

TOWN OF WENHAM

Finance & Advisory Committee  
Meeting of January 20, 2016  
Town Hall, 138 Main Street

Pursuant to the Open Meeting Law, M.G.L. Chapter 30 A, §§ 18-25, written notice posted by the Town Clerk delivered to all Committee members, a meeting of the Finance & Advisory Committee (FinCom) was held on Wednesday, January 20, 2016 at 6:30 PM in the Selectmen Chambers.

**1) Call Meeting to Order – No quorum**

**In the absence of a quorum, the meeting was not called to order.**

Mr. Lucy stated that the Town Administrator and Finance Director would review their budget presentation and that no action would be taken.

The budget information would be available to all Finance Committee members for review and be considered during the upcoming budget discussions.

Committee Members present: Michael Lucy, Chair; Rick Quinn

Not Present: Alex Begin, Michael Therrien, Ned Flynn

Also present: Peter Lombardi, Town Administrator; Angel Wills, Finance Director; Catherine Tinsley, Recording Secretary

Public Information

This meeting was recorded with permission by HWCAM

Agenda

Proposed FY 17 budget

**2) FY 17 Proposed Budget Presentation; Department Head Briefings**

**a. Administration**

Mr. Lombardi, Town Administrator, gave an overview of the proposed Administration FY17 budget, noting it is a conservative budget.

The Board of Selectmen saw this presentation at their December 5, 2015 meeting with some minor adjustments.

Ms. Wills referenced a PowerPoint presentation to further describe the proposed budget.

Highlights of this presentation included:

- Fy 2017 Projected Revenues
  - Increase levy limit 2.5% (\$329,000) based on total levy limit from Fy16 plus new growth)
  - Decrease excess levy capacity to 578K TO 65K
  - Use \$750 of the certified free cash, which in turn reduces Reserves to 4.77% of total operating budget (target rate is 5-10% of operating budget)
  - Decrease levy capacity limits ability to deal with future budget increases and could adversely effect credit rating
  
- Fy 2017 Expenditure Increases
  - Personnel COLA - \$40,000
  - Non-union adjustments 12,000
  - School enrollment shift - \$329,000 (10% increase in Wenham enrollment)
  - School operating increase \$370,000
  - School debt \$63,000 (Winthrop/ Buker boilers)
  - Highway capital \$85,000 (Medium duty dump truck lease)
  - Town debt service \$92,000 - 5 year state house serial note (Finance Software and Fire Truck)

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- Medical / pension / legal \$79,000

Comments:

One time funding sources are no longer available

- Administration Budget Changes reviewed
  - Interest costs saved through bonding were \$180,000 (overall savings); this debt schedule drops off in FY19
  - Budget changes – Net reductions of Administration Budget total \$342,105.00
- Budget Suggestions: FY17 & Beyond
  - Examine amending school assessment formula
  - Town surplus properties
  - Analysis of permitting department fees to cover actual costs
  - Regionalization of services
  - Comprehensive capital improvement program to integrate infrastructure needs into annual budget process
  - Union contracts expire and negotiations are ongoing

### b. Water Department

Present: Erik Mansfield, Water Superintendent

Mr. Mansfield gave a brief overview of the Water Department's FY 17 proposed budget.

This is an enterprise budget.

- Decrease in budget (\$7,500)
- Refinancing bonds
- Slight increase in salaries with contract negotiations
- Article to purchase new vehicle with surplus funds
- Future – replace generator at pump house
- DEP withdrawal permit – legal costs associated with appealing limitations (if necessary)
- Rates remain the same – with surplus funds.
- Fourth tier considered to promote conservation at the jurisdiction of the commission- to be discussed over the winter and to include public hearings

### c. Town Hall Expenses -Legal, audit, Selectmen, Information Technology (IT)

Mr. Lombardi reviewed this budget including hourly Position & Wage adjustments for some positions in town hall.

Increase in legal services largely due to ongoing litigation issues

Town Counsel Paul Weaver resigned as of December 31, 2015; the BOS recently appointed Kopleman & Paige as Town Counsel; currently at an hourly wage to determine the average workload to change to a fixed fee/ retainer.

Mr. Lombardi noted, in spite of litigation, the town remains on target during this FY 16 budget

### d. Town Clerk

Dianne Bucco, Town Clerk was present to go over the changes in proposed FY17 budget for the Town Clerk's office.

- 3) The \$6,000 increase is related to:
- 4) Bylaw Codification costs (\$4,000 phase II)
- 5) Election costs (presidential year)
- 6) Training /education

## 2) Next Meetings:

- January 27, 2016 at 6:30 PM, Town Hall Budget Review, continued

*APPROVED 2.17.16*

- January 28, 2016 at 7:00 PM, Buker School (Joint Meeting with Hamilton FinCom and Regional School District;  
February 3, 2016 at 6:30 PM Town Hall -- Budget Review, continued

The meeting concluded at 7:15 pm.

Respectfully submitted by

Catherine Tinsley  
1.24.16