



MANCHESTER-BY-THE-SEA

FINANCE COMMITTEE • TOWN HALL
Manchester-by-the-Sea, Massachusetts 01944-1399
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Minutes of the Finance Committee

March 10, 2022 7:00 p.m. Zoom Meeting

MEMBERS PRESENT: Ms. Mellish, Chair, Mr. Weld, Mr. Creighton, Mr. Oldeman, Mr. Pratt, Mr. Twining and Mr. Nahatis

MEMBERS NOT PRESENT:

STAFF PRESENT: Town Administrator, Mr. Federspiel, Finance Committee Clerk, Ms. Hunter, Town Accountant, Ms. Mainville

GUESTS:

- **Call to Order** – Ms. Mellish called the Finance Committee meeting to order at 7:03 p.m.
- **Review and Approve Revised FY23 Operating Budget**

Revenue

- Revenue by Fund are fund transfers.
- Revenue by Source
Mr. Oldeman asked what the change was in Miscellaneous. Ms. Mainville stated most of the change was the School Resource Officer (SRO). The District forwards the invoice for the SRO in July as she is closing the books. After confirming with the Auditors, Ms. Mainville will post the SRO salary invoice the following year.
- Mr. Oldeman also asked about other fees. Ms. Mainville replied that now includes Cemetery fees which were previously collected and reported by DPW.
- Mr. Twining asked about investment income. Ms. Mainville does not expect a significant swing in investment income.
- Ms. Mellish asked about the dip in Recreation. Ms. Mainville stated the \$140K was revenue from this fiscal year and does not anticipate an increase for FY23.
- Ms. Mellish also asked about the total revenue projected for FY23 at \$2.5M down from FY22 at \$2.8M and why was there not a dip in the tax rate. Mr. Federspiel stated that was an option. Mr. Weld stated it is less risky to spend the following year than to take a risk the Town does not have enough money.
- Ms. Mellish asked if the Board was comfortable with the revenue assumptions. Committee members replied they were.

Operating Budget

Town Administrator's Budget \$523,232.00 (no changes)

Mr. Oldeman moved to approve the Town Administrator's Budget in the amount of \$523,232.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Information and Technology \$152,000.00

Mr. Weld moved to approve the Information and Technology Budget in the amount of \$152,000.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Town Hall Common \$38,200.00 (the majority of Town Hall Budget has been moved to Facilities)

Mr. Weld moved to approve the Town Hall Common budget in the amount of \$38,200.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Finance Committee \$4,100.00

Mr. Weld moved to approve the Finance Committee budget in the amount of \$4,100.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Finance Committee Reserve Fund \$210,000.00 Mr. Federspiel stated in his memo \$50K had been added to the Finance Committee Reserve Fund in anticipation of increased energy costs.

Mr. Federspiel added for FY22 there will not be enough in the Reserve Fund to pay for increases in Fire Department overtime and legal expenses. He noted that if the funds are in the Finance Committee Reserve Fund there is more flexibility in accessing the funds.

Mr. Weld moved to approve the Finance Committee Reserve Fund in the amount of \$210,000.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Town Clerk \$112,499.00

Mr. Weld moved to approve the Town Clerk's budget in the amount of \$112,499.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Elections \$27,506.00

Mr. Weld moved to approve the Elections budget in the amount of \$26,506.00; Mr. Nahatis seconded the motion. The motion passed with six members voting affirmatively and one member abstaining.

Parking Clerk \$26,589.00

Mr. Weld moved to approve the Parking Clerk budget in the amount of \$26,589.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Accountant \$342,230.00

Mr. Weld moved to approve the Accountant's budget in the amount of \$342,230.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Assessor \$191,429.00

Mr. Oldeman moved to approve the Assessor's Budget in the amount of \$191,429.00; Mr. Weld seconded the motion. The motion passed unanimously by roll call vote.

Building Department \$113,037.00

Mr. Nahatis moved to approve the Building Department budget in the amount of \$113,037.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Treasurer Collector \$4,358,839.00

Mr. Twining moved to approve the Treasurer Collector's budget in the amount of \$4,358,839.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Zoning Board of Appeals \$20,370.00

Mr. Weld moved to approve the Zoning Board of Appeals budget in the amount of \$20,370.00; Mr. Oldeman seconded the motion. The motion passed unanimously with six members voting affirmatively and Mr. Creighton abstaining.

Planning Department \$107,753.00

Mr. Weld moved to approve the Planning Department budget in the amount of \$107,753.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Police Department \$1,973,999.00

Mr. Weld moved to approve the Police Department budget in the amount of \$1,973,999.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Animal Control Officer \$16,315.00

Mr. Weld moved to approve the Animal Control Officer's budget in the amount of \$16,315.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Fire Department \$1,582,539.00

Mr. Weld moved to approve the Fire Department budget in the amount of \$1,582,539.00; Mr. Oldeman seconded the motion. The motion passed with six members voting affirmatively and Mr. Pratt voting no.

Harbormaster \$212,969.00

Mr. Weld moved to approve the Harbormaster's budget in the amount of \$212,969.00; Mr. Creighton seconded the motion. The motion passed unanimously by roll call vote.

DPW \$1,258,255.00

Mr. Oldeman moved to approve the DPW budget in the amount of \$1,258,255.00; Mr. Creighton seconded the motion. The motion passed unanimously by roll call vote.

Snow and Ice Removal \$202,000.00

Mr. Twining moved to approve the Snow & Ice Removal budget in the amount of \$202,000.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Sanitation \$58,500.00

Mr. Twining moved to approve the Sanitation budget in the amount of \$58,500.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Rubbish Collection \$600,000.00

Mr. Twining moved to approve the Rubbish Collection in the amount of \$600,000.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Facilities \$154,337.00

Mr. Oldeman moved to approve the Facilities budget in the amount of \$154,337.00; Mr. Weld seconded the motion. The motion passed unanimously by roll call vote.

Streetlights \$60,000.00

Mr. Twining moved to approve the Streetlights budget in the amount of \$60,000.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Historic District Commission \$5,950.00

Mr. Twining moved to approve the Historic District Commission budget in the amount of \$5,950.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Conservation Commission \$71,895.00

Mr. Creighton moved to approve the Conservation Commission budget in the amount of \$71,895.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Board of Health \$126,514.00

Mr. Pratt moved to approve the Board of Health budget in the amount of \$126,514.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

Veterans Services \$20,000.00

Mr. Weld moved to approve the Veterans Services budget in the amount of \$20,000.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Council on Aging \$199,479.00

Mr. Oldeman moved to approve the Council on Aging budget in the amount of \$199,479.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Library \$508,929.00

Mr. Twining moved to approve the Library budget in the amount of \$508,929.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Parks & Recreation \$161,056.00

Mr. Weld moved to approve the Parks & Recreation budget in the amount of \$161,056.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Singing Beach \$166,217.00

Mr. Oldeman moved to approve the Singing Beach budget in the amount of \$166,217.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Tucks Point and Crowell Chapel \$25,820.00

Mr. Twining moved to approve the Tucks Point and Crowell Chapel budget in the amount of \$25,820.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Public Celebrations \$13,000.00

Mr. Weld moved to approve the Public Celebrations budget in the amount of \$13,000.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

Water Department \$556,060.00

Mr. Oldeman moved to approve the Singing Beach budget in the amount of \$556,060.00; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.

An initial motion by Mr. Weld and seconded by Mr. Oldeman was rescinded to correct the amount of the budget from \$563,060.00 to \$556,060.00.

Water Treatment Plant \$612,720.00

Mr. Weld moved to approve the Water Treatment Plant budget in the amount of \$612,720.00; Mr. Creighton seconded the motion. The motion passed unanimously by roll call vote.

Sewer Department \$1,001,120.00

Mr. Twining moved to approve the Sewer Department budget in the amount of \$1,001,120.00; Mr. Nahatis seconded the motion. The motion passed unanimously by roll call vote.

Public Education \$19,150,713.00

Mr. Weld moved to approve the Public Education budget in the amount of \$19,150,713.00; Mr. Creighton seconded the motion. The motion passed unanimously by roll call vote.

Non-Appropriated Funds \$183,898.00

Mr. Twining moved to approve Non-Appropriated Funds in the amount of \$183,898.00; Mr. Oldeman seconded the motion. The motion passed unanimously by roll call vote.

- **Review and Approve Revised FY23 Capital Budget**

Ms. Mellish asked for an update on the Harbormaster’s capital budget. Mr. Federspiel stated the addition of water and electric for Reed Park was removed and the Harbormaster’s pickup truck added in place of water and electric. Other items were replaced due to a change in the new/used Eastern boat for the Harbormaster. The Harbormaster has located a used Eastern at a favorable cost allowing for the \$110K approved at Fall Town Meeting to go to the purchase of the used Eastern and cover the costs of new engines for the Safe Boat and an upgrade for the pump out boat.

Mr. Weld complimented the Harbormaster on his accomplishment and noted the Harbor Advisory Committee (HDC) was reluctant to raise the cost of overnight docking at Reed Park in the event the Town could overprice ourselves. Mr. Weld informed the HDC part of the Finance Committee’s thinking was to avoid a party atmosphere and suggested the inherent value of the pier was likely higher than anticipated.

Mr. Federspiel indicated with the savings realized from the acquisition of the used Eastern would the Committee consider adding the Reed Park upgrades back to the Capital Budget. Ms. Mellish stated she preferred to leave Reed Park out for this year.

DPW Mr. Dam had previously indicated he would wait on the vehicle replacement and substitute the vehicle replacement with the pole barn and generator replacement for Town Hall. Since Sweeney Park has been moved to FY24 and as a result FY24 would be a year with significant Capital costs, it was decided to put the vehicle replacement back into the FY23 budget. The vehicle is a large dump truck that also serves as a snowplow at a cost of \$245K.

Mr. Weld moved to approve \$3,457,425 as outlined in the FY23 Capital Budget with \$1,667,000 from taxation and \$1,790,425 from other funds; Mr. Creighton seconded the motion. The motion passed unanimously by roll call vote.

- **Discuss optional budget Warrant Articles and impact on tax rate**



Draft Warrant Articles ATM 4.25.22.pdf

Mr. Federspiel indicated there are likely three Articles in addition to the usual Articles in the Annual Town Meeting (ATM) Warrant:

- 1) Planning Board proposed Zoning By-Law change for the LCD
- 2) Local option to add a Room Tax on short-term rentals
- 3) Change the name of the Board of Selectmen to Select Board

The Committee discussed the Planning Board’s proposed Zoning By-Law change to allow for a change in use. Ms. Mellish is concerned that the Finance Committee will be asked to opine on the financial impact of the Article and while deciding on something as nebulous as a Zoning Change. Indicating the Committee would need to determine if revenue vs. cost to the Town had been researched and determined.

Mr. Weld stated this would be a rezoning to use and labs are well documented for density. Suggesting the Committee could use numbers available. Ms. Jaques stated this is a zoning use change to allow for income to be generated and applications to come before the Planning Board and Zoning Board of Appeals where the applications will be fully vetted.

Mr. Weld suggested the Planning Board could provide the projections indicating the Planning Board would state this is what the zoning change will mean, and it will generate revenue. Mr. Creighton noted the Town is defining an area of Town and it is beyond the Finance Committee's scope to make all the decisions that will need to be made. Mr. Creighton believes the Finance Committee's concern at this point is what is best for the Town in the long term and this change is way too important for the Committee to not take a position.

Mr. Federspiel stated there are guidelines and models for approaching the proposed zoning By-Law change and suggested that Ms. Brown, the Town Planner draw on those to help with the Committee's analysis.

- **Discuss estimated free cash and reserves 7.1.22 and estimated free cash and reserves 7.1.23**

Mr. Federspiel would like to work with Ms. Mainville and complete a financial analysis of everything that is outstanding prior to estimating the projected cash reserves 7.1.22 compared to 7.1.23.

- **Potential Citizen Warrant Articles**

Mr. Federspiel stated there are no Citizen Petition Articles for Annual Town Meeting.

- **Review Minutes**

Mr. Weld moved to approve the minutes for February 3, 2022; Mr. Twining seconded the motion. The motion passed with Mr. Weld, Mr. Twining, Mr. Creighton, Mr. Nahatis, Mr. Oldeman and Ms. Mellish voting affirmatively.

Mr. Weld moved to approve the minutes for February 17, 2022; Mr. Oldeman seconded the motion. The motion passed with Mr. Weld, Mr. Creighton, Mr. Nahatis, Mr. Oldeman, and Ms. Mellish voting affirmatively. Mr. Twining abstained.

- **Next Meeting Date & Subject –**

March 17, 2022, CST Presentation, CPC, Library and Health Agent Discussions and Vote

- **Other Business not anticipated by the Chair, discussion only –** There was no additional business to discuss this evening.

- **Adjourn**

Mr. Oldeman moved to adjourn the meeting; Mr. Twining seconded the motion. The motion passed unanimously by roll call vote.