

MARBLEHEAD LEAGUE OF WOMEN VOTERS
OBSERVER CORP REPORT FORM

League Observer: Bonnie Grenier

Finance Committee – January 27, 2020

Members in Attendance: Ben Berman, Emily Belfbecker, Pat Franklin, Blair Nelson, Kevin Brodrick, , Alec Goolsby. Yeimi Colon, Clerk/Secretary and Assistant Director of Accounting, Jason Silva, Town Administrator and Alison Nieto, Finance Director/Town Accountant were also in attendance.

Members Absent: Richard Doron, Adriaan Zur Muhlen

Meeting posted 48 hours in advance in handicapped accessible location

Minutes: Minutes from the December 2, 2019 meeting were voted on and approved.

Budget Update: Alison Nieto and Jason Silva gave a summary of the State of the Town which was held on January 22nd. (That Power Point presentation has been posted on the town website.) Highlights include:

- Finances will be very tight this year and all options for a balance budget are on the table
- Free cash will run out by FY 2022 if the current rate of spending continues
- Salaries and the cost of health insurance are the main sources of increased spending
- Budget templates have been sent to all departments with the goal of level funding services
- There is consideration of leasing capital items instead of purchasing them as a way to reduce the annual cost, though the long-term costs are higher
- New revenues are needed. Increasing or imposing new fees are options, including hotel/motel fees

Cemetery Legal Spending: Jason Silva spoke on behalf of the Cemetery Commission and explained that because the Cemetery Commission has no budget item for legal fees, they were asking the town to pay a legal fee they had incurred. Because this is a legal matter, Mr. Silva was not at liberty to give details of the costs. The Committee voted to approve payment of the legal fees.

Library Building Update: Phyllis Smith, Nancy Arata and Gary Amberik gave a presentation on the proposed renovations for Abbot Library:

- Renovation costs will be \$9.5M which will include \$8.5 M for infrastructure improvements to the elevator, electrical system, fire alarm system, HVAC, plumbing and the parking lot. \$1 M will be for reconfiguring the interior space to make it more appropriate to current library usage
- This undertaking will be a public/private endeavor. The Abbot Library Board of Trustees has the goal of raising \$3M. One million is for the reconfiguring of the space and \$2M to be placed in a separate fund to cover the future costs of new technology and maintenance.
- Renovations would take about a year and would require finding alternate space for the duration.
- The Trustees have investigated outside funding sources, to include the state. State funds are limited and can several years to secure. Given the extremely poor condition of the library infrastructure, they believe repairs cannot wait to pursue state funding and will only cost more as time goes on.
- The Trustees will have an article on the town warrant requesting support for the renovations. If the \$8.5 M is approved, the cost to the average homeowner would be \$75/year.

School Building Update: Ben Berman said that despite some rumors to the contrary, things are on schedule and on budget with the new elementary school.

- Demolition will begin in early April
- The scheduled opening is Fall 2022, but could be as early as January 2022.
- Some permits were taken out late but that has not affected the timetable

Liaison Assignments: Members of the Finance will begin meeting with their assigned departments over the next couple of months.

Other:

- New capital items might include a new fire truck
- The town is looking into the possibility of purchasing the old funeral home on Pleasant Street for either affordable housing or parking. This would be an article on the town warrant if the property is still available at the time of town meeting.

Meeting adjourned at 8:13.