



FINANCE COMMITTEE
Town Hall
10 Central Street
Manchester-by-the-Sea, MA 01944

Minutes of the Finance Committee with the Select Board

June 12, 2023 7:00 p.m. Committee in Room 7 and on Zoom

MEMBERS PRESENT: Sarah Mellish, Chair, Mory Creighton, Andy Oldeman, Tom Parkins, Peter Twining, Dean Nahatis, and Mike Pratt

SELECT BOARD MEMBERS PRESENT: Ann Harrison, Chair, Becky Jaques, John Round, and Brian Sollosy

STAFF PRESENT: Greg Federspiel, Town Administrator

GUESTS: Pam Beaudoin, Superintendent MERSD, Avi Urbas, Operations and Finance Director MERSD

- **Call to Order** – Ms. Mellish called the Finance Committee meeting to order at 7:00 p.m. and Ms. Harrison called the Select Board to order.
- **Review MERSD Budget Changes**

Mr. Federspiel stated there is a significant reduction for Manchester in the new MERSD budget. The Town will drop from a 6% increase over the previous fiscal year to less than a 1 % increase. Ms. Mellish pointed out that the reduction is \$491,610.00.

Mr. Federspiel Indicated that this evening the Select Board and Finance Committee will vote to endorse the District budget.

The Finance Committee and Select Board discussed:

- The Town's vote of the revised District budget at the Special Town Meeting.
- The new budget requires the vote of both Essex and Manchester-by-the-Sea.
- The District will be using additional funds from District reserves.
- Ms. Mellish proposed using the additional funds from the previously approved District budget as a cash payment on the turf fields rather than assuming additional debt.

Mr. Oldeman moved to approve the \$16,044,234.00 MERSD budget proposed; Mr. Pratt seconded the motion.

The Finance Committee and Select Board discussed the motion with Superintendent Beaudoin and Mr. Urbas.

- Mr. Oldeman asked what the implications will be for the District moving forward.
- Superintendent Beaudoin pointed out the current budget is a short-term strategy. The District will be looking at restructuring to meet budgets moving forward.
- Ideally the District will need to develop a strategy around increasing the annual budget by only 3.5%, adding that the District is at a crossroad.
- Ms. Jaques asked for a summary of previous Districts cuts. Superintendent Beaudoin pointed out that the summary of District cuts over several years is in the most recent presentation materials on the second to last slide.
- Superintendent Beaudoin stated that between FY19 and FY24 the impact on students was not noticeable due to the declining enrollment in the Elementary Schools, retirements, and consolidating staff.
- Mr. Round asked about the per student cost. Superintendent Beaudoin that the cost is \$23K per student, which is comparable to other District schools and in the middle range for all State schools.
- Mr. Crighton asked about School Choice. Superintendent Beaudoin pointed out there is no room for Choice in the elementary schools. Adding that given the High School class structure there was more flexibility at the High School level.
- Superintendent Beaudoin discussed apportionment, from 2010 to 2015 Manchester was sending more students to the schools than Essex and carried the burden of a high apportionment while Essex's apportionment was low. Those students are graduating and since 2019 Essex has a higher rate of enrollment in the District schools.

Mr. Oldeman moved that the Finance Committee approve the \$16,044,234.00 MERSD budget proposed; Mr. Pratt seconded the motion. The motion passed unanimously.

Ms. Harrison moved that the Select Board approve the \$16,044,234.00 MERSD budget proposed; Mr. Round seconded the motion. The motion passed unanimously.

Mr. Pratt moved that the Finance Committee approve \$400K the difference in the originally approved District budget go to funding the Turf Fields. Mr. Creighton seconded the motion; the motion passed unanimously.

Ms. Jaques moved that the Select Board approve \$400K the difference in the originally approved District budget go to funding the Turf Fields. Mr. Round seconded the motion; the motion passed unanimously.

The Finance Committee and Select Board clarified the turf field agreement with Superintendent Beaudoin.

The Town of Manchester pays 50% of the costs for Brook Street and the District pays 50% of the costs. Manchester represents two thirds of the District as a result Manchester pays five sixths of the costs for maintaining Brook Street Field with Essex paying on sixth. However, this has become a challenge for the District and Superintendent Beaudoin is recommending that Manchester assume primary ownership of the field and bill the District for use. The recommendation will be considered more fully at a later date.

- **Review Special Town Meeting Warrant Articles**

Article 1 – MERSD Operating Budget

Article 2 – Turf Field Repairs

Articles 3, 4, and 5 -- Zoning By-Law Changes

Article 6 – Fire Department Ladder Truck

Article 7 – Salary Reserve Account

Mr. Creighton moved that the Finance Committee take no position on Articles 3, 4, and 5. Mr. Oldeman seconded the motion. The motion passed unanimously.

Following discussion, the Committee and Board moved to approve the Ladder Truck.

Mr. Nahatis moved to recommend the purchase of the Ladder Truck; Mr. Parkins seconded the motion. The motion passed 6 in favor and 1 opposed.

Ms. Harrison moved to recommend the purchase of the Ladder Truck; Mr. Sollosy seconded the motion passed unanimously.

Following discussion Ms. Mellish recommended that adjusting positions from an Assistant To the Department Head to Assistant Department Head be held for discussion during development of the FY25 budget. She recommended supporting the negotiated contracts with DPW and the Clerical union and overtime for the Fire Department due to the delay in employment of fully trained staff.

Mr. Creighton moved to approve \$50K funding for the Salary Reserve Account, Mr. Oldeman seconded the motion. The motion passed 6 in favor and 1 opposed.

Mr. Round moved to approve \$50K funding for the Salary Reserve Account, Mr. Sollosy seconded the motion the motion passed unanimously.

- **Discussion Goals and Research Projects FY25**

- The Committee and Board agreed to review the Facilities Report which is anticipated in August.
- Ms. Mellish is interested in reviewing the Water Pipe Replacement Plan.
- Mr. Creighton would like to consider additional DPW benchmarking to review how the Town stacks up to like Towns.
- Ms. Harrison noted that some Towns subcontract all their DPW work, and Manchester does some subcontracting but manages much in-house.
- DPW equipment – Mr. Dam stated that the DPW fleet is in good shape and noted that some of the Town pipes are more than 100 years old.
- Mr. Pratt would like to review the Town investments.
- Parking review – Chief Fitzgerald is interested in the Town considering kiosk parking.

- Ms. Mellish is interested in developing a policy around appropriated funds by Department and funds remaining from the initial appropriation.
- **Other Business not anticipated by the Chair, discussion only** – There was no additional business to discuss this evening.
- **Adjourn**

Mr. Sollosy moved to adjourn the Select Board meeting; Mr. Round seconded the motion the motion passed unanimously.

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