

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Zoom #860 8799 2707
May 10, 2021, Monday**

Present: Michael Molisse, Chairman
Jane Hackett, Vice Chairman
Pascale Burga, Councilor
Christopher Heffernan, Councilor
Maureen Kiely, Councilor

Also Present: Ted Langill, Chief of Staff
Richard Swanson, Town Auditor

Recording Secretary: Mary Barker

Chair Molisse called the meeting to order at 6:01 PM.

Budget Kick-off Meeting – Review/discussion of Revenues, Reserve Fund, Overlay for Abatements, Debt, Pensions & Benefits, Revolving and Gift Donation Accounts and Local Aid and State Assessments, Town Council, Mayor’s Office, Municipal Finance, Town Solicitor, Information Services, Town Clerk, Planning and Conservation, Capital Improvement Plan for FY 2021-2025, Community Preservation Fund, Asset Management/ Town Building Maintenance, Human Resources, Licensing and Inspections

Deliberate Measures:

- 21 062- General Government Annual Appropriation*
- 21 062 C-Reserve Fund*
- 21 062 Y-Pensions & Benefits*
- 21 062 BB-Overlay for Abatements*
- 21 063-Revolving Accts. Annual Authorization*
- 21 064-Gift Accounts Annual Authorization*
- 21 074-Free Cash Transfer to OPEB Trust Fund*
- 21 062 X-Debt Service*
- 21 062 AA-State and County Assessments*

Chief of Staff Langill presented the General revenue slides, and then questions will be reviewed.

- FY 22 Revenue Overview
 - General Fund Tax Levy
 - Local Receipts
 - Cherry Sheet
 - Debt Exclusion Tax Levy

- FY20 to FY21 to FY22 change in revenue- shift to more tax levy support of overall budget, that becomes dependent on new growth. Kept at \$2 million per year. Adjust with 2.5%.

Vice Chair Hackett asked about new growth and how much is generated from Union Point? Mr. Langill responded that they stopped tracking it. It averaged 30% early on and he is not expecting it is much more. Vice Chair Hackett asked if they are hoping building permit revenue will translate into new growth next year and Mr. Langill responded yes. They are also projecting building revenue increase in 2022.

Relief from American Rescue Plan Act

Mr. Langill reported that it's nice to have this as a backstop. There are small gaps to be filled. In addition to direct aid, the county will get an allocation, and there is another for schools. They haven't utilized all the Cares Act money which has to be spent before the end of the year.

Mr. Langill reviewed the questions Auditor Swanson provided in advance, and the responses on the following items:

- Southfield Assessment
- Tax liens and deferred RE Tax,
- Lottery
- Ch. 70 – this has been a dependable source of revenue over the last several years.
- Comcast- transfer- not doing it this year. The original account decreased as spent for capital projects. A new account was created due to a change the FCC made. Most goes into this account and is not available for the types of projects as in past. \$130K left in original, \$540K in new, but spending is restricted to public education and access projects.
- Medicaid reimbursement- most if not all from SPED surpluses. There was a significant drop and they are not seeing the same revenue and was affected by impacts with reporting and COVID. He is working with SPED to restore claims and get as much as they can.
- SS Health System- ambulance service- the MOA- in 3rd year of 3-yr contract.
- Increase in Building Permits- they are projecting an increase and hoping for the best.
- Investment Income- some accounts are interest bearing. Average rates are similar to CD's- conservative, safe.
- Academy reimbursement- this is the final year. It will fall off the books next year.
- Allotments from sewer rates- calculation for enterprise fund/health insurance offsets.
- Pilots- going up slightly- 99% South Shore Hospital, and is a source of frustration- it was written in 1993, in a way that makes it hard to change. The town would like to renegotiate.

- WeyCare transfer- agreement 3 years ago to offset health insurance costs for Weycare employees. Because of COVID, employees were furloughed or laid off, and so revenue came down.

Councilor Heffernan noted the stimulus package allocated a lot to the county level. He asked if we will see a share of that, and if so, when? Mr. Langill responded that he has not heard, nor been sent any communication. He is not sure what they will spend it on or whether it will be returned to cities and towns.

Councilor Kiely asked if building costs have gone up significantly and resulted in higher permit revenue. Mr. Langill responded that they hope to make out on building revenue. Councilor Kiely commented on the PILOT- there has been significant expansion since the original agreement was signed. She would like to see efforts to renegotiate. Mr. Langill responded that there were increases based on the expansion, but there is time for conversation when the ambulance contract is renegotiated.

The discussion continued with Q&A regarding Department specific measures:

21 062 A-Town Council

21 062 B-Mayor's Office

- Professional services
- Professional liability insurance

21 062 D-Municipal Finance

- Changes included Director's salary that was moved, combined with COLA and step increases.
- Tech line- Assessor office licensing to access PK systems- maintenance

Councilor Burga asked what PK systems is and was told it's the software system that the assessor uses- the database for assessing home values.

- \$265000 other prof services- covers appraisal fees

21 062 E-Town Solicitor

21 062 F-Information Services

- town cells, hotspots
- Agreements- computer software and service- Munis, Microsoft and smaller
- Other prof services- hire specialists – server or firewall support
- Contracts- server,
- Internet access- hosting and maintenance, repairs of fiber network

21 062 G-Town Clerk

- election registrars- one full time and election workers – increase because of presidential and early voting.
- 2 elections in budget this year, September and November

21 062 H-Planning and Conservation

- 6 employees in Planning and 2 Conservation- step and COLA, administrator was reclassified, and hired Asst. Conservation Administrator and left another position unfilled
- CPA- state match budgeted- 14% last year. Projecting a 32% match- took an average over the last 3 years.
- Debt service- Emery Estate- final payment for the purchase
- General Reserve- restricted eligible to three categories: housing, open space or historic

Capital Improvement Plan for FY 2021-2025

21 072-Community Preservation Fund Annual Appropriation

21 062 I-Asset Management/Town Building Maintenance

- Jump in salaries- step, COLA, 2 additional custodial/maintenance positions
- Software- work order management software
- Park maintenance- reduced in FY21- partial restoration of funding for upkeep of all parks in town
- Electricity- expiration of credits from NGRID for past projects
- 2 new Town Hall custodians

Vice Chair Hackett asked about the park maintenance line in Asset Management and DPW- the carts that drive around, for Libbey, Lovell Legion King Oak Hill, Summit Esker; the newer facilities that are turfed or developed over the last few years. B&D contract is paid from this line. Personnel that are doing the Lovell Legion and Libbey, not the day-to-day. That's paid from the permit account, the same one that's being converted to the enterprise account. Vice Chair Hackett noted that meals tax revenue is also here. Vice Chair Hackett asked if any of this go to grass fields. This line was reduced last year, due to constraints in the budget, and less of a need because of COVID. There are similar increases in the DPW maintenance line for grass fields. Vice Chair Hackett explained she is not being critical of grass workers and knows they are stretched. Not critical of performance, but this is an opportunity to restructure, if grass fields were centralized in asset management.

Councilor Burga noted the phenomenal work that's been done, seeing the parks and fields. She would like see more expansion on the beaches. Mr. MacLeod responded that the operating attendants for the beach are paid from it. A custodian is responsible for bath facilities, and they are adding 2 additional positions. There are seasonal attendants and they outsource maintenance. 5 days/7 hours for deep cleanings of bathrooms. There are limited duties for cleaning

21 062 K-Human Resources

- This includes 3 full time employees, and their benefits, with a slight increase for step, cola, and additional hours

Debt Service

- The Debt exclusion for Chapman- created a separation in this year's budget. In FY22 the amount will jump. Chief of Staff Langill explained the breakout.

21 062 N-Licensing and Inspections

Auditor Swanson reported that he had no questions.

21 074- OPEB

- An amount transfer on an annual basis, as available.

Councilor Kiely asked if there is any expected impact on the number of polling places- is there any increase or decrease expected? They won't know full impact until federal census counted and redistricted.

Capital Improvement Plan– there were no questions

Chief of Staff Langill reported that the budget books are back from the printer, and they will be distributed this week.

ADJOURNMENT

At 7:07 PM, there being no further business, a motion was made by Vice Chair Hackett to adjourn and was seconded by Councilor Burga. A roll call vote was taken: Councilor

Burga- Yes, Councilor Heffernan-Yes, Councilor Kiely- Yes, Vice Chair Hackett- Yes, Chair Molisse- Yes. UNANIMOUSLY VOTED.

Attachment: Q&A from Auditor Swanson

Respectfully Submitted by Mary Barker as Recording Secretary

Approved by Michael Molisse as Budget/Management Committee Chairman
Voted unanimously on 28 June 2021