

Finance Committee Meeting – 3/31/22

Present: Allen Rugg, Howard Goldstein, Mark Foster

Not present: Jim Newman (alternate)

Also present: Town Accountant Emily Day, Town Administrator Jeff Madison

Allen called the meeting to order at 9:32am.

- Minutes deferred to next meeting

- Emily presented an overview of the FY23 proposed budget and levy limit:

This year, increase in the levy limit calculation of approximately \$133,000 with a net increase in raise and appropriate of approx. \$128,000. Currently, the budget stands \$48,000 under the levy limit (assuming no articles are through raise and appropriate, all will be from free cash or postponed or presented to taxpayers to vote an override). Emily presented a chart showing the recent approved votes to raise taxes over the levy limit.

Net increase in department budget is \$205,416. Notable items that have increased: health insurance (addition of 4 employees to plan), OPEB (from \$25,000 to \$50,000), County Retirement, Lighthouse tour wages (expenditures), elections (election year), data processing (police request: 28% increase in RDA Softnet contract for information technology technician), and MV Commission (8.5% increase). Notable items that decreased: treasurer, Tri-Town Ambulance assessment, and education assessment.

The overall increase in salary, longevity and 3% COLA is approx. \$56,673. Committee discussed whether there has been any thought to when step increases are given COLA is not considered. Jeff felt that that would cause a moral issue with employees and expressed his concern with losing employees. If COLA was decreased to 2.5%, town would save an additional \$5,600 which is not enough money to recapture when considering potential personnel issues. Allen noted that while the 3% is more than what Fin Comm discussed, it is reasonable and includes the police. Committee requested that Emily present the figures of step, longevity and COLA as it relates to the total increase in compensation and include contractual payments.

As of now warrant article requests calculate to approx. \$338,000. If the Aquinnah projects design/development article, Moshup Trail tree trimming article and the seawater lines at Hughes Hatchery article are eliminated or postponed that leaves \$81,732 to potentially be funded by free cash. Committee briefly discussed the free cash calculation and reviewed the proposed warrant articles totaling \$400,000.

Budget items for general government:

General Town Expenses – no change

Moderator – no change

Selectmen – slight decrease

Administrator - increase due to step and 3% COLA

Finance Committee Reserve Fund – no change

Financial Audit – no change

Accounting – step and 3% COLA for Accountant and Assistant

Assessor (contract) – no increase

Treasurer – 14% decrease and was broken down between new Treasurer wage and transition pay for current Treasurer

Tax Collector – longevity and 3% COLA

Legal – no change. Committee briefly discussed FY 22 actual, the \$90,000 budget and whether there is room to reduce. Jeff did not recommend reducing the budget.

Data Processing – 11.4% increase based on police request

Clerk – step and 3% COLA

Elections – 100% increase due to election year

Insurance – 1% increase

Town Report – no change. Jeff will check to see if the town is legally required to print reports.

Public Works / Building & Grounds – 3.8% increase. Jeff noted that the DPW director is out on medical leave, and Director has requested additional employee for FY 23. Given circumstances, Jeff was not sure that the proposed budget will be sufficient. Jeff noted that the utilities line might need to be increased given recent town hall conversions from propane/oil to electric and the electric vehicle chargers.

Public Safety – overall 0.3% increase: Police 2.6% increase, Fire 1.7% increase, Ambulance 5% decrease, no change with Emergency Management, no change with Animal Control, Harbormaster/Shellfish 2.4% increase.

Travel - no change

Public Health - Landfill 4.4% increase (district assessment), BOH General 0.3% increase, BOH Council on Aging 1.6% increase, Affordable Housing 1.7% increase. Emily will check on prior draft to make sure amounts are correct.

Land Use – overall 4.2% increase: no change with Conservation Commission, Planning Board 1.1% increase (check with Jeff on Clerk's potential increase in wage), no change with Board of Appeals, MV Commission 8.5% increase, no change with Building Inspector

Culture & Recreation – overall 13.3% increase: Library 0.6% increase (waiting on approved budget from Library Director), no change with Arts/Culture, no change with Parking/Restroom, Lighthouse 236.5% increase (no budget included in FY 22), Community Programs (Dukes County requests) 6.6% increase

Education Assessment – 0.8% decrease

Debt - 0.8% decrease

Employee Benefits-Retirement – 26.5% increase (specifically attributed to health insurance and OPEB). Committee noted that if the town is looking for wiggle room, then the OPEB contribution should be reconsidered.

Overall departmental budget – \$5,830,013 – 3.7% increase (\$205,416)

Increase from FY 21 to FY 22 was around 6.5%. If town comes in under budget, amount goes to free cash calculation. FY 21 came in under budget.

Open issues: Library, Police, warrant articles and salary calculations.

Committee unanimously voted to adjourn the meeting at 10:52am.

Respectfully submitted,

Sophia Welch

