



MANCHESTER-BY-THE-SEA

FINANCE COMMITTEE • TOWN HALL
Manchester-by-the-Sea, Massachusetts 01944-1399
Telephone (978) 526-6405 FAX (978) 526-2001

Minutes of the Finance Committee

February 12, 2025 7:00 p.m.

Room 5 and on Zoom

MEMBERS PRESENT: Sarah Mellish, Chair, Andy Oldeman, Mory Creighton, Gar Morce, Tom Parkins, Peter Twining, and Dean Nahatis

MEMBERS ONLINE: N/A

MEMBERS NOT PRESENT: N/A

STAFF PRESENT: Town Administrator, Greg Federspiel, Town Accountant, Andrea Mainville, Library Director Cynthis Gemmell, DPW Engineer, Nate Desrosiers, Town Clerk, Christine Dixon

SELECT BOARD MEMBER PRESENT: N/A

Call to Order – Ms. Mellish called the Committee meeting to order at 7:00 p.m.

- **Library FY26 Operating and Capital Budget**

Mr. Lumsden, Library Trustees, Chair noted that the building is old and has multiple challenges with exterior walls buckling, rotting windowsills, bats, problems with the HVAC system, roof leaks and more. He expressed dissatisfaction with the Town's care of the building and indicated that the Library was requesting an increase from \$6K to \$8K for building maintenance and requested an assessment of the building in the Capital budget to address the ongoing issues.

Mr. Federspiel indicated that in the Master Facilities Plan there is a listing of the problems with the building and \$2M proposed to address the issues over a 10-year period of time. Mr. Rodgers, Library Trustee, stated that as a result of the roof work the Library roof was in good shape. However, the attic leaking for years has resulted in rotting rafters that need to be repaired. He noted that the building is 130 years old. Ms. Mellish asked if Mr. Desrosiers had a plan for the library.

This year's plan is to request \$70K for bathroom design. Creating an ADA assessable bathroom for the library is a challenge. There was discussion of expanding the building footprint to create an ADA bathroom. Mr. Desrosiers indicated that one of the easiest ways to create an ADA assessable bathroom is to convert the Director's office and relocate the Director. Ms. Mellish asked Mr. Desrosiers if it would be possible to have good numbers for next years budget.

Lisa Bonneville, Woodholm Road, ADA Committee, indicated that the Town was not compliant with the law.

Additional technology is being requested to replace laptop computers.

Ms. Gemmell handed out a comprehensive summary of the library's services to the Town.

Mr. Twining moved to approve the Library Operating Budget in the amount of \$570,599.00; Mr. Creighton seconded the motion. The motion passed unanimously.

Mr. Oldeman moved to approve \$70,000 for Capital to design an ADA Compliant restroom; Mr. Parkins seconded the motion the motion passed unanimously.

- **Discuss FY26 Town Operating Budget**

Town Clerk

Ms. Dixon, Town Clerk presented her Operating Budget for FY 26. Ms. Dixon requested the Clerk's position in her office be upgraded from part-time to full-time. Ms. Dixon cited increased traffic at the office window, elections, notary requests and an increase in public record requests as the need for a full-time Assistant Clerk.

Mr. Twining moved to approve the Town Clerk's Operating Budget in the amount \$159,551.00; Mr. Creighton seconded the motion. The motion passed unanimously.

Mr. Twining moved to approve the Town Clerk's Election & Registration Budget in the amount \$28,250.00; Mr. Morse seconded the motion. The motion passed unanimously.

Mr. Twining moved to approve the Town Clerk's Parking Clerk Budget in the amount \$38,097.00; Mr. Morse seconded the motion. The motion passed unanimously.

Non-Appropriated Expenses

Mr. Twining moved to approve \$299,742.00 for Non-Appropriated Expenses in the amount of \$299,742.00; Mr. Nahatis seconded the motion. The motion passed unanimously.

Town Administrator's Expenses

Mr. Oldeman moved to approve the Town Administrator's Operating Budget in the amount of \$664,515.00; Mr. Creighton seconded the motion. The motion passed with 5 members voting affirmatively and Mr. Nahatis voted no because he felt that the new administrator should start lower on the pay scale, that the current salary number reflects someone with 10 years' experience.

The Committee briefly discussed Legal expenses. Mr. Federspiel stated that the increase in appeals for ZBA and Planning Board Decisions, Zoning By-Law changes, 40B appeal and higher use of legal services was the need to increase Legal Expenses.

Mr. Twining moved to approve Legal Expenses in the amount of \$185,000.00; Mr. Morse seconded the motion. The motion passed unanimously.

Finance Committee

Mr. Oldeman moved to approve the Finance Committee salary budget in the amount of \$5,300.00; Mr. Creighton seconded the motion. The motion passed unanimously.

Mr. Oldeman moved to approve the Finance Committee Reserve Fund in the amount of \$150,000; Mr. Creighton seconded the motion. The motion passed unanimously.

Finance Director and Assessor

As part of the Town Hall Audit it was recommended that several Town Departments be consolidated under a new Director. The Finance Director will now have the Treasurer and Assessor reporting directly to her. Ms. Mainville, Town Accountant, will become the Finance Director and assume additional responsibilities for developing the Town Budget and supervising the Treasurer and Assessor. Additionally, Clerks in both the Treasurer and Accountants offices will be promoted to Assistant to the Treasurer and Finance Director. It is recommended that an additional Clerk be added to the Finance Department.

Mr. Twining moved to approve the Finance Department Operating Budget in the amount of \$275,735.00; Mr. Creighton seconded the motion. The motion passed with 5 members voting affirmatively and Mr. Nahatis voting no because he felt that the recent increases to the preliminary budget from 3% to 40%, were excessive. He felt that these adjustments should be more gradual. He suggested that the small town way to add the redundancy called for in the audit might be that the personnel in all the government departments should learn to cover for each other, and that we already had a planned new hire this year as assistant for the Town Clerk.

Mr. Twining moved to approve the Assessor's Operating Budget in the amount of \$233,277.00; Mr. Creighton seconded the motion. The motion passed unanimously.

Building Department

Mr. Oldeman moved to approve the Building Department budget in the amount of \$90,909.00; Mr. Parkins seconded the motion. The motion passed unanimously.

The Committee discussed the role of the Building Inspector who is full-time in Rockport and part-time in Manchester-by-the-Sea. Mr. Morse recommended developing a job description for the Building Inspector to determine if the Town needed to expand the role.

The Committee discussed inspection of CST construction. Mr. Federspiel stated that engineering plans were reviewed for compliance and built to specifications defined in the plans. Engineers stamp plans following review. All final plans for CST will follow State procedures and formal engineering reviews.

- **Status of Masonic Hall, Senior Center and Project Funding**

Ms. Mellish added the Senior Center to the agenda because she saw a Request for Design Services and she is not aware that line was included in the FY25 Budget, and it is her understanding that the Town has not yet closed on the building.

Mr. Federspiel replied that P & S will be finalized in the next two to three weeks. The project has received a grant from the State in the amount of \$50K which will be applied to preliminary design. Additionally, the Fundraising Firm has been identified. Fundraising will start in the fall with requests to key donors.

Ms. Mellish noted that design could cost \$200K, Mr. Federspiel confirmed that was the proposed cost. The Select Board is interested in receiving bond authorization for the architectural elements to be paid off when fundraising is underway. Mr. Morse asked if fundraising was not successful would the project be on hold. Mr. Federspiel stated that was correct. Ms. Mellish expressed concern around the bond and motivation of donors to contribute. Mr. Federspiel stated this is an approach used by communities to initiate projects. He added there is a lot of interest in the project and funding the initial bond will be a separate Article at Annual Town Meeting. The vote and bond will keep the project progressing.

- **Town Administrator's Update**

Health Insurance has added \$100K to the FY26 Budget and the numbers are in the new budget.

Clear Gov continues to be a challenge, Ms. Mainville is working on the issue. The process started as an update and ballooned into the bigger project given 2 years did not translate for the process.

Ms. Mellish asked about the tax rate. Mr. Federspiel stated that it looked like it would be 3.25% with MERSD.

Ms. Mellish is concerned about the final MERSD Budget and the due date for the Finance Committee Report given the District has set their budget approval for March 18, 2025. Mr. Federspiel is meeting with Superintendent Beaudoin and the District Finance Director tomorrow, and he will request a final number.

Final apportionment numbers will be discussed when the MERSD budget is complete.

Ms. Mellish is interested in the final number indicating the Town may need to decide if this is an override or not. Mr. Creighton would like the District to provide a final number, so the number is printed in the Meeting book, discussed and approved by Finance Committee not discussed and approved on Town Meeting Floor. Ms. Mellish stated that this makes her nervous.

- **Approve Meeting Minutes – February 5, 2025**

Mr. Twining moved to approve the meeting minutes; Mr. Oldeman seconded the motion.

Mr. Nahatis had edited minutes for February 5, 2025 that will be forwarded to the Committee and voted on at the next meeting.

- **Schedule FY26 Budget Review**

February 19, 2025 –CPC and complete Town Budgets including DPW

February 27, 2025 – Fire Department (Fire Chief is developing a memo for the Select Board and Finance Committee) Remaining Capital

March 3, 2025 – Joint with Select Board (7:00 p.m. or 7:30 p.m. depending on business of the Board)

March 5, 2025 – Auditor's report and OPEB

March 12, 2025 – Complete everything with the exception of MERSD. Discussion of tax rate for Town and Capital

Remaining March and April meetings are scheduled and will take place as needed.

- **Adjourn** *Mr. Oldeman moved to adjourn the meeting; Mr. Twining seconded the motion. The motion passed unanimously.*