

FINANCE COMMITTEE MINUTES, WEDNESDAY, APRIL 6, 2022

FINANCE COMMITTEE AND SELECT BOARD
JOINT PUBLIC BUDGET HEARING

WEDNESDAY, APRIL 6, 2022

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TOWN CLERK'S OFFICE
LYNNFIELD, MA

Present: (SELECT BOARD) Chairman Richard Dalton,
Philip Crawford, Joseph Connell

(FINANCE COMMITTEE) Chairman Chris Mattia,
Tom Kayola, Stephen Riley, Gene Covino,
Kevin Sullivan, Gerard Noumi

Not Present: Chris Caprio, Reilly Bayer, Kristen Elworthy,
Julie Mitchell

Guests: Town Administrator Rob Dolan,
Town Accountant Julie McCarthy

Attendees: Patricia Campbell, Sal Yerardi, Ken McNulty,
Russell Boekenkroger, Robert Calamari, Brian Moreira

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- * Select Board Chairman Dalton called the meeting to order at 6:30 p.m.
 - * Pledge of Allegiance.
 - * Selectman Dalton explained the process and format for tonight's meeting.
 - * Selectman Crawford made a motion to name Selectman Dalton to chair the public budget meeting. Selectman Connell seconded the motion, and the motion was passed unanimously.
 - * Selectman Crawford made a motion to open the public hearing. Selectman Connell seconded the motion. The motion passed unanimously.
 - * Town Administrator Rob Dolan provided an overview of the proposed operating and capital budget utilizing a slide presentation.

TA Dolan described the Town's principals of budget as the basic foundation of how to build a budget; to assemble the best management team, adding many new faces at Town Hall that have enabled the Town to manage costs, debt, and to stay out of potential crisis, and utilizing this budget analysis and presenting quarterly reports to the Select Board and other Town boards when invited to discuss the state of the Town.

TA Dolan stated this years proposed budget projects the Town's values and choices, stating education, proper planning, community health and safety are at its core.

TA Dolan reported the continued investment in maintenance and enhancement of the Town's infrastructure and technology, adding this is one of the strongest capital budgets utilizing ARPA (American Rescue Plan Act) in many years.

TA Dolan commented that the Town attracts and supports a wide diversity of businesses, cultural and historical structures, as well as recreational opportunities (two new additional fields via new school projects).

TA Dolan added the Town promotes and involves an active citizenry that works in partnership with a responsive government to manage the Town in a thoughtful, honest, and accountable manner.

FY '23 Budget Goals

- * Develop a truly balanced budget (checked by Department of Revenue as well as independent yearly audit)

- * Maintain aggressive capital program

- * Continue to build reserves

- * Continue to fund OPEB

TA Dolan commented on the Town's revenue (property taxes, state aid, local receipts, and enterprise funds).

TA Dolan stated the Town has chosen, outside of Market Street, to remain a town of homes with limited new growth.

TA Dolan noted the added investment in public education this year is as a result of the generous state aid (half a million more than previous years).

TA Dolan discussed the importance of local receipts, adding motor vehicle excise tax makes up more than fifty percent, noting this number is bouncing back nicely post-COVID.

Other funds (Free cash, stabilization, capital facilities stabilization). TA Dolan stated free cash is the Town's capital budget, which the Town continues to be conservative with estimates in such an unstable economic environment.

TA Dolan projected the State aid investment in roads, as well as SPED and public education.

TA Dolan highlighted the nationwide increase in rubbish and recycling costs, although he feels the Town has a strong, long-term deal that drops off substantially next year.

TA Dolan commented he believes the school budget meets the complex and unique needs that the School District brings forward, with an overall budget increase of a modest 3.5 percent; mostly fixed costs (contracts, health insurance).

TA Dolan reported no use of free cash for the operating budget, adding his plan is to carry over as much free cash as possible to next year to solidify the base for capital spending.

TA Dolan provided a capital budget update, stating responsible spending will result in more free cash for investment in the Town (paving roads and sidewalks), drainage improvements, fleet enhancements, environmental investments, school technology, renovations to fire station, replacement of older equipment.

TA Dolan discussed the allocation of ARPA funds, explaining the Town's formation of an internal committee to present projects that qualify for implementation of these funds represents a solid ARPA spending plan through ranking priorities.

FinCom Chairman Mattia announced FinCom will meet April 13, 2022 to make official recommendations, adding a thank you to the TA Dolan and to all department heads aiding in the thoughtful budget process in assessing the Town's needs and in making financial decisions.

Public Questions and Comments

Brian Moreira, Advisory Committee Chairman for Recycling, inquired about the potential for weekly recycling, citing a successful town-wide survey. He is requesting validation and feedback to alert the community to estimated costs and the present decision to not fund this proposal. Mr. Moreira also requested what the long-term plan is to fund this project. In the alternative, he is requesting a community vote.

Selectman Dalton responded that, at this point, it is not timely for this year's Town Meeting. TA Dalton suggested requesting guidance from the Town Administration to proceed further with his committee's proposal.

TA Dolan responded that due to the overwhelming needs of the School District as a result of the pandemic, past, present, and future, this constitutes a legal and ethical obligation to invest as much as possible to stop the hemorrhaging of challenges in the student population.

TA Dolan recognized the Committee's due diligence, and added his analysis of the balance which is needed, which will equal increased recycling, leading to less tonnage, which equals less cost to the town, which is at present blurred.

TA Dolan suggested new growth is essential in Lynnfield to make any further major investments (public safety, education, recycling).

FinCom added the makeup of the Town's recycling is not good in terms of cost, and potentially educating the citizens by being better recyclers, in general, might be helpful as a first step.

Ken McNulty requested an explanation of the ten percent rate increase in the Essex County pension fund costs considering the state of the current financial markets.

TA Dolan responded that working with a regional system is optimal, adding an actuary formulates the Town's share of the total goal.

Town Accountant McCarthy stated this increase is based on a funding schedule and is really out of the Town's control.

Ken McNulty questioned a line item concerning the library website new re-branding cost, stating this figure seems high and requested an explanation.

TA Dolan responded the NOBLE system previously utilized by the Lynnfield Public Library has now stopped providing this service. TA Dolan added this cost will cover additional IT services, adding if it is determined this cost is unnecessary, it will not be spent.

Patricia Campbell addressed and questioned several issues in the budget, including schools, noting the 3.5 percent increase which she characterizes as good, but still has questions about per pupil expenditure as well as the METCO program expenditure.

Mrs. Campbell acknowledged the increase in fuel costs, but questioned the lack of student capacity on buses, adding she feels parents should declare their intention on their children taking a bus to school to eliminate what she feels is a continuing problem considering decreased enrollment.

Mrs. Campbell described the current school budget as an abridged budget, stating she feels there is not enough information provided for several line items. Mrs. Campbell suggested several examples, and stated she would prefer separate entries for each proposed expenditure.

Mrs. Campbell would like to know what the Town is getting in return for the increase in teachers' salaries, adding she is not happy with so many early release days, as well as there being nothing in the contract stating teachers should be obligated by contract to spend time with students during after-school hours. She also questioned the overall school calendar, religious holidays, early release for professional development days.

FinCom reminded Mrs. Campbell that her issues are aimed more at the operation of the schools and less about the budgetary concerns.

Mrs. Campbell responded she sees all her concerns as budget issues and would like to see more value for our money.

Mrs. Campbell questioned several other line item increases, including but not limited to legal, information system website, personnel board, pension contributions, police overtime, emergency management, infrastructure expenditures (sidewalks), building maintenance, cemetery.

The Select Board thanked everybody for their time and efforts.

Selectman Crawford made a motion to adjourn the public hearing. Selectman Connell seconded the motion. All voted in favor, and

the hearing was adjourned at 8:15 p.m.

Respectfully submitted by,

Debbi Mallett, FinCom secretary