

## **FINANCE COMMITTEE – Meeting, February 10, 2021**

A remote Finance Committee meeting was scheduled at 7:00 p.m.

Present: Ms. Mellish, Mr. Weld, Mr. Creighton, Mr. Oldeman, Mr. Twining, Mr. Pratt and Mr. Nahatis

Absent:

Board of Selectmen: Ms. Jaques

Staff Present: Town Administrator, Mr. Federspiel, Finance Committee Clerk, Ms. Hunter, Library Director, Ms. Collins, Harbormaster, Mr. Pike, Fire Department, Chief Cleary

Guests: Library Trustees

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Ms. Mellish called the Finance Committee meeting to order at 7:00 p.m.

### **Review Library Budget and Vote**

Mr. Twining asked about the impact of Covid on the library. Ms. Collins stated the library felt the impact from day one with changes in task management for all Librarians. The weekly workflow changed with a focus on e-books, audio and other downloads. Throughout the pandemic there were 175 – 200 library patrons using curbside pickup and drop off. Additionally, there were enumerable one-on-one phone conversations around “How To” make all downloads possible. The budget shifted from physical books to downloads along with an increase in custodial supplies and quarantine bins for holding materials. The staff was flexible, worked from home and Librarians served as models for others by reaching out, providing advice and checking in with patrons.

Mr. Oldeman asked about the State requirements around periodicals. Ms. Collins stated the library added downloads for magazines versus online magazines. The State is managing the annual accreditation process with some changes around books and materials. The Manchester-by-the Sea Library was reaccredited on February 4, 2021. Some libraries are on the waiver list as a result of covid.

Ms. Mellish asked about the handicap bathroom proposed in the capital budget. Ms. Collins stated as part of the Town’s ADA assessment it was noted there was no handicap bathroom available in the Library and that, Ms. Collins stated is a basic human need. Ms. Mellish asked if \$40K would make that happen. Mr. Federspiel replied that was a place holder and is Mr. Desrosiers estimate for a complete design for the handicap bathroom.

Mr. Twining asked about general upgrades for the library. Ms. Collins indicated there was a need for lighting around the library’s hearthside and reconfiguration of the reference room. Currently computers in the reference room are a shared space and following Covid individual works

stations are recommended for library computers. Much of the reference room is bunched together and everyone will feel safer if things are further apart.

Mr. Weld asked about the libraries computer operations network. Ms. Collins stated the library is part of the Merrimack Valley Consortium with access to over 55 million books.

*Mr. Weld moved to approve the Library budget in the amount of \$511,258, Mr. Twining seconded the motion. The motion passed unanimously.*

### **Review Harbor Budget with Harbormaster and Vote**

Mr. Twining asked about staffing changes with the Police Department. Mr. Pike stated this coming summer the Harbormaster will have a dedicated reserve officer for support on patrols. Mr. Federspiel stated this past summer regular patrol officers were not available to support the Harbormaster due to staffing shortages. Chief Fitzgerald will direct a reserve officer to work with Harbormaster in 2021. Mr. Twining asked if the officer would work Friday, Saturday and Sunday. Mr. Pike stated that was correct with additional shifts for holiday weekends.

Ms. Mellish asked about the floating office. Mr. Pike is recommending the Town purchase a trawler to serve as the Harbormaster's office during the boating season. The proposed trawler would be a 35 ft. vessel with a head and supported with full electricity and internet. The vessel would not move from its dock and would be purchased and supported with waterway funds. The proposed floating office provides for greater response time in the event of an emergency.

Mr. Creighton asked if the harbor should be an enterprise fund. Mr. Pike stated in Massachusetts there are opportunities for grant support around funding dredging, the single largest cost of the harbor. He indicated if Waterways Funding became an enterprise fund there would be a public voice with input different from Water and Sewer enterprise funds. Revenue would be handled differently with more eyes on the Harbormaster.

Mr. Creighton has heard there are some who feel contributions made to dredging could be absorbed by the Harbor budget. Mr. Creighton mentioned that permitting takes a couple of years and asked what would happen with the funds. Ms. Mellish stated funds that are being collected but not used for dredging could be maintained in a separate fund. Mr. Creighton would like to have confidence around holding taxpayers money for years that the funds are going to the right place. Mr. Federspiel stated waterway funds are separate from tax dollars that support the Harbor pay for waterway funds.

Mr. Creighton stated the harbor is an asset, The funding and revenue sources should get treated like an asset. Mr. Weld stated the harbor has a dependable cash flow with the waterway fund and it can be capitalized with debt. There are times you borrow money.

Ms. Mellish asked about the proposed extra fee for dredging. Mr. Pike stated the Harbor Advisory Committee (HAC) is presenting a second recommendation to the BOS for the fee based on \$2.50 per foot. The fee is specifically for dredging with funds collected maintained in a separate fund. Mr. Weld asked how much the fee would raise. Mr. Pike estimates \$55K with the

HAC requesting the Town match the amount raised annually. Ms. Mellish indicated the Town's match would need to be approved at Annual Town Meeting.

Mr. Pike stated there will be time following Town Meeting to invoice the fees for this year. The concept is to use the Fund to pay off bonds the Town would need to for dredging. Mr. Pratt asked if dredging was estimated to cost \$3M and a State grant would pay half. Mr. Pike stated the State will pay half up to \$2.5M and estimates for the next dredging project are not firm.

Mr. Pike stated MBTS was discovered as a destination harbor and for many it is considered an unplanned and unwanted change but influx of boaters will generate revenue and needs to be managed. Mr. Pike stated, ideally the Town would go back to the boat traffic experienced in 2012 but the traffic has increased year over year and needs to be managed.

Mr. Nahatis asked about his recommendation for a harbor surveillance system. Mr. Pike stated a harbor surveillance system would require someone to monitor and confirm payments.

Mr. Creighton asked if the Town was fully insured for situations that could happen around the harbor. Mr. Federspiel stated the Town's insurance carrier had made recommendations and changes to the marine coverage and those changes had been made.

*Mr. Creighton moved to approve Harbormaster Budget for salaries and expenses in the amount of \$180,728, Mr. Oldeman seconded the motion. The motion passed 6 yes and 1 no.*

Mr. Federspiel stated the Seaport Economic Council will cover 80% of Tuck's Point project and CPC is providing 20% for the project. The project covers new pilings and one new float. Mr. Pike indicated the current ramp was too short and steep to meet ADA compliance.

### **DPW Budget Additional Thoughts and Vote on Operations Budget**

The Committee reviewed the proposed employee count for FY22. The projected number of employees is increasing by one over FY21 to 20.5 FTE. Ms. Mellish confirmed the lead person in the Water Department is retiring. Mr. Federspiel stated that was correct.

Ms. Mellish also asked what caused overtime. Mr. Federspiel indicated overtime is primarily due to storm damage.

Mr. Pratt recommended reducing the snow removal budget by \$20K. Mr. Federspiel (confirmed in a subsequent email) the State requires the Town to maintain a snow removal budget parallel to the Town's 5 year average for snow removal. Ms. Mainville indicated the 5 year average for snow removal is \$202K.

Ms. Mellish asked if sanitation costs reflect potential increases. Mr. Federspiel indicated that was correct.

*Mr. Twining moved to approve DPW salaries and expenses in the amount of \$1,277,264, Mr. Nahatis seconded the motion. The motion passed unanimously.*

*Mr. Oldeman move to approve the DPW sanitation expenses in the amount of \$875,850, Mr. Nahatis seconded the motion. The motion passed unanimously.*

The snow removal budget was held.

### **Police Budget Additional Thoughts and Vote on Operations Budget**

Mr. Twining asked where the Committee stood on Dispatch. Ms. Mellish stated on February 15, 2021 the Committee had a joint meeting scheduled with BOS to discuss the pros and cons of making a change in the current Dispatch operations. Ms. Mellish also pointed out a move to the regional dispatch was likely a year away and the current budget will not be impacted by that decision. Ms. Mellish suggested holding off on voting.

Mr. Weld asked about the increase in actual versus budget in the Clerk and Dispatch line. Mr. Federspiel stated that was \$61K for overtime and is reflected in the FY22 budget at \$100K. Mr. Federspiel indicated vacancies in dispatch and patrol drove up costs, when costs go down in salaries overtime goes up.

The Committee discussed the School Resource Officers' position following Mr. Weld's question, should the position be budgeted in the Police Department budget. Ms. Mellish indicated the SRO position was carried in salary but she does not see a reimbursement line. Mr. Federspiel indicated the position was voter approved. Ms. Mellish suggested a footnote indicating the amount reimbursed by the District. Mr. Creighton confirmed the District reimburses the Town \$70K.

Additional approval of the Police Department budget will come following the Dispatch discussion.

*Mr. Pratt moved to approve Animal Control expenses in the amount of \$16,315, Mr. Creighton seconded the motion. The motion passed unanimously.*

### **Fire Budget Additional Thoughts and Vote on Operations Budget**

Ms. Mellish would like the Committee to consider the request for additional Fire Fighters stating the Committee was presented with options for increasing staffing and she would like to discuss what is really needed. Safer Grant would support 4 new firefighters, option 1. Move the floater to full time crew and request 3 new firefighters from Safer Grant, option 2. Mr. Twining indicated by moving the floater to a 4 person crew the Department will not be dealing with sick and vacation time.

Mr. Creighton asked about overtime in the Fire Department. He stated \$105K was budgeted with a deficit of \$70K. Chief Cleary stated he reviewed the budgets for the past several years and that was consistent with previous years. Ms. Mellish asked what the comparative cost was for overtime versus a new hire with benefits. Mr. Federspiel estimated \$64K base salary, \$100K with full benefits and 50% more with overtime.

Mr. Twining stated the base decision the Committee needs to make is should we go for 4 firefighters with the Safer Grant. Mr. Creighton pointed out when the grant runs out the Town will take a hit. Ms. Mellish believes the Town needs 3 additional firefighters. Mr. Twining asked if the Town should wait for a year to apply.

Mr. Pratt suggested recruiting for call firefighters and asked what the magic number is for the Department to operate successfully. Chief Cleary stated that is based on individuals showing up to respond and stated 15 maybe ideal. Currently the Department has 5 call fire fighters, all qualified with 2 in paramedic school. Mr. Oldeman concluded the biggest expense is increasing full time staff and believes the staffing model is a bigger conversation to be had with the BOS.

Mr. Creighton would like to consider models and scenarios around 2 additional staff while ramping up call fire fighters and perhaps finding a solution that is better fit for the Town. Ms. Mellish suggested making overtime a requirement for call firefighters. Chief Cleary stated increasing requirements sends call fire fighters away.

Mr. Twining supports writing the safer grant application. Mr. Federspiel stated that can be achieved through the Professional Services budget.

*Mr. Weld moved to approve Fire Department salaries and expenses in the amount of \$1,489,498, Mr. Oldeman seconded the motion. The motion passed unanimously.*

*Mr. Twining moved to approve Emergency Management expenses in the amount of \$5,725, Mr. Creighton seconded the motion. The motion passed unanimously.*

### **Review Meeting Minutes and Discuss Review Process**

Ms. Mellish will review disputed meeting minutes for 1/21/2021 and 1/28/2021.

**Agenda Items 2/17/21 40B Meeting** – To Be Discussed at next meeting.

**Agenda Items 2/18/21 Meeting – Capital and Dispatch**

**Other Business for the Finance Committee (discussion only)**

**Adjourn** – *Ms. Mellish moved to adjourn the meeting, Mr. Oldeman seconded the motion. The motion passed unanimously.*