

## **Town of Rockport**

### **Minutes of Finance Committee Meeting February 25, 2013**

The committee convened at 7:00 pm in the Library and adjourned at 9:30 pm. Chairman Michael Hughes presided; Frank Hassler, Wally Hess, Michael Lamoureux, June Michaels, Bill Wagner and Laurene Wessel attended. Also attending were Selectwoman Erin Battistelli, DPW Commissioner Jim Gardner, DPW Director Joe Parisi and Toby Arsenian

#### **Minutes**

The minutes of February 11<sup>th</sup> were discussed. Wally Hess, Frank Hassler and the minutes were unanimously approved

**DPW 400 Accounts.** Bill Wagner explained the DPW was level funded with the exception of incorporating the new GIS Manager position which increased the budget by \$23,000 in direct and \$10,000 in indirect costs. This represents one third of the GIS manger cost: the other two thirds borne equally by the Water and Sewer enterprise funds. Joe Parisi pointed out that the DPW budget did not include labor cost increase for those workers covered by a union contract and that these contracts will expire and be renegotiated this June. It was discussed that any future increase in the budget would have to be approved at the fall town meeting with the additional funds coming from excess levy (if any), reallocation of the existing DPW budget or a proposition 2 ½ override.

Toby Arsenian sated that he felt that the GIS Manager position should be funded half by the general fund and half by the enterprise funds. Jim Gardner explained that, due to the nature of the work, the proposed allocation was proper and that the allocation may change in future years.

June Michaels moved, Laurene Wessel seconded and the committee voted to approve the budget, subject to overall consideration of the total town resources to fund the requests.

#### **Water Enterprise**

The enterprise budget was discussed and within guidelines with the exception of the additional cost for the GIS manager and the lack of any increase in wages for union employees as discussed the DPW 400 account above.

Toby Arsenian asked if the enterprise reserve funds were used to reduce rates. Jim Gardner explained that it depended on what the expense was and that use of the reserve sometimes does reduce rates.

Frank Hassler moved, Wally Hess seconded and he committee voted to approve the budget subject to overall consideration of the total town resources to fund the requests.

#### **Sewer Enterprise**

The enterprise budget was discussed and within guidelines with the exception of the additional cost for the GIS manager and the lack of any increase in wages for union employees as discussed the DPW 400 account above.

Frank Hassler moved, June Michaels seconded and he committee voted to approve the budget subject to overall consideration of the total town resources to fund the requests.

**CIPC**

The CIPC recommendations were discussed with Joe Parisi recommending that the funding sources for the water enterprise fund be changed as follows:

From:

| <b>Description</b>                          | <b>Requested</b>  | <b>Free Cash</b> | <b>Borrowing</b>  | <b>Other Funding</b> |
|---|-------------------|------------------|-------------------|----------------------|
| Pigeon Hill Water Tank Additional Funds     | \$ 250,000        |                  | \$ 250,000        |                      |
| Water Treatment Plant Capital Account       | \$ 40,000         | \$ 12,056        |                   | \$ 27,944            |
| Rapid Sand Filter & Sed Basin Rehab         | \$ 10,000         |                  |                   | \$ 10,000            |
| Mini-Excavator & Attachment - Water Portion | \$ 25,000         |                  | \$ 25,000         |                      |
| F150 Pickup Truck - Water Portion           | \$ 9,000          | \$ 9,000         |                   |                      |
| <b>Total Capital Requests</b>               | <b>\$ 334,000</b> | <b>\$ 21,056</b> | <b>\$ 275,000</b> | <b>\$ 37,944</b>     |

To:

| <b>Description</b>                          | <b>Requested</b>  | <b>Free Cash</b> | <b>Borrowing</b>  | <b>Other Funding</b> |
|---|-------------------|------------------|-------------------|----------------------|
| Pigeon Hill Water Tank Additional Funds     | \$ 250,000        |                  | \$ 250,000        |                      |
| Water Treatment Plant Capital Account       | \$ 40,000         | \$ 25,331        |                   | \$ 14,669            |
| Mini-Excavator & Attachment - Water Portion | \$ 25,000         |                  | \$ 25,000         |                      |
| F150 Pickup Truck - Water Portion           | \$ 9,000          |                  |                   | \$ 9,000             |
| <b>Total Capital Requests</b>               | <b>\$ 324,000</b> | <b>\$ 25,331</b> | <b>\$ 275,000</b> | <b>\$ 23,669</b>     |

It was pointed out that the temporary debt costs properly belong in Article 5 rather than Article 6.

Toby Arsenian requested to know how much of the \$10,000 recommended for the Island Lighthouses was going to Straightsmouth Island. June Michaels said that she would reach it and get back to Toby with an answer.

June Michaels moved, Frank Hassler seconded and he committee voted to approve the budget as modified subject to overall consideration of the total town resources to fund the requests.

**Warrant Articles**

**Article Y** would increase the maximum length of Long Beach leases from 10 years to 30 years. There is much uncertainty regarding the extent of work required at long beach including definition and funding of he seawall repair, erosion of the beach. Jim Gardner and Joe Parisi both express their view that extending leases to 30 years was inappropriate. The Committee also felt that a 30 year lease at this time was inappropriate and that, although the article does not

specify how long the leases should be, extending the maximum length allowed at this time might be misinterpreted by Long Beach residents and the general public.

Mike Hughes moved, Frank Hassler seconded and the committee voted to have Mike Hughes draft a letter to be sent from the Finance Committee to the Board of selectmen recommending that the Board of selectmen defer Article Y.

**Article P.** Toby Arsenian stated that he is against the erosion study and stated that the follow-up costs should be known.

### **New Business**

Jim Gardner and Joe Parisi discussed the recent storm damage and indicated that additional funds were needed prior to the start of the summer season for needed repairs. Joe Parisi agreed to provide a list of work and associated costs that were required. These costs will be broken down into those needed before the April STM, those needed after the spring STM but before June 30, and those required after June 30.

The meeting was adjourned at 9:30 PM

### **Upcoming Meetings**

Monday March 4, 7:00 pm, Library- Revenue and balancing FY2014 budget, warrant articles  
Tuesday, March 5, 7:00 pm, Town Hall Room A - meet with Board of Selectmen