

TOWN OF WENHAM
Board of Selectmen
Meeting of January 7, 2020
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 Board members, a meeting of the Board of Selectmen (BOS) was held on Tuesday January 7, 2020 11:30 am in the Selectmen Chambers, first floor.

The Town of Wenham has a three-member Board of Selectmen elected for three-year terms with one seat up for election each year. Catherine Harrison (2020); John Clemenzi (2021); Jack Wilhelm (2022)

The Board of Selectmen serve as the chief executive body of the Town. The board's duties include in part appointing the Town Administrator and other board/committee members, developing goals and policies, preparing the town report, the annual budget, and presenting the warrant for Town Meeting.

The Board typically meets the first and third Tuesday of each month at 6:30 pm in Town Hall. The BOS meetings are posted on the town calendar. All meetings are open to the public and may be viewed on local cable channels HWCAM.org or YouTube HWCAM.

Please be advised that this open meeting is being broadcast live and recorded by HWCAM for playback on Comcast channel 8 and Verizon channel 36. It will also be available for on-line, video on-demand viewing at hwcam.org. The listings of matters are those reasonably anticipated by the Chair 48 hours before said meeting, which may be discussed at the meeting. Not all items listed may in fact be discussed. Items may be taken out of order and at times that differ from those listed below. Other items not listed may also be brought up for discussion to the extent permitted by law. All audience members wishing to address the Board of Selectmen must go to the podium microphone and give their name and address.

Call to Order - With a quorum present, Mr. Wilhelm called the meeting to order at 11:36 am.
Selectmen present: Jack Wilhelm, Chair; John Clemenzi, Vice Chair; Catherine Harrison, Clerk
Also present: Anthony Ansaldi, Town Administrator; Catherine Tinsley, Recording Secretary
Chris Holak, Interim Finance Director; Jackie Bresnahan, Permitting Coordinator/ Special Projects Manager
Present not participating: Mike Therrien, Finance Committee

New Business

- Fiscal Year 21(FY) Capital & Operating Budget
 - Memo from Town Administrator, Interim Finance Director, Special Projects Manager to BOS dated January 7, 2020
 - Preliminary Budget Presentation

Ms. Bresnahan referenced a PowerPoint presentation and reviewed updated information regarding the FY21 Operating Budget. The Finance Committee will receive this presentation at their January 8 meeting.

Ms. Bresnahan reviewed the reductions and cost savings as submitted by the department heads. These potential cost savings warranted further discussion jointly with the Finance Department.

The Fire Department proposed a 4 -year lease for a second ambulance. The ambulance program is successful and is revenue producing. The BoS was concern was cost of the annual lease payment of \$31,000 especially because the Fire Department's 1999 pumper truck will not pass inspection again. The proposal was for a 10-year lease of a new pumper truck with an annual lease payment of \$57,000.

Another high cost capital item in the FY21 capital budget was the replacement of the library roof. This is a joint program with Hamilton and both towns will need to consider the request. This capital budget item was moved to the general fund to clearly show Hamilton's assessment. Mr. Clemenzi asked for a professional assessment and recommendation in writing to replace the library roof and that the rating of the roof warranty be identified i.e. 20, 25, 30-year warranty.

Capital Improvement projects were reviewed. Those that need policy decision were highlighted.

Total capital expenses were \$389,018 less Hamilton's share of \$61,380 for a total capital cost of \$327,638 proposed to be funded from Free Cash

Mr. Holak provided a recap of the working budget summary and cost savings made since the December 7 budget meeting to reduce the \$1,131,080 deficit to \$1,072,058, as of today. About (\$60,000) general reductions recommended were not based on policy decisions and had no impact to services.

Approved 03.17.2020

Ms. Bresnahan reviewed proposed policy changes in the budget to reduce costs.

- Loose leaf pick-up – The town has been providing loose leaf pick-up as a town service but due to a variety of financial mandates, the increased cost of labor, aging machinery, repairs and a tight budget, the proposal is to cut this service from the FY21 budget.

Possible changes to employee benefits health insurance include paying an annual incentive to employees that do not take the town's insurance e.g. single person \$1,000/married \$2,500; with this scenario, potential savings to the town was estimated at \$55,000. This would not be tied to a COLA or salary increases.

The town/employees' cost ratio could also be change from 75/25 to i.e. 50/50. It was noted that 50 % of municipalities surveyed pay less than 75/25. Ms. Harrison suggested this be considered for employees over a specific salary range and reduce the retiree plans based on service/ age/ longevity. More research and discussion is required.

The Finance Director will prepare analysis on health insurance changes to include both new current and retirees.

- Pleasant Pond is open to Hamilton and Wenham residents from the end of May to the end of August. Sticker sales from 2013 – 2019 average \$3,500 annually and the balance has been subsidized by the towns on an average at a cost of \$24,830 annually. This budget proposal cut would keep gate keepers but eliminate life guards.

The possible change would be to increase sticker fees or turn the beach over to the Joint Recreation Department.

Pleasant Pond expenses includes: wages \$22,040 (Lifeguards \$11,526 and gate keepers \$9,048) and miscellaneous expenses in the amount of \$3,550 for such items as floatation devices, medical supplies, utilities, water testing, ground keeping, porta-potty. The BOS stressed the importance to maintain safety and control at the beach as provided by the gate keepers.

On a side note, Ms. Bresnahan reminded the BOS the police department has trouble finding lifeguards to work at the pond.

The BOS recessed at 12:41pm and returned at 1:07 pm.

A brief discussion followed questions regarding the information made in the presentation so far.

- The Water Department has been asked pay indirect costs currently subsidized by the town's general budget including but not limited to finances (15% of Finance department time to process water bills, warrants), audit services, administrative office staff, OPEB for water department employees, IT support, Town Counsel at an estimated cost of \$86,500 to the town. The Town Administrator has spoken to both the Water Commissioner chair and the Water Superintendent, Ms. Harrison noted this percentage is in line with similar library costs.

One additional item not factored in was DPW staff time to assist the Water Department. This averages 7 hours per week.

The water rates are under the jurisdiction of the water commissioners who will review a spread sheet of potential rate increase to account for indirect costs.

The BOS were in support of pursuing this option pending the details of the proposed rate increase. A policy for indirect costs to be paid by the Water Department will be drafted.

- There was a review of the previous trash presentation regarding the significant increase in cost for Casella refuse pick-up, Wheelabrator incineration and recycling. This was identified as the second largest cost to the town and is not sustainable within proposition 2 ½. One solution proposed to keep the same service was a town wide fee paid quarterly.

Ms. Harrison initiated a discussion that the fee increase transfers the cost of trash to the same resource (tax payer) and asked the pros and cons be considered in detail and questioned if this is best presented in an override or fee-based payment and how this is perceived by the residents. She further stressed the importance that the residents understand the override and the consequences of not passing the override.

Mr. Wilhelm opined a presentation needs to be prepared for residents to show action to be taken if the override does not pass.

One scenario of \$25 paid per quarter/ per household equates to \$140,000 annually. The maximum proposed at \$77.75 quarterly would be \$435,400.

Increasing trash fees is within the jurisdiction of the BOS and does not need to be presented for approval at town meeting.

According to the town's financial policy, the minimal balance of free cash at the beginning of a FY is \$250,000. The proposed use of free cash for FY 21 was \$293,000 for capital and the balance of \$661,272 used to reduce the operating budget deficit.

The Finance Committee will be holding public outreach meetings at the COA. Ms. Harrison offered to be a part of the forums. The BOS asked to know if the Finance Committee had strong support or opposition on budget items and that a joint meeting be scheduled to discuss the budget prior to finalizing the budget.

Adjournment – *The BOS unanimously adjourned at 2:13 pm*

Respectfully Submitted By

Catherine Tinsley

2.16.2020