

Approved 4.6.13

Town of Wenham
Finance & Advisory Committee
Meeting of Thursday, March 7, 2013 ~ 5:30 pm
Wenham Town Hall, 138 Main Street

Pursuant to the Open Meeting Law, M.G.L. Chapter 30A, §§ 18-25 written notice posted by the Town Clerk and delivered to all Committee members, a meeting of the Finance & Advisory Committee was held on Thursday, March 7, 2013, at 5:30 pm in the Selectmen's Meeting Room.

With a quorum present, in the absence of the Chair, Town Administrator Mr. Andrews called the Finance & Advisory Committee meeting to order at 5:34 pm.

Committee present: Hilliard Ebling, Jeff Fotta, Michael Lucy, Kathryn Mansfield, Richard Quinn

Also Present: Mark Andrews, Interim Town Administrator; Bay State Municipal Finance Group David Generaux; Catherine Tinsley, Minutes,

Public information

Agenda

Town Administrator Memorandum – Financial Service Plan

Warrant for the Annual Town Meeting, April 6, 2013

FY14 Article 1 Budget Summary Article

Wenham Finance & Advisory Fiscal Year 2013 Annual Report

Abbreviations used

FinCom Finance & Advisory Committee

BOS Board of Selectmen

FY Fiscal Year

Mr. Andrews explained that due to the resignation of the FinCom Chair, Catherine Harrison, it was necessary for the Finance Committee to reorganize.

Mr. Andrews called for a nomination for the position of Chair for the Finance Committee.

Mr. Quinn nominated Michael Lucy as Chairman. Ms. Mansfield seconded.

With no additional nominations, Mr. Ebling moved to close nominations. Ms. Mansfield seconded and the motion carried unanimously.

The motion to vote Mr. Lucy as Chair carried unanimously.

Mr. Lucy resumed the meeting, as Chairman..

Mr. Lucy called for a nomination for a Vice-Chair.

Mr. Fotta nominated Hilliard Ebling as Vice Chair. Ms Mansfield seconded and the motion carried unanimously.

Mr. Ebling accepted the position as Vice Chair.

Mr. Lucy called for a nomination for Secretary for FinCom.

Mr. Ebling nominated Richard Quinn as Secretary. Mr. Fotta seconded and the motion carried unanimously.

Mr. Quinn accepted the position as Secretary.

Mr. Lucy made a brief statement as Chair.

He expressed his sincere thanks on behalf of the Committee to the previous chair, Catherine Harrison, for her many years of service to the Town, and for her tireless efforts to lead the Committee, especially during this year's particularly challenging process.

Mr. Lucy identified that all five members were present during the budget process, review, and analytical steps. He stated his confidence in the proposed budget submission and how it was developed, and the integrity of the Committee's efforts, and the reasonableness and accuracy of the data and analysis on which they were based. Mr. Lucy acknowledged the efforts of the FinCom to finalize the budget.

The Chair recognized Molly Martins, Board of Selectmen Chair, who asked to address the Committee. She said her interactions with Mark Andrews and Baystate Municipal Accounting Group during the budget process were continuous. She said she is confident that the data given to the FinCom during the process was accurate and timely, but she wanted to ask the Committee members if they had any concerns regarding the budget information used during the decision making process.

Ms. Martins also said that Mr. Andrews was asked to review, and give an update, on the status of the Finance Department and provided the Committee with a copy of this memo dated March 7, 2013.

Responding to Ms. Martins request concerning the budget process, Ms. Mansfield stated she made votes with confidence, and the process was open and data driven.

Mr. Ebling noted he is his third year on the FinCom and each year has been different. The FY14 budget process was still familiar with minimum changes.

Mr. Fotta echoed that he made his votes with full confidence and commended the professionalism of Mark Andrews and Bay State Accounting.

Mr. Quinn also concurred that Bay State met the challenge of the budget and accurately provided information to the FinCom, and that his votes were also made with full confidence.

Mr. Lucy agreed with his colleges, noting that the last several months have indeed been "choppy seas" but he has full confidence that the FinCom has a well-vetted budget to present to Town Meeting. He noted that there are always ways to improve things and the FY15 FinCom will look at procedures, budget development schedules, etc. to look for ways to improve the process. Mr. Andrews reported on the status of the Financial Service plan as outlined in his Memo.

He committed to work with the BOS, FinCom, and Baystate Municipal Accounting Group to implement his recommendation to add two Departmental Assistants for the Town Treasurer/Collector in FY13. Mr. Andrews said the salary line from the Finance Director position could be used for the finance department staff.

Mr. Andrews has continued to keep the Independent Auditors, Powers & Sullivan informed of the progression of the financial plan and in preparation for the pre-audit programs for FY13 to assure business of the Finance Department is being done. In addition, he stated payroll, vendors, expenses are all being paid and the department is up to date on reconciliations.

Ms. Martins clarified that the BOS has not considered this recommendation as a Board, but she supported the recommendation to hire staff.

The Finance Committee collectively supported the BOS and the Town Administrator in staffing the Finance Department as recommended. Mr. Lucy noted that these staffing arrangements are always dynamic and to the extent that Town management (i.e. the BOS & TA) plan to proceed with changes in the way the Town addresses these tasks, and related staffing, the FinCom will stand ready to review proposals for appropriate funding necessary to get the job done.

The Committee reviewed the FY 2014 Annual Report.

In summary, the FY 2014 operating budget is up 2.5% (\$368,477) from FY 2013, and remains significantly below proposition 2 ½ levy limit; there are no overrides. The proposed tax rate is \$18.97 per \$1000 valuation, up 49 cents over FY13.

The Committee reviewed the pending Warrant Articles (1-6) that fall within the FinCom's purview (as they deal with financial matters) in order to take positions as follows:

Article 1 – Budget Appropriations

Total: \$15,131,132

VOTE: Mr. Quinn moved the Finance & Advisory Committee adopt a favorable recommendation on Article 1- Budget Appropriations, to the Town Meeting. Mr. Fotta seconded and the motion carried unanimously.

Article 2 - Hamilton Wenham Building Maintenance Revolving Fund

The Revolving Fund is authorized annually for the HW Building Maintenance; HW Grounds Maintenance

VOTE: Ms. Mansfield moved the Finance & Advisory Committee adopt a favorable recommendation on Article 2- Hamilton Wenham Building Maintenance Revolving Fund, to the Town Meeting. Mr. Ebling seconded and the motion carried unanimously.

Article 3 - Emergency Service Cost Reimbursement

VOTE: Mr. Fotta moved the Finance & Advisory Committee adopt a favorable recommendation on Article 3 - Emergency Service Cost Reimbursement, to the Town Meeting. Mr. Ebling seconded and the motion carried unanimously.

Article 4- Road Work– Chapter 90 Funding

Total: \$152,698

VOTE: Mr. Quinn moved the Finance & Advisory Committee adopt a favorable recommendation on Article 4 – Road Work/Chapter 90, to the Town Meeting. Mr. Fotta seconded and the motion carried unanimously.

Article 5 - Cemetery and Other Trust Funds

VOTE: Mr. Ebling moved the Finance & Advisory Committee adopt a favorable recommendation on Article 5 – Cemetery & Other Trust Funds, to the Town Meeting. Mr. Fotta seconded and the motion carried unanimously.

Article 6 - Community Preservation Act Appropriations

VOTE: Mr. Fotta moved the Finance & Advisory Committee adopt a favorable recommendation on Article 6 – Community Preservation Act Appropriations, to the Town Meeting. Ms. Mansfield seconded and the motion carried unanimously.

The Warrant Hearing is April 1, 2013 at 7:30 pm in the Bessie Buker School.

The Annual Town Meeting is April 6, 2013 at 1 pm in the Bessie Buker School; the FinCom is posted to meet (tentatively) prior to Town Meeting at 11 am, subject to the need for a session.

VOTE: Ms. Mansfield moved to adjourn at 6:14 pm and it was unanimous to do so.

Respectfully submitted by

Catherine Tinsley

The Finance & Advisory "Ask" list:

3.7.13

Mr. Andrews provided a copy of the most recent human resources salary survey to the FinCom.

2.25.13

1. It was agreed that at the end of FY13, the Assessors would encumber funding for the GIS/mapping maintenance.
2. The Committee discussed increasing the Senior Center FY14 budget to include the ADA renovations, noting the importance for seniors to access and use the building.
3. Ms. Mansfield suggested the FinCom be proactive and recommend an architectural study be done, saying if a Master's program, e.g. at MIT, accepted the Iron Rail as their project, there would be no cost to the town for a plan to maximize the use of the property as a revenue source for the town.

2.20.13

1. The Reserve Fund Transfer Form includes the remaining balance of the Reserve Fund and an updated Tracking Document
2. Mr. Andrews was asked to provide the salmon covered updated budget sheets be provided to the Department Heads
3. Parks Budget was deferred for additional information regarding the funding of the gate keepers position
4. FY15 Tree Warden Budget: includes more detail
5. Iron Rail: Mr. Andrews will work with Mr. Tyack to document, and update this line item for the FinCom.
6. The FinCom questioned the cost of the insurance for underground tanks at Iron Rail vs. above ground tanks
7. The FinCom requested a list of the debt by project with the principal and interest separated
8. Mr. Andrews was asked to have the BOS add this article to the 2013 Annual Town Meeting Warrant

2.16.13

1. Mr. Andrews was asked to provide the FinCom with projected savings (salary & benefits) of the Financial Director position and the contracted services.
2. The FinCom requested to continue to see the RECC budgets each year.
3. The FinCom requested data related to the cost of the supplies for the emergency shelter.
4. The FinCom requested for the Fire Station Budget be included in the Fire Operation Budget for FY15

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. Mr. Andrews provided a report from the Treasurer/Collector on outstanding delinquent taxes.
2. Mr. Andrews provided a report to the FinCom..
3. Mr. Andrews provided that that this shed would be built in FY 2013 with the assistance of our DPW.
4. Mr. Andrews provided the FinCom with a copy of the most recent human resources salary survey.

Mr. Andrews reported that updated FY 2014 budget sheets had been sent to Departments.

Mr. Andrews noted that his list had been completed. He thanked the FinCom for their support and assistance.

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.