

Town of Dartmouth
400 Slocum Road, Room 304
Dartmouth, MA 02747

FINANCE COMMITTEE MEETING MINUTES
MARCH 23, 2023

Finance Committee Members present:

Robert Gauvin, Chair
William Boles
Teresa Hamm
Elizabeth Huidekoper
Brian O'Hare
Adam Silva
John Sousa

The Finance Committee met at 5:30pm, Mr. Gauvin presiding. Mr. Sean MacInnes, Town Administrator, and Mr. Gary Carreiro, Director of Budget & Finance/Treasurer were present to provide information and answer questions.

1. FY24 Budget Hearings: Council on Aging, DCTV, Waterways-Natural Resources, DPW Water/Sewer Enterprise.

Council on Aging

Ms. Amy DiPietro, Director, presented the proposed FY2024 budget. Mr. Boles, who serves as FinCom's liaison to the Council on Aging, stated that he spoke with her about questions that FinCom has. She provided some clarity on the transfer of funds between the Outreach Coordinator at \$47,956 and the Program Coordinator at \$49,377. Both of these positions are full time. The proposed budget includes a second part time Receptionist position with funds transferred from the Outreach Coordinator position; however the position has not been downgraded. A 2% salary increase is proposed for that position.

Mr. MacInnes clarified that in the past, many COA positions were partly or wholly grant funded. They are now trying to transfer these positions into permanent Town-funded positions, recognizing how much work the COA does for the community and the fact that grant funds have dried up. The totals are correct on the budget proposal. Originally the Outreach positions were grant-funded; last year when the grant funding went away, the budget proposal included them as Town-funded positions. The COA has five drivers which are state mandated and funded positions. The COA uses these funds now for more programming for seniors. In the future they may request more funds for outreach staff due to an increase of seniors in the Town by 486 seniors. Ms. DiPietro reiterated that this budget does not have a drop in staffing. They have reallocated funds but not reduced staffing. In this budget there is a request for an additional part time receptionist. Some positions have proposed increased hours. The Administrative Assistant position was removed to create the Assistant Director position. The reception desk was staffed

by volunteers prior to 2018. Mr. Gauvin asked if the person in the Assistant Director position is capable of taking on the Director's work in case of succession. Ms. DiPietro answered yes, she is.

Mr. Gauvin asked about the changes in custodial services and funding. Mr. MacInnes stated that they have been working to create a consolidated Facilities department. The salaries for the COA and Library custodians will be removed from their respective budgets and transferred to Facilities. The cost of these salaries will not change.

The Social Day program is no longer being offered. This was a fee-for-service program that was not funded by the Town. Ms. DiPietro stated that they hope to bring it back. Because the COA has state funding, they do allow residents of other towns to take part in their programs. Since January 2023, however, they have instituted a rule that Dartmouth residents get a 5-day top priority for signups. In the past six months, the Outreach Coordinator has been very busy, having spoken 3,000 times with Dartmouth residents. Locating the Veterans Agent in the building has been very helpful and convenient.

Mr. MacInnes stated that creating the Assistant Director position and relocating the Veterans Agent has allowed Ms. DiPietro more time to expand outreach to the community. This has been very successful and a model for other communities. It is a metric that may not be exactly quantifiable but its success can be measured.

DCTV

Mr. Carreiro stated that the Director position is part of the Steelworkers Union. The salary includes longevity, a benefit to long time employees. Special Legal funds are for outside counsel for negotiating the Comcast 10-year franchise agreement contract which is due in September. Mr. MacInnes stated that the Town receives a portion of Comcast's revenues for television, not for phone or Internet. DCTV is funded in part through this contract. Ms. Hamm stated that DCTV is quite valuable to the Town and showed its worth during COVID. An anticipated reduction in revenues is being strategized.

Mr. Sousa asked why there are a number of high increases in equipment. Mr. Carreiro stated that the increases are due to inflation, especially with highly technical equipment, but he will follow up with the Director on the 40% increases. The Education line is for training.

Mr. MacInnes stated that the high Vacation line is mostly for a vacation buy-back benefit for the retiring Director. If there is a known retirement, a separate line item is included in the budget for that buy-back. Each contract is different, but sick time can be bought back at a percentage rate. Some contracts allow a carry-over of the number of vacation weeks that a person accrues, which is paid upon retirement at 100%.

Ms. Huidekoper stated that since this is an Enterprise Fund, she would like to see how much the department has in Retained Earnings. Mr. Carreiro will follow up with a current balance.

Raises have not been included in this budget. Mr. MacInnes stated that the Town has created a Collective Bargaining Stabilization Fund in order to fund union contracts that have not been settled at the time of budget approval. It is an estimate of negotiated amounts. Administration has a strategy for projecting bargaining negotiation costs. There will be an article at Town Meeting to appropriate any settled contracts utilizing monies from this Fund and to pay any retroactive settlements from this year. The Laborers Union has been settled and will go for Town Meeting appropriation. Ms. Hamm would like to see organizational charts in the future to help answer questions about staffing.

WATERWAYS

The Waterways Management Commission oversees the functions of the Harbormaster program. The Harbormaster is under contract, not a union member. There is one full time Assistant Harbormaster and several seasonal Assistant Harbormasters. There is a request for additional staffing but Administration does not anticipate filling it. Most expenses are funded through the Enterprise Fund. The Shellfish Constable portion of the program is funded through the General Fund. Revenues will increase with increased fees. There is a large waiting list for moorings. Mr. Gauvin stated humorously that Dartmouth residents should be given a 5-day top priority for moorings, similar to the COA's policy on programs. Mr. MacInnes noted that beach stickers are for residents only.

DPW

Mr. Timothy Barber, Director of Public Works, presented the DPW proposed FY2024 budget. He stated that since COVID, all costs for equipment, supplies, and vehicles have increased. They have also struggled with staffing, currently down by six employees. They hired six part time snowplow drivers, five of whom worked well during the one snowstorm Dartmouth experienced. Many employees have retired or moved to more attractive positions with other municipalities. He figured a 25 to 30% increase on supplies. There has been a 62% increase on some chemicals for waste water and water treatment.

Water Enterprise Fund

The Water Department has been dealing with water quality issues over the past few years. During the reconstruction of the Violetta wells which were shut down, there was a bacterial issue with one of the Pinelli wells. The 579 treatment facility was shut down and only re-opened in January 2023 along with the Violetta wells. Right now the department is not purchasing water from New Bedford, but during the shutdown time, they were purchasing not 20-30% as usual, but 48% of Dartmouth's water from New Bedford. That increased spending beyond the FY2023 budget. They will be asking Town Meeting to approve a transfer of funds from Retained Earnings to cover these costs. Currently, the department is not purchasing water from New Bedford, and all wells are up and running. Mr. Boles asked when the Town will get out from under New Bedford's water. Mr. Barber stated the Town will probably always be somewhat dependent on New Bedford water unless another well can be dug in Dartmouth.

A full evaluation of the water treatment facility and the distribution network was conducted by a consulting firm, Weston & Sampson. Staffing evaluations were also included. They submitted a report which includes capital expenditures and proposed additional staffing with an Assistant Superintendent of Water. This position was vacated around 2008 and never refilled. There is a vacant Water System Inspector position which is recommended to be filled. Mr. Barber is rewriting the job description of the Assistant Superintendent of Water to include the duties of the Water System Inspector, resulting in having to hire only one person for now. They are looking to hire an Assistant Director of Public Works, a position which has been vacant for quite a while. Mr. Barber was promoted to Director from a Senior Engineer position.

The department plans to evaluate all operations, staffing, and rate structures for the water and water treatment facilities. They are trying to get everything completed within the coming year. One project has been funded through ARPA; the remainder of projects is on the FY2024 5-year capital projects list. Ms. Huidekoper asked if fixing things “bit by bit” is the right approach. Mr. Barber responded that the strategy is to upgrade one facility per year so that every facility is not being worked on all at once. Design and contingencies are included in each amount. This year will be focusing on the design for the 529 treatment facility. Ms. Huidekoper feels that getting water quality correct is of the highest priority. Mr. MacInnes noted that the consulting report addressed current and future issues. He stated that even if it was preferable to fix everything at once, there is no way that the work could be done in that manner. The first upgrade project will cost \$3.5 million, and the work will be useful for 50 years. Other projects will have different costs. More water will have to be bought from New Bedford when pieces of the equipment are shut down for upgrades. Mr. MacInnes stated that ARPA funds may be used for several of these projects during 2024.

Ms. Huidekoper asked if fee increases will absorb costs this year and future years given that there is no debt ceiling on Enterprise Funds. Mr. Barber responded that generally, fees increase to absorb costs; they recalculate the numbers yearly. They are still working on numbers for FY2024. Major improvements will always cause fees to increase. The City of New Bedford has increased both water and sewer fees which impact not only their own residents but Dartmouth residents who use New Bedford water. Costs will go up, though the actual impact has not been determined yet. A preliminary review of what the rates will be will go to the Select Board at least twice with better notification than last year. Ms. Hamm noted that last year’s notification to residents on water increases was very short notice and upsetting to residents. She hopes this is not repeated. Mr. Barber stated that the study will take into account comparative municipalities.

Staffing

Returning from capital to the operating budget, Mr. Gauvin asked how the department is doing without filling the vacant management and other positions. Mr. MacInnes stated that things have not gone as well as could be. Succession planning is very important. ARPA grant funding requires administrative management which Mr. Barber cannot do alone. Indirect costs are included in Enterprise Fund budgets. Mr. MacInnes will follow up with current numbers.

The majority of salaries come from the Enterprise Fund if that department generates revenue. Engineering is level funded. The Education line is increased for Laborers to get their CDL truck driver licenses, a benefit the Town is using to help promote from within and for staff development. Gasoline expenses are going up. Federal storm water expenses are decreasing for all mandated sampling, working with Mass Maritime and consultants. Mr. Boles asked about Paving & Marking, if the budget will be exceeded this year. Mr. Barber stated that the budget line includes tree work; much depends on the weather. Snow & Ice has had a good year, which might help any overages, although there have been large increases in rock salt. Mr. Carreiro stated that Snow & Ice is the only line item for which Mass DOR allows municipalities to deficit spend, with transfers from reserve funds allowed.

Construction salaries actually expended for FY2023 are much lower than the budgeted amount. Mr. Barber stated that although there are many driver vacancies, the employees have stepped up to helping departments as needed including snowplowing.

Water Pollution Control Enterprise Fund

Mr. Barber stated that replacement equipment is very expensive. Lead time for receipt of new equipment is increasing to months of waiting. Fuel and chemical costs are also increasing. Actual FY2023 EMI credits are \$84,736, a large savings over the prior year. The past winter was not as cold as usual, and less was spent on electricity. The Telephone line is for water meter connections. They are using consultants more often to assist with chemical testing. The Water Pollution Control Other line is debt for borrowing from the Clean Water Protection Trust. There is no debt for Sewage Collection, but may be added if sewage lines have to be extended throughout the Town. UMASS Dartmouth has lowered their sewage costs with better efficiency and new buildings, which has lowered revenue for the Town but on the positive side, results in fewer resources used.

Solid Waste Enterprise Fund

Mr. Barber stated that trash bags are bought monthly or in bulk to reduce costs. The cost of individual bags will not go up, though annual fees for the service may. Retained Earnings cover the cost of operations. Typically, 60 new residents per year are joining the SMART Waste Reduction program including many private companies, but this year they project to double that number to 120 new members. Recycling costs are always changing. The department is short on recycling truck drivers. Mr. Barber stated that there may be eleven openings total for the DPW consisting of 74 staff members. Laborers pay was increased as a result of the reclassification, but there is not much difference between that level and a CDL driver. However, promotions are easier once an employee has the CDL license. Recycling goes to a recycling facility. Expansion of the refuse facility in New Bedford is being studied. Dartmouth's old dump was capped and now has a solar field on it. They vent methane and do not try to capture it. Tipping fees to the refuse facility are increasing. Dartmouth's pay-as-you-throw program keeps costs down as a percentage of the total fees paid to operate the district refuse facility.

Ms. Hamm asked what metrics have been produced to show value of the DPW. Mr. Barber apologized for not submitting a report until today. Mr. Carreiro will pass this along to members. Mr. Barber will add a bulleted list of departmental achievements.

Capital

Mr. Gauvin stated that members are very concerned about the 5 to 10 year capital projects that will be coming down the line. The School Department has stated that there are no new school buildings being planned for the next ten years. Mr. Barber responded that there are no new facilities being planned, but they are looking at increasing the capacity of their existing facilities. A water sewage plant expansion is being evaluated. Extensions of sewer lines and increase in capacity will be costly if it becomes required. The current system handles 4.2 million gallons of water per day, with a peak of 10 million gallons per day. The plant is operating at 80%. There will be multi-million dollar upgrades coming. Mr. MacInnes stated that numbers are included in the consulting report for the water system. The cost of design is in this year's capital budget and may be bid out during the first quarter of 2024. Mr. MacInnes stated that Title V costs can't be determined until the state regulations are finalized at the end of May 2023.

Mr. Carreiro stated that the Capital Improvement Committee is meeting tomorrow. Mr. Gauvin thanked Mr. Barber for his comprehensive budget presentation.

2. FY24 School Department ongoing discussion

Mr. Gauvin stated that he has not received any response to the few questions remaining to be answered.

3. Title 5 Letter to Select Board

Mr. Gauvin stated that the Board decided to write a letter to the Select Board offering financial support from the Reserve Fund for possible legal expenses to a challenge of Title V. Mr. MacInnes recommended not doing so. He stated that Town Counsel has not weighed in yet. Some strategies are forming and the Town has submitted a complaint to the Attorney General based on violation of Open Meeting Law. There is also a petitioned article at Town Meeting to the same effect as the letter which FinCom voted to write, with funding to be available for legal defense at \$200,000. Mr. Gauvin confirmed that FinCom voted for \$100,000, which could revert to Free Cash if not used. The money would send a signal to challenge the process. Mr. MacInnes stated that the Select Board will do everything in their power to protect the residents, and that is the signal they have sent. Like the Bliss Corner legal issues, Mr. MacInnes recommended using the funds that are still available in the Legal Department's funds, and waiting to see if there is an overage that would need to be funded.

The consensus of Board members was to put the letter on hold for now. The point is to let the Select Board know that FinCom is supportive and ready to assist should the need arise.

4. Any Minutes Available for Approval

A motion to approve the minutes of the March 16, 2023 meeting was made by Mr. Sousa, seconded by Mr. O'Hare, approved 7-0-0.

5. Upcoming FY24 Budget Hearings

- Dartmouth Public Schools - Thursday, March 30, 2023
- Board of Selectmen, Facilities, Finance – April 6, 2023

6. Any Item Not Known 48 hours in Advance

Mr. Gauvin stated that on the old website, the Meeting Calendar was conveniently posted on the first page. It was easy to find all the upcoming meetings and worked very well. In the new website, he has to drill down. Mr. MacInnes showed him how to find all events on the first page.

Mr. Carreiro spoke with the Town Clerk about putting new minutes on the website. Some of the other issues are removing Ms. Chopra's name from the Board member list, removing old minutes, and fixing the terms of office for some of the Board member. The Town Moderator has not yet found a new member for the Board to replace Ms. Chopra.

Ms. Huidekoper stated that Mr. Carreiro investigated how much the Fire Districts are costing the Town. The cost is approximately \$7 million. Mr. MacInnes stated that there is a joint meeting of the Fire Districts with the Select Board next week.

7. Adjourn

A motion to adjourn the meeting at 7:40pm was made by Mr. O'Hare, seconded by Ms. Hamm, approved unanimously.

Approved on: _____ by the Finance Committee.