

ADVISORY AND FINANCE COMMITTEE
Minutes
February 22, 2023, Hybrid Meeting

PRESENT **13 members of the committee were present:**

Gail Butler, Louis Cabana, Kevin Canty, Brian Dunn, Daniel Green, Steven Keith, Joe Lalley, Timothy Lawlor, Steve Nearman, Christine Richards, Bethany Rogers, Evelyn Strawn, and Robert Zupperoli. Bruce Howard entered late. Ms. Rogers left 7:50 PM

ABSENT **1 member of the committee was absent:** Ashley Shaw.

Call to Order - The meeting was called to order by Chairman Kevin Canty at 7:00 PM.

Announcements

- **Hybrid Meeting:** This meeting is likely to be conducted in a hybrid format, with some participants attending physically and others attending virtually via a video conference application.
- **Ways to Watch:** The meeting will be airing on Comcast 15, Verizon 47, or on PACTV’s YouTube channel which can be viewed at pactv.org/stream.
- **Public Comment:** Any speaker giving public comment is allotted up to 5 minutes in which to speak. Public Comment can be made at the beginning or end of each meeting, or in regard to a particular agenda item the speaker wishes to be heard on
- **Zoom Login Information:** Anyone who wants to attend the meeting virtually, including members of the public who wish to give public comment, can use one of the following methods in which to do so:
 - **Join via Zoom application:** Download the Zoom meeting application on your device, press/click on “Join”, then enter Meeting ID: **995 2986 0638**, and then the Meeting Password: **100131**, or
 - **Join via website** (requires microphone): Go to www.zoom.us, click “Join A Meeting” on the top righthand side, and enter the meeting ID: **995 2986 0638**, and then the meeting password **100131**, or
 - **Join via Telephone (voice only):** Dial **929-205-6099** and Enter Meeting ID: **995 2986 0638** and enter Meeting Password: **100131**

Chairman Canty introduced new member Daniel Green – Mr. Green has lived in Plymouth for 3 years with 2 children. He went to Bentley College and works for Moderna. He is looking forward to getting to work and getting involved with Plymouth.

Public Comment - None

Agenda Items

Special

Article 2 – FY23 Budget Amendments

Ms. Lynne Barrett, Finance Director, discussed the supplemental budget article. Mr. Brindisi, Town Manager, is requesting a supplemental appropriation of \$190,000, from free cash to the Town Manager’s budget. Due to the Police Department’s declining staff the Select Board voted to hire an outside firm, “Pilgrim Security” to conduct parking enforcement in the White Horse Beach Parking District at a cost of \$40,000 which was not included in the FY23 budget. Mr. Brindisi noted that Pilgrim Security generated \$43,000 to the Town in parking fines for the period July 1st to September 15th, 2022. Additionally, \$150,000 is being requested to allow for continued representation by Law Firm, Anderson and Kreiger, for the negotiations with Holtec relative to the decommissioning of the power plant. The amount budgeted, \$60,000, was inadequate and \$110,000 has already been spent in FY23 to represent the town’s interest. Mr. Lawlor spoke with the Town Manager earlier

in the day for further explanation of this request and is satisfied with the discussion and supports this request.

The Water Department is requesting a supplemental appropriation of \$55,000, from water retained earnings, for increased costs associated with water treatment chemicals as well as electricity costs.

The Airport is requesting a supplemental appropriation of \$200,000, from airport retained earnings, for increased cost of aviation fuel purchases. Additionally, they are requesting an increase of \$4,500, from airport retained earnings, for contractual stipends associated with holding certain types of licenses that were not initially budgeted.

Ms. Butler motioned to approve Special Article 2 to Town Meeting. Mr. Cabana second. Motion carried unanimously, (12-0-0).

Article 5 - Facility Capital Maintenance Stabilization Fund – Ms. Barrett advised that this request is to transfer \$630,725 of remaining free cash after setting aside 10% to roll over to FY24, to the Facility Maintenance Stabilization Fund. Mr. Dunn motioned to approve Special Article 5 to Town Meeting. Mr. Green second. Motion carried, 12-0-1, Mr. Howard abstained since he entered the meeting (7:17 PM) during discussion.

Article 6 - General Purpose Stabilization Fund – Ms. Barrett is requesting the transfer of \$1,789,594 from Free Cash to the General Purpose Stabilization Fund to replenish the amount taken from it to pay the annual debt service on the Town Hall project. The annual debt service is usually paid from the 1820 Courthouse fund (meals tax), but due to the impacts of the pandemic it was decided to let the 1820 Courthouse fund recover before resuming with payments from this fund. This transfer will replenish the \$1,789,594 spent from the General Stabilization and restore the balance. Mr. Keith motioned to approve Special Article 6 to Town Meeting. Mr. Lalley second. Motion carried unanimously 13-0-0.

Article 11 – Amend Special Legislation – Change 1820 Courthouse Fund to Facilities Improvement Fund - Mr. Brindisi briefed this article is to amend the fund to Facilities Improvement Fund and expand the permissible uses to include other municipal properties, in perpetuity. Mr. John Mahoney, Select Board member, discussed the history of the meals tax. He discussed the need to remove the sunset clause and keep the revenue in this fund, via a separate interest-bearing account, and not the General Fund. It is important to responsibly manage the facilities in the town and have the revenue to use to offset taxes for infrastructure and facilities maintenance. Ms. Barrett advised that keeping this revenue in the fund would be a smart move. Ms. Strawn inquired why we should petition legislation now when the fund is operational until 2040. Mr. Mahoney advised future infrastructure is always going to be needed. Mr. Mahoney discussed the projected revenues that the meals tax has the potential to generate and that most of this revenue is generated from visitors outside of Plymouth and the state. The theory is that future infrastructure could be reliant on the delta from this fund and not the taxpayer and that's why now. Ms. Richards asked how monies would be authorized to be spent. Ms. Barrett advised that the mechanism would be the same and Town Meeting approval would be necessary to spend funds. Ms. Richards asked if we didn't vote on this where would the money go then? Ms. Barrett advised that if the sunset clause is not removed on July 1, 2040, the revenue would go into the General Fund. Mr. Dunn requested that the Town Manager provide a presentation for the use of this fund along with a priority list of projects. Mr. Dunn noted that there are a ton of projects coming up that have been claimed to be in the billions, so it would be helpful to see a plan. He feels that the Town needs to do whatever is necessary to replenish this fund and he is supportive of that. Mr. Brindisi advised that the Select Board have discussed this and on March 28th the Finance Director, Lynne Barrett, was going to present a more robust and revised capital improvement plan to them. The Capital plan goes out ten years so they will be able to clearly delineate the facilities need once that presentation is made. Mr. Lalley feels this is a great model and creative idea and fully supports. His question was whether the mortgage on the Town Hall was fixed? Mr. Mahoney

advised that it was a fixed 30-year mortgage and the Town makes 2 payments annually, one principal and one interest. Mr. Cabana feels this is the right step forward but questions in relation to the sunset clause why now and secondly who will set the priorities for how that money is spent? Mr. Mahoney advised that the point of this article is not to let the money go into the General Fund and right now it will be used only for the debt/mortgage payment and then in 5 to 10 years or more there may be funds available for other buildings and there will be a competition, whether is a Fire Station, DPW Annex or a School, for whatever funds may be available. Mr. Mahoney said the process should be started now because, if it passes at April Town Meeting, it must go through the legislative process which could take a couple of years. Mr. Cabana expressed kudos for bringing this plan forward. Ms. Barrett explained that the Financial Policies are being reviewed and revamped and her recommendation if this passes would be to rewrite the Financial Policy for this fund regarding how it will be used and what the focus will be now and in the future. Chairman Canty asked what the new priorities might look like? Ms. Barrett advised that the focus would be on the current building and then an estimate of the excess would be considered for future buildings down the road. Chairman Canty asked about the note on the current building. Ms. Barrett explained the 3 notes the Town has on the current building and the level debt payments. Chairman Canty asked if there would a value in paying it off early. Ms. Barrett advised that it would be a possibility only if it was financially feasible and the interest rates went lower than the rate, we have but we got a really low rate and a good deal. Ms. Strawn is struggling with the issues surrounding personnel and the current budget which is 75% salaries, it's people, and by identifying how this money will be used in 2040 we are saying that buildings are the priority and we'll just have to figure out about the increase in personnel costs. Why are we setting priorities in 2023 for 2040? Chairman Canty noted that funding both personnel and buildings is important and by leveraging dedicated funding for buildings we could make a significant contribution toward the building side which would address one of those issues and that is progress. Chairman Canty asked whether the language "1820 Courthouse and its associated properties" means the Town Hall side also? Mr. Mahoney responded, yes. Mr. Lawlor motioned to approve Special Article 12 to Town Meeting. Mr. Nearman second. Motion carried unanimously 12-0-0. Ms. Rogers was not present for the vote.

Annual

Article 3 – Establish Revolving Fund Spending Cap- Ms. Barrett advised that this is an annual article and the purpose of each fund with the requested spending cap are voted by Town Meeting.

Mr. Cabana asked about the variance in the Plymouth Beach Revolving Fund as it appears there was a surplus and asked if the next year request would go down. Ms. Barrett replied, "No" and explained that the spending cap is an estimate of the total cost necessary to support the programs of the revolving fund for that fiscal year regardless of the balance in the fund.

Ms. Richards asked about the \$200,000 increase in the Recreation spending cap. Ms. Slusser-Huff advised that program fees are increasing and registration fees are increasing so the spending is increasing due to an increased interest in the recreation programs.

There were a lot of questions regarding how the revolving funds operate. Ms. Barrett, Ms. Slusser-Huff and Chairman Canty spent a lot of time explaining the process, the law, and the town bylaw and what is and isn't allowed.

Ms. Barrett explained that the spending cap limits the expenses that may be paid from the fund. Each revolving fund has a program (s) and or purpose (s) associated with it that are fee based and this is how the fund generates money to operate. The estimated expenses to accomplish the program or purpose are used to determine the fee that will be charged because the fee needs to cover or exceed the expenses to move forward because the spending can't exceed the requested Spending Cap. There is no cap on the revenue that

can go into the fund so if there is great demand and availability for the program etc. the fund may show a profit. The Plymouth Beach Fund receives revenue from a fee that is charged for a beach sticker and the Recreation Fund charges a fee for their numerous programs. This revenue is not tax revenue and citizens have a choice to participate.

Numerous questions regarding what happens if a program losses money, when does the spending increase stop, where does the money come from if a fund goes in the negative and are salaries paid from the fund:

- Ms. Slusser-Huff, Recreation Director, advised that if a class didn't have the required participants the class would be cancelled and the participants would be refunded. Therefore, there would be no cost to the program.
- Chairman Canty explained that if there is little interest in a program the registration will be low and program will be cancelled so eventually the spending will go down if interest in the program wains. But if a program is popular and exceeds the minimum required participants regularly the spending may increase to continue the program but revenue will also be increasing at the same rate.
- Ms. Barrett advised that the Revolving Funds aren't allowed to run in the negative. If a revolving fund needed to increase their spending limit they would have to come back to the A&F and request an increase and provide justification.
- Ms. Barrett explained that certain Revolving Funds were set up to include the salaries and benefits of staff, or a portion thereof, dedicated to that specific activity to be paid from that fund. The department would include these salaries and benefits in their estimated costs for determining their requested spending cap.

Ms. Rogers motioned to approve Article 3 to Town Meeting. Mr. Lalley second. Ms. Rogers feels that Plymouth has one of the best recreation departments around and supports the department. Mr. Dunn thanked Ms. Barrett and Ms. Slusser-Huff for their patience. Motion carried unanimously 13-0-0.

Article 10 – Personnel Bylaw – Mr. Silvio Genao, Human Resources Director, advised that implementing policy is the intent of this article. The current bylaw doesn't allow for the creation of codes and regulations to manage the Non-Union personnel. The current arrangement causes logistical issue where certain management-related items, some not even requiring appropriations, have to wait till Town Meeting to get approval to make the change they would like to make. Also, it doesn't allow for the timely update of the bylaw to conform with the ever-changing personnel. The same would hold true of new federal laws relating to personnel, the Town would have to wait for Town meeting approval to update the bylaws to be in conformity with the law. He also thinks the personnel bylaw contradicts the authority given to the Town Manager by the charter to manage Non-Union personnel. He feels this will be more efficient and provide more accountability. Ms. Richards wanted to confirm that this change was only for Non-Union personnel. Mr. Genao replied, yes. Ms. Richards asked which school employees would be included. Mr. Genao replied, none. Ms. Strawn motioned to approve Article 10 to Town Meeting. Mr. Zupperoli second. The motion carried unanimously, 13-0-0.

Article 11 – Personnel Bylaw - Mr. Silvio Genao, HR Director, advised that this Article would only be acted upon if Article 10 failed. This Article will change the current LTIA requirement of having to use 2 days from earned time first and if an illness extends beyond 2 days LTIA can be used for the remaining duration and allow Non-Union personnel to use LTIA from the onset of an illness. The Human Resources Assistant position would be upgrade and he noted that the HRS compensation and benefits study from 2017 showed that this

position was 15% below comparable communities for similar positions, The salary tables for seasonal labors and staff would be increased to be more competitive with neighboring communities. Mr. Genao advised that if Article 10 passes there won't be a need for Article 11 and it will be withdrawn. Ms. Richards asked for clarification on the Earned/LTIA proposal. Mr. Genao said that employees who have known surgeries/procedures scheduled have questioned the policy and feel this requirement is unfair and there are other ways to hold people accountable for suspected abuse of time. Ms. Richards made a motion to approve Article 11 subject to Article 10 failing. Mr. Nearman second. Motion carried unanimously 13-0-0.

Old/New/Other Business Mr. Nearman would like everyone to respect questions by others and the discussion that follows. Mr. Howard left the meeting at 9:06 PM

Public Comment Chairman Canty requested that members provide their availability for caucuses to he could put together a schedule. Chairman Canty also reminded everyone that they would be meeting again tomorrow night.

Adjournment Mr. Green motioned to adjourn. Mr. Keith second. Motion carried unanimously. 12-0-0 The meeting adjourned at 9:08 PM.

Submitted by
Jeanette White
Budget Analyst