

## Town of Saugus Finance Committee

### ***Kenneth DePatto, Chairman***

Ronald Jepson  
Carl J. Mirabello  
Theresa Katsos

Louis Rossi  
Frank Perella

### ***George DeDomenico, Vice-Chairman***

Steven DiVirgilio  
Stephen Horlick

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**April 25, 2018 7 p.m.**  
Town Hall Conference Room

The regular meeting of the Finance Committee was held on Wednesday evening, April 25, 2018, at 7 p.m. in the Town Hall Conference Room.

**Members present:** Chairman Ken DePatto, Vice-Chairman George DeDomenico, Carl J. Mirabello, Stephen Horlick, Theresa Katsos, and Ronald Jepson.

**Absent from the Meeting:** Louis Rossi, Steven DiVirgilio, and Frank Perella.

**Minutes:** Minutes from April 4, 2018 were unanimously accepted.

**Chairman's Update:** Chairman DePatto asked the Committee to stay focused tonight due to the aggressive agenda. The Town Manager is unable to attend tonight's meeting due to a prior engagement. Wendy Hatch is here in his absence to help explain any questions the Committee may have.

### **Annual Town Meeting 2018**

Chairman DePatto announced that members had received some information from Ms. Hatch regarding Annual Town Meeting. Ms. Hatch explained the information was relative to several financial articles. She said this information could be reviewed and discussed prior to the first Town Meeting session.

### **Saugus Town Boards and Town Hall FY19 Budget Review**

Mr. Ronald Jepson made a motion to take the library out of order since director Alan Thibeault was in the audience. The motion was unanimously approved.

### **Library**

Ms. Hatch handed members a corrected version of the budget, with two small errors corrected. Ms. Hatch invited Mr. Thibeault to the table. Mr. Thibeault thanked the Committee for having him. He told the group that he did his best to observe the Town Manager's guidance to level fund the budget except for contractual obligations. He also worked to meet the laws of the Commonwealth that pertain to library funding such as the municipal appropriation requirement and materials expenditure requirement. He said most of the remainder of the budget is level funded. He also noted that there is a 2% pay increase factored in on anniversary dates this year.

Chairman DePatto asked how many full and part-time employees work at the library, to which Mr. Thibeault answered that there are four full time employees and 14 part-time employees. Chairman DePatto asked if there had been an increase in employees. Mr. Thibeault said no. Mr. Mirabello asked how many hours a week the library is open. Mr. Thibeault answered 59 hours a week from Labor Day through Memorial Day, then less over the summer. Mr. Jepson asked if all four full time positions are filled. Mr. Thibeault said yes. He said there are no current vacancies. Chairman DePatto asked if it was accurate that the Noble cost went down. Mr. Thibeault explained that he reallocated the funds, so it looks

like the cost went down, but it actually increased. Mr. Steve Horlick asked how many hours the part-time employees work. Mr. Thibeault said it is all different hours. Mr. Horlick asked what the minimum and maximum number of hours worked for part time employees is. Mr. Thibeault answered that 6 hours is the minimum, and 24 hours is the maximum. The Committee thanked Mr. Thibeault for his time.

### **Council on Aging**

Chairman DePatto asked if Mr. Dick Barry was alright because he was not at the meeting. Mr. Jepson said he's alright but not as mobile. He said he will make sure to tell Mr. Barry that the Committee said hi. Chairman DePatto noted that the salaries are level-funded. He said they have no expenses and that they do a good job of fundraising.

### **Moderator**

Chairman DePatto said the Moderator's budget remained at \$1.

### **Board of Selectmen**

Chairman DePatto noted that there is a slight increase in salaries. Chairman DePatto asked if there is one employee or two, to which Ms. Hatch responded there is one part-time employee. Chairman DePatto commented that the expenses are level-funded.

### **Conservation**

Chairman DePatto said there was a 3% raise on salaries and the expenses are level-funded.

### **Planning Board**

Chairman DePatto said there were 3% salary increases again, which the Manager had addressed. Mr. Jepson asked if the clerical position was split between two departments and Chairman DePatto answered yes. Mr. Mirabello asked what the overtime line covers. Ms. Hatch said it covers the clerk when she attends an evening meeting because she is paid overtime. Mr. Mirabello asked how often that happens. Ms. Hatch said it happens every meeting. Chairman DePatto pointed out that the expenses are level-funded.

### **Board of Appeals**

Chairman DePatto said there is a 3% increase in salaries. He asked if there is one employee, which was confirmed as accurate. He noted that the expenses are level-funded.

### **Veterans Services**

Ms. Hatch told the Committee that this clerical salary position is the other half of the split salary from the Planning Board. Chairman DePatto said there is a 3% increase in salaries. Mr. Jepson asked why the salary split is uneven. Donna Matarazzo explained the clerk works 19.5 hours for the Planning Board and 17 hours for Veterans Services. Ms. Hatch said the slight increase in professional and technical relates to district services the Town is contributing to Melrose and Wakefield for the district staff. Mr. Mirabello asked if the Town gets corporate sponsorship for any of this funding. Ms. Hatch answered that corporate sponsorship has a more aggressive program and they are trying to work with various relief funds associations. She did note that the Veterans office has been working with Stop and Shop on the food market.

### **Handicap Commission**

Chairman DePatto told the Committee that this budget is level-funded.

### **Fair Housing**

Chairman DePatto said this is level-funded. Mr. Jepson asked why there are no previous expenditures listed. Ms. Matarazzo explained it is because they have not spent money.

### **Youth and Recreation**

Chairman DePatto noted the 3% salary increases. He said expenses are level-funded. He said that overall the budget is close to being level-funded.

### **Manager's Budget**

Chairman DePatto suggested the Committee wait until Ms. Hatch returned from the Selectmen's meeting to answer any questions regarding this budget. Chairman DePatto told the Committee that the budget is pretty clear and concise if the Committee looks at the accompanying handout. He said the increase associated with the salaries is the Manager's new contract that was negotiated with the Board of Selectmen, and the truancy officer that he discussed with the Committee and said he is putting under his budget. Mr. Mirabello asked if the salary for the truancy officer position is enough. Chairman DePatto explained that it's being looked at as an investigative position not enforcement, so that number has likely been vetted by the Manager. Mr. Jepson asked if the Committee would find it helpful to get a breakdown on this increase. Chairman DePatto said the difference is only two positions. Ms. Matarazzo explained that the salary increases are due to a slight increase in the the Communication Specialist/Administrative Aide and Chief Administrative Aide positions, the Manager's new contract, and the truancy officer position. Chairman DePatto said he is satisfied with that explanation and he said Mr. Jepson could ask for more information if he needs it. Mr. Jepson said it was OK. Chairman DePatto announced that the expenses are level-funded.

### **Accounting**

Chairman DePatto told the Committee that the salaries have increased 3% and that the expenses are level-funded. When asked about any staffing changes, Ms. Matarazzo said Beverly Murray is retiring soon.

### **Assessors**

Mr. Jepson asked if there would be any retirements in this department. Ms. Matarazzo said Deputy Assessor Ron Keohan is planning to retire. Ms. Katsos said the Committee can plan to expect the budget to increase once again when the Town hires someone for his position. Mr. Jepson said he would like a breakdown of the new growth in Town to get a better idea of how the Town will be impacted. Chairman DePatto said he would follow up on that for him. Chairman DePatto said the expenses are level-funded.

### **Treasurer/Collector**

Mr. Jepson asked if all the positions are filled. Ms. Matarazzo said yes. She also said there are no retirements coming up. Chairman DePatto said there is a slight increase in expenses but nothing significant. He said the professional and technical title 4 has increased, which could be anticipatory on foreclosures and things.

### **Legal**

Chairman DePatto said there is a 3% increase in salaries and under expenses there is an increase in labor due to upcoming contract negotiations. Mr. Jepson asked if negotiations had begun yet. Chairman DePatto said no. Mr. Jepson asked if this is in anticipation of negotiations, and Chairman DePatto said yes. Mr. Jepson asked what litigation looks like and Ms. Hatch said it is slowing down. She said they may have to transfer into that line item in Article 3 for FY18.

### **Information Technology**

Chairman DePatto said this is outsourced. He said they are probably acquiring new licenses. Ms. Hatch said the Town is trying to build up the IT budget to be able to more proactive and regularly swap out hardware, as we typically push all computers to their retirement age and encounter problems. She said the Town is now maintaining its own server and not relying on Melrose's server anymore. She also mentioned that the Town completed a new phone system upgrade, as well as going to a host with the

MUNIS financial system. Mr. Mirabello asked if the MUNIS system is fully functional. Ms. Hatch said the last module to be implemented is the revenue module. She said we first went live in FY15 and in January 2017 we went live with the payroll system, which she called “night and day” compared to the old system. Looking ahead, she said the revenue piece will decentralize data entry for deposits so it’s not all flowing through one department. Mr. Jepson asked if that meant the Committee could review the 6-month review at six months instead of eight, to which Ms. Hatch said sure.

#### **Town Clerk**

Chairman DePatto said there is a slight reduction in salaries. He asked if this department is short any staff. Ms. Hatch said there is one vacancy. Chairman DePatto said the expenses are just about level-funded.

#### **Elections and Registrations**

Chairman DePatto said salaries temporarily went up 25%. Ms. Hatch said this is election-related. Mr. Jepson asked how many elections are scheduled this year. Ms. Hatch did not know. She said two probably. Mr. Jepson asked if we had any special elections, which Ms. Hatch said there is likely one on the state level. Chairman DePatto said there is a slight increase in expenses but they are just about level-funded.

#### **Economic Development**

Vice-Chair DeDomenico asked if there are any vacancies in this department. Chairman DePatto said the director’s position is open. He said the committee may see this salary line item increase during the search for a new director but that will be a topic of future conversation. Mr. Jepson asked if the Town Planner is a new position for FY18. Ms. Hatch said she is currently on staff and has been for over a year now. Mr. Mirabello asked if there is a significant difference in responsibility between the director and town planner roles. Ms. Hatch said yes. Chairman DePatto said the expenses are level-funded.

#### **Looking Ahead**

Chairman DePatto said the Committee is in good condition looking ahead. Chairman DePatto said they accomplished what the moderator asked them to do – condense some meetings and move the process along faster. Chairman DePatto thanked Mr. Jepson for updating the schedule. At the request of Mr. Jepson, Chairman DePatto asked Ms. Hatch to get the Committee any pertinent additional information related to Annual Town Meeting for next week’s meeting. Mr. Jepson said he is also interested in updated information on any debt issues.

#### **Audit Update**

Chairman DePatto said that the Town Manager said the auditors completed their audit. He said the Committee will probably schedule a meeting after the Annual Town Meeting to review and have an exit conference with the auditors. Mr. Jepson pointed out that once Town Meeting ends, three members of the Committee will no longer be official members until they are reappointed. Chairman DePatto said those members can still meet as long as the Committee does not vote on anything. Chairman DePatto said this meeting would not take place until the end of July or August. Mr. Jepson wanted to make sure the members are ethically able to meet. Chairman DePatto said he will discuss this with the Moderator. He hoped to receive audit reports next week.

The meeting adjourned at 8:03 p.m.