

Budget and Finance Committee

11/16/23 6:00 PM

Meeting Post: <https://www.cityofnewburyport.com/budget-finance/events/339436>

Roll:

B/F: Wright, Zeid, Khan

Other Members: Preston, Lane, Shand, McCauley, Lane

Staff: Manning, Brennan

Agenda: (green = coming out of cmte, pink = coming out of cmte amended, yellow = staying in cmte)

Likely to discuss:

• **ORDR00506_11_13_2023 FY2024 Tax Rate Order (COTW)**

- Ethan Manning and Jill Brennan presentation
- Slides posted to meeting
- JMcauley – CAMA is universal around the state. Methodology
- JB – Yes
- JM – Do you customize this for NBPT
- JB – Yes
- JM – Data is from Newburyport
- JB – Yes
- JM – Where do we get cost to build
- JB – Marshall and Swift is where the data where we get it and then adjust it based on sales
- MW – Source of sales information
- JB – Comes from the deeds. Closing means we get a copy of the deed
- JB – Has to be arms-length and we look at that (foreclosure, etc)
- JB – Research each sale
- MW – It's all manually done and then entered
- JB – we do it every day based on closings
- MW – That version of the data was on website, it's not anymore
- JB – yes the card with all the detail can come from our office
- JB – we don't pay for that but our office can produce it for every office
- AK – Thank you. Always learn.
- AK – Mixed use, does this take to account. 111-125 is not income approach
- AK – 300-393 mixed use.
- SZ – standard deviation
- EM – We can look
- SZ – land vs structure value
- JB – land sales can help would be best
- JB – when we don't have that, land residual report

- MW – seems to be discrepancies for similar properties, different places
- MW – PI land values going up way high
- MW – struggling with assessments from one part of city to another
- SZ – Study if we had shifted?
- EM – We can look
- SZ – abatement process
- JB – basically January, after tax bill is mailed. Up to Q3 due date. Application available online
- JB – Statutory exemptions through April. If granted you will get an application
- BL – Real estate mind exploding. Looking at assessments
- BL – Question: if house is listed on market, goes over
- BL – what is difference between list and sold, market condition
- BL – Quick to increase, year or year
- JB – What to do with market shifts down, will be as aggressive and goes down
- JB – Yes will go down that will happen in 2009 happened but didn't catch up to FY11
- BL – Underwater on assessment
- Public comment
 - **Jane Snow** – 9 Coffin St. – Curious in neighborhood. One is 27% increase. Own house as 19%, it's a lot. Not sustainable
 - **Mike Leonard** – 13 Tyng St. – Data too. My tax bill is going down. Hard to talk about fairness. Imperfect burden.
 - **Stephanie Niketic** – 93 High St. – Thank previous residents. I wanted to ask couple of questions.
 - Legalized Investor STRU, commercial. Will they be assessed as commercial. Residential.
 - Style of home – does it cost more.
- AK – before shift was debated, we didn't spend a lot of time on it
- AK – how anything changed, has rule of thumb changed
- EM – Communities like NBPT – very few like us do shift because of our makeup
- EM – Need to go to higher CIP communities to see CIP, 20%
- AK – has rule of thumb/philosophy changed?
- SZ – Do we want to make a case for a shift?
- No responses.
- SZ – Ok let's stick to 0.0 shift for now
- JM – I think 2% with a utilization of \$915k
- AK – Not what was recommended. Why is that?
- EM – Don't want to rely on free cash
- EM – setup for structural budget deficit
- JM – Those are our expenses. Free cash, revenues – expenses
- JM – Want to target \$1.5m free cash
- AK – Don't see us as corporation
- AK – looking at capital needs, etc

- Motion to recommend approval of 506/507 with no-shift (same CIP and residential rate) and that administration utilize \$525k of free cash and to calculate resulting rate – SZ/AK – 3-0

- **ORDR00507_11_13_2023 FY2024 Residential Factor Order (COTW)**

- See above

- **TRAN00175_11_13_2023 Mayor: General Fund Free Cash \$550,527.37 to Fire Boat Purchase \$550,527.37 (B&F)**

- SZ – This is a settlement
- Chief Bradbury – we did have some expenses related to the prior boat
- “ – We did get some email quotes
- We had a committee, settled on safe boat
- Similar to the Harbor Master
- This is a 29’ safe boat, it does have a fire pump
- Trailerable, it’s from Washington St. It’s a government contract
- Getting it here from WA is \$550k and change
- It’s all around boat, this is 3’ smaller than the one that sunk
- Now have a lot of experienced operators on the Merrimac
- AK – How long have we been without
- Bradbury – Sunk in June 2022
- AK – How has Salisbury is support
- Bradbury – Salisbury does have a fire boat
- Bradbury – Salisbury has been handling the river but when they are down then we don’t have it
- Bradbury – Was supposed to have a boat
- Closest local ones are Hampton and Beverly
- Paul Hogg – 1500 boats
- Lynzinsky and Richie Twomey from marinas
- Big risk here that we have, not the boating the community from the 70s. A lot of risk
- 4 fires this year, 1 fire off of Salisbury Beach, Newburyport yacht club, etc
- Obvious need for it, been trying to getting it for years, never worked out
- This boat is within insurance settlement
- Maintenance is about \$5000 a year, feel it will be somewhere around \$3k.
- Two outboards
- Grass fires on the island, etc
- **Motion to approve – AK/MW, 2-1 (SZ)**

- **TRAN00176_11_13_2023 Mayor: General Fund Free Cash \$280,978 to General Fund Budget Reserve \$280,978 (B&F)**

- This is the proposal to defray tax rate
- Recommendation to amend to \$525k

- **Motion to send out with recommendation to administration to amend to \$525k, MW/AK (3-0)**
- **ORDR00505_11_13_2023 Gift Acceptance Nock Tennis Courts \$21,195.00**
 - Existing courts, we recently did
 - Now want to expand
 - They got together and added some funds
 - Friends of NBPT Tennis
 - Fundraised
 - MW – What happens if CPC was denied and we have accepted the gift
 - Application is for design
 - Timing? Return of funds? Apply CPC?
 - **Keep in committee**
- **ORDR00508_11_13_2023 Approval to Pay Prior Year Bills**
 - DPS employee, taken course required
 - It hadn't made it through process with prior director
 - Current Dir and Mayor approved
 - Class was taken last winter
 - Volume of prior year bills – unheard of in prior years. I 100% attribute to the turnover in DPS and business office. Business frankly sat or fell through the cracks
 - **Motion to approve AK/MW, 3-0**
- **ORDR00509_11_13_2023 Gift Acceptance Form Belleville Improvement Society \$895.00**
 - During CPC project, they had some more ceiling work
 - Work is done
 - **Motion to approve, AK/MW, 3-0**

Unlikely to discuss:

- **ORDR00336_03_28_2022 ARPA Amesbury 250K (COTW)**
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- **ORDR00504_10_30_2023 Local Acceptance of Community Impact Fee on Short Term Rentals**
 - Next meeting
- **TRAN00153_05_08_2023 Mayor: Multiple \$3,483,773 to Multiple \$3,483,773 revised 6/15/2023 (Atkinson Common Request only all other matters adjudicated)**
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Public Comment:

See above

Adjourn:

Motion MW/AK, 7:09PM, 3-0

Recording:

<https://us02web.zoom.us/rec/share/HWEi36RiNUCrW9GfJTNv8PzMJcsxzVM-Fg5vyOyqeNRSu0G3IT2wrLa-q9qMfMTq.UkDv5ZhxN-K1OIWM>