

TOWN OF IPSWICH
Finance Committee Minutes
March 1, 2023
Ipswich Town Hall, Meeting Room A
25 Green St. Ipswich, MA

With a quorum present, the Chair called the meeting to order at 7:30pm.

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

1. Welcome – Michael Dougherty

- Michael went over the upcoming meeting dates.

2. Citizens Queries – Michael Dougherty

- None

3. Meeting Minutes to Approve – Michael Dougherty

- None

**Fiscal Year 2024 Budget Hearing:
General Government**

4. Town Clerk – A. Akell

Amy Akell, Town Clerk, went over the goals and accomplishments for the department. This past year the town clerk's office implemented a two-part carbonless receipt form which allows for better accounting of services. They also added two more poll pads, and their intent going forward is to use two poll pads at all locations during elections. This will streamline voting and make it quicker. For this upcoming year, the department would like to organize the webpage to make it more user friendly. They also plan to implement a better system to track unlicensed dogs.

Michael asked how early voting and mail in voting is being handled by the office. Amy said it is a lot of work and has been difficult. They have a lot of senior workers that help and have been generous with their time to help them accomplish the task of mail in voting. Mail in voting makes it so that a one- or two-day event is now a two-week event. Mike asked if it has increased overtime, Amy said they have poll workers and senior workers that volunteer, but it does add substantially to the budget.

Amy went over the budget for the department. Aside from the salary numbers, the line items haven't changed much. Michael said there is a difference between what the department requested and what the town manager approved. There is also a significant percentage increase. He asked Amy to discuss this. Amy said the union title for the assistant town clerk was actually "assistant to the town clerk", so they decided to work with human resources to update the job description and look at comparable salaries. The position was being paid at a rate of an administrative assistant, but the job requires much more than that. The assistant can also step into the town clerk position when needed. They decided to update the title, job description, and the salary. They settled at a step raise and Amy was told to put it in the budget. Stephen said in this case, the request would have had to be collectively bargained. Since they just increased the salary due to the title change, he felt it was too soon to adjust this right away.

Walter asked about the re-count and asked if they will change any processes to avoid this in the future. Amy said they hadn't had to do a re-count prior to this one for 15 years. Hopefully they won't have to do another. It was difficult to figure out how much to put in the election budget because of this. Ken asked why the elections budget isn't higher since they will have so much more work for mail in ballots. Amy said it is because of the special elections that will be taking place this year. Michael S. asked if they have observed an impact on turnout as a result of early voting. Amy said she

hasn't, but from convenience factor, it has been very successful. Rob asked if Andrea is training to be a town clerk, Amy said not specifically, but she is of course learning by being there. Rob also asked how they are doing with digitizing paperwork. Amy said she thinks it would be helpful to find things more easily, but they are still required to retain paper copies even if they digitize. Michael asked where the money goes for licenses. Sarah said it goes to the general fund. Michael asked Amy if she is noticing an uptick in any of the licenses. Amy said the commercial shellfish renewals went down.

5. Treasurer – K. Merz

Kevin Merz, Treasurer Collector, said he has been with the department for 19 years. The office is comprised of three people including the treasurer collector, the assistant treasurer collector, and the senior clerk. This is always their busiest time because real estate taxes go out, motor vehicle excise taxes just went out, and the beach stickers are now available for purchase. They have a new senior clerk and she has done well so far. Goals include running a great office, having good customer service, and having a staff that knows what they are doing and knows the laws. Kevin said he feels confident that they are doing the right things and helping the taxpayers and departments. They have a 99% usual collection rate for real estate taxes at the end of every year. Kevin also went over some of the help that seniors are able to get for real estate taxes and also discussed the deferral program. Motor vehicle excise taxes are out now and said it is determined by the original value of the car. They collect a little over \$2M each year and issue over 17k excise tax bills.

Expenses are unchanged from last year. The assistant treasurer collector position has a 3% increase, the treasurer collector position has a 3% increase, and the senior clerk has a decrease. Mike asked what the vacation buy-back is. Kevin said it is part of his contract and it's in the budget in case he uses it. He hasn't used it before this year. Michael asked how much money they should have in reserves and asked if there is a formalized policy. Stephen said the bond rating has expectations for savings and the rating is tied to how much they have in reserves. Sarah said we have town internal policies that have already been formed for OPEB and for the stabilization fund. They are trying to build all of the reserve funds. Jamie asked what the interest rate was on the last bond issued. Kevin said it was below 2 and it was a few years ago. Jamie also asked about the legislation changes with the process to tax title, and asked if they are doing any tax title takings now. Kevin said it has been growing and he has never been a fan of it. He would like to see the legislation go through to make it fairer to the homeowner. Jamie asked what the parking clerk does. Kevin said she gets the parking tickets from the police department and collects the money. Rob said it's good to see the balances go up in the funds and asked where those funds sit. Kevin said he doesn't have that information on hand but he will get it to them. Rob also asked how the PRIT fund did. Kevin said it lost about 10%, but over the last 5 years they have had huge gains.

6. Accounting – T. White

Terry White, Town Accountant, said the department is made up of herself, a payroll manager, an AP clerk, and a 6-hour retiree that comes in to help. They are a support department and they pay all of the bills for the town, schools, and utilities. They also pay all of the employees for the town. They are responsible to reconcile the cash and accounts payable, and they set up all of the grant funds. They also send out budget reports and post monthly financial year to date statements to the website. Lastly, they do the year-end audit and the workers comp audit. The audit this past year was successful. The goals and objectives for the year are to research more automation within the accounting process, get a backup to the payroll manager, and remove the old fixed assets to the fixed assets systems. They started using time and attendance in the payroll system for both the town hall and the utilities department. It has been working well and would now like to add police, fire, and DPW.

Terry said the budget has stayed the same except for permanent wages, which went down. The department lost the accounts payable clerk and hired someone new who came in at a lower grade and step. They increased overtime slightly because people have to come in on Monday holidays to process payroll. Michael said they discussed this last year as well and suggested to perhaps move payday by one day, to avoid the Monday holiday situation. Sarah said she thinks it is in collective bargaining to pay on Thursdays. Michael also asked about the finance director salary and asked if it is continuing to be increased more than average. Terry said it's because of what they are advertising the position at and what it maxes out at. Joe asked about the permanent part time position. Terry said they took over payroll in accounting. It used to be a full-time position in the town managers budget because it was HR, so when they took over they gave them a 6-hour part time person for overflow. Sarah said she used to oversee payroll when she was full time. When that payroll

person left they got time and attendance to help Sarah out, but now she is not there either so it's in accounting now. Rob asked how and when payroll gets transferred. Terry said time and attendance uploads that information and then that transfers into the payroll system. Next year they are going to get everyone on time and attendance, and would like to send checks through ACH. ACH will be a big time-saver so that vendors and reimbursements can be sent directly instead of sending paper checks.

7. Information Technology – J. Wassouf

The IT director was not able to join tonight so Stephen presented the department's budget and goals. The biggest increase in the budget is the MUNIS upgrade. It is very time consuming and takes a lot of training. Most departments use MUNIS every day. The goals include improving the server rooms, and upgrading the voiceover IP. The company that supplies the phones just declared bankruptcy so they are now highlighting the phone upgrade as something that may need to be moved up in the queue. They are also looking to create centralized support and maintenance for copiers, and will work on some of the processing/ onboarding. Accomplishments include supporting electronic voting at town meeting and keeping the department running smoothly.

The IT specialist salary is lower due to turnover, the GIS specialist moved from a part time position to a full-time position, and the maintenance contracts have gone up due to software contracts and copier contracts. Software increases reflect increased costs for software. GIS (Geographic Information Systems) which is mapping, data collection, processing, and analysis.

Michael asked who is putting in the GIS data currently. Stephen said some has been done on a grant funded basis, and some people in the utility department have some GIS capabilities. Michael said he is asking because they hear from departments that say they are strapped for time and could use extra help. He asked if by increasing this line item and making this a multi-use position, are we lightening the load of other departments, or are we saving costs from contracted firms that are doing the work now? Stephen said he hasn't done the analysis on that because he has worked in communities that have a full time GIS person and it is very helpful. Ken asked about the desk phones, Stephen said it is all voice-over IP but it's an old system. Michael S. asked about duplication of effort in IT between the town and schools, Stephen said he knows there is some but has not been involved in those conversations yet. Michael also asked about cyber security. Stephen said in goals and accomplishments, improving security is a big part of it. Stephen also said MAIA covers security breaches in their policy. Sarah said they hired a firm two years ago to do a security audit and there was a report done. When Jay came in, he increased firewalls and added redundancy to firewalls and networks to make it more secure.

Jamie asked about the GIS position and asked if it is being shared with any other department. Stephen said it is a full-time position and they are adding half a position because there was a vacant part time position. It will provide some technical support to all departments and will also provide GIS services. It's funded 75% from the general fund and then 25% from utilities. Rob asked if we know what other communities are doing with GIS and asked if we can leverage that position for other communities. Stephen said he hadn't thought of that, and because it is GIS plus tech support he thinks the person will be busy. Jamie said they might want to consider making it a remote position, or partially remote. Rob asked about the phone bankruptcy. Stephen said it's a Chapter 11 reorganization and he has town counsel looking at it. As the restructuring happens sometimes divisions or services are offloaded. They don't know what will remain at the end of the restructure and they need to watch for changes and be prepared. Rob asked if they are moving to laptops instead of desktops. Stephen said mostly they are doing laptops with a docking station, but sometimes they need desktops. Emily asked if there is a service they can hire instead. Stephen said it takes a lot of regular maintenance. There are contractors available, but it is expensive and they wouldn't also get the benefit of the tech support. Emily asked if the salary posted is competitive. Stephen said they are just giving it a shot to see what they get. They had to say no to a lot of people in town that wanted and deserved increases, so we can't invest in this at the expense of investing in other people. We will probably get someone with less experience, but that's okay.

8. Reserve Fund Requests Discussion/Vote – Michael Dougherty

Michael said they have extra money in reserve funds and the town manager made three requests for the money. They are for the fire department boat motor, the copiers, and Mile Lane. The boat motor is \$30k, the copiers are \$28k, and

the Mile Lane request is \$100k. The Finance Committee received these requests in mid- February. These three requests would not exhaust the reserve fund and would still leave the reserve fund with more money than usual. Any extra reserve fund money at the end of the year goes to the general fund. Jamie said the request for the boat motor does not say which fund it will go to. Michael said there should be a separate request for transfer page for each request. Sarah gave the appropriate accounts. A discussion ensued about how it would work to fund an “up to” amount since they need to transfer the money over. The Finance Committee said they have never done it that way and would prefer to have an exact figure. Michael said they will give the purchase their blessing, but once they have a final figure they will take the vote to move the money over. Michael asked the committee if anyone does not agree that this work should be done. Rob asked why they are funding \$30k instead of \$27k, since the estimate was \$27k. Stephen said it was just an estimate and they wanted a buffer. Jamie said he thinks this is important and they need to have the capacity to respond to incidents on the water. Michael S. asked if the fire department is trained to use this. Stephen said they do a lot of water training.

- Motion to approve the estimate of up to \$30k as requested by the town manager made by Emily, second by Ken.
→ *Motion passed unanimously, 9-0*

Stephen said they consolidated oversight of the copy machines which are multifunction machines that also scan, fax, and email. Stephen went department by department to see if machines are owned or leased and how up to date they are. They identified that 4 of the machines are at the end of their life. Michael asked why they need 4 machines if they are trying to go paperless. Stephen said they receive a lot of paper so need the machines to scan things. They also use them frequently for receipts and licenses. Ken asked how many we have in town. Stephen said he doesn't know but can find out. Rob asked if there is an opportunity to fund two and try to reduce paper, and if that doesn't work we could fund two more next year. Stephen said it's the location that drives the needs. Each department needs to use them.

- Motion to approve the money requested by the town manager for the copiers made by Ken, seconded by Joe.
→ *Motion passed unanimously, 8-0*

Stephen said there is a plan for Mile Lane but he wasn't able to get too much information on it. He asked if we could hold off on this request since he doesn't have more information. Michael said that would be helpful and they have enough meetings left so they can still approve this.

9. New/Old Business – Michael Dougherty

- Jamie said the Select Board warrant hearing is Monday night. He asked Stephen if he can go through the articles that have been submitted tomorrow night.

10. Adjourn – Michael Dougherty

- Motion to adjourn made by Jamie, seconded by Emily.

→ *Motion passed unanimously, 8-0*

Respectfully Submitted By
Alyson von der Esch
3-8-23