

## **MUNICIPAL FINANCE OVERSIGHT BOARD**

**Meeting September 19, 2018**

### **MINUTES**

**Board Members Present:** State Auditor Suzanne Bump (Chair), Craig Stepno (Office of the State Treasurer), Mary Jane Handy (Department of Revenue), Margaret Hurley (Office of the Attorney General)

**Non-Board Members Present:** Sophia Apostola (Office of the State Auditor), Michael Ruane (Office of the State Auditor), Michael Leung-Tat (Office of the State Auditor), William Arrigal (Department of Revenue), Douglas Willardson (Webster), Timothy Bell (Webster), Mary Carney (Hilltop Securities), Kristy Tofuri (Hilltop Securities)

The meeting was called to order at 11:04 a.m.

#### **Minute from August 1, 2018**

On the question of approval of the minutes from the meeting on August 1, 2018: approved by all members with amendments to the section regarding Long-Range Municipal Fiscal Stability.

#### **Town of Webster**

Douglas Willardson, Webster's Town Administrator, provided a brief overview of the Town's request. Webster is seeking to borrow to make improvements to its water infrastructure. Webster built a water filtration facility; the current facility needs upgrades. Webster is seeking authorization to borrow to move and upgrade the water filtration facilities.

Mr. Willardson also provided a brief progress update since Webster's last meeting with the board in April 2018. Mr. Willardson stated that Webster hired a town accountant, Timothy Bell. Mr. Willardson stated that in May the Town voted to make the treasurer and collector appointed positions rather than elected positions. In June, the Town voted to combine the treasurer and collector into one positions. The combined treasurer/collector position will take effect in January 2019. Mr. Willardson also noted that at the June meeting the Town balanced its outstanding capital projects.

Timothy Bell provided a brief summary of his background. Mr. Bell is a CPA. Mr. Bell worked for a CPA firm conducting municipal audits for approximately 20 years. Mr. Bell's goal is to review DOR's fiscal management assessment and Webster's audits and work on implementing the recommended changes.

Margaret Hurley asked if Webster had any issues affecting municipal government after the tornado.

Mr. Willardson stated that the tornado mostly affected two private buildings that were demolished immediately after the storm. However, the debris from those two buildings tested positive for asbestos. Mr. Willardson stated that the many of the effected building are in the downtown area. One of the effected buildings was vacant. The Town will have almost an entire block that will be available for redevelopment. Webster is using a Community Compact grant to help plan for the redevelopment of the area. Mr. Willardson requested FEMA funding for the damaged buildings but it does not appear that the owners will receive funding.

Additionally, two trees were knocked into the French River and Webster requested USDA funding for the tree removal. The river is part of a levy and dam system and the Army Corp of Engineers is responsible for the river, which is why Webster may be eligible to receive USDA funding.

Craig Stepno asked how the damaged buildings affected Webster's tax revenue.

Mr. Willardson stated that one building was assessed at \$70,000 and the other building was assessed at \$200,000.

Ms. Hurley asked about Webster's plans for marijuana facilities.

Mr. Willardson stated that Webster has a medical marijuana growing facility that is expanding. Webster authorized marijuana testing facilities. Additionally, the Town is scheduled to vote on whether to prohibit retail sales.

Mr. Stepno asked whether the marijuana facilities are responsible for their own water supplies and what effect the marijuana grow facility has on the Town's wastewater systems.

Mr. Willardson stated that the marijuana facilities are on municipal water, but the modern watering system does not draw significant amounts of water. Mr. Willardson stated the facilities do have an effect on the wastewater facilities. Webster needs to filter nitrates being deposited into the French River. Webster plans to pay for system improvements by increasing the sewer rates.

Mary Jane Handy made a motion to approve the request from Webster.

Craig Stepno seconded the motion.

The motion was unanimous approved.

#### **Long-Range Municipal Fiscal Stability**

Mary Jane Handy provided an overview of two issues. Ms. Handy stated that Brewster's town accountant was placed on administrative leave in May 2018 and Brewster's town manager resigned in June 2018. In FY 2018, Brewster overspent its budget. Brewster was able to accommodate the overspending with available funds. However, Brewster's financial records were not in order and the Town hired an outside firm to review its books.

Ms. Handy also noted that Revere has some incongruities with its parking accounts. Revere hired a forensic accountant due to inconsistencies in the parking receipts. As a consequence of this, Revere is looking to upgrade their parking meters.

Margaret Hurley added that the Hampshire County Council of Governments contacted her office to seek technical assistance to disband. The Hampshire County Council of Governments provides health insurance, bulk purchasing, and energy purchasing for their member communities.

#### **Topics for Next Meeting**

Sophia Apostola stated that Lynn is on the agenda for an October 17, 2018 meeting.

The meeting was adjourned at 11:59 a.m.