

TOWN OF IPSWICH | MASSACHUSETTS
SELECT BOARD MEETING Bi-Board with Finance Committee
Tuesday, January 17, 2023, 7:00 PM
Ipswich Town Hall, Meeting Room A, 25 Green Street

Pursuant to Open Meeting Law M.G.L. Chapter 30A, §§ 18-25, a written notice posted by the Town Clerk and delivered to all Board members, a meeting of the Select Board was held on Tuesday, January 17, 2023, 7:00 PM at Town Hall, 25 Green Street.

Select Board Members present: William Whitmore, Chair, Linda Alexson, Sarah Player, Kerry Mackin

Finance Committee Members present: Michael Dougherty, Walter Hartford, Robert White, Robert Chambers, Joseph Bourque, Michael Schaaf, Ken Swenson, Jamie Fay, Emilie Smith

Also present: Mary Gallivan, Assistant Town Manager/HR Director

With a quorum present, Mr. Whitmore called the meeting to order.

Welcome/Announcements: Linda Alexson recognized the passing of former town moderator James Grimes.

Citizen Queries None

New Common Victualler, Weekday Entertainment and Sunday Entertainment License Applications from Synergy Restaurant Group dba Choate Bridge Pub.

Ms. Alexson had questions on the weekday entertainment and Sunday entertainment times. Choate Bridge owner Corey Matthews, 4 Gilson Way, Gloucester, MA, owner in attendance, explained new hours were included in new applications. Choate hours of operation were discussed. Mr. Matthews indicated he included the hours allowed by the state for Sunday entertainment. Mr. Whitmore asked Mr. Matthews to edit the hours. Mr. Matthews indicated he reapplied the Tuesday before with new hours. Mr. Matthews asked the board what hours the board would be comfortable with. Discussion ensued on wedding venues which were determined not relevant. Ms. Player asked Mr. Matthews if the board could get back to him on times consistent with downtown entertainment license holders. Mr. Matthews said he would conform to any hours the board was comfortable with.

FY24 Budget Overview Presentation

Mr. Crane opened with comments on budget process and turned the meeting over to Sarah Johnson, part-time Finance Director for the town of Ipswich.

Ms. Johnson began with budgeting to revenues looking at the revenue stream and the tax levy as most of the town's revenues come from taxes. Discussion followed on estimated revenues, cherry sheet which is dependent on the new governor's budget. Local receipts estimates were increased to \$3.756 million, stabilization and education and other available funds used by school were uncertain as they are working on their budget. That number will be filled in later. Overlay surplus number is \$300,000, split by town and school budgets. Ms. Johnson continued to hit line items and indicated waterways is equal to the amount of harbors budget. Resulting in total receipts and available funds around \$11 million.

Ms. Johnson continues noting total revenue is \$61 million dollars then went on to detail the town's miscellaneous charges, including enrollment in vocational schools, OPEB, etc. Subtracting miscellaneous charges, the total available revenue is \$5,780,724 to apportion the school and town budgets.

Ms. Johnson covered local receipts, \$3,756,00, based on growth revenues which is impacted by economy, a global pandemic, etc.

Mr. Chambers questioned new growth and how it compares to last year. Ms. Johnson indicated FY23 number was \$67 million with \$24 million of that is NE Biotech with a big building permit for a new building. Mr. Fay asked expectation for this year. Ms. Johnson replied they have yet to pull a permit for day care. Discussion ensued about building and assessor expectations.

Mr. Crane explained projects likes this and its impact on new growth is an assessment on the status of construction. That it is a snap shot.

Debt overview via Statement of Indebtedness reported to DOR that details principal payments remaining on all debt. Inside the debt limit is town, outside the debt limit is water, sewer, electric. Short-term debt was discussed noting the savings we experienced due to grants and paying debt down. Bond anticipation notes were discussed noting renewals and newly issued for new purposes for the public safety building, water infrastructure, water treatment and Brown's Well resulting in total bond anticipation notes, total debt of the town of \$15.6 million.

Inquiry on grant for town hill water tank. Ms. Johnson will inquire of treasurer in advance of the next Finance Committee meeting on progress on bond projects.

Mr. Schaaf inquired why OPEB contribution is lower. Answer, it does not include free cash portion, it just includes general fund portion. Inquiry on allowance for abatements on assessments, we have exceeded amounts over last three years why are we budgeting the same.

Mr. Dougherty wants to know when schools receive their budget number to work with. New information is provided to the school as it comes in and relates to moving parts of the budget process.

Mr. Hartford asked about vocational education. Dr. Brian Blake, School Superintendent, replied any students seeking vocational program and if Whittier doesn't have desired program, students then apply to Essex Tech.

Mr. Hartford mentions uses of ARPA for town and ESSR for schools.

Ms. Alexson asked Ms. Johnson to explain the process of how state aid goes to free cash. Ms. Johnson explained that free cash is certified by the DOR in the fall following a FY. Only funds that are left over from a fiscal year can go to free cash, sources could be more receivables for real estate, extra expense money, revenue that came in over budget and unspent free cash. DOR has to certify this to go free cash and then it can be used during and up to the end of the following FY. The town cannot declare anything to go to free cash, only the DOR can certify free cash for the town to spend in the next FY. State aid can go to the general fund. The reserve fund and the management transfer fund are part of the general fund.

Ms. Player confirmed the free cash certified from last year's budget is available until June and Ms. Johnson confirmed it was \$3 million. And the reserve account funds are available for unforeseen and unexpected expenses. Release of reserve funds requires a Finance Committee vote and is only available until June 30.

Health insurance question on where numbers are going. MIIA will provide increase on numbers to individual communities but we were told to budget 8 to 10%.

Mr. Crane indicated the town should be just at or under the levy limit and still working on a capital plan that is looking like \$1.7 to \$1.9 million. Considering new school capital requests presented today.

Mr. Dougherty asked Mr. Crane how previous communities he's worked in viewed capital. Each town's capital improvement plan has different ways of viewing what qualifies as a capital expenses or a part of an operating budget. Ipswich uses free cash to fund capital budget so we are year behind which means less risk, less predictable. We are not treating capital expenditures any different. Mr. Crane is following current policy.

Ms. Johnson indicated FY23 total capital budget was \$1.559 million with \$1.4 million from free cash, \$40k from overlay, \$70k from raise and appropriate. Looking at bridge expense, this year will likely be higher and bigger ticket items coming in. Certified free cash number to spend this year is \$3,030,894. DPW director is actively pursuing grant opportunities and seeking other funding sources.

Mr. Dougherty requests town representation at Finance Committee meetings starting January 31th.

Dr. Brian Blake shared Tom Markham is the new school Finance Director.

Consent Agenda

The board approved items under consent agenda as presented on the agenda for this meeting.

- *VOTE: Motion to approve by Ms. Alexson and a second by Ms. Player, passed unanimously.*

Approval of Minutes

The board approved the minutes under approval of minutes as presented on the agenda for this meeting. December, 5, 2022, December 19, 2022, January 3, 2023 open session, and January 3, 2023 executive session.

- *VOTE: Motion to approve by Ms. Alexson and a second by Ms. Player, passed unanimously.*

Subcommittee Updates

Ms. Alexson: Public Property Re-Use Working Group will meet January 31st. Anticipating a vote to recommend the relocation of the community gardens. A finalized plan will go before the Select Board and then the working group will pause.

The Shellfish Subcommittee will meet February 7th and have the annual commercial permit lottery that night and an update from Wayne Castonguay on the Ipswich river dam project.

The Eastern Essex Veterans Board voted in December to return a percentage of retained earnings to each of the communities. Ipswich has the largest number of veterans; the refund will be approximately \$19,400.

Ipswich Assessor Mary-Lou Ireland and West Newbury assessor joined the meeting and are working on an initiative for additional real estate tax exemptions for disabled veterans. This will be brought to the Select Board.

Ms. Player: Electric Light Subcommittee met on January 9th, Jon Blair presented a draft personnel policy for retention to be presented to the Select Board after feedback from Town Manager and HR director. Discussion of the budget presentation and how to present it to minimize questions and garner greater understanding, the battery project was discussed.

3A Task Force kick off meeting was on January 10th, the group laid out the 1 ½ year timeline with benchmarks and will be meeting again in three weeks.

Kerry Mackin: Climate Resiliency met this evening and covered a variety of topics including wind turbine replacement, installation of solar arrays, household heating system discussion including the bio pure system not causing damage to the atmosphere.

Ms. Alexson asked Ms. Player about the work of the 3A Task Force and what the town would forfeit in terms of grant opportunities if the town didn't comply. Ms. Player is including the cost to Ipswich if the town did participate. More information coming. Mr. Crane suggested an agenda item in early February on a Select Board meeting.

Ms. Player shared there is a Water and Wastewater Subcommittee meeting on Thursday the 19th at 7:00 PM

Mr. Whitmore, the Shade Tree and Beautification Committee will be presenting to the Select Board promoting native plants and trees.

New Business NONE

Old Business NONE

Mr. Whitmore shared the Select Board will convene on Monday and Tuesday of next week.

Mr. Whitmore asked for a motion to adjourn.

- *VOTE: Motion to adjourn by Ms. Alexson, seconded by Ms. Player.*