

FINANCE COMMITTEE

MEETING, March 20, 2019

A scheduled meeting convened at 7:00 p.m. in Room 5.

Members of the Committee in attendance: Mr. Creighton, Mr. Weld, Ms. Harrison, Mr. Pratt, Mr. Oldeman, Ms. Mellish and Mr. Even.

Town Administrator, Mr. Federspiel, Finance Committee Clerk, Ms. Hunter and Town Accountant, Ms. Mainville were also in attendance.

Mr. Creighton called the Finance Committee meeting to order.

Review of Meeting Minutes – Minutes for March 6, 2019

Mr. Weld moved to approve the minutes of March 6, 2019; Mr. Oldeman seconded the motion. The motion passed unanimously.

Annual Town Meeting Warrant Articles –

Article 13 – Ms. Harrison expressed concern about electronic voting and maintaining a permanent record without some form of record keeping. She stated the new system did not seem to be secure. The new electronic system will maintain a record by the number on the resident's device. If a resident wishes to confirm their vote, they will need to keep their device number, the Town Clerk will maintain a spreadsheet by device number and will be able to confirm a resident's vote.

The Finance Committee makes no recommendation on this Article.

Article 17 – To see in the Town will vote to adopt the Food Ware and Polystyrene By-law. There will be an amended version of the Article handed out at Town Meeting. Mr. Gilbert working with Mr. Wilson and Town Counsel had edits to the Article the edits are primarily clarification to language.

The Finance Committee makes no recommendation on this Article.

Article 16 – The gift of land from the House of Seven Gables Museum in Salem to be held under the care, custody and control of the Conservation Commission.

Mr. Federspiel stated the Town was unable to find a deed restriction on record for the property; however, it was the stated preference of the Museum that the land be held as conservation land. The Seven Gables Museum approached the Town Administrator about the gift, the Town Administrator presented the gift to the Board of Selectmen and Town Counsel

developed the language of the Article stating the land was conservation land and the land would remain in conservation.

Ms. Harrison analyzed the property which has a land category number 934. Mr. Federspiel stated that category means the land is undevelopable. Ms. Harrison stated a brook runs through the center of the property and is surrounded by wet lands. She also stated the assessor has the land valued at \$331K, however that is disputable since the land is undevelopable.

Ms. Mellish and Mr. Pratt believe the gift should have been considered under 2 Articles

1) accept the gift and 2) designate the gift as an asset or for conservation.

Committee's further discussion:

- Mr. Even stated houses around conservation land may experience an increase in value.
- Mr. Oldeman would like the Town to develop a protocol for accepting gifts.
- Mr. Weld suggested that any gift to the Town of an asset should be reviewed by the Board of Selectmen and Finance Committee.
- Gifts of land should be evaluated and liability to the Town that may result from pre-existing condition be considered.
- Finance Committee will write a letter to the Board of Selectmen and develop a process for accepting gifts of land or other gifts that are considered an asset.

Mr. Pratt moved the Finance Committee take no position on Article 16; Mr. Weld seconded the motion. The motion passed.

Review of Operating Budget and Capital – There was no additional review required.

Reserve Fund Transfers –

LED Lights were not fully installed until spring an additional \$45K is needed to pay for street lights.

Pay-as-you-go Bags inventory was running low and additional purchase in the amount of \$15K was necessary. The budget has been increased for FY 20.

Mr. Pratt asked what the amount is in the Reserve Fund following the transfers. Ms. Mainville stated the Reserve Fund balance following the transfers was \$93,441.

Mr. Weld moved to approve the two Reserve Fund Transfers; Mr. Oldeman seconded the motion. The motion passed unanimously.

Other business that comes before the Finance Committee, discussion only. There was no additional business before the Committee.

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

Meetings Scheduled for Finance Committee:

April 10, 2019 – Meeting to Review the Auditors Report and Review OPEB and discuss development of a strategic plan for managing local receipts, reserves, school debt and levy limit.

May 8, 2019 – Follow-up meeting to discuss strategies for managing local receipts, reserves, school debt and levy limit.

Meeting Materials:

- FY 20 Preliminary Budget
- Finance Committee Minutes March 6, 2019
- Town Warrant
- Reserve Fund Transfers