

FINANCE COMMITTEE

March 9, 2023

Members: Chair: My Linh Truong Vice Chair: John Miller
Hafiz Adamjee, Megan Blackwell, Jeff Calabrese, Stefan Carp, Yannis Evrigenis, Lauren Hermann, Patrick Matteson, Nicole Soto, Enzo Rascionato, Derek Ross, Brian Vernaglia, Kathryn Hughes

General Business Chair Truong called the meeting to order at 7:32 p.m.

Roll Call:

Brian Vernaglia
My Linh Truong
John Miller
Megan Blackwell
Patrick Matteson
Nicole Soto
Kathryn Hughes
Derek Ross
Hafiz Adamjee

Late Arrivals:

Yannis Evrigenis
Jeff Calabrese
Laureen Hermann
Enzo Rascionato

Missing: Stefan Carp

Guests-Beth Rudolph-Town Manager, Ruth Trimarchi-Chair Board of Health, Michelle Bergstrom-School Committee, Jennifer Murphy-Health Dept. Vice Chair

Public Comments-No speakers present.

Health Department FY24 Budget

FinCom Member Brian Vernaglia motioned for favorable action the FY24 Health Department Budget for the amount of \$497,921. (\$412,821 Personal Services, \$85,793 Expenses and \$0 Equipment) This was seconded by FinCom Member Megan Blackwell.

The FY24 Budget represents a \$25,588 or 7% increase from the FY23 pre-Cola budget and increased by only 1% over the FY22 pre-Cola budget. This budget adds a full-time health inspector and incorporates an unfilled position. It reduces contractual services. The main tasks of the inspector will be to conduct field/inspection work for permits, complaints, as well as enforcement that accompanies many inspections.

There are four employees in the department plus one stipend (\$6.2K, Animal Control Officer). The main budget drivers unrelated to staff costs are expenses in the Professional Services line item. These are:

- Hazardous waste day (\$27,000)
- Food inspector/Consultant \$10,000
- Mosquito Control \$18,385
- Geese Control \$4,700
- Delivery of Rabies Specimens \$300
- Use of the Constable to serve papers \$250
- Environmental Sampling \$500
- Project Consultant \$5,000

The Food Inspector cost will be reduced by \$20K. Responsibilities to be rolled into the new Health Inspector position. Due to a significant price increase only one hazardous waste day has been scheduled. In the past there have been two. One option under consideration is to do a multi town collaboration in an effort to leverage spend and obtain better pricing.

Other revenue sources include a revolving fund which is renewed annually and not to exceed \$100K. The fund is used to fund medical clinics. Income to the fund comes from Health Insurance and Medicare.

Other revenue sources include:

- Opioid Settlement Funding-\$152K Rules around spending to be defined.
- Cummings Foundation Grant-\$20K plus an additional \$40K from a one-time grant
- MA Department of Health-\$1,200
- PHE Grant -still TBD
- Health Department permitting-\$65-\$75K annually Fees go into the general fund.

No funds have been requested from ARPA however there still exists \$217,390 in Covid funds that remain unencumbered. The Health Department confirmed that the entire \$217K will not be used and any monies not used will be re-allocated.

The Health Department expressed a need to expand the Community Health Program Manager's position from part to full time. However, this was removed by the Town Manager.

A question was raised regarding the Hazardous Waste Day: Are there any plans to reinstate the second event. The demand is there but the additional cost to conduct a second hazardous waste day is estimated at \$25K. Due to the high cost, there are currently no plans for a second event but if the town decides it wants to conduct a second one, an RFT (Request for Funds Transfer) could be processed later. Instead of an RFT, an increase in the budget is another possible solution. A motion was made by Megan Blackwell to increase the budget by \$25K. This was seconded by FinCom Member Brian Vernaglia.

The Town Manager was asked if she would support two Hazardous Waste days. It was confirmed that the Town Manager would support a budget increase if other budget line items are not impacted by having a second event. Further discussions will be necessary with the Health Department.

Additional discussion revolved around current participation, which normally averages of 200-250 cars at the spring event and less than 200 cars in the Fall.

A proposal of a resident fee was discussed for the second Hazardous Waste event but was dismissed out of concern the fee being a barrier and discouraging participation. A comment was made that the law of diminishing returns could affect turnout for the second event.

Another question was raised as to what is driving the Hazardous Waste cost increases. It was stated that the town partners with a third party and due to inflation costs have increased.

An observation was made that the current participation rates represent about 6% households in the town. Also, it may be worthwhile to partner with other towns. It was responded that residents do not like to leave their town.

A comment was made that more focus is needed on the Town's deficit which is estimated to be \$700K. There is too much scope creep and not enough focus on core competencies.

Motion to add \$25K to the Health Care Department budget. Vote is 5 for and 7 against. Motion failed.

A question was asked about overtime and will it increase in FY24. The request for FY24 is 3K versus \$10K in FY23.

In response to a question on reversions, any headcount not filled is reverted back to the town as cash.

Motion to approve the FY24 Health Care Department budget of \$497,921. Vote is 9 for and 3 against. Health Department Budget passes.

FinCom Member Brian Vernaglia motioned for favorable action the \$100K spending cap for the Health Department revolving fund. Seconded by Vice-Chair John Miller.

The revolving account is used to fund medical clinics. Income from the fund comes from Medicare and Mass. Health. It also funds 20% of the nurses' salary. The current balance is \$134.9K up from \$17.4K in 2022. The increase is due to an error crediting funds, which has now been corrected.

Motion to approve the \$100K Health Department spending cap was 12 for and was unanimous.

RFT Town Manager

FinCom Member Enzo Rascionato moved for favorable action a Request for Funds Transfer (RFT) for \$40K. Seconded by FinCom Member Brian Vernaglia.

This request is for outside legal counsel only. There are not enough monies to cover the anticipated expenses for the balance of the fiscal year. Currently there is \$11K remaining in the budget. These expenses are unexpected due to additional commercial and personnel litigation.

Motion to approve the RFT of \$40K was 12 for and was unanimous. RFT passes.

Finance Committee FY24 Budget

FinCom Member Brian Vernaglia motioned for favorable action approval of the FY24 Finance Committee Budget for the amount of \$5,000. (\$4,000 Personal Services, \$1,000 Expenses and 0\$ Equipment) This was seconded by Vice Chair Miller.

Overall budget is down by \$1K vs FY23. The additional \$1k is not needed because the Town Manager's office prints the FinCom Budget Book.

Motion to approve the Finance Committee budget of \$5,000. Vote was unanimous.

Library FY24 Budget

FinCom Member Brian Vernaglia motioned for favorable action the FY24 Library Budget for the amount of \$2,305,495. (\$1,791,621 Personal Services, \$493,874 Expenses and \$20,000 Equipment) This was seconded by FinCom Member Nicole Soto.

The proposed FY24 Budget is 1.7% higher versus the FY23 Pre-Cola Budget. The Library must exceed the minimum spending level as stipulated by the Municipal Appropriation Requirement or MAR. (MAR is calculated as the average of the past three years appropriations x 1.025.) The FY24 budget meets the MAR requirement by \$51K. State aid contingent on meeting MAR is expected to be \$36K.

The primary driver of the budget is personal services. There was leveling off of step increases for FY24 and a new Director hire which has resulted in lower staff costs. A part time network administrator recently retired and as a result the Info Services Librarian hours will increase to 19 hours.

Contractual Services are up to \$85,799 which are related largely to increased fees from the Minute Man Network which is raising rates post covid.

Another monetary requirement is what the Library must spend on books and periodicals. A total of 15% of their total budget must be spent in this area. This is a state requirement and for Winchester the threshold level is \$300K. The proposed budget allocates \$320K which meets this requirement.

Equipment is expected to increase by \$4,500 for FY24. A total of \$50K of ARPA funds were allocated for upgrades to phone and data lines.

The biggest on-going capital project are the Library windows. Due to the age of the building the estimated cost to replace is \$750K. It was noted that the slate roof is leaking near the skylights. A comment was made that the Library's leaking roof is a good example of capital projects that need to be reviewed sooner and prioritized.

It was stated that Grants from Trusts and endowments vary year to year and total \$3.3MM. Both are held by Fidelity and managed by the Town's Commissioner of Trust Funds via the Treasurer's office.

Motion to approve the FY24 Library Department budget of \$2,305,495. Vote is 12 for and was unanimous. Library Budget passes.

Other Committee Updates

A comment was made that all of the consent agenda budgets should be done at the same time. Chair Truong agreed to propose a date for the consent agenda. Plan is to schedule towards the end of March.

Chair Truong and Vice Chair attended a demo of the VMA system. Overall response by the Capital Committee was positive. Data gathering and system input will be key. A question was raised if completed maintenance will be incorporated into the tool. It was confirmed that completed maintenance will be included. On a related note, it was also stated that more manpower may be required to maintain the system. Also, it was noted that building assets and fleet management could be incorporated into the system as well.

On a separate note it was confirmed that the Chapter 70 School aid will be \$130K more than expected.

The Energy Committee met but no new developments reported.

Meeting Minutes

Reviewed and edited the following meeting minutes:

January 12, 2023 Minutes

FinCom Member Enzo Rascionato moved to approve the meeting minutes for January 12, 2023. Seconded by FinCom Member Brian Vernaglia. The motion passes with 11 for and 1 abstaining.

March 2, 2023 Minutes

FinCom Member Brian Vernaglia moved to approve the meeting minutes for March 2, 2023. Seconded by FinCom Member Jeff Calabrese. The motion passes with 9 for and 1 abstaining.

New Business

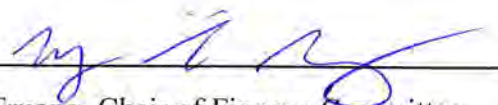
Chair Truong will be sending out the invite for the remote precinct meeting scheduled for March 22. It will not be set up as FinCom meeting but rather a “meet and greet”.

It was confirmed that the Lynch transportation costs for year one is estimated at \$234K

Adjourn

FinCom Member Megan Blackwell moved to adjourn the Finance Committee meeting and the motion was seconded by FinCom Member Brian Vernaglia. The motion passed unanimously. FinCom adjourned at 9:34 p.m.

Respectfully submitted,
Gary Lozowski, Recording Secretary of Finance Committee

Approved by: 
My Linh Truong, Chair of Finance Committee