

**West Newbury Finance Committee
Minutes of the Meeting
Monday, March 7, 2016**

Chairman Codair called the Finance Committee to order at 6:30 p.m. in the second floor hearing room of the 1910 Building with Mr. Winch, Mr. Phillips, and Mr. McGrath, present. Mr. Bertino was also present.

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

Budget Line Item Review

Line Item #1 – Moderator

Chairman Codair stated there was no change.

Line Item #2 – Selectmen

Mr. Bertino reported the change in salaries was the addition of a 2.5% COLA. Mr. Phillips commented he was under the impression the COLA was 3%. Mr. Bertino acknowledged his original COLA stood at 3%. The Selectmen mitigated the amount to 2.5%. Mr. Phillips remarked the Consumer Price Index (CPI) typically falls between 1 to 1.5%. Mr. Bertino replied the town does not offer a step system of advancement. When hired, town employees are placed in grades. Mr. McGrath stated there are ranges within a grade. Mr. Bertino agreed but there is no true step system. Mr. Bertino explained the reason COLA is necessary is due to a past history of different pay increases over time and in different areas. Currently, 6 or 7 employees are maxed out in their range therefore a COLA is the only means of an increase. Mr. Bertino stated he would like to realign positions to cover for experience. Recently, an important opening in the town offices did not attract many people with experience.

Mr. Phillips asked what the current rise in health insurance rates was. Mr. Bertino replied 4.5%. The increases affects individuals who in turn must pay a higher premium. Mr. Bertino reported the overtime budget is in place but is not generally used. Chairman Codair questioned the rise in Selectmen's expenses from \$8,100.00 to \$9,500.00. Mr. Bertino did not have the figure with him but believed the increase was to decorate the soldier's graves. *Mr. Bertino will follow-up.*

Line Item #3 – Finance Committee

Chairman Codair stated there were no changes.

Line Item #4 – Board of Assessors

Mr. Bertino stated a salary increase (both merit and COLA) is requested for the Chief and Administrative Assistant. An increase of \$2.75 per hour is proposed for the Chief and a smaller amount for the Assistant. Chairman Codair asked Mr. Bertino for an explanation for the increase in salary. Mr. Bertino stated, prior to his employment, the Chief Assessor left the town employ. The Assistant Assessor was hired as the chief. He further remarked the benchmark for advancement would be the completion of one full year in office. The benchmark has been achieved. The suggested increase would bring the Assessor's salary to mid-range. The Assessor has also taken over some duties of data collection which would cost \$20,000.00 to pay an outside data collector. Mr. McGrath expressed some concern with the Chief's merit raise on top of the COLA. Mr. Bertino stated the salary was less than the previous Assessor. Mr. McGrath requested a copy of the wage schedule. *Mr. Bertino will provide a wage schedule as a follow-up.* Mr. Bertino expressed a high regard for both the Chief Assessor and the Administrative

Assistant. They are both knowledgeable and have a good working relationship with the townspeople.

Chairman Codair suggested FinCom will revisit when Mr. Bertino provides the wage schedule. Mr. Phillips questioned if the Selectmen can adjust a budget after Town Meeting. Mr. Bertino affirmed the Board could reduce a budget but could not go over-budget. The requested expenses were \$43,485.00. The Selectmen revised the budget to \$38,458.00.

Line Item #5 – Finance Department

Mr. Bertino reported the Finance Department is comprised of four people: Finance Director (Mr. Bertino), an Accountant, an Assistant Treasurer Collector, and also a part-time (24 hours) Clerical Administrative Assistant who is a floater in other departments. The budget proposal increases the Assistant Treasurer Collector's salary \$2.50 per hour and the Clerical Administrative Assistant's salary \$0.50 per hour. Chairman Codair asked if the Administrative Assistant's raise was a Market Adjustment. Mr. Bertino replied he uses \$0.50 increments, allowing a \$3.00 increase every 5-8 years. Mr. McGrath stated \$2.50 is a 10% increase of the hourly budget. Chairman Codair suggested the individual has several years of tenure.

Line Item #7 – Town Clerk/Town Council

Mr. Bertino noted there was a small increase in hours due to the Presidential election.

Line Item #8 – Board of Registrars

An increase in salaries and hours is due to the upcoming Presidential election.

Line Item #9 – Conservation Commission

The revised salary for the Conservation Agent was accounted for in the requested budget but not in the Selectmen's revised budget. Mr. McGrath stated salary increase would require Conservation Commission Board approval. He suggested FinCom needs more information from Ms. Mizner.

Line Item #10 – Planning Board

Mr. Bertino stated the 2.5% COLA is the only increase in salaries. An amount of \$1,500.00 was added to the budget for the employment of a minute taker.

Line #11 – Board of Appeals

Mr. Bertino relayed the Board meets once or twice a year to review major plans and sometimes outside zoning. Chairman Codair inquired if there was a salary involved. Mr. Bertino replied when they meet, there is a stipend involved.

Line #12 – Open Space and Recreation Committee

Chairman Codair proposed no discussion was necessary.

Line #13 – Cable Advisory Committee

Chairman Codair proposed no discussion was necessary.

Line #14 – Police Department

The FY17 Police budget was prepared by the retired Chief of Police. A request for an increase of 8 hours for the clerk. The Selectmen denied the request. There is a slight increase in both

overtime and general expenses. A replacement vehicle was originally in the budget but was removed and placed in an Article, thus making it a town decision.

Line #15 – Fire Department

Mr. Bertino reported the Selectmen approved the requested budget. He also stated the increase in salaries is due to COLA. He said the four-time \$44,000.00 payoff of the fire truck will save \$5,700.00 in interest.

Line Item #16 – Ambulance Service

Chairman Codair proposed no discussion was necessary.

Line Item #17 – Inspection Department

Mr. Bertino stated the only change was the 2.5% COLA.

Line Item #18 – Emergency Management Agency

Chairman Codair suggested the expenses were straight forward.

Line Item #19 – Animal Control Officer

Mr. Bertino explained the Animal Control Officer expenses are shared with Newburyport.

Line Item #20 – Harbormaster

The Harbormaster recently retired. West Newbury will work together with Haverhill. Haverhill employees will actually perform pump outs. They will have use of West Newbury's Pump boat Expenses are covered under a grant.

Line Item #21 – Public Safety Dispatch

Salaries are contractual.

FinCom members proceeded to meet with the Board of Selectmen.

Chairman – Mr. Glenn Kemper

Selectman – Mr. Joseph Anderson

Selectman – Mr. David Archibald

As FinCom joined the Selectmen, they were in the process of discussing Articles. Chairman Codair informed the board FinCom had been concentrating on Line Items.

Selectman Anderson recommended the combined group review items page by page. Selectman Archibald brought up the possibility of an assessment of the cost to consolidate telephones in all town offices. Mr. McCarron suggested it should be placed in the form of an Article. He stated the cost of the study would be inexpensive because it would be a precursor to obtaining a system contract. Mr. Kemper agreed it will be in the form of an Article.

Mr. Kemper asked if there were questions on page 1 of the omnibus budget. There were no comments. Page 2 was straight-forward as well.

Selectman Anderson asked Mr. Bertino about the Fire Department Capital Outlay. Mr. Kemper stated if the four remaining payments were paid off, \$173,000.00 would come from Free Cash. Mr. Bertino said it should be submitted as an Article. Mr. McGrath stated it would reduce Free Cash and therefore would be a benefit for taxes.

Line Item #20 Harbormaster

The Harbormaster has retired. Mr. Kemper mentioned the need for some training to fill the position. Mr. McCarron stated the Deputy Harbormaster is interested in the position. *Mr. Kemper asked Mr. McCarron to follow-up on his credentials.* Mr. Archibald reported no expenses had been budgeted for FY17.

School Resource Officer

Mr. Archibald brought up the possibility of adding a school resource officer. Mr. Kemper stated Police Chief Reed had not approached the Board of Selectmen regarding the subject. *Mr. Archibald requested Mr. Bertino ask the Chief to discuss the possibility with the Selectmen.* Mr. McGrath stated the Capital Outlay for the Police vehicle is now an Article.

Line Item #21 – Public Safety Dispatch

Mr. Archibald questioned why the Overtime budget had increased. Mr. Bertino replied the Overtime funds are used to cover vacations, training, etc.

Line Item #23 – Department of Public Works

Mr. Anderson remarked the aggregate budget of FY16 vs FY17 was significant. Mr. Archibald stated Highways, Sidewalks & Trees jumped from \$115,000.00 to \$140,000.00. Chairman Codair explained Mr. Bill had reported that regulatory changes in the treatments of water outfalls increased costs. Mr. Archibald inquired about solar savings. Mr. McCarron stated the town needed a year to obtain actual numbers.

Line Items #24 through #30

Mr. Kemper said there were no issues with the budgets.

Articles

Chairman Codair stated FinCom had not reviewed all of the Articles. Chairman Kemper suggested the Selectmen review their opinions for FinCom.

Mr. Kemper requested how the new DPW trucks were being funded. Mr. Anderson replied it would be funded with Free Cash.

Page School Maintenance

Mr. Kemper commented the funds will be used to maintain the Page School.

Library Remodel

Mr. Kemper questioned Mr. Bertino if the Library could use money in the endowment fund. Mr. Bertino stated it would be utilized for future infrastructure issues.

Community Center Committee

Mr. McCarron suggested the wording in the Article be reworked.

Mr. Kemper remarked the verbiage in the Articles should be cleaned up by next Monday.

Article \$5,000.00 Bicentennial Celebration

Chairman Codair asked if the town will scale up the amount. Mr. McGrath believes the town should scale up. Selectman Anderson stated there is no plan for a scale up but the Selectmen will take it under advisement. A Bicentennial Committee will be appointed in June.

Article \$107,000.00 Stabilization Fund for capital improvement to the High School.

Selectman Anderson proposed the fund will be used to fund the High School.

Article #9 – Pension Liability Stabilization Fund

Selectman Archibald asked what was the latest information on the 6.4 Million Dollar Retirement Liability. He suggested one way to address the liability is to forward more money to the Essex Retirement Board. Mr. Bertino stated the Board is not in the position to accept pre-payments. Mr. Bertino mentioned setting up a stability fund using Free Cash. Selectman Anderson asked Mr. Bertino how the town would go about setting up the fund. He suggested set up a CD at 7% annually through 2021. Mr. Kemper explained the auditor recommended the town should divest some of their Free Cash. He stated the fund could be set up using Free Cash.

Article #21 – \$120,000.00 Emergency Generator

Chairman Codair inquired about the status of the request for a generator proposed by Mr. Knowles of the Housing Authority. In the Article, the Authority requested the town to help the purchase a generator to cover the 1910 Building, Elderly Housing, and the Annex. The request is for \$90,000.00 from CPC and \$30,000.00 from Free Cash. Mr. McGrath stated the plan offers the annex to be used as an Emergency Shelter and if that is correct it is important to consult other groups such as the Emergency Management Committee.

Mr. Knowles and the CPC will meet with FinCom on March 14th.

Mr. Bill was present at the meeting. He expressed some doubts regarding the generator such as: electrical costs, air handler support, and the weekly maintenance require for the generator to run efficiently. Mr. McGrath remains concerned about the type of fuel to be used to run the generator.

Article #26 – Demolition Delay Bylaw

Chairman Codair asked about the Demolition Delay Bylaw. Mr. Kemper stated there would be an open forum regarding the Bylaw at 7:00 p.m. on March 21, 2016.

Article – Reduction of FinCom Quorum from 4 members to 3

Mr. Kemper announced the Selectmen will not support the reduction of quorum for the FinCom Committee. Mr. Anderson questioned if it were due to attendance. Chairman Codair answered in the affirmative. Mr. McGrath stated the problem has arisen in other communities. Chairman Codair suggested if circumstances change, the committee may reintroduce the Article.

FinCom reconvened on the second floor of the 1910 Building.

Line Item #32 – Essex Retirement Fund

Mr. McGrath asked Mr. Bertino about the plan to pay the Liability. Mr. Bertino reaffirmed the plan to add 7% to the stabilization fund annually.

Minutes

The Committee voted to approve the minutes of the February 22, 2016 meeting (minus the description of Mr. McGrath as a temporary member), 5-0-0.

Upcoming Schedule

The next meeting of the Finance Committee is scheduled for Monday, March 14, 2016 at 7:00 p.m.

The Committee meeting adjourned at 9:30 p.m.

Respectfully submitted,

Elisa J. Grammer
Recording Secretary