

DOVER WARRANT COMMITTEE
Minutes of the September 16, 2020 Meeting

Members in attendance: Rob Andrews, Melissa Herman, Cam Hudson, Gordon Kinder, Sara Kinney, Janet McCormick, Steve Migausky, Peter Smith, Andy Ursitti

Members absent: none

Others in attendance: Bob Springett & Robyn Hunter, Board of Selectmen; Mary Carrigan & Juris Alksnitis, Personnel Board

Location: on-line, via Zoom

Mr. Kinder called the meeting to order at 7:11 pm.

Non-Contract Employee Compensation

Ms. Carrigan and Mr. Alksnitis presented the Personnel Board's recommendation for the Fiscal 2022 General Increase for non-contract personnel (see Attachments 1 & 2). The Personnel Board is recommending a 3% General Increase for FY 2022, affecting 112 full- and part-time employees. The combined budget impact is calculated as \$71,427. The recommendation is based on comparisons with similar towns with the goal of bringing Dover's employees to the 50th percentile of their peers.

It was pointed out that the classification study planned for this calendar year was not performed, so our comparison data is old. The study is currently out to bid and should be complete in time to inform next year's recommendation. It was agreed that more frequent comparisons are desirable so long as the cost is not prohibitive.

Financial Reserves Strategy

Ms. Hunter presented her summary of the work performed last spring by a task force made up of the Town House finance team and representatives of the Board of Selectmen and Warrant Committee (see Attachment 3). The goal was to develop a strategy for managing the Town's cash reserves and unfunded liabilities.

- The Town should regularly add to the General Stabilization Fund as our primary savings, rather than keeping all uncommitted reserves in Free Cash.
- A Capital Stabilization Fund should be established and built up over time to cover projects that do not entail borrowing. [NB: The May 2019 Annual Town Meeting established a stabilization fund to begin saving for the Regional Schools' unfunded OPEB liability.]
- Free Cash should be maintained at a level that supports our Aaa bond rating.

On Site Insight consultants have performed a long-term capital needs analysis which will help us develop a capital plan that extends beyond the current five-year outlook.

The State's Special Education "Circuit Breaker" reimbursement has up to now been ignored in the budgeting process and is the single largest budget turn-back. We should consider baking this into the schools' budgets.

It was agreed that a section on the pros and cons of stabilization funds should be added to the presentation.

Other Business

- New member Sara Kinney was welcomed to the Committee.
- Liaison assignments have been emailed to the Committee members.
- Schedule for milestones has been emailed to the Committee members.
- Mr. Kinder's draft of the guidance letter to the budget authorities was discussed and edits by Mr. Andrews were emailed to the Committee members.
- Mr. Kinder reiterated the need for each member to have an email account that is exclusively dedicated to Town business.

There being no further business a motion was made to adjourn, seconded by unanimous proclamation. The meeting adjourned at 9:24 pm.

Respectfully submitted,
Peter Smith, Secretary

Attachments:

1. Overview_2020 Dover Compensation Presentation (Financial Review)
2. 2020 CPI CHART
3. Financial Reserves Presentation 2020