

Budget and Finance Committee

2/1/24 6:00 PM

Meeting Post: <https://www.cityofnewburyport.com/budget-finance/events/347471>

Roll:

B/F: Zeid, Harman

Additional: Wright, Cameron (remotely)

Staff: Manning, Bradbury

Agenda:

• COMM00531_01_29_2024 FY2024 Mid-Year Budget Report

- EM
 - Right where we've been for most years
 - Running right around the 50% for both except for Harbormaster due to timing
 - Fairly typical numbers
 - Revenue is right where expected for the most part
 - Legal – possibly from Whittier
 - MV Excise down to reduction in new cars being purchased
 - Meals is up consistent with inflation
 - Room Occupancy – STRU is showing itself here
 - Fees are down 44% - goes up and down depends on tax title
 - Building Permits up a lot – fluctuates, timing
 - Some new construction but nothing too big
 - Investment income is way up because of where rates are
 - About 5% returns
 - Water/Sewer/Harbor are all down. They have all collected 50% of their estimate. Also included a visual. Rainy season, not using as much water.
 - Previous year was up a lot
 - General fund up 4.6%, total budget up 2.2%
 - Free cash – current based on submitted \$2.3M
 - Water 1.1M, Sewer is 1.7m, Harbor 846k
 - Stabilization 4.5m
 - Available from ARPA 1.2m
- JM Questions
- COMM531...Mid year budget
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- Couple of “projections” about how much they may need in future
- 32k Fire off duty....need real dates and timelines (or I' a no)

- **We just did transfer**
- 30 Legal...is this for new bills or related to hiring of Pierce Atwood.
- **Is it driven completely by whittier – no**
- **Based on trend, depends on where this goes**
- **Not to exceed**
- 630...why is Parks Commission listed? Is this really Parks Dept?
- And if so, wouldn't this be blended under DPS?
- If its truly Parks Commission....what are we paying 500k for?
- **Cost center labeled, can be corrected.**
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- 152 HR...purchase of svc's is 77% spent...will we make it until June?
- **Included short blurb includes workers comp which is paid in first on July 1st. See no reason why we can't.**
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- 191 Legal...at 25% used....so why would we anticipate another 30K.
Am seeing bills coming in – only paid through end October
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- And if its over, what bills are outstanding?
- Will this trigger a legal update to Council?
- (over and above the reappointment to City Solicitor?)
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- 543 Veterans Services...why is 007 so high?
- **Those are veteran's benefits**
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- Revenue tab
- Are we concerned that Water (-7.2) and Sewer (-10) are down?
- We have projects in the queue....how will we fund?
- Do we expect an uptick in 2nd half?
 - **No specific trend for each year. Perhaps. Projects**
- **BH** Is there a target for stabilization
- **EM** – yes 5% of revenues
- **EM** – Around 5.5% right now
- **BH** – On Water and Sewer, right on the line
- **EM** – Use retained earnings or some off cycle rate increase or general fund
- **BH** – ARPA spent by 12/31/24
- **SZ** – Can water and sewer consultant tie back to rates?
- **EM** – not spending less, just budgeting
- **SZ** – parklets from fund
- **EM** – yes, we can work with the Council, work on the fees
- **MW** – Are we any closer to having a real cost for parklets
- **EM** – Guesstimating and subsidizing, particularly DPS time
- **EM** – bottom line we weren't covering cost
- **SZ** – what does it make next year

- **EM** – pretty stable for revenue, no new fees
- **EM** – Based on similar revenue, but cost pressures
- **Jane Snow** – 9 Coffin St. – One of things that was concerned was about parking spaces. Walked around all the streets and how much we lost. Understand the balance. City was paying for flower and having them watered. Should up be up owner. Residents should not be paid. STRU what is happening
- **EM** – could be staffing who knows but right now this is just potential
- **Motion to recommend receive/file BH/SZ – 2-0-1 (AK Absent)**

TRAN00177_01_29_2024 Mayor: General Fund Free Cash \$27,046 to Fire: Injured-on-Duty \$27,046 (COTW)

- Original transfer got us through first 6 months
- There is an accidental retirement, this is before the retirement board.
- Requires 3 medical exams, they have been completed as of 1/25
- They have 30 days to respond (physicians) through Perac
- The board will then review and then act on disability
- By end of March, expect to have better update in terms of long term.
- Retirement can either approve or denied by board
 - Approved – would give 73% salary of highest salary before they left tax free. For the rest of their life. Option C would go onto any beneficiary. Would be paid for from retirement.
 - Deny – Applicant has right to appeal. Based on law, former chief would be on injured on leave status. Would continue until his retirement caps out (age 65).
 - City deems injured on duty status to be no longer applicable
- BH – how long does this go?
- EM – 3/31 this transfer
- EM – End of February reports back then board has to hear back
- EM – Very likely that could need more
- BH – is any of this coming back to us
- EM – Insurance covers \$1k/week, net is charged to budget
- EC – What is the decision criteria
- EM – This is all part of accidental retirement part of injury sustained on duty. If the 3 member medical panel comes back and all say it's an accident then the board really needs to heed the outcome. If Medicare came back unfavorably.
- SZ – What is typical percentage
- EM – depends on age and service. Max is 80%. Taxable under regular retirement. Accidental disability takes out the age factor and takes out years of service and just goes to 73% of where you left off.
- SZ – What would have been liability

- EM – Would not have been 73%. Service was relatively short for this employee.
- SZ – Can they can come in and ask for ask for creditable for service
- SZ – will we see it immediately in retirement
- EM – it would take a couple of years after that.
- SZ – is there a negotiation
- EM – can discuss
- SZ – Really torn on this. This may be the last one
- MW – Between rock and hard place
- MW – Would be helpful to have a dollar value for each pathway
- MW – By waiting a month, we'll have more information.
- MW – Wait until they make their determination
- BH – Fresh perspective of not having approved before, I'm inclined to allow process its course but may need to take a different approach.
- EC – If we do not approve, do we keep paying, you've got to come up with it from some other source.
- EM – If we don't have appropriation then we can't pay it. Eventually will catch up.
- EM – given risk, would be to err on the side of caution
- EC – if we don't and not paying it and may have some exposure
- EM – Approve the transfer
- EC – We aren't specialists so we should defer to the process
- **Motion to recommend approval BH/SZ – 2-0-1 (AK Absent)**

• TRAN00180_01_29_2024 Fire Dept: CIP Radio Equipment \$13,000 to Fire Maint-Buildings & Grounds \$13,000

- EM – Project is winding down
- EM - 21237 balance, appropriated last June (2022)
- Started at 55k
- Can be redirected to boiler
- SB - Station 2 doesn't have any radios in it and fire boat needs a radio
- SB - Should be enough to cover those two
- SB – in good shape with portables, repeated system in trouble
- SB – Maintenance of buildings will cover the rest of it
- SZ – so where will the rest come from
- SB - -16950 will bring it
- SB – Boiler is done and it's done, so you're in red
- SB – This is fairly simple system, that price was prevailing wage, 5 estimates.
- SB – 16,000 sq ft.

- **Motion to recommend approval BH/SZ – 2-0-1 (AK Absent)**

- **ORDR00533_01_29_2024 NHS Statement of Interest Vote (COTW)**

- Held for next meeting

- **ORDR00534_01_29_2024 Nock Statement of Interest Vote (COTW)**

- Held for next meeting

- **TRAN00178_01_29_2024 Parking: RRFA-Paid Parking Fund \$33,006 to PKG LPR System \$33,006**

- RJ – LPR system has been installed. Sits on top of vehicle
- RJ – Drive 2 hours streets and reads plates
- BH – How many do you have
- RJ – Had two, still have two (traded one)
- BH – On topic of paring, can't get into charging stations
- RJ – We have talked about that
- SZ – What is the life
- MW – what was replaced
- RJ – it was a mustang, went for escape – it was the only one we could get. It's good
- MW – Debt service, does not come out
- EM – comes out indirectly but budgeted into debt category
- EM – get charged off. The 996 would be after debt service after paid out
- SZ – what is the life
- RJ – 10 years but tech changes
- SZ – About 100k to move
- **Motion to recommend approval BH/SZ – 2-0-1 (AK Absent)**

- **TRAN00179_01_29_2024 DPS: General Fund Free Cash \$43,300 to Roadway & Sidewalk Improvements \$43,300**

- Put it into this line and then repair this roadway later
- From Ngrid for state st
- SZ – How do they know how much
- EM - \$43k is base on square footage.
- SZ – will this fall to free cash if not spent
- EM – funding is going into capital account
- EM – this is the line where any bond proceeds would go
- EM – this is considered general fund revenue so to move it
- MW – Comment: rampant inflation the DPS to be careful to quote cost. If they decide then we should certainly take into account increased cost
- BH – Agree low amount

- BH – not having a clear tie to damage done is a bit uncomfortable
- SZ – State stinks, can they spend sooner
- SZ – not getting another bite this
- **Motion to recommend approval BH/SZ – 2-0-1 (AK Absent)**

• ORDR00532_01_29_2024 Gift Acceptance \$10,012 Newburyport Black History Initiative

- Chair summarized
- This was part of the CPC application, this was listed
- EM – the work is going on and finishing up
- EM – These particular interpretive signs would be wrapped up with this donation
- BH – First day of Black History month, nice to gift
- **Motion to recommend approval BH/SZ – 2-0-1 (AK Absent)**

Public Comment:

See above

Motion to adjourn:

7:27 PM, BH/SZ – 2-0

Recording:

https://us02web.zoom.us/rec/share/alN4GJjNa0yPNymgpmczilnGKdn9lsOxT5HwsjjoLN12lvDEoF8_2wPs72wT0UEe.e4Dvfv4VX2fO2Ezy