

FINANCE COMMITTEE

March 16, 2023

Members: Chair: My Linh Truong Vice Chair: John Miller
Hafiz Adamjee, Megan Blackwell, Jeff Calabrese, Stefan Carp, Yannis Evrigenis, Lauren Hermann, Patrick Matteson, Nicole Soto, Enzo Rascionato, Derek Ross, Brian Vernaglia, Kathryn Hughes

General Business Chair Truong called the meeting to order at 6:01 p.m.

Roll Call:

Brian Vernaglia
My Linh Truong
Jeff Calabrese
Patrick Matteson
Nicole Soto
Kathryn Hughes
Derek Ross
Yannis Evrigenis
Laureen Hermann
Enzo Rascionato

Late Arrivals:

John Miller
Hafiz Adamjee

Missing:

Stefan Carp
Megan Blackwell

Guests-Phillip Beltz-Director Council on Aging

Public Comments-No speakers present.

Council on Aging FY 24 Budget

Phillip Beltz, Director of the Council on Aging began with a brief overview of the FY24 budget. Overall no major changes in the financials except in personal services which are directly related to COLA increases.

As a result of increased grant monies from the MA Department of Elder Affairs the major focus has been improving transportation services for seniors. Currently, the Council on Aging operates a van donated from Winchester Hospital which is supported by two part time drivers. For the first half of the year there have been over 2,000 trips.

FinCom Member Lauren Hermann moved for favorable action the FY24 Council on Aging Budget for \$444,168. (\$435,356 Personnel Services, \$8,812 Expenses and \$0 equipment) Seconded by FinCom Member Jeff Calabrese.

The FY24 Budget represents a 3.9% increase over the FY23 pre-COLA budget. The Council on Aging is a town funded department which collaborates with the Winchester Seniors Association and Winchester Seniors Association Trust all located in the Jenks Center. The primary goal of the organization is to identify the needs of Winchester seniors and to meet those needs through services, education and advocacy.

The Council on Aging receives funding from the Mass. Executive Office of Elder Affairs (EOEA) as well as the Cummings Foundation, Winchester Hospital and others.

The 60+ population of Winchester has increased 20% to 5,744. Because of this the Council expects an increased level of funding from the State EOEA. The current EOEA rate is \$12 per person and is anticipated to increase to \$14 per person. This is a new proposal from Governor Maura Healey and confirmation is expected on July 1, 2023.

It has noted that the Council on Aging recently received notice that AARP has designated Winchester as an "Age-Friendly Community".

The Council on Aging is comprised of 5.5 employees. (Director, Social Worker, Registered Nurse, Transportation Coordinator, Administrative Professional, a part time clerk and two part time drivers. Additional services are outsourced as needed.

There are no major changes in expenses. The Grant from EOEA has increased from \$56K to \$68K. The current Cummings grant runs through the summer. A new Cummings grant of \$100K is expected which will fund English and Mandarin classes.

ARPA funding of \$25K was received in effort to host programming on WinCam. This is an important resource for those Seniors who are computer illiterate.

A question was asked when will the WinCam connection be up and running. It was stated that due to weather the start date has been delayed. Another question: What is the Council doing to help Seniors with voting. In response to the question, it was noted that the League of Women Voters recently conducted a forum at the Jenks center.

It was noted that the Asian 55+ population is growing. There are currently 87 Asian seniors coming to the center. There is an overall push for younger seniors 55 and older. A question was asked what is driving the rise in the Asian senior population. It was stated that this is a result of seniors coming to the USA to live with their children. There is a shift of demographics.

Motion to approve the FY24 Council on Aging budget of \$444,168. Vote is 10 for and was unanimous. Council on Aging Budget passes.

Treasury/Collectors Budget FY24 Budget

FinCom Member Nicole Soto moved for favorable action the FY24 Treasurer/Collectors Budget for \$574,394. (\$470,094 Personnel Services, \$104,300 Expenses and \$0 equipment)
Seconded by FinCom Member Jeff Calabrese.

This budget is seeing a steep increase due to the addition of a position. (financial analyst)

The primary responsibility of the Treasurer's/Collectors office is to manage the receipt and disbursement of all Town Funds. Treasurer responsibilities include: investments, trust, OPEB, stabilization funds, compensation plans, payroll, vendor payments and all debt. The collector's responsibilities include the issuance & collection of property, motor vehicle taxes and water & sewer bills. The organization consists of the following:

- Treasurer
- Assistant Treasurer
- Two clerical personnel
- .45 part time parking enforcement
- Financial Analyst (new position)

The department continues to support expanded online bill payment for various Town departments. Because many payment platforms are vendor specific and are not tied to the Town's internal platform (Unipay) this has created additional reconciliation work. This is the primary reason for the addition of a financial analyst.

Expenses are flat YOY but up significantly from FY22 Actual. This is because FY22 came in under budget. Postage and printing services have increased and are reflected in the FY24 budget. Budget expense lines are overbudgeted due to variation in bond issuance costs and lower than expected bank service charges.

Treasury has been working to improve the Town's cash management position by taking advantage of high market interest rates some as high as 4.5%.

A question was asked if there is a listing of the specific amounts including the investment vehicles. It was commented that monies are spread out but the two main banks are Eastern and Bank of America.

Professional Services was cut by the Town Manager and reduced from \$8K to \$3K.

A question was asked regarding online payments. Are these new transactions. It was stated that this is a mix of cash, checks and mobile payments which have to be reconciled. In an effort to pay for the new position is there any detailed analysis on the new opportunities. It was stated that currently there is no specific list of opportunities, the department is just trying to "dig itself out".

A question was asked if there was ever any consideration of hiring a consultant to do this work. FinCom Member Nicole Soto agreed to follow-up on this. A comment was made that it appears there is no cohesive technology strategy. The Treasury department agrees on this point but there

have been to many variables including pushback from vendors. One idea is to charge a service fee for cash or checks. FinCom Member Nicole Soto agreed to follow-up on this idea.

A comment was made that it appears we are adding a person just to do clerical work. It was noted that sometimes technology creates more work. A real life example is the Lynch PTO, where they are managing multiple online payment options. (Paypal, Square, Venmo) It was confirmed by FinCom Member Nicole Soto that this has created much more manual work.

It was felt that the title for this position should be changed from Financial to Operations Analyst.

It was stated that there are payment consolidation companies that exist which can provide services without hiring people. FinCom Member Nicole Soto agreed to follow-up with Treasury on this.

FinCom Member Hafiz Adamjee motioned to postpone the FY24 Treasury/Collectors budget. Seconded by FinCom Member Jeff Calabrese. Vote is 9 in favor, 1 no and 1 abstaining. Treasury/Collectors Budget is indefinitely postponed.

Engineering FY24 Budget

FinCom Member Patrick Matteson moved for favorable action the FY24 Engineering Department Budget for \$653,326. (\$550,296 Personnel Services, \$103,030 Expenses and \$0 equipment) Seconded by FinCom Member Hafiz Adamjee.

The FY24 budget is 1.75% over the FY23 pre-cola budget.

The Engineering Department consists of 5 employees. Staffing levels remain unchanged and include 3 FTE managerial, 1 FTE clerical and 1 FTE technical. It provides project management services and oversight for the planning, design, and construction of various infrastructure and capital projects including flood mitigation, water, sewer, stormwater management and traffic calming.

It was noted that the new Head Engineering position (replacing Beth Rudolph) was posted. Beth Rudolph's previous salary and benefit package will act as the cap for the new position.

Expenses are projected to decrease from \$105,830 to \$103,030 YOY. Decreases are in office supplies and furniture. There are no capital needs.

A question was asked if the Acting Town Managers stipend was included in the budget. Also, are there any ratios regarding headcount vs time spent on projects. FinCom Member Patrick Matteson agreed to follow-up on both points.

Motion to approve the FY24 Engineering Budget of \$653,326. Vote is 9 for 1 No. Engineering Budget passes.

Town Manager FY24 Budget

FinCom Member Patrick Matteson moved for favorable action the FY24 Town Manager Department Budget for \$1,012,653, (\$891,703 Personnel Services, \$120,950 Expenses and \$0 equipment) Seconded by FinCom Member Brian Vernaglia.

The proposed FY24 Budget is 3.97% higher than the FY23 Pre-Cola Budget. The department consists of 7 FTE, Town Manager, Assistant Town Manager, 1 Clerical, 3 Technical and the Sustainability Director. The increase in Personal Services is a direct result of step increases. It was confirmed that there will be no more stipends in FY24. There is an open Procurement position which requires a person with a special designation. All positions are non-union.

Regarding expenses there is an YOY increase of \$16K which are largely under Professional Services. (Consultants, Zoom, Docusign and Zoom) The other increase stems from copy machine rentals.

It was commented that the Sustainability Director was tasked with bringing in grant monies. FinCom Member Patrick Matteson and Lauren Hermann will follow-up on grant monies received to date.

There was concern approving the budget due to the FY23 stipend allocations for the Acting Town Manager. It was thought the salary was spread across 3-7 people.

It was confirmed that there are no stipends in the FY24 Budget except for \$6K for the Fair Housing Director.

A request was made to have further clarity on the townwide plan for ARPA funds.

FinCom Member Hafiz Adamjee motioned to postpone the FY24 Town Managers budget. Seconded by FinCom Member Jeff Calabrese. Vote is 6 in favor, 3 no and 1 abstaining. Town Managers Budget is indefinitely postponed.

New Business

Due to the little change in YOY financials, it was suggested to move Human Resources Budget to the consent agenda.


FinCom Member Kathryn Hughes made a motion to move the Human Resources Budget to the consent agenda. Seconded by Vice Chair Miller. Vote was 10 yes and unanimous.

The new FinCom Member has withdrawn her application. May be re-addressed later.

Adjourn

FinCom Member Jeff Calabrese moved to adjourn the Finance Committee meeting and the motion was seconded by FinCom Member Brian Vernaglia. The motion passed unanimously. FinCom adjourned at 7:26 p.m.

Respectfully submitted,
Gary Lozowski, Recording Secretary of Finance Committee

Approved by: 
My Linh Truong, Chair of Finance Committee