom meeting.

### **Fire Department and Ambulance Services**

Ms. Grammer remarked the Water Department collects the Fire Protection Fee in order to maintain fire hydrants with town water supply. Acting Chairman Beaudoin stated with the addition of a Cost of Living Adjustment (COLA) the Fire Department budget will increase.

A brief discussion about ambulance services ensued. FinCom members expect services are privatized but will confirm during the upcoming meeting with the Fire Department.

### **Inspection Department**

Acting Chairman Beaudoin stated a 2% increase for wages has been included. He added the inspector also works in Topsfield. He is requesting an increase in his salary. Ms. Grammer stated the web site includes the schedule of payments. She questioned if fees should increase to cover costs.

Acting Chairman Beaudoin stated there has been a \$20,000(19%) increase in the budget since 2016. FinCom will request a clarification of line items, particularly the “other expenses” line item which has jump from \$1,800 to \$9,500 . Ms. Grammer suggested there has been an increase in the demands of the Inspection Department. She again inquired if an increase in fees is necessary to cover the costs.

Mr. Ellis suggested a change in the order of the omnibus items by placing the Inspection Department in line with the Planning Board and Board of Appeals. *FinCom voted to approve moving the location of the Inspection Department on the omnibus, 5, 0, 0.* Mr. Ellis stated FinCom would add this to the questions for Mr. Gould.

### **Emergency Management Agency**

The function of this agency was reviewed. Ms. Grammer stated they work in conjunction with the police and are active during emergencies such as storms and power outages. The agency works in liaison with the Federal Emergency Management Agency (FEMA). The director would coordinate movement of elderly residents to shelter in the Annex Building. Ms. Grammer added the director, Ms. Lee Ann Delp, reports independently to the BOS.

### **Animal Control**

Animal Control is managed through a contract, as previously discussed.

### **Harbormaster**

Mr. Durey inquired about the role of the Harbormaster. Ms. Grammer replied the main task of the Harbormaster is to pump out wastes from boats. Federal or state funds cover the cost.

### **Education**

#### **Pentucket**

Ms. Grammer announced there would be a school board meeting this week in Merrimac. She added the Massachusetts School Building Authority (MSBA) has a set number of steps to follow. This includes inspecting all mandated alternative sites. The proposed design includes separate middle and high schools sharing common facilities such as cafeteria, auditorium, and gymnasium.

If building is onsite, it is important to phase construction in a manner offering minor disruptions. Ms. Grammer stated the MSBA would not contribute to construction of Administrative offices. In all likelihood, demolition of the current building will occur. Ms. Grammer added there are other facts to consider; wet lands surround the current site and new athletic fields averaging several million dollars occupy land near the school.

### **Whittier & Essex Agricultural and Technical High Schools**

Ms. Grammer stated Whittier is not transparent in some of their charges. She added there is a West Newbury representative to Whittier. However, the representative possesses little authority. Both Mr. Durey and Ms. Grammer asked how many students attend both Whittier and Essex Agricultural and Technical High School.

Mr. Durey proposed inviting school representatives to FinCom. Ms. Grammer replied, typically, school representatives meet with both the Finance Committee and the BOS. Mr. Ellis suggested Mr. Gould contact school representatives to obtain costs per student. Furthermore, FinCom should develop basic questions to pass onto the BOS. Acting Chairman Beaudoin stated two questions include basic demographics and cost per student.

### **FinCom questions — Treasurer/Collector Gould**

Mr. Gould returned from the BOS meeting. He announced BOS has approved a sixth FinCom member, Mr. Gary Roberts.

FinCom asked Mr. Gould to remove the capital outlay line from the Fire Department budget. *Mr. Gould will remove the line item.*

FinCom informed Mr. Gould they want to change the order of the omnibus by moving Inspection to follow the Planning Board. Mr. Gould replied the Department of Revenue (DOR) proposes a certain placement of departments for a municipal omnibus. He added the DOR places inspection under public safety.

Ms. Grammer stated there is a separate line for Recreation Therefore; she suggested removing it from the line stating Open Space and Recreation Committee. *Mr. Gould will remove Recreation from that line.* Ms. Grammer inquired into the negative turn back of the Open Space Committee in FY17. She questioned if it involved a transfer. *Mr. Gould will investigate.*

FinCom also asked Mr. Gould for a list of budget transfers for FY17. *Mr. Gould will obtain the list from the BOS.*

FinCom requested Mr. Gould to obtain the number of West Newbury students and cost per student at Pentucket Regional, Whittier Vocational, and Essex Agricultural and Technical High Schools. Mr. Gould replied Essex, historically, has been uncooperative with providing information. *Mr. Gould will search for documentation regarding the requested information.*

Mr. Gould received the new police contract and FinCom will receive a revised budget.

Ms. Grammer stated the BOS makes an effort to maintain the budget between 2.0 and 2.5%. However, union contracts and health care are beyond their control. Mr. Ellis inquired if the Planning Board and the Inspection Department increase fees to cover costs of their departments. Mr. Gould replied excess revenues return to the general fund. Ms. Grammer suggested it is possible to set up a revolving fund.

### **Department of Public Works Omnibus**

The Finance Committee noted the salary line had increased. Members questioned the line item labelled ATM & STM with no costs associated. Regarding the Town Building Improvements, there are some overlaps between the CIC and work by the DPW. More transparency is necessary. Ms. Grammer suggested integration of funds in this area is a question for the Department of Local Services (DLS) to address.

Ms. Grammer stated a compilation of CIC surveys from other communities, such as Newton, are in the Dropbox.

Mr. Kelly noted the line item for street lighting turned back a significant amount at the end of FY17. However, DPW requested the same amount they had for FY17.

### **Board of Health**

Ms. Grammer stated the state pays for the treatment for mosquitoes. Waste collection also falls under the Board of Health. Rates continuously rise. FinCom members questioned if there were other companies available.

*Mr. Ellis will schedule Health, Inspector, and DPW to meet with FinCom on the same evening.*

*Ms. Grammer will inquire regarding Action Cove.*

*Mr. Durey will obtain contact information for Mr. Roberts and forward to FinCom members.*

### **Planning Board**

Mr. Ellis remarked the Planning Board could meet FinCom on Tuesday, February 20, 2018 at 6:30 pm. *FinCom members agreed to the time change.* The Planning Board did request a list of possible questions from FinCom. Ms. Grammer agreed but stated FinCom will not be limited to those questions if others come up during the discussion. *Mr. Ellis will forward a list of questions generated to date.*

### **Library**

FinCom members agreed there is no need to meet with library officials.

### **Meeting Minutes**

*FinCom members voted to approve amended minutes of January 22, 2018, 5, 0, 0.*

### **Tentative Agenda for Monday, February 12, 2018**

- Review and approve draft minutes from February 5, 2018
- Review transfer requests

**Upcoming Meetings**

Monday, February 12, 2018: 7:00 pm

- Fire Department
- Public Safety

Tuesday, February 20, 2018: 6:30 pm

- Planning Board

The meeting adjourned at 10:05 p.m.

Respectfully submitted,

Elisa Grammer  
Secretary Emerita

*Meeting materials:*

Draft minutes February 5, 2018

FY19 Omnibus budget