

Meeting Minutes

Saugus Board of Selectmen

Monday, February 27, 2017

Town Hall: Conference Room @ 7:00 PM

Attendees: Town Manager Scott Crabtree, Finance Director & Treasurer/Collector Wendy Hatch, Chairman Selectman Panetta, Vice-Chairman Selectman Scott Brazis, Selectman Jeff Cicolini, Selectman Jennifer D'Eon

Time started: 7:00 PM

Selectman Panetta welcomed everybody to the meeting. She mentioned that Selectman Mark Mitchell was unable to attend the meeting due to the passing of his mother; and she sent sincere condolences from the Board members to Selectman Mitchell and his family. She also stated that Jon Gillis recently passed, and mentioned how much he helped our town (Town Meeting Member, Board of Assessors member), and sent out sincere condolences to his family.

Selectman Panetta thanked the Town Manager and Finance Director/Treasurer for putting together the budget books and said that she found them easy to follow. She asked the Town Manager to review the cover letter and the sources and used of funds analysis.

Town Manager Crabtree explained that the town needs to work within the bylaws of the charter in terms of the timing of consolidating a charter. He emphasized that it is still very early in the process, and that he and Wendy Hatch did the best job they could with the preliminary estimates of projected expenses and revenue for FY '18 (e.g., MWRA, the Voke, health care premiums). He stated that in the 6 years he's worked on the budget, this budget is the most challenging due to the fixed costs rising with limited new growth. He also wanted to clear-up a perception for new growth, which he said won't happen for the next year or two. He is focused on ways to grow our levy in order to maintain our quality of life in Saugus, while sustaining public safety and our schools.

Town Manager Crabtree explained that health insurance was anticipated to increase by 12%, which is an additional \$1,238,845. Pension contribution is anticipated to increase by \$548,829. The regional school assessment (Voke, Essex North Shore Tech, Minuteman) is anticipated to increase by \$126,616. These three areas total \$1,914,290 in increased fixed costs.

When reviewing the Sources and Used of Funds document, the 2.5% increase in taxes amount to \$1,505,385. New growth totals \$500K. So the total increase in taxes and new growth is \$2,005,385. The fixed cost increase of health insurance, pensions, and the regional school assessment almost offset this amount, with little remaining to allocate to other departments or new initiatives.

Town Manager Crabtree is giving an additional \$300K to the schools. He mentioned that about 2/3rds of the town employees are teachers. Selectman Panetta then mentioned that 2/3rds of the health care increase, or approximately \$826K, would be related to the schools. A portion of the pension increase would also be related to the schools, along with the regional school assessment.

Selectman Cicolini asked what the local receipts were in FY '17. Ms. Hatch said they were \$8.9M. Selectman Cicolini asked how comfortable Wendy was with a 9.5% increase in local receipts from FY '17, since the FY '18 figure is \$9,386,663. She said she developed the number by reviewing historical trends, but the number is preliminary.

The Board reviewed each departmental budget, and asked questions.

- Selectman Panetta asked about sick-leave buyback, and if people that are going to retire next year are accounted for in the budget. Town Manager Crabtree confirmed that sick-leave buyback is for people retiring, which is either over one or two years.
- It was noted that the Selectmen's budget is slightly less than FY '17.
- The \$3,600 in the Town Manager's budget under Other Purchased Services/reproduction is mainly for copy paper.
- In the Finance Committee, the \$100K reserves in budgeted in FY '18.
- In Accounting, Selectman Panetta asked about the \$155,000 in Prof & Tech General. It was explained that this is for consulting, where this department needs some additional assistance. Selectman Cicolini mentioned that it was vital to have this department properly staffed. Selectman Panetta asked about the Prof & Tech training, where Wendy Hatch stated that was specifically earmarked for Munis training.
- Selectman Panetta asked about the \$20K increase in Prof & Tech Appraisal under the Assessor's budget. This is for additional data collection in FY '18 from Patriot Properties.
- In Treasurer/Collector, the \$11,500 under Prof & Tech General is for the lockbox (electronic).
- The Town Manager discussed the need for the increase in the legal budget. The Town Manager discussed how IT was being outsourced, but he feels it something that should be revisited. The idea of hiring an IT liaison was discussed, but there is no money in the budget right now to hire this position. A discussion was had on the OT Court Witness in the Public Safety – Police Department budget. Ms. Hatch mentioned that this was based on the Police chief's recommendation. There was a discussion on the Public Safety-Dispatcher budget. The reason for the \$10K Prof & Tech Ed training budget is due to turnover.
- The Board discussed the snow and ice budget, where the Town Manager discussed the reasons for keeping this budget flat.
- There was a discussion about the DPW, and how additional money was needed for tree removal. Under the Highway Division, there was \$35K budgeted under Prof & Tech General, which is for storm water issues.
- A discussion was held surrounding street lighting, where the rates have increased. It was explained that this is managed under the DPW.
- Selectman Panetta asked about rubbish haul and disposal, where the Town Manager mentioned that we are in the last year of our five year contract.

- Selectman Cicolini wanted to ensure there are enough funds in the budget to maintain the parks & playgrounds, especially after the investment the town has made. The Town Manager stated that he is buying some security cameras.
- Under the Department of Public Works-Capital, it was explained that the \$35K budget was for brook cleaning (which is a state mandate).
- There was a discussion around the service and maintenance of building, where Ms. Hatch said that we should focus on the total public building/properties budget, not the individual properties.
- Selectman Panetta mentioned that the Town Manager was recommending the same budgeted amount as the Director for the Library, Youth and Rec, and the Senior Center. It was not too long ago where there were discussions on closing these three departments, where she was pleased to see they are being funded at a reasonable level.
- There was a discussion on Lobsterman's landing and the work being done.
- The Board commented on the \$2K in the celebration budget. It was noted that the town receives donations for much of the celebrations held in town.
- There was a discussion surrounding insurance and limitation. The Board wanted to make sure that the town was insured at the proper levels.
- The water and sewer departments were discussed. The Town Manager said that we might get a better estimate from the MWRA probably in April.

Selectman Cicolini asked the Town Manager and Director/Treasurer to look at the local receipts again. He said he felt uneasy with the FY '18 increase. He stressed that it was important that everyone understood the true expense needed on the municipal side.

The Board thanked the Town Manager and Director/Treasurer for their hard-work on the budget.

Selectman D'Eon made the motion:

To recommend the budget as presented by the Town Manager, and sent the budget to the Finance Committee. Seconded by the Chair:

Vote: 4 in favor, 0 opposed

The Town Manager said that he and Ms. Hatch would add the Selectmen's recommendation to the budget, and send it to the Finance Committee. Selectman Panetta asked if this would be done by March 1st. The Town Manager said that it would be completed the following day (February 28th).

Scott Brazis made a motion to adjourn, seconded by the Chair:

Vote: 4 in favor, 0 opposed

Adjourn: 8:55 PM

Respectfully submitted: Debra Panetta
Chairman, Board of Selectmen