



Board/Committee Name: Finance Board
Date: March 1, 2023
Time: 5:00 p.m.
Location: Town Hall – Main Meeting Room
183 Main Street, Groveland, MA 01834

Present:

Board Members: Ruth Rivard, Sarah McGrath, Melissa Baker, Jim Scanlon and Bill O’Neil (5:17 PM)

Absent Members: Alexander Woods

Other Attendees: Rebecca Oldham, Town Administrator, Ellen Petrillo, Town Accountant, Darcy Lepore, Library Director, Laurel Puchalski, Library Trustee, Robert Downey, Library Trustee, Lee Thomas, Library Trustee, Mary Lou Costello, Library Trustee, Jan Dempsey, Library Trustee, Kathy Prunier, Library Trustee (via phone), Colin Stokes, Water & Sewer Superintendent, Chuck Desrosiers, Cemetery Superintendent, Shawn Cass, Council on Aging Director

Opening:

The regular meeting of the Finance Board was called to order at 5:08 p.m. on March 1, 2023 by Ruth.

Department Budget Reviews – Library:

Darcy joined the meeting, along with many trustees, to present her budget request. Darcy noted that they have been focusing on introducing literacy to children with the Youth Services librarian.

Darcy noted that the salary increases show as being more than 2%, but there are several factors. She indicated that the Youth Services librarian was intended to be hired at \$20.47, but the paperwork incorrectly stated \$21.47. The error was not identified prior to the employee signing the offer and thus it could not be taken back. However, the increase is based on the \$21.47 and does represent a 2% increase. She also noted that the Adult Services librarian has the same responsibilities and has been with the library for 7 years but was making less than the Youth Services librarian. As a result, an adjustment was proposed to bring the two positions in line with each other. The Page position were subject to a minimum raise increase effective January 1, 2023 so these increases also appear to be greater than 2%. A discussion ensued regarding the wages

and how to manage it based on the wage survey. Ruth noted that the wage survey was a step in taking proactive steps to address the wage disparities noted in the survey.

Darcy noted that the Library Materials line item usually exceeds a 2% increase due to Massachusetts General Law, which requires these expenses to be 19% of the previous fiscal year's total budget. Darcy noted that the Dues line item decreased as some of the Library Materials line item can be used to pay for the e-content expenses. Other line items have remained level funded. Darcy noted that the general supplies line item is already exhausted for the current fiscal year. A discussion ensued regarding the cost of items that fall under that line item as well as how to cover costs for the preservation of historical military information for Groveland that was gifted to the library by a resident.

When there were no further questions, Darcy and the Library Trustees excused themselves from the meeting.

Department Budget Reviews – Water & Sewer:

Colin joined the meeting to present his budget, which is presented as a separate warrant article outside of the omnibus budget as it is an enterprise fund. Colin noted that there is a lot going on: a sewer project along Salem Street for the apartment complex that is being built, water mains along King Street, water mains at Chestnut and Union Streets, the department has moved out of the Town Hall to the building on School Street. Colin noted that his budget has a very small increase, but it does not take into consideration the short-term debt interest that they are still awaiting. The amount includes the Chestnut and Union Street project, which was not large enough for someone to purchase, but it does not include the amount for the drilling of a new well, which isn't available yet.

Ruth questioned the decrease in the Retirement line item, which Colin noted it was determined that the department was overpaying toward those costs. Rebecca confirmed that the town is paying the difference. Bill inquired as to the SCADA system. Colin noted that it is the system that runs the electronics, pumps, feeds, alarms, etc. and allows the systems to be monitored. The department is looking to get it moved from the Town Hall to the new building but it will also need to have some of it replaced due to being obsolete. The cost is estimated to be approximately \$500,000 and will be paid out of the department's retained earnings. Colin also noted that the department is mandated to catalog the entire town's water services to make sure there are no lead pipes, but there is a Department of Environmental Protection ('DEP') grant that will reimburse the anticipated \$150,000 cost for Phase 1. Ruth also inquired as to the Haverhill Capital Bond and Colin noted that the 2% presents the cost the department will incur whereas the 4% represents how much of they pay of Haverhill's total cost, which is much less than having to pay 100% to treat wastewater.

Bill inquired about the water quality in the areas where the water mains have been replaced. Colin noted that the water that is pulled from the ground has a large mineral content and without something to filter it. Colin noted that he and Rebecca have looked for grants as a way to find funding for a water treatment plant, but the cost to build one would be \$20 million and it would cost approximately \$150,000 a year to run it. Colin also noted that they are looking to add a new well with lower mineral levels, but there is still no guarantee how long any new well will have lower mineral levels when unfiltered. A potential site has been identified, but DEP wants more work to be done on it.

When there were no further questions, Colin excused himself from the meeting.

Department Budget Reviews – Cemetery:

Chuck joined the meeting to present his budget request. He noted that they are continuing to work on updating the records and have taken over plowing the cemetery during the winter. He also noted that they have added a fence that delineates between the cemetery and the neighboring homeowners on Billis Way. Chuck noted that he is looking to work with the Highway Department on replacing some roads, which have been identified by some funeral homes as unpassable for their hearses. Ruth noted that the Finance Board had already discussed with Community Preservation Committee ('CPC') the goal to clean/repair older markers, some of which date back to the 1700s. Jim asked about the number of burials and sales. Chuck noted that there are about 30-40 burials a year and that sales are usually about 15 lots a year, but last year was a bit slower at about 8-10 lots. Sarah asked whether there were still a good number of lots available, and Chuck noted that they have about 400 lots in the two new sections. Bill questioned whether any of the future projects could be tied to other historical preservation through the CPC. For example, the preservation of historical records could be tied to the library's goal to preserve records.

When there were no further questions, Chuck excused himself from the meeting.

Meeting Minutes:

Melissa noted that she distributed the meeting minutes from the January 18, 2023 meeting and had not received any comments. Bill made the motion to accept the minutes, which Sarah seconded. The motion was approved 4-0-1 with Jim abstaining due to not attending that meeting.

Sarah noted that she distributed the meeting minutes from the February 1, 2023 meeting and had not received any comments. Bill made the motion to accept the minutes, which Sarah seconded. The motion was approved 4-0-1 with Melissa abstaining due to not attending that meeting.

Budget Informational Meeting:

It was noted that the Pentucket Regional School District ('PRSD') had again invited the Town Administrators, Board of Selectmen and Finance Committees of Groveland, West Newbury and

Merrimac to a joint meeting on March 8, 2023 at 6:00 p.m. at the PRSD Middle/High School. This meeting would be to review the budget for the next fiscal year, which should be voted on by the PRSD School Committee on March 7, 2023.

Town Administrator Informational Updates:

Rebecca asked if the Finance Board wanted an update on the revenue aspect of the budget noting that the Governor released the state budget. The unrestricted general aid will see a 2% increase, the veterans benefit aid will see a 28% increase, and the state-owned land will see a 15% increase. Overall, the aid increases 5%; however, the charges have increased 4%, which results in a net 1% increase from the state.

Rebecca noted that she was able to attend a legislative breakfast with the Essex County Chiefs of Police Association that morning. She noted that the discussions centered around policing and public safety, but that the Chief of Merrimac stood up and brought up the lack of Chapter 70 funding being received by the PRSD, the need for an override, and how other departments are forced to make sacrifices to fund the schools. With many new legislative members within the county, Rebecca noted that it was great to see someone stand up and give the whole picture when it is rarely framed that way.

Department Budget Reviews – Town Administrator:

Rebecca reviewed the following budgets:

Selectmen: The majority of the line items are level funded. The exceptions being Association Fees, which is to better track the amounts paid for these expenses including the Finance Board's membership to Massachusetts Municipal Association, Town Reports, which is increasing a small amount, and Expenses, which is increasing to cover costs of licenses, certified mailings, and legal postings for liquor licenses.

Town Administrator: The expenses are being level funded and the salary is being requested to increase 2%.

Town Counsel: The expenses are being level funded.

Technology: The increase in these costs is due to the need to have technical expertise as well as the various fees for software programs used by the departments. Rebecca noted that the former Finance Director had a background in technology and was able to pick up some of that work, but that is no longer possible.

Municipal Buildings: The salary request is a 2% increase. The Public Relations line item is increasing due to the consolidation of these expenses from individual department budgets. The largest increase is in the Utilities line item, which is due to increased rates for electricity, phone

and internet. Other items are increasing small amounts to account for the general economic increases.

The Finance Board paused the review of the Town Administrator budgets to meet with the Council on Aging.

Department Budget Reviews – Council on Aging:

Shawn joined the meeting to present a revised budget as he has now been here for three weeks and has had an opportunity to review the initial budget in more detail. Shawn noted that he has spent time analyzing the reach the department has had over the years from 2018 to 2022 whether it is one-time or multiple encounters explaining the staff was able to pivot when the pandemic hit and was able to continue to meet the needs of their population. Post-pandemic the department has continued to meet with residents, but while the number of encounters have decreased, the time involved is increasing due to the increasing complexity of needs.

Jim asked whether the department has a staff member to assist the community with Serving the Health Insurance Needs of Everyone ('SHINE'). Shawn noted that that role would generally be taken on by the Outreach position, which was currently unfilled. Jim asked whether any thought had been given to partnering with neighboring communities, but Shawn noted it is hard for other communities because these encounters are more time consuming.

Shawn noted that there needs to be transparency with respect to salary line items and there are various funding sources at the current time. He noted that if the operating budget begins to cover all the salaries, including increased hours and rates, the grants then become available to expand programming and services. He also noted an increase in the expenses, but those are based on an analysis of the actual costs for services, fuel, etc. being incurred at the current time.

When there were no further questions, Shawn excused himself from the meeting.

Department Budget Reviews – Town Administrator (continued):

Rebecca reviewed the following budgets:

Insurance: Property and Casualty insurance increase is being driven by increased rates, increases in building assessments and ongoing litigation. Rebecca noted that there were two pending litigations, but a third had recently been filed, which required a \$5,000 deductible. There were also expenses associated with the Community Trail and a Workers Compensation audit. The Employee Group Health Insurance increase is due to a 6% rate increase and budgeting for employees not currently on the plan but are eligible to join the plan during open enrollment or have a life event that would make them able to enroll outside of open enrollment.

Veterans: The increase was due to the 2% salary increase. The benefits are being level funded.

Rubbish: The increase is due to contractual increases with the estimated tonnage.

Debt Service: The Short-Term Principal and Long-Term Interest have decreased due to the passage of time, but the Administrative Fees have increased due to the increased rates from the third-party who assists with the debt funding.

Unclassified: The increase is driven by the assessment by the Essex County Retirement contribution and increased Medicare Taxes, which increases in connection with wages.

Rebecca noted that with the funding from the Governor's office, PRSD indicated that it was still looking at a \$1.67 million deficit in their operating budget and that cannot be accommodated in the town's budget. She also noted that departments put forth reasonable budget requests with minimal increases and were mindful of the overall budget situation. A discussion ensued regarding how to prioritize expenses between the town's budgetary needs and PRSD's budgetary needs. Rebecca noted that the wage survey indicated the town's base salaries are off from our comparable communities and she spent time analyzing each non-union position (with no names/longevity attributed to the analysis) to determine pay rates that are more in line with comparable communities. A discussion then ensued regarding how there is no way to cut our department budgets further without sacrificing the services provided to residents with any increase in the PRSD budget under Proposition 2.5%.

Next Meeting and Agenda:

The next meeting will be held on March 8, 2023 at 5:00 p.m. at the PRSD Middle/High School prior to the joint meeting at 6:00 p.m.

Other Items Not Reasonably Anticipated at Time of Posting:

No other items were noted.

Adjournment:

A motion to adjourn the meeting was made by Sarah, seconded by Bill, and approved unanimously. Meeting was adjourned at 7:29 p.m. by Ruth.

Minutes prepared by: *Melissa Baker*

Minutes approved on: April 5, 2023

Meeting Materials:

1. Fiscal Year 2024 Budget Materials, including new Council on Aging handout
2. Draft January 18, 2023 Meeting Minutes
3. Draft February 1, 2023 Meeting Minutes