



Finance Board – Workshop Meeting Minutes **Thursday, March 7, 2019 – 6:00 p.m.**

Town Manager's Conference Room, Westerly Town Hall
45 Broad Street, Westerly, RI 02891

AGENDA

1. CALL TO ORDER

Mr. Swain called the meeting to order at 6:00 p.m.

2. ROLL CALL AND REVIEW OF STAFF ATTENDANCE

Members Present: Chair Kenneth J. Swain, Vice Chair Paula Brouillette, and Members Betsy Gleason and Stephen Lynner

Members Absent: Christopher A. Duhamel, Ex-Officio

Staff Present: Finance Director Dyann Baker, Town Manager Mark Rooney, Senior Accountant Kenia Lopez, and Minute Taker Stephanie LaSota

Westerly Police Chief Shawn Lacey was also in attendance.

3. APPROVAL AND REVISION OF MINUTES

Ms. LaSota stated the final drafts of the March 5 and March 7 Finance Board meeting minutes will be on the agenda for Tuesday March 12, 2019. There were no minutes to approve tonight.

4. REVIEW & DISCUSSION

a. F/Y 2020 Municipal Government Budget (General Government)

Chief Lacey reviewed the Westerly Police Department budget for the Finance Board. There was discussion on the number of police staff and cost of retaining extra staff versus paying overtime costs. There was discussion on tuition reimbursement being required by the State. Chief Lacey said once they pass a class with a C or better grade, the department must reimburse their employees for the cost of credits. There was discussion on FSA (Flexible Spending Account) and the Town matching 250 dollars per person. Mr. Rooney asked what the rate of participation is for FSA. Chief Lacey said there is about 75 percent participation.

Mr. Swain asked for actuals on the health insurance and why they are budgeting a 1.8 percent increase. Ms. Baker reminded the Finance Board that they report dental insurance separately to the State. She said they always budget high for health insurance, assuming staff is providing coverage for their families.

There was conversation about disability insurance. Chief Lacey said they do not call on worker's compensation and if someone is out on injury it comes out of the payroll line item so the 15,000 dollars will be omitted. The worker's compensation number is for the civilian employees, he said. He said the reality of professional development will be about 5,000 dollars and 21,000 dollars is too high. Mr. Swain



said in the past they had higher education costs and lower professional development. Chief Lacey said they can use professional development for training costs, also.

Chief Lacey said the maintenance of motor vehicles and equipment is further down in the budget and coming back in the budget as it used to be in the Department of Public Works (DPW). He said the armory has been reduced and tasers have been leased at a 7,000-dollar annual cost. He said it is up to 30,000 dollars from the traditional 25,000 dollars because they have a lease payment this year. Chief Lacey said they are in deliberation with the union on the clothing allowance in the contract.

Mr. Swain asked for a year-to-date update on fuel and lubricants. Ms. Baker said it was about 66,000 dollars. Chief Lacey said the reality is they will probably decrease because gas prices are down and the fleet is newer and more efficient than it was before. Mr. Rooney said they knew maintenance was an issue to talk about tonight. Chief Lacey said the harbor parts and maintenance parts will be pulled back in from DPW. Mr. Lynner asked if the Town buys its own gas. Chief Lacey said they have a fueling station at the Police Department and they don't pay tax. Chief Lacey said the maintenance of equipment and parts are one and the same. Mr. Swain said this makes the budget difficult to follow and we need to stop doing this – moving money, as it runs havoc on the Board. Chief Lacey said he questioned when it went to the DPW and if it's a part of the police department it should be on the police budget. Mr. Rooney agreed you can't hide the true cost of the police department in the DPW.

Chief Lacey reviewed office supplies, canine expenses, and the code red membership fee of reverse 911 calling. He said they're going to come up with a new plan now since most people don't have home phones; they have cell phones. He said Code Red is working on it but other companies are working to develop the technology, too. Chief Lacey said computer hardware and software is a separate line item under Information Technology (IT) for the entire Town. Mr. Swain said if the Town wants to show the true cost of the department, it needs to stick to one philosophy or other. Ms. Baker explained the exemption for costs sharing in IT. Chief Lacey said they have a separate police IT budget and that was separated out so it is not merged into the Town's. Mr. Swain said there will be some questions on that.

Chief Lacey continued to talk about lease payment for fingerprinting machines. Mr. Swain said page 300 is annual ground rent from airport. Chief Lacey said whatever they are paying in ground rent is the same payment they take in from Verizon tower behind station – about 40,000 dollars (see page 63 Verizon Lease.) Mr. Swain asked how the Town would see that those two items correlate. Mr. Swain asked Baker to do some research on that and have information ready for next week.

Chief Lacey said office equipment is down 2,000 dollars, based on history of expenditures. He said safety equipment funds remain the same. Ms. Gleason asked about vacation buy back funds. Chief Lacey said officers have a right to buy back one week of their vacation as opposed to using it. Ms. Baker said she wanted to record the actual impact of it. Chief Lacey said it may be worthwhile to see the trends as not all police officers do this; maybe only 10 of 15 percent do. Chief Lacey said it would have come out of the salary line item in the past. He said you wouldn't have seen it in a previous budget, as it wasn't differentiated. Mr. Swain said if it was budgeted in the salary line, the Board shouldn't be seeing 3 percent increases, it should be seeing less money. There was further discussion on how to handle it. Mr. Swain said all you are doing is charging taxes to put in your savings account. Ms. Baker said they can look at the trends. Mr. Rooney said they wanted to spell out all the costs of the contract. Chief Lacey said you will never use all of the 82,000-dollar line item. Mr. Swain said he has no problem budgeting one or the other, but not both. Mr. Swain said clothing, lease payments and the vacation buy back are the three items to revisit.

There was conversation on the public safety and technology budget of the Police Department on page 308. Chief Lacey said the first ones are related to the salary of the IT person and he would fall



under disability and workers compensation as a civilian. He said the 1,500 dollars is training for him. There is an increase from 42,000 to 62,000 dollars for the computer database, contractual services, and subscriptions for software. Mr. Lynner asked about the Verizon GPS aggregate costs broken into two line items; about 11,000 dollars for hardware and about 13,000 dollars for service agreement. Chief Lacey said their IMC Software program has a GPS component in it, but they don't subscribe because it's an added fee on all the cars. There was further conversation about the GPS units and vehicles. Chief Lacey said there are air cards in each car along with computers from Verizon and there will be a live GPS to track the cars. Chief Lacey explained it is installed in the cars, but not activated, because it is an added fee. Mr. Rooney said they chose Verizon because it is in DPW vehicles, too. Mr. Rooney said it was less expensive to do this. Chief Lacey said on the contractual service side with 62,850 dollars, there was a 16,000-dollar increase to get accredited by July 1, 2019 for PowerDMS, the policy tracking program. Mr. Swain said the Board doesn't see the PowerDMS policy tracker in the explanation. There was further discussion on the cost of tracking vehicles with GPS software. Mr. Rooney said both the Police and DPW will be tracking the vehicles. Chief Lacey said he is assuming the data will be stored in case they need to access it. Lynner clarified the 22,000 dollars is for new hardware and technology and next year there will only be a maintenance fee. There was conversation on how the tracking system functions. Mr. Swain clarified there may be minor costs in the future that would fall under vehicle maintenance. Mr. Swain said this will not happen until after July 2019 for the 19-20 budget. Mr. Rooney added he is pushing for dashboard cams for next year. There was discussion on future data storage and going to the cloud.

There was discussion on the Civil Preparedness budget on page 301. Chief Lacey said that's the Emergency Management Agency (EMA) side of things and 2018 was 5,000-dollar request, 2019 was 10,000 dollars and 2020 is a 5,000-dollar request. He said the cost is for Town employees, Amy Grzybowski and an assistant Marc Tate. Mr. Rooney said Ms. Grzybowski used to be the Assistant Town Manager and now she works for the Westerly Education Center, too. He said the level of training she has in the Federal Emergency Management Agency (FEMA) is hard to come by.

Mr. Lynner made a motion to tentatively approve the Civic Preparedness budget on page 304. Ms. Gleason seconded the motion. The motion **CARRIED** by unanimous vote with no abstentions.

Mr. Swain thanked Chief Lacey and said the Board wouldn't need him to come back again. Chief Lacey thanked everyone, as well. There was some closing discussion on the animal control officer and cost of the animal shelter.

Mr. Swain said the Board will now review the Department of Development Services (DDS) budget on page 222 and added he hasn't bought into the position upgrades, especially the grant administrator. He said he doesn't see a value in bringing on a grant writer. It is a value as a contractual service because the grant can pay for it, he said. It is growth in a department that has had significant growth over the last three years and we should see how we move forward with the people we have. He suggested that DDS bring forward evidence of missing grants to show a need for the position. Mr. Rooney said the part-time inspector position is being transferred to the Engineering Department. Mr. Swain disagreed with that line item. Mr. Rooney said if the Board is vehemently opposed, he will not defend keeping the positions here tonight. He said there is a big need for code enforcement to get noncompliant properties into compliance. Mr. Rooney said there is a way to quantify through municipal court in fines and fees. Mr. Lynner asked if there was a way to have it reflected in other revenue sources. Mr. Rooney said they can bring a datasheet to show the increase at the end of summer with the influx of fines coming up, after staff came in. Mr. Rooney said at some point, you want compliance and not just fine collections. He said the need is based on what is going on in community and there is some commercial and residential property maintenance that is bad. He said he is shocked at the number of



hoarders they need to take to court and get mental health services for because of the number of things in yards and properties. He said the funding is for a half-time and full-time body. Mr. Rooney said a contractual service is too expensive and there's no one in that business here. Mr. Swain said fines imposed and fines collected will be substantially different. Mr. Swain said legal services have to be considered, too. Mr. Rooney said another interesting thing in Westerly is empty retail centers and he just heard today that Family Dollar is looking to vacate. Mr. Swain said he understands the code enforcement side but a Town the size of Westerly should not have a part-time position and maybe there needs to be someone working positively with the landlords of Westerly. There was further conversation of code enforcement.

There was conversation on two part-time employees in plumbing and electrical, being hired at 25,000 dollars each. Mr. Rooney said he would fight to keep these positions at future Town Council public hearings. There was discussion on the proposed grant writer position in DDS. Mr. Rooney said the previous person got a full-time job at the University of Rhode Island and when they advertised a part-time position for grant writer, they couldn't find anyone and that was part of the reasoning for hiring a full-time employee. Ms. Baker said the Finance Department spent a lot of time cleaning up grants for the audit. She said 115,000 dollars of unclaimed money was collected on one grant. She said there were a couple that they forgot the last piece or had in on books and never pursued it. She said they're struggling administratively. Ms. Brouillette said there's a lot of follow through on grants and with contracting there's no accountability in ownership and it sounds like you have personnel dollars to back it up. She said DDS is very necessary for the Town. There was conversation on the process to do things in Town and the benefits of the DDS. Ms. Brouillette said in a lot of these departments, you make it fail and you make it difficult for a new business to see the end point. Mr. Rooney said you need to have the bodies to do the work. There was further discussion on the economy and Mr. Swain's opinion on benefit of contractual services. There was conversation about subsidies and handing money with no accountability and doing public charity with private funds. Ms. Brouillette said a grant writer gives the ability to the Town Manager on how you will leverage getting a good return. Mr. Rooney said you're not getting a good return on Town subsidies, and he would them to function like the Westerly Library that they get a 413,000-dollar subsidy from the Town and get back 330,000 dollars from the State. Mr. Rooney said grant writers pay for themselves if they are good at their job. Mr. Swain asked how a municipality charges back to the grant fees for administrative work. Mr. Rooney said where the grant allows it, we have some of that now, like with the dredging grant. Ms. Baker said she doesn't budget grants in the general fund. Mr. Swain asked to show revenue source on this with an administrative revenue cost and how that position may be more valuable than the expense. Mr. Lynner said he understands what Mr. Swain is saying. Ms. Baker said the Finance Department had to clean up 35 grants to close the books and they had to hire a contractor because the department couldn't handle it. There was further conversation on the process for writing grants and requiring administrative fees be covered. Ms. Brouillette said if you don't have someone write grants, you don't get the money. Ms. Gleason said she agrees it is a necessary position, but you need to capture the whole picture because it just looks like another body and there's no incentive. Mr. Rooney said they will have to sell that to the Town Council. Mr. Lynner said he is ok with it but there has to be some accountability applied to a source of revenue in next year's budget. Mr. Rooney said they could set up the metrics on that. Ms. Baker said a lot of the grants closed out were from about five years ago. There was discussion on the most recent grants.

Ms. Brouillette made a motion to tentatively approve the DDS budget as submitted with the condition that a caveat of accountability and metrics be created to prove the cost-effectiveness of a grant writer position. Mr. Lynner seconded the motion. The motion **CARRIED** by unanimous vote with no abstentions.



There was discussion on the School Appropriations budget on page 244. Mr. Swain said the Board would want the School Committee to join them again to discuss this. Mr. Lynner shared an idea of how the Westerly Public School district (WPS) could incentivize retirements. He said if you demonstrate it could restore fund balance you can say it could be an ongoing project. Mr. Swain said the only thing they can do on the school is recommend a bottom-line deduction. It makes a lot of sense to use the fund balance for what Mr. Lynner suggests, because it reduces funds drawn from the Town, Mr. Swain said. There was also conversation on the out of district costs of almost 19,000 dollars per student (WPS receives about 21,000 dollars for in-house pupils). Mr. Swain touched on the Career and Technology Education (CTE) pathways of WPS and their desires to keep programs. Mr. Swain recommended a cut of 500,000 dollars and a directive to keep students in WPS. He said he thinks Westerly High School can do the same thing in the criminal justice CTE as they did for the cosmetology CTE. He said when the Board looked in the capital budget, they spoke about bleachers, which removes 150,000 dollars out of the budget. Mr. Lynner asked if they are part of the recreation study initiative and Mr. Rooney said yes. Mr. Swain reviewed the school's maintenance cost and if the school is looking at getting a 71-million-dollar bond, there shouldn't be capital costs. Mr. Swain asked the Board for their thoughts on the items he reviewed. He said until the Board confronts the school number, we don't know what to do with the Town budget. He said the Board needs to have a conversation on the budget philosophy and if it wants to get close to the four percent property tax levy cap or the social security cost of living annual number. Mr. Swain said there was a report at one point where it said what the Town Charter questions would cost the Town. Mr. Lynner clarified there was a Town mandate to authorize finance increases that the Town didn't implement. There was conversation on dealing with unsustainable increases that are a problem, like health insurance. Mr. Swain asked Ms. Baker if she could find documents developed a few years ago for the cost of the Town Charter changes. Mr. Rooney said they can ask Mr. Tate. Mr. Swain said they could also check the Westerly Sun archives.

Mr. Swain said next week they will review the budget for DPW and Recreation Tuesday night. There was conversation on the time it would take to review those budgets.

Mr. Swain said we can take a consensus tonight of the ideas spoken of regarding school he can reach out to School Committee members and the WPS Superintendent to hear their thought process on the Finance Board reducing the school budget by 1.5 million dollars with a recommendation for 1.3 million dollars of identified cuts. Ms. Gleason said he should share an email stating that and we should lay out the proposal. Mr. Swain said it was great to meet with Chief Lacey tonight, but looking at his budget, he really didn't need to be here. Mr. Swain asked Mr. Rooney if the DPW director needs to be here Tuesday and Mr. Rooney said no. Mr. Rooney suggested having the Recreation Department Director present on Thursday because a large part of his ask is in the school's budget. There was discussion on the costs of fields and parks in the Westerly area. Ms. Brouillette recommended that the school own the details of the budget and they own the cuts, but the Board can give examples of identified cuts.

Mr. Swain said he thinks it's the Boards responsibility to educate the public that students are leaving the district and this is the cost. He said he doesn't think the parents understand the cost to them in taxes.

Ms. Brouillette said she would like to take a look at the capital plan and she expects it's front end loaded. She said it is time to educate people on because it gets ignored by communities until there is a crisis.

There was discussion on meeting at 6 p.m. at the Town Manager's Conference Room on Tuesday, March 12 and at the Thursday, March 14 meeting, along with some members of the school



community and staff, the Finance Board will make a recommendation on the school budget. Mr. Rooney asked if he could do the Town budget presentation part first at 6 p.m. and the school's at 7 p.m.

5. OTHER BUSINESS

None.

6. PUBLIC COMMENT

None.

7. ADJOURNMENT

Ms. Brouillette made a motion to adjourn the meeting at 8:17 p.m. Ms. Gleason seconded the motion. The motion **CARRIED** by unanimous vote with no abstentions.

Respectfully submitted,

A handwritten signature in blue ink that reads "Stephanie J. LaSota".

Stephanie J. LaSota
Minute Taker