

TOWN OF WENHAM
Joint Meeting
Board of Selectmen & Finance & Advisory Committee
Meeting of, February 17, 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 joint meeting of the Board of Selectmen (BOS) and Finance & Advisory Committee (FinCom) was held on Wednesday, February 17, 2016 at 7 PM in the Selectmen Chambers.

1) Call Meeting to Order

With a quorum present, Ms. Harrison called the Board of Selectmen meeting in conjunction with the Finance Committee to order 7:04 PM.

Selectmen present Catherine Harrison, Chair; Jack Wilhelm, Vice Chair; John Clemenzi, Clerk

With a quorum present, Chairman Lucy, called the Finance Committee meeting in conjunction with the Board of Selectmen to order at 7:04 PM.

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

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

Public Information

Recorded with permission by HWCAM

Budget Recap Memo

Draft Warrant Articles (Budget)

2) FY 2017 Budget Recap

Ms. Wills recapped the changes in the budget since the January 12, 2016 budget presentation:

- Revenue estimates were increased
- Reduction in the overall budget - \$342,000
- Increase in State Aid - \$8,300
- Increase in the assessment to Hamilton for shared services
- Library – increase \$12,000
- Pleasant Pond – increase \$5,800 (Hamilton's assessment)
- Recreation / ECO – paid out to Hamilton - reduced

The total FY17 budget is \$17,301,165

- Free Cash used: \$750,000 (\$650,000 balance budget / \$100,000 mitigate the tax rate)
- This reduces the excess levy capacity to \$95,000 and increases the tax rate (6.7 %) to \$18.12. At the median assessed home value of \$509,650 this represents a real estate tax increase of \$582.
- The FY18 projected levy limit is negative \$400,000
- The total FY17 School Assessment to Wenham is a net increase of \$762,000 (5.1 %)
- Enrollment shift increase assessment to Wenham is \$329,000.
- It was noted there is a total enrollment in the HWRSD is down 5 percent even though the budget is increasing.
- Total overall FY 17 budget increase: \$1,060,000
- \$300,000 (3.76 %) net increases in the town budget
- \$762,000 (5.15%) net increases in HWRSD budget

A discussion ensued of possible actions to reduce the FY18 budget.

BOS APPROVED 5.17.16

FINCOM APPROVED 4.26.16

Mr. Flynn suggested the FY 18 budget begins with a level funded budget as opposed to a level services budget and the difference between the two budgets be itemized.

Work with School Administration to limit the increase

It was noted that the two top taxpaying properties in Wenham are coming off the tax roll due to a change to a non-profit use. This is significant reduction in revenue.

3) Tree Survey

The BOS had previously suggested adding \$15,000 to the FY 17 budget for a town wide tree survey to be done.

The FinCom is recommending that this money be used to replant trees rather than spend the money on a survey.

Ms. Harrison supported a tree survey be considered in the future to replant trees in a healthy way and maximize the tree planting program.

A discussion followed to clarify that the \$15,000 for a tree survey was in the DPW budget. If it is used for tree planting, the funds will be moved to the Tree warden's budget. There was concern that the FY16 funding for tree planting in the Tree Warden's budget was used for tree removal; no funds were spent on planting new trees.

Ms. Wills noted that there is a gift fund for tree planting with a balance of \$7,000.00.

As liaison to the Tree Warden, Mr. Quinn gave an overall summary of the Tree Warden's budget (\$27,379).

Mr. Lombardi noted this is currently an elected position but is on the ballot to be an appointed position.

He suggested that these decisions be put on hold, and the town not budget for tree planting or a survey until next year when these details will be known and better decisions can be made.

The Tree Warden FY 17 budget will be decreased by \$4,500 in expenses to reflect the tree-planting budget was removed.

Mr. Clemenzi asked that the Tree Warden / DPW Director come before the Committee/ Board at the next meeting to answer questions and explain the use of funds before the budget is finalized.

Mr. Lucy suggested that the Tree Warden's budget be moved to the Reserve Fund if this remains in flux until a decision is reached. This will be considered pending the outcome of the next meeting.

Mr. Flynn left the meeting at 8:30 pm

4) Draft Financial Articles for 2016 ATM Warrant

The Finance Committee and board of Selectmen took positions on financial articles.

- Article 2 - Use of Free Cash in the amount of \$750,000 to level tax rate and subsidize operating budget

It was noted this leaves a balance in Free Cash of \$311,000.

VOTE: The Finance Committee voted unanimously to recommend favorable action on Article 2 to Town Meeting. The motion carried unanimously.

VOTE: The Board of Selectmen voted unanimously to recommend favorable action to Article 2 to Town Meeting. The motion carried unanimously.

- Article 3, Article 4, Article 5, Article 6, Article 7, and Article 8

VOTE: The Finance Committee voted unanimously to recommend favorable action on Articles 3 through 8 to Town Meeting.

VOTE: The Board of Selectmen voted unanimously to recommend favorable action on Articles 3 through 8 to Town Meeting.

Under discussion: Ms. Harrison questioned Article 4 to transfer of funds from the Cemetery account to the DPW to off set costs for work done by the DPW. The article states the amount transferred is not to exceed \$5,000.

The sale of cemetery lots goes into the receipts reserve fund out of which the \$5,000 is transferred; the current balance in the cemetery account is \$21,600.

The actual cost calculated for the work done by the DPW was \$23,000. Ms. Wills identified \$13,000 in revenue from burials and associated fees went into the General Fund making the actual deficient \$9,000.

Regarding Article 5 to fund OPEB, the funding for an actual analysis is in the budget to determine what contribution would make a difference going forward.

VOTE: The motion carried unanimously.

- Article 9 Held

BOS APPROVED 5.17.16

FINCOM APPROVED 4.26.16

- Article 10 Held
- Article 11 Held
- Article 12 Held
- Article 13 Held
- Article 14 Held
- Article 15 –Tax Relief to seniors – increase abatement from \$750, to the State allowed amount of \$1000.
- Article 16 – Tax Relief to Veterans – This is a local option that mirrors the senior program.

VOTE: The Finance Committee voted unanimously recommended favorable action on Article 15 & Article 16 to Town Meeting. The motion carried unanimously.

VOTE: The Board of Selectmen voted unanimously to recommend favorable action on Article 15 & Article 16 to Town Meeting. The motion carried unanimously.

5) Vote Snow & Ice Deficit Spending Authorization -M.G.L. c44 s 31d

Mr. Lombardi reviewed this budget can deficit spend. The DPW Superintendent issued a letter indicating that with the next order of sand/salt, the budget will exceed the Snow and Ice Budget.

VOTE: The Finance Committee voted unanimously to authorize the DPW to exceed the snow and ice budget this year. The motion carried unanimously.

VOTE: The Board of Selectmen voted unanimously to authorize the DPW to exceed the snow and ice budget this year. The motion carried unanimously.

6) Review of Joint FinCom Discussion to Explore Cost Savings from Joint Ventures with Hamilton

Mr. Lucy reviewed that recently during a joint Finance Committee with Hamilton, they discussed organizing a working group to continue discussing possible cost savings from joint ventures:

- Shared leadership in the Fire Departments/ Police Departments
- Shared / co-located DPW facility / vehicles
- Economy of scales for a shared waste contract
- Shared Human Resource/ IT (Including Schools)
- Decrease health costs
- Emergency Center Operation

Ms. Harrison noted the BOS should first review and prioritize this list and draft polices going forward. This will be discussed at the BOS meeting.

Adjournment

The Finance Committee unanimously adjourned at 8:27 pm

The Board of Selectmen unanimously adjourned at 8:27 pm

Respectfully submitted by

Catherine Tinsley
4.20.16