

Town of Newbury
Finance Committee Monthly Meeting
Town Hall – 12 Kent Way
Tuesday October 4, 2016 at 7 p.m.

Present: Eugene Case, Marshall Jespersen, Larry Guay, Erica Jacobsen, Linda Allen, Frank Remley, Paul Myette, Tracy Blais
Excused: Robert Connors

Meeting opened at 7:01 p.m.

1. Call to Order

2. Introduction of Financial Committee Recording Secretary

Chairman Case introduced Jennifer Goodwin as the new Recording Secretary for the Finance Committee

3. Misc. items:

- a. **MATFC** – Chairman Case brought to the Committee’s attention an email from Tracy Blais regarding the Massachusetts Association of Town Finance Committees annual meeting to be held on October 15, 2017.
 - b. **Financial Report** - Since Committee members had not had an opportunity to review the latest Town Financial Report, discussion was postponed to the next regularly scheduled meeting.
4. **Proposed Warrant Articles** – Review and vote on the proposed warrant articles for the Special Town Meeting to be held on October 18, 2016.
- a. **Article #1** – (To see if the Town will vote to add additional amounts to the line items voted under the general budget of the April 26, 2016 Annual town Meeting)
Chairman Case noted that an additional line item was added during the previous night’s joint meeting in the amount of \$1500.00 for postage expenses. Chairman Case requested a motion from the board. Mr. Jespersen made the first motion to recommend the article. Ms. Allen made the second. Chairman Case opened the floor for discussion, there was none and the motion was put to a vote. All in favor.
 - b. **Article #2** – (To see if the town will vote to transfer \$680.00 from Inspectional Services Expenses to IT/Program Services Expenses)
Chairman Case noted the article is for the purchase of iPads. Mr. Jespersen made the first motion to recommend the article and Ms. Jacobsen made the second. Chairman Case opened the floor for discussion; there was none and the motion was put to a vote. All in favor.

- c. Article #3 – (To see if the Town will vote to authorize the payment of fiscal year 2016 bills)

Chairman noted the article is to clean up some outstanding bills. Funds to pay the bills would come from free cash. Mr. Jespersen made the first motion to recommend the article and Mr. Remley made the second. Chairman Case opened the floor for discussion; there was none and the motion was put to a vote. All in favor.

- d. Article #4 – (To see if the town will vote to transfer \$7859.00 from Free Cash to meet the 5% match required for the Assistance to Firefighters Grant)

Chairman Case explained the article to the committee and stated that the total grant amount is \$157,189.00. Ms. Jacobsen made the first motion to recommend the article and Ms. Allen made the second. Chairman Case opened the floor for discussion. Ms. Jacobsen stated that the total grant amount should be included in the rational booklet. Ms. Allen agreed that the townspeople should know what the grant amount is. The motion was put to a vote. All in favor.

- e. Article #5 – (To see if the Town will vote to transfer the sum of \$20,000 from Free Cash to pay the cost of physicals, Hepatitis B and other vaccinations for Public Safety Personnel)

Chairman Case summarized the article to the committee. Ms. Allen made the first motion to recommend and Mr. Remley made the second. Chairman Case opened the floor for discussion. Mr. Remley asked whether the vaccinations would be mandatory. Ms. Blais replied they would be required at the start of employment for fit for duty determinations. Mr. Remley asked whether coverage for the vaccinations and physicals could be negotiated with the insurance company. Ms. Blais stated that the town's insurance has coverage for full time employees, but not for part time employees who are ineligible for insurance through the town. This money would be for those firefighters who are not full time and so not covered by the town's health insurance. Mr. Guay asked who would be in charge of managing the fund and Chairman Case replied that that had not been determined yet. Ms. Jacobsen noted that the \$20,000 could last for a few years. Mr. Jespersen asked whether physicals and vaccinations would be on an annual basis. Ms. Blais replied that they would be conducted when personnel is hired, and it is up to the Board of Fire Engineers whether they require the physicals annually. Chairman Case requested a motion. Ms. Jacobsen made the first motion to recommend and Mr. Remley made the second. All in favor.

- f. Article #6 – (To see if the Town will vote to transfer \$25,000.00 from Free Cash to facilitate the relocation of the Communications Center to the first floor of the temporary Police Station.) Chairman Case summarized the article to the Committee. Mr. Jespersen made the first motion to recommend the article and Mr. Remley made the second. Chairman Case opened the floor for discussion. Mr. Remley confirmed that the amount would be transferable to a new police station. Chairman Case added that the relocation will include moving the reception area from the basement of the building to the main floor, as well as the relocation of bullet proof glass, radios,

antennae, and other equipment. The motion to recommend the article was put to a vote. All in favor.

- g. Article #7 – (to see if the Town will vote to transfer \$260,000 from Free Cash to repair the Main Street Bridge)

Chairman Case summarized the article to the Committee, and stated that there may be a potential for some grants to affray the costs. Ms. Blais further explained that the \$260,000 is a “not to exceed” amount, and that there is a grant available specifically for bridge projects similar to the proposed Main Street Bridge project. Since the town has already engaged an engineer and the project is nearly shovel ready, the town may be higher on the list to receive funding from the grant. Ms. Jacobsen confirmed that if there is any money left over it would go back into Free Cash. Ms. Jacobsen made the first motion to recommend the article and Ms. Allen made the second. Chairman Case opened the floor for further discussion; there was none and the motion to recommend was put to a vote. All in favor.

- h. Article #8 – (to see if the Town will vote to transfer \$4700.00 from Free Cash to purchase and install a telephone system at the Council on Aging).

Chairman Case summarized the article to the committee and specified the telephone system would be a refurbished system. Ms. Blais further explained that the Council on Aging has a call volume of about 2000 calls per year. Mr. Guay questioned whether the phones would be dial-up. Ms. Blais stated the plan was to switch to a Voice Over IP system. Mr. Guay made the first motion to recommend the article and Mr. Jespersen made the second. Chairman Case opened the floor for discussion; there was none and the motion to recommend was put to a vote. All in favor.

- i. Article #9 (to see if the Town will vote to appropriate a sum of money to pay costs of designing and constructing a new police station and remodeling, reconstructing, and making extraordinary repairs to the Town Hall; to determine whether this appropriation shall be raised by borrowing or otherwise)

Chairman Case summarized the article to the committee. He stated that a motion in favor would recommend that the Town vote to approve to appropriate up to \$6,500,000.00 to pay costs and authorize to borrow. The Board of Selectmen has authorized the Town to contact and expand federal and state aid and take any other actions necessary. Mr. Jespersen made the first motion to recommend the article and Ms. Jacobsen made the second. Chairman Case opened the floor for discussion. Chairman Case clarified that it would be a debt exclusion. Mr. Guay recommended that it needs to be made absolutely clear at both the Special Town Meeting and on the ballot question that this is a debt exclusion and not an override. Ms. Jacobsen clarified that it's a debt exclusion as well as a 2.5 override. Chairman Case agreed with the recommendation and stated that it would be incumbent upon the Finance Committee to make it clear. Ms. Allen remarked that the way the article is currently worded, the average person may not realize it is a debt exclusion. Ms. Blais explained that in some towns, members of the Finance Committee explain the article after the Board of Selectmen make a motion on the article. Ms. Jacobsen stated that the current format has the Finance Committee answering questions during the discussion of the article,

and that any change in the format should be up to the moderator. She further explained that in order for the project to move forward, the article needs to pass the Special Town Meeting by two-thirds, and the ballot by a majority of votes. Mr. Guay further commented that since there is no full design for the project yet, it needs to be communicated that the quoted figure is the best estimate available. Ms. Blais explained that initially she had wanted to utilize free cash to obtain designs because she felt it would be easier to have that detail to present to the town, but the town decided not to go that route because if the plan didn't pass, then the money would be wasted. They decided it would be better to include the design and construction in a single project. Mr. Guay commented that the procedure for after the vote needs to be made clear. Ms. Blais stated that upon passing, a coalition of experts, a Designer Selection Committee, will be appointed. Chairman Case explained that Design Selection Committee will select the architect, and then an OPM would be hired. Ms. Jacobsen confirmed that the Designer Selection Committee will operate like other town committees and will hold open meetings. Ms. Blais stated that the Designer Selection Committee will assemble criteria to choose an architect through a process called Request for Qualifications. The Town already has a fit plan, concept design and has significant plans already drafted. Once on board, the architect will take all the previous work and will draft architectural plans for the new building. At which point, the Board of Selectmen will hire a Construction Committee which would come together in the construction phase. Ms. Jacobsen stated it should not be looked at as the Board of Selectmen and the Town has been given a check for 6.5 million to do with as they please, and that there will be citizen involvement along the way. Ms. Blais replied that once the project is designed, it will go out to bid. If all the bids come back over the 6.5 million threshold, the project will go back to square one. Chairman Case stated that the project will be designed to meet Newbury's needs, not to meet the cost limit. Chairman Case recommended the motion to recommend be put to a vote. All in favor.

- j. Article #10 (To see if the Town will vote to appropriate \$4,250,000.00 for the purpose of designing, constructing, and equipping a new standalone police station on Town-owned land at 7-7R Morgan Avenue)
Chairman Case stated that this is a Citizen's Petition and deferred to Mr. Fred Davis for an explanation of the article. Mr. Davis and Mr. Ron Barrett explained that according to their research, a standalone police station would pass a Town vote whereas a multipurpose building would not. Mr. Barrett further explained that the figure was calculated based on Salisbury's police station costs. Chairman Case asked if there was a motion. Mr. Guay made the first motion to recommend the article and Ms. Allen made the second. Chairman Case opened the floor for discussion. Ms. Jacobsen commented that she had attended the group's meeting, and that their calculations are rational and the proposed 8500 square feet for a police station sounds good, but the article does not allocate any funds for a Town Hall. The group's position is admirable, and they have given the issue hard thought. Mr. Remley remarked that with the Town spending \$175,000 annually in rent, the issue of the Town Hall needs to be addressed. Chairman Case called for a vote on the motion. Ms.

Allen and Mr. Guay voted in favor; Chairman Case, Ms. Jacobsen, Mr. Remley, Mr. Myette, and Mr. Jespersen were opposed.

5. **Preparation Plan for Special Town Meeting presentation.** Chairman Case requested volunteers to present Article #9 at the Special Town Meeting. Ms. Jacobsen recommended sharing information from the joint Finance Committee and Board of Selectmen meeting that took place on October 3, 2016. Chairman Case commented that the Town has a right to know the financial impact and tax implications. Mr. Jespersen and Chairman Case were chosen to present, with Mr. Remley assisting.
6. **Mailing of Warrants to citizens.** Chairman Case noted that it was recommended at the previous night's joint meeting with the Board of Selectmen that the warrants be mailed out to the citizens ahead of the Town Meeting as opposed to handing them out at the town meeting. Ms. Blais further explained that it would cost approximately \$1,500 to \$2,000 in postage. Ms. Jacobsen recommended that the warrants be mailed for both the Special Town Meeting and for voting in November, and should be a part of the Town's overall communication strategy.

Chairman Case called for a motion to adjourn the meeting. Mr. Jespersen made the first motion and Ms. Allen made the second. All in favor.

Meeting adjourned at 8:29

Respectfully submitted, Jennifer Goodwin