

TOWN OF WENHAM
Board of Selectmen / Finance & Advisory Committee
Joint Meeting of February 14, 2019
Wenham 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 Finance & Advisory Committee (FinCom) and the Board of Selectmen (BOS) was held on Wednesday February 14, 2019 at 6:30 pm in the Selectmen Chambers.

Call to Order- The meeting was called to order at 6:40 pm

Selectmen present: Catherine Harrison, Chair; Jack Wilhelm, Clerk - Not Present: John Clemenzi; Vice Chair

Finance Committee present: Alex Begin, Chair; Carrie Jelsma, Vice Chair; David Molitano (A-7 pm); Jim Purdy; Mike Therrien

Also present: Peter Lombardi, Town Administrator; Patty Moore, Finance Director / Treasurer-Collector

Catherine Tinsley, Recording Secretary

Abbreviations used:

FY Fiscal Year

HWRSD Hamilton Wenham Regional School District

OPEB Other Post-Employment Benefits

CIP Capital Improvement Plan

Public Information:

- The meeting was recorded with permission by HWCAM
 - Clause 41c1/2 Senior Tax Exemption
 - FY20 budget District Totals
 - FY20 Budget – District Totals Level Service plus OPEB plus RSO: Net Assessment Budget
 - Memo B. Tyack to BOS Loose Leaf Collection December 13, 2019
 - Memo B. Tyack to BOS Loose Leaf Collection / Savings calculations January 11, 2019
- FY20 Budget Discussion with BOS/FinCom

Mr. Lombardi began the discussion and referenced Town of Wenham FY20 Preliminary Budget 2/14/19. This included FY16 – FY20 budget actuals.

Mr. Lombardi summarized that the FY20 budget has been adjusted and only what the town can afford to fund within the levy limit was in Article 1. The School Budget has not changed and remains at \$19,683,903.

Article 1 includes the School Budget at 2 ½ percent increase; the remaining balance is Article 2: School Operating Override and Article 3: Override specific to School Resource Officer and OPEB.

Mr. Lombardi reviewed Clause 41c1/2 the Senior Circuit Tax Exemption is a local option which was approved by 2018 Town Meeting to place on the 2019 ballot, and if approved, would begin July 1, 2019.

Typically, 8-10 residents have taken advantage of the tax-exempt program, but with the new guidelines for eligibility, the number of eligible residents was estimated at 85. The net impact on the overlay is an additional \$67,000 for this program.

Mr. Lombardi noted there is no residual balance anticipated to be carried over from FY19 to FY20 and with a higher than average number of residents seeking abatements this year.

David Molitano arrived.

- FY20 Budget Requests Above Level Services Aggregated BOS and FinCom Feed Back 02.19v2 (this included request detail; department; FY20 cost impact; other consideration's; BOS priority; FinCom priority ranking. Consensus ranking)

The highest-ranking items to put back in the budget included:

1. Increase in Finance Department Staff from 30 hours to 33 in FY20 (and increased to 36.5 hours in FY21)
2. Fire Department Gear & Air Packs
3. Increased compensation Town Clerk Assistant (\$21.50 FY20; \$23.50 in FY21) and Council on Aging Staff Administrative/ Van drivers market rate

The BOS and FinCom discussed the request for additional staff for a new full time DPW driver/operator at \$67,000.

A breakdown of the DPW budget showed significant savings of more than \$110,000 with a transition to lose leaf pick up to bagged pick up, including that the DPW Department could get by without the additional staff person – savings \$67,000

Net savings of transiting to bagged leaf pick up:

General cost savings - \$40,000

Equipment maintenance, repairs, fuel related to loose leaf pick up- \$13,000

Contracted services needed during the 8 weeks of loose leaf pick up that could be done in house:

Weston & Sampson stormwater compliance testing - savings \$50,000

Contracted services for Cemetery & Park clean-up - \$4,500

A lengthy discussion of various scenarios followed including how this may unfold on the Town Meeting floor and it was decided it was best to leave it in the budget and make a motion on Town Meeting floor to remove the loose leaf costs from the budget.

The tree budget was discussed including reducing the budget and supplementing it with alternate ways such as fund raising events or donations. The HW Garden Club would be consulted on the tree planting budget.

Capital Requests at the top of the list for consideration

- DPW Back Hoe: Mr. Tyack indicated that the back hoe needs replacing but agreed it could be removed from the FY20 budget to the FY21 budget.
- Highway Road Capital has been funded in the operating budget and by Free Cash. The goal has been to increase annually not decrease it as proposed from \$45,000 to 40,000. Crack sealing and pot hole repairs are necessary and may not be done with a budget cut.
- The Council on Aging building roof will have water issues if it is not repaired. Prevailing wages bring the replacement estimated at \$21,000. If the roof repair was oved to the FY21 budget, another 18 months would pass before the repairs were done.

Added to the FY20 budget for an increase of \$107,000 for the following items.

- Three hours a week to the Finance Assistant position
- Increase wages to market rate for the COA van drivers and Administrative Assistant and Town Clerk Staff
- IT back up disaster recovery
- Fire Department Protective Gear and Air Packs

As a result of adding these items back into the FY20 budget, the School Operating Override will increase by \$107,000. It was noted that any override amount that is approve is a permanent increase to that budget.

Mr. Lombardi summarized that the HWRSB budget is half of the Town's total budget and 20% of the new levy capacity for the next five years would just fund the increase in the School OPEB contribution at the proposed rate; this is not affordable for the Town of Wenham. The Town cannot currently fund its capital needs and continues to use one-time funding sources to fund the operating budget.

Mr. Lombardi spoke in detail about the possibility of a Special Purpose Stabilization Fund that would specifically be for the school enrollment shift. This would allow the town to fund the account when needed and not be a permanent increase year to year. Town meeting approval is required to set up a Special Purpose Stabilization Fund and an article would be required on the warrant. Mr. Lombardi answered questioned and this was discussed in length.

A general discussion on the FY20 budget ensued. Ms. Jelsma observed the budget was being scrutinized and encouraged everything is considered, including that the PILOT program be revisited.

Adjournment – The meeting adjourned at 9:25 pm

Respectfully Submitted By
Catherine Tinsley
3.23.19