

Approved March 4, 2013

Town of Wenham
Finance & Advisory Committee
Meeting of Monday, February 11, 2013 ~ 6:30 pm
Council on Aging Building, School Street

Pursuant to MGL Chapter 30A, written notice posted by the Town Clerk and delivered to all Committee members, a meeting of the Finance & Advisory Committee was held on Monday, February 11, 2013, at 6:30 pm in the Council on Aging Building.

With a quorum present, Ms. Harrison called the Finance & Advisory Committee meeting to order at 6:35 pm.
Committee present: Catherine Harrison, Chair; Hilliard Ebling, Jeff Fotta, Michael Lucy, Kathryn Mansfield, Rick Quinn
Also Present: Mark Andrews, Interim Town Administrator; Selectman Whittaker (7:09 pm), Bay State Municipal Finance Group, David Generaux; Catherine Tinsley, Minutes Secretary; Police Chief Tom Perkins, Police Captain Jeff Toby, Fire Chief Bob Blanchard (7:09 pm), Highway Superintendent Bill Tyack

Public information
Agenda
FY14 Budget

Abbreviations used
FinCom Finance & Advisory Committee
BOS Board of Selectmen
FY Fiscal Year
ATM Annual Town Meeting

Report of the Chair:

Distribution of budget materials:

- o Version 2 of the budget book
- o Executive Summary dated 2.9.13
- o Draft Capital Improvement Plan FY 2013 – 2017 with new RECC column
- o FY 2014 - Article 9

Mr. Andrews said the Selectmen, through the Town Administrator's Office, have made administrative recommendations to the budget; this included consultations with the Department Heads. Mr. Generaux reminded the FinCom that the FY14 budget does not include revenues from the Water Department. He was asked to include FY13 revenue as a side note in future revisions, to be used as a reference since it has been part of the budget in previous years.

Mr. Andrews was asked to speak to the origin of the Administrative recommendation and reviewed the following information / updates:

- o There are significant (\$100,000 plus) savings through insurance changes / updates
- o Recommendation to phase in the Fire Study – Option 1
- o Tree Warden position is included in the Highway Department
- o Proposed changes reduce the Budget Summary Analysis tax rate from \$19.62 to \$19.02
- o 81% of funding for Capital (\$160,000) is being proposed in the administrative recommendations; additional revenues can fund capital in the Fall 2013
- o Collecting of back taxes: Mr. Andrews said he is reviewing the methods the Town has been using to collect delinquent taxes. He is researching new ways to collect back taxes in a more effective manner. This includes drafting a RFP for the collection of back taxes of which the Town would receive "bulk" taxes, both principal and interest due.

The Chair requested Mr. Andrews provide the FinCom with information of the actual money collected on delinquent tax titles with staff vs. collection agency including estimated cost, and amounts anticipated to be collected. She noted this would be one time money used for Capital expenses.

Reserve Fund Transfer - Bay State Municipal Accounting Group (BMAG)

The FinCom considered the request for a Reserve Fund transfer of \$2,262.57 to pay for the contract services provided by BMAG. Contract Services (CS) cannot be paid out of a salary line.

VOTE: Mr. Lucy moved to approve a Reserve Fund Transfer for \$2,262.57 to line item 01-145-5300-0000 Treasurer / Collector / CS for financial services provided by BMAG. Ms. Mansfield seconded and the motion carried unanimously.

Reserve Fund Transfer - Legal Expenses

Mr. Andrews asked the FinCom for a Reserve Fund Transfer for outside legal expenses:

\$1032.50 - Kopelman & Paige – Gov Study work assistance with special act

\$680 – Blatman & Bobrowski – On-going litigation (Vitale)

\$140 - Morgan Brown Joy – Counsel

The Chair noted that the balance of the Reserve Fund is down from \$150,000 to \$60,000 and asked Mr. Andrews for a sense of additional expenses anticipated for FY13 for the next meeting.

VOTE: Mr. Lucy moved to approve a Reserve Fund Transfer for \$1,852.50 (David Generaux noted a discrepancy in the RTF and verified the correct number at the meeting) to line item 01-151-5220 Outside Legal Counsel. Mr. Fotta seconded and the motion carried unanimously.

Reserve Fund balance: \$58,593.01

Mr. Generaux noted that previous budgets were for 52 weeks not the actual 52.2 weeks and have been adjusted accordingly and all departments are equal.

Police Department

Present: Police Chief Perkins, Captain Toby

292 (Police) Animal Control: \$14,190 – Level Funded with a \$210 increase for COLA

Chief Perkins recommended to level fund FY14 budget, noting potential adjustments to FY15 budget for new mandated training.

VOTE; Mr. Lucy moved to approve the Animal Control budget of \$14,190 for FY14. Mr. Fotta seconded and the motion carried unanimously.

210 Police Operations: \$ 1,115,154 - 3% increase (\$34,391)

Chief Perkins noted that the salary line was down with the retirement of a long time employee.

The Reserve Officers were given a tiered raise to make their pay more in line with officers in other towns (See Police Chief's report); he observed that the Union raise affects shift pay.

The Department Priorities were identified as:

- Vehicles
- Signboard for public notification
 - Storage Shed: for the ability to move forward with accreditation; it was questioned if this expense could be funded through the Town Hall/ Police Station building funds as part of the project when the shed was originally requested.

VOTE; Mr. Lucy moved to approve the Police Department budget of \$1,115,154 for FY14. Mr. Fotta seconded and the motion carried unanimously.

215 Police Station (building): \$28,542 – 10.6% increase

VOTE; Mr. Lucy moved to approve the Police Station budget of \$28,542 for FY14. Mr. Fotta seconded and the motion carried unanimously.

It was the consensus of the FinCom that the Police Station Building Budget be rolled into the Operating Budget for FY15.

422 Highway Street Maintenance / Expense: \$662,951 - Increase of 2.74%

Present: Highway Superintendent Bill Tyack

Mr. Andrews recommended reclassification of the Highway (Department of Public Works) / Water Department clerical support position to an Administrative citing increased responsibilities e.g. collection of utility bills for grant writing, EBSCO, clerical support for Cemetery, Water, and Highway.

Mr. Tyack explained the increase in the salary line for Clerical staff based on additional responsibilities. This is a shared cost between Highway (61%) \$5,795 and Water (31%) \$3,705. The salary would increase from \$30,098 to \$39,598. The Chair stressed that in a similar situation last year, Town Meeting unanimously turned down individual raises. As discussed previously, the FinCom believes that no individual raises should be paid until a market analysis (comprehensive job description) has been done and submitted to the FinCom, and that changes should not be made for independent, specific employees but for the position based on data. Ms. Harrison noted that the FinCom has not received this information. Mr. Andrews cited direction from the Board of Selectmen and FinCom to review job descriptions and duties for all Town employees. He indicated that the Town of Wenham had participated in a recent market rate human resources survey. Also, he stressed that by sharing our human resources data, the Town would have access to the entire survey of ten (10) Towns in the region. A lively discussion ensued regarding the request to increase the secretary's salary given the position reclassification and additional duties. Ms. Harrison requested written back up information specific to this position.

Mr. Generaux opined that in his experience, this is a Head Clerical position and the recommended increase is fair. It was noted the Police and Fire Departments share secretarial services; the salary for the positions is \$43,000. The Highway Budget includes:

- Municipal Buildings
- Iron rail building/property
- HW Public Library

Mr. Andrews said grant opportunities are being sought through various funding sources. This would replace a 2002 heavy duty, 1 ton, dump truck with 110,000 miles; regularly needs repairs.

If revenue programs come through, additional capital items could be brought forward at Fall Town Meeting.

VOTE; Mr. Lucy moved to approve the Highway budget of \$662,951 for FY14. Mr. Fotta seconded and the motion carried by majority vote with Ms. Harrison voting in the negative.

423 (Highway) Snow & Ice: \$106,050 - level funded

VOTE; Mr. Lucy moved to approve the Snow & Ice Budget of \$106,050 for FY14. Mr. Quinn seconded and the motion carried unanimously.

495 (Highway) Gas & Oil: \$82,500 - 20.4 % increase

Mr. Tyack explained the increase is due to higher fuel costs (gas/diesel) and mandatory inspections of the underground fuel tanks. A brief discussion followed regarding the replacement of the old, underground fuel tanks and the expense of inspections, maintenance and the risk of a leak. The FinCom requested an analysis of the pros and cons, and cost benefits on above ground fuel tanks be done for the FY15 budget.

VOTE; Mr. Lucy moved to approve the Gas & Oil budget of \$82,500 for FY14. Mr. Quinn seconded and the motion carried unanimously.

The Chair requested that Mr. Andrews be sure the Department Heads receive the updated, salmon colored budget papers. The FinCom requested an analysis of the Town's fleet for the next budget cycle.

429 (Highway) Maintenance: \$61,800 – Increase of 14.8%

Mr. Tyack explained the increase is for the additional maintenance for the maintenance plans of police / fire vehicles.

VOTE; Mr. Lucy moved to approve the Highway Maintenance budget of \$61,800 for FY14. Ms. Mansfield seconded and the motion carried unanimously.

192 Grounds and Buildings Maintenance: \$160,411 – 5.29% increase

Mr. Tyack noted that the schools are billed for work done.

VOTE; Mr. Lucy moved to approve the Grounds and Buildings Maintenance budget of \$160,411 for FY14. Ms. Mansfield seconded and the motion carried unanimously.

The next FinCom meeting is Saturday, February 16, 2013 at 9 am in the Town Hall.

VOTE: Mr. Lucy moved to adjourn at 9:17 pm and it was unanimous to do so.

Respectfully submitted by

Catherine Tinsley

The Finance & Advisory "Ask" list:

2.11.13

Mr. Generaux was asked to include FY13 Water revenue as a side note in future revisions, to be used as a reference

Mr. Andrews:

1. Provide the FinCom with information of the actual money collected on delinquent tax titles with staff vs. collection agency including estimated cost, and amounts anticipated to be collected.
2. For a sense of additional expenses anticipated for FY13 for the next meeting.
3. If the Police shed (Capital) could be funded through the Town Hall/ Police Station building funds as part of the project when the shed was originally requested.
4. Provide market analysis /comprehensive job descriptions to the FinCom
5. Be sure the Department Heads receive the updated, salmon colored budget papers

Bill Tyack:

1. Analysis of the pros and cons, and cost benefits on above ground fuel tanks be done for the FY15 budget.
2. Analysis of the Town's fleet for the next budget cycle

Police:

The Police Station Building Budget be rolled into the Operating Budget for FY15.