

**Town of Nahant, MA
Board of Selectmen**

**Joint Board of Selectmen and Advisory and Finance Committee
Meeting**

Thursday, August 28, 2019 7:00 PM

**Richard J. Lombard, Chairman
Francis J. Barile, Vice Chairman
Joshua A. Antrim, Recording Secretary
Antonio Barletta, Town Administrator (TA)**

Present FinCom members: Brendan Ward, Judyth Zahora, Robert Vanderslice, Perry Manadee, Julie Tarmy & Henry Clausen

Town Accountant: Deborah Waters

BoS Members: Francis (Enzo) Barile, Joshua Antrim and Antonio Barletta (TA)

1. Meeting Opening 7:03 pm

Mr. Barile made a motion to open the meeting for the 2020 review budget timeline

Mr. Antrim seconded

Unanimous vote in favor

TA Stated that there was room for improvement with the annual budget prep. They want to improve that process. Thanked everyone for being here tonight.

TA Handed out an old timeline and updated the dates- rough draft (general overview of procedure). At Town meeting last year the Town voted to change the Annual Town Meeting (ATM) date to the 3rd Saturday in May – this year ATM May 16th instead of April 25th. The book from Fincom is required to be at each household (7) days prior to ATM- May 9th and May 1st- book needs to be provided to post office (1 week to mail out). April 17th: Fincom sends book to printer for production (2 weeks).

Josh Antrim: December 13th deadline of submission of all budgets to Town Accountant

Brendan Ward: What hasn't changed is March 5th Selectmen vote to accept and forward the budget to the FinCom. That's actually later than normally. It used to be the end of January.

TA one thing that we did not change when we changed the meeting bylaw at ATM was the next section that says any warrant articles by public submission have to be submitted by January 31st. That deadline will still be January 31st. So BoS will close the warrant on Jan 31st for public submissions by petitions, due to the by law.

Judyth Zahora: So we can move that March 5th date back into February?

TA Absolutely

Brendan Ward: That date is most important to the Fincom. Until we receive that data, we are looking with something speculative & not final. That is a difficult challenge.

A discussion regarding the new timeline dates took place between everyone present.

TA two things I didn't include on this timeline is the Annual Report and Town elections (last Saturday in April). There is that 1st warrant article that opens the Town elections up. We can send out article 1 three weeks prior and then articles 2 through TA I don't know if there's a requirement for it to be the first article or if that is just because they are the same day.

Brendan Ward: Think we can ask KP Law?

TA Yes

TA Essentially you guys need to have your report finalized, closed and ready to go to printer by April 17th. Making it Feb 13th/14th gives you about two full months.

Brendan Ward: That makes it a lot more manageable

TA Sending you drafts throughout the process prior to the final budget

Robert Vanderslice: 2 issues: macro issues. Those need to be settled before you can finish the second thing that is going on, which is the detail of balancing everything, etc.

A discussion about receiving drafts throughout the process, prior to finalized budget, took place.

TA October to December 13th is when TA starts pushing Dept Heads to put together their budget/capital plans and submit to TA/Debbie

Brendan Ward: Closing out the prior fiscal year. I think Deb can speak to why we are waiting until October because if you remember the fiscal year ended June 30th. Please brief us on what happens from July 1 to October 1st

Deborah Waters: We need some financial software. We need to spend some money to fix this issue. The system is horrible. Worse than the one previously. Year is not closed. We are working on that.

Brendan Ward: What does that mean, the year is not closed?

Deborah Waters: The year needs to be closed. The software needs to be closed and everything needs to be tied up.

Joshua Antrim: Is the reason it's not closed, because of the software?

Deborah Waters: No, but that's part of the problem. We had a consultant come in and his response was that the software is not capable of doing what you need it to do.

**A discussion about the software took place.

Brendan Ward: Once she closes the books it then goes to the state; Dept of Revenue. Then Dept. of Rev signs off on it.

Deborah Waters: If we get in on time this year then we need to have this information to the State by September. I know Sheila's having issues as well.

Brendan Ward: What happens if you can't set the tax rate?

Deborah Waters: it goes out late, like it did last year

Brendan Ward: So what does that mean? Means we can't collect money. Means we can't send out tax bills.

Judyth Zahora: It's not about the software. We want to know the information from each department ahead of time. A very broad idea ahead of time. Its not about the software.

Francis (Enzo) Barile: why can't we have the comp sheets once a month? So that we see what we are spending every month. That gives you an idea.

Robert Vanderslice: This isn't a month to month. We need the big picture things that are about to occur.

Deborah Waters: If you have a liaison from each department, you can reach out and ask each department whenever you want.

Judyth Zahora: Why can't the Chief of Police come in here and tell us?

Deborah Waters: That's a lot more meetings.

Judyth Zahora: One meeting to invite the dept. heads to attend and explain

Brendan Ward: Don't you send out a budget memo? Maybe the budget memo could be delivered at a joint meeting with BoS and FinCom and we can hear from the dept. heads at that time. More collaborative way as opposed to receiving this information via email.

Deborah Waters: I think getting the articles in sooner could help with the big picture.

TA I can have them start to think about those things and have those types of conversations with FinCom earlier. We try to have those conversations internally first. I think it's a good idea for you to sit with them and ask them those questions.

Robert Vanderslice: Who and how makes the trade off or constraint decisions? We only have this much money- is it a policeman, fire truck...who makes that decision.

TA I get the pleasure to deliver that message to the dept. heads and then I look to Debbie regarding what's left/our estimated budget.

Brendan Ward: Last year we spent a lot of time discussing the setup and creation of financial policies. Asking the Town would we agree to support override that they come up with setting financial policies.

TA My goal for this meeting was to throw this draft calendar out there, have you guys take a look at it and maybe propose some changes. At least have us thinking about what is on the horizon. Secondly is to have the BoS and FinCom start thinking about what our budget message will be for this year. Also follow up on some things that we chatted about last year. Debbie and I had a call with the Collin's Center. We put \$10,000 in the Selectmen's professional services line item last year for financial policies. We also talked to them about a cost of services analysis, a zero based budget project and a financial forecast project. Financial policies will be about \$10,000. A services analysis would be about \$10,000. However, we are eligible for community compact funds. We are looking into that grant to get potential additional funding that we could use at the Collin's Center to try and get two of these four projects started on.

A financial policies analysis can take anywhere from 3-6 months.

**A discussion about community compact grant and the Collins Center occurred.

TA Financial Forecasting: Zachary Taylor (DPW Superintendent) and Tony meet with Lynn Water & Sewer; we are facing significant potential increases in our sewer rates in the coming two fiscal years. Estimating 30-50% increase. They lost Garelick Farms. Our contract with Lynn Water Sewer originally is 75% billed to Lynn and then 25% split up between Swampscott, Nahant and Saugus. A lot of that is based on usage volume going to plant. Garelick Farms was by far the largest single user out of all 4 communities, no longer there. So the % has shifted to about 67% Lynn and then 33% to the other 3 communities. The other part of it is their 20 year contract with Veolia is coming to an end. They are going to have to go out for another 20 year contract. Expectation of an increase in cost for rolling in of the plant. The last time they went out to bid was 20 years ago, so costs have gone up since then. The other piece of that is the plant needs a significant amount of infrastructure improvements prior to going out for another contract.

Brendan Ward: Do we have a representative on the Lynn Water & Sewer Commission?

TA I am.

Brendan Ward: You are a voting member of the Commission?

TA Yes, as Town Administrator

TA our alternatives are to build a treatment plant on Nahant, build infrastructure to send our sewage either North of Salem or connect through Revere. Wright Pierce is looking at a couple of different avenues.

A discussion about Lynn Water Sewer and Town sewer infrastructure took place.

Brendan Ward: Are there other things that you are worried about at this point that you want to plug into some financial software?

TA All of our buildings are fairly old. The Ocean Rescue Truck is in pretty bad shape. We will need to think of replacing that. There are a number of FEMA jobs that need to get done. Our storm drainage system is in need of a lot of work. Our radio communication system doesn't function. Our sewer lines are rotting away. The list goes on and on. There are other things like the local meal tax, we don't know what is happening with the coast guard station.

Robert Vanderslice: We have been doing this pay as you go mentality. It's like having no health insurance.

Brendan Ward: What's the plan to maintain everything? Plan for maintenance?

Francis (Enzo) Barile: We have maintenance issues.

TA Getting the right people in these positions and having that be part of their day to day. Zach Taylor has completely revamped how that dept. operates. Day to day schedules, facility maintenance, inspecting vulnerable seawalls, etc.

Brendan Ward: We have to have a policy that keeps us to funding the maintenance plan. We have a lot of liability coming up, that we haven't really planned for. We all have to agree that we will stick to them when it's hard. We need to be prepared when the real crisis comes.

TA our immediate next steps are to get the scopes of services from Collins Center, apply for a grant from community compact and get them in here as soon as possible to start talking with the FinCom and BoS about financial policies because it has to be a product of both groups.

**Conversation circled back to the sewer main.

Brendan Ward: Our single largest expenditures are human capital. We spend almost half of our budget on payroll. By looking at how we can improve the functions and efficiency of this process will save. That in my opinion is our biggest problem.

**A conversation about the software being used and collecting data occurred.

TA we had an outside consultant come in and try to create those reports- here for 3 days and said that is the worst program I have ever worked with.

Perry Manatee: I have a contact, Peter Vernon who lives at Four Winds House in Nahant. He is retired, he is a software engineer from Draper and he is an MIT graduate. He might be able to help you.

**A discussion on the process of paying a bill at Town Hall and the current software being used, took place.

TA To end this meeting on a few positive notes; we got a \$70K grant for Human Resources. Green Communities; we received the MAPC grant (\$20K). We received an RPA grant for \$2500 to pay for Vicky's services through that process. School got an additional grant to add cameras in the stairways. HiQ (IT Company) is wiring the cameras into the iPad, within the fire dept. vehicles. State budget: 2 earmarks \$35K for public access and \$15K for ATV for police/monitor Long Beach. \$2500 solarized grant. Local Meals Tax starting in October. Harbormaster boat is in the water. We got a surplus vehicle (for free) from the military to help us respond in flood emergencies. We are heading in the right direction with a long way to go.

**A conversation about surplus vehicles received through grants and how we track that data regarding future replacement, took place. An ability to track how items were originally acquired would be a good policy to implement.

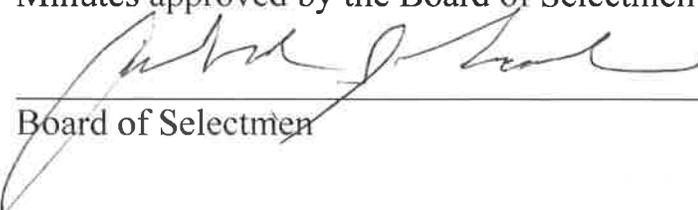
FinCom had a motion to adjourn by Mr. Clausen
Seconded by Julie Tarmy
Unanimous vote in favor

Francis (Enzo) Barile had a motion to adjourn
Seconded by Joshua Antrim
Unanimous vote in favor

Meeting adjourned 8:54pm

Meeting Minutes prepared by Bobbie-Jo Blair, Administrative Assistant

Minutes approved by the Board of Selectmen on the _____ day of _____ 2019.



Board of Selectmen