

TOWN OF WENHAM

**Finance & Advisory Committee
Meeting of, April 26, 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 Tuesday, April 26, 2016 at 6:30 PM in the Selectmen's Meeting Room.

1. Call Meeting to Order

With a quorum present, Chairman Lucy, called the meeting to order at 6:31 PM.

Committee Members present: Michael Lucy, Chair; Ned Flynn; Rick Quinn; Michael Therrien

Not Present: Alex Begin

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

Public Information

Recorded with permission by HWCAM

Agenda

RFT- \$25,000

Shared Service list

2. Chairman's update

The Committee was reminded to take the ethics self-certification training on line and turn in the signature page to the Town Clerk by May 5, 2016.

Rick Quinn's term is up June 30, 2016. He has indicated a desire to be reappointed July 1, 2016.

3. Reserve Fund Transfers (RFT):

Legal Expense: \$25,000 -To pay for a number of unforeseen legal expenses related to the sale of Lakeview property, Town Meeting, ongoing legal issues

Mr. Lombardi spoke to this request saying \$40,000 was budgeted in FY16 for Legal services, of which \$38,000 has been expended to date. The Town recently received \$16,000 in legal fees pertaining to recent events i.e. the Right of First Refusal to purchase Lakeview, the Community Hose Agreement for Lakeview, Town Meeting preparation, on-going legal issues, etc.

Kopelman & Paige was hired as Town Counsel the end of January. Because Kopelman & Paige handles most areas of municipal law, the Town will have less need to hire special counsel in the future.

VOTE: Mr. Lucy moved and it was seconded to approve a reserve fund transfer of \$25,000 to Legal Expense for unanticipated, legal costs. The motion carried unanimously.

The balance in the Reserve Fund is \$125,309.74 (28% spent)

4. **Shared Services:** Preliminary discussion of scope / timing of review

Mr. Lucy reviewed during recent joint meetings with the Hamilton Finance Committee the topic of exploring additional shared services to reduce costs has been mentioned.

As a result of these conversations, the BOS was updated on a preliminary plan to look at various areas where shared or regional services could potentially provide costs savings. The BOS supported an internal review by the Finance Committee, the Finance Director, and Town Administrator of what services might hold cost savings for the town and be beneficial to spend more time researching.

Currently, the Town of Wenham participates in shared services for the following:

- Schools (52% of the Town's total budget)
 - HWRSD
 - Essex Tech
- Joint Library
- Regional Emergency Communication Center
- Joint Recreation
- Emergency Manager
- ECO Retirement

Mr. Lucy read a list of suggested opportunities, developed by the Hamilton and Wenham FinCom Chairs, to consider expanded shared services with other communities, noting that some may warrant further consideration:

- Police - No. Numerous studies have reported this would not be cost effective or advisable
- Fire – Maybe. Consideration of a regional service of three more towns
- Emergency Dispatch – Maybe. Possible alternative to RECC.
- DPW- No. The study done by the Collins Center reported this would not be advisable
- COA – No. Tried in the past; did not succeed
- COA Van – Maybe – This is the most expensive element of the COA Programs
- Animal Control –No. There are no savings
- Health Inspector- No. There are no savings
- Inspection Services – Maybe. Worth further consideration
- Municipal Procurement - No. There are no savings
- Facilities maintenance - No. There are no savings
- Information Technology - Maybe. Worth further consideration
- Human Resource - No. There are no savings
- OPEB – No. This is an individual Town liability
- Health Insurance – Maybe. Worth further consideration; possible regional approach
- Water – Maybe. Worth further consideration; possible regional approach

The Committee members were each assigned that area within their liaison assignment, to gather preliminary information.

Mr. Flynn observed that ambulance service was not included. He went on to suggest there are savings for the Town to provide ambulance service and that expanding this with another town may also provide revenue without the loss of services. Mr. Flynn and Mr. Quinn will look into this as part of fire. It was noted that fire already operates on a regional response with mutual aid; the majority of calls are medical.

Minutes

The February 15, 2016 meeting minutes were unanimously adopted.

The March 28, 2016 Warrant Hearing minutes were unanimously adopted.

6. Other matters, as may not have been reasonably anticipated by the Chairs

Mr. Flynn observed that looking to share services with other towns is proactive citing next year is going to be a difficult year financially. With the Schools at 52% of the budget, he talked about approaching the budget differently by starting with a "Level funding" budget, rather than a "Level Services" budget.

Mr. Flynn also suggested talking with the Town of Hamilton and the School Department collectively over the summer to address financially responsible choices. He went on to express his concern for residents, especially long time residents of Wenham on a fixed income, paying the increasing tax bills, and that the Town needs to be thoughtful with taxpayer's money.

Mr. Lombardi also responded that the approach to next year's budget would be different as an operating override is anticipated. He noted one main reason for the increase in the budget was the enrollment shift of school attendance to Wenham students.

Mr. Flynn also suggested the Town put the Community Preservation Act on the ballot every year, or reconsider participating in the program citing in tough economic times, the 3 percent surcharge is a lot of money and may need a second look if it is still advantageous for the Town. He recommended one of the FinCom members be assigned as a liaison to the Community Preservation Committee, and the Finance Committee better monitor the program as it is supported by taxpayer's money. Mr. Lucy designated Mr. Flynn to be the liaison with CPC and asked that he come back to the FinCom with some research on the topic, the numbers and the issues raised.

7. Adjournment

The Finance Committee unanimously adjourned at 7:31 PM.

Respectfully submitted by

Catherine Tinsley
4.27.16