

FINANCE COMMITTEE

April 4, 2023
Winchester Town Hall
Waterfield Room
7:30 p.m.

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

Missing: Stefan Carp

Guests: MaryEllen Lannon, Town Clerk

General Business

Chair Truong called the meeting to order at 7:30 p.m.

Public Comments

No speakers present.

Town Clerk Budget Overview

MaryEllen explained that the Town Clerk budget is straight forward this year, and is always cyclical in nature, based on how many elections we have each year. We received \$24K from the Division of Local Mandates because of costs related to the 2022 Voter's Act.

Member Kathryn moved the Town Clerk budget in the following amounts:

- Personal Services - \$430,167
- Expenses - \$126,550
- Total - \$556,717

Kathryn reviewed the FY24 initiatives with the Finance Committee. She then reviewed the personal services budget. It decreased because FY24 will have two elections whereas FY23 had three. Kathryn reviewed the organization structure of the department and the personal services budget associated with them. Overall, there was a headcount reduction by 0.2 FTE in FY23 and had been a reduction of 0.6 FTE in FY22. Kathryn then reviewed other expenses which also decreased from FY23. This is due to fewer elections and because the staff no longer needs vendor support for the town meeting software. Lastly, Kathryn reviewed the revenue generated by the Town Clerk's office by processing permits and collecting fees.

Megan asked how it has been consolidating the elections at the High School. Mary Ellen said overall, people are very happy. The 10% who are unhappy state the walking distance and the

second-floor location. She shared because we have to offer early voting, she believes we should host that at Jenks instead of Town Hall. This will serve to educate the population who are concerned about early voting and more likely to be unhappy with the High School voting day location.

Brian followed up by asking if it saves us money. MaryEllen stated that it does not, but it also will not cost us money if they can hold the election on a school day. The Schools Department does not want to do this because it means they need to cancel school. It was suggested that we look into having the election during school break. The question was moved, and the vote was unanimously in favor of the Town Clerk's budget as presented.

Mary Ellen then expanded on the memo she shared with the Finance Committee regarding her support of the new positions requested in IT Department and Treasurer/Collector Department. Discussion ensued around Mary Ellen's perspective on the need for these two positions, and Finance Committee's questions and concerns on the need for these positions. Mary Ellen left the meeting at 8:24pm.

Treasurer/Collector Budget

Nicole reopened the Treasurer/Collector. John moved to reduce the budget by \$72k in personal services, removing the new financial analyst position, and \$50k to professional services in expenses. The motion was seconded. Everyone but Brian voted in favor. Brian voted no because he wanted to see the FTE stay in. A motion was then made to move to vote the budget as amended, with the following votes breakdown:

- In favor: John Miller, Hafiz Adamjee, Megan Blackwell, Jeff Calabrese, Yannis Evrigenis, Lauren Hermann, Patrick Matteson, Nicole Soto, Enzo Rascionato, Derek Ross, Kathryn Hughes
- Opposed: Brian Vernaglia

Water and Sewer Budget

Enzo moved the Water and Sewer budget in the following amounts:

- Personal Services - \$1,585,609
- Expenses - \$10,211,091
- Total - \$11,796,699

Motion was seconded by Brian. Enzo explained that this budget is an enterprise fund so the revenue and expenses must balance. Revenue comes from usage charges and miscellaneous fees, about 7.8 million, then \$5.4 million in Chapter 110 tax levy, rest is retained earnings, using \$235k for FY24. The expense side includes 19 FTE, operation of water and sewer systems, paying for MWRA capital assessment (based on calendar year 2022), and indirect costs to town support function. Enzo explained that our reliance on MWRA water does contribute to costs. Enzo shared data on the split between MWRA water and reservoir water. Calendar year 2022 was our highest use of MWRA, due to one closed reservoir and drought conditions. These higher MWRA assessments will lead to higher water rates. Enzo shared that W&S went to Select Board to ask for 6.5% water rate increases each year for the next three years. Select Board approved to bring these rate increases to town meeting. He explained that since the Town

Meeting budget book came out, there have been updates to the MWRA expenses items, as is typical timing each year. This increased the expenses by about \$518k. Unanimously approved.

OPEB Budget

Enzo moved the OPEB budget for \$350,000 in expenses, for a total of \$350,000. He explained that this is the same amount we have budgeted each year to contribute to the OPEB. He also explained the strategy of using the funding that currently goes to contributory retirement to go to OPEB once CR is fully funded in 2029. This strategy is not policy yet but is supported by Comptroller. Yannis suggested that we should offer employees incentives to not sign up for our insurance. Unanimously voted in favor.

Capital Articles

Hafiz moved Capital Article 12. This article appropriates surplus funds totaling \$192,048.84 from project closeouts to the Building Stabilization and Capital Stabilization funds. Seconded by Enzo. Unanimously voted.

Hafiz moved Capital Article 13. The Town is now being asked to appropriate an additional \$395,000 for this project based on bids in hand, for a total \$2,495,000, a 66% increase over the original request. This final request is almost entirely contingency funding given the significant and unpredictable impact of inflation. Seconded by John. Hafiz explained that this is the second time we have added money to this project and has resulted in a doubling of the project price. Nevertheless, the work does need to be completed. Unanimously approved.

Hafiz moved capital article 14, for Lynch Elementary School Traffic Improvements Project Seconded in the amount of \$400,000. Motion was seconded by Nicole. After discussion of approach to funding, vote was taken.

- In favor: Brian Vernaglia
- Opposed: John Miller, Hafiz Adamjee, Megan Blackwell, Jeff Calabrese, Yannis Evrigenis, Lauren Hermann, Patrick Matteson, Nicole Soto, Enzo Rascionato, Derek Ross, Kathryn Hughes

Hafiz moved capital article 19 Yellow Sheet for ADA Project in the amount of \$125,000. Nicole seconded. Unanimously approved.

Hafiz moved capital article 19 Yellow Sheet Roads and Sidewalks in the amount of \$500,000. Seconded by Brian. Unanimously approved.

Hafiz moved capital article 19 Yellow Sheet DPW Vehicles \$750,000. Motion was seconded by Yannis. Unanimously approved.

Hafiz moved Capital Article 19 Yellow Sheet Wedge Pond Water quality improvements for \$35,000. Seconded by Nicole. Voted as follows:

- In favor: John Miller, Hafiz Adamjee, Megan Blackwell, Jeff Calabrese, Yannis Evrigenis, Lauren Hermann, Patrick Matteson, Nicole Soto, Enzo Rascionato, Kathryn Hughes
- Opposed: Derek Ross

Hafiz moved Capital Article 19 Yellow Sheet - Woodside Road for \$275,000. Seconded by Megan. Unanimously approved.

Hafiz moved Capital Article 19 Yellow Sheet - Parkhurst Gym, Heat pumps for \$32,000. Seconded by Yannis. Unanimously approved.

Hafiz moved Capital Article 19 Yellow Sheet - Cemetery Maintenance for \$70,000. Seconded by Brian. Unanimously approved.

Hafiz moved Capital Article 19 Yellow Sheet - MS4 Permit Year 6 for \$125,000. Seconded by Megan.

Hafiz moved Capital Article 19 Yellow Sheet - Capital Deferred Maintenance for \$100,000. Seconded by Nicole. Unanimously approved.

Hafiz moved the Energy Champion Rebate for \$30,000. Seconded by Nicole. Concern that this is for boilers that we no longer have. Jeff moved to indefinitely postpone so Hafiz could get more info. Seconded by Brian. Unanimously approved.

Hafiz moved Capital Stabilization Fund and Building Stabilization Fund for the following amounts:

Building Stabilization Fund \$3,548,766

Capital Stabilization Fund \$3,509,768

Seconded by Enzo. Unanimously approved.

New Business


My Linh reviewed what budgets are remaining. We still have Education, Consent Agenda budgets, Funded Debt and Interest on Funded Debt, Unallocated, Building Department, Revenue, Three Year Plan, Comptroller.

Adjourn

Brian Vernaglia moved to adjourn the Finance Committee meeting and the motion was seconded by FinCom Member Nicole Soto. The motion passed unanimously. FinCom adjourned at 9:30 p.m.

Respectfully submitted,
Nicole Soto, Finance Committee Member

Approved by: _____


My Linh Truong, Chair of Finance Committee