August 10, 2020 Minutes

Town of Sharon Finance Committee Meeting

**Present:** Daniel Lewenberg, Patricia-Lee Achorn, Anja Bernier, William Brack, Arnold Cohen, Gordon Gladstone, Charles Goodman, Ann Keitner, Ira Miller, Edward Philips.

**Not Present:** Anil Ramoju.

Also present: Krishan Gupta, Director of Finance and Fred Turkington, Town Administrator.

1. **Dan Lewenberg, Chair, gave opening remarks**
	1. This meeting is being held through the Zoom online platform due to the State of Emergency based on the COVID-19 outbreak. He confirmed all present members could hear and that the meeting was being recorded and broadcast.
2. **Review Priorities Committee worksheets updated with recent State-aid guidance – Fred Turkington/ Krishan Gupta**
	1. Total FY21 revenue reductions vs previous Priorities worksheet is $631,967. State aid came in almost $190,000 less than anticipated in governor’s budget.
	2. Town has pared down anticipated local receipts and new growth numbers, and made adjustments to fixed capital:
		1. $359,211 in reductions for fixed costs
		2. $272,756 in reductions for operating costs for all three sectors.
	3. $1,509,260 is the dollar difference for the FY20-21 operating base, which equates to 2.4961%.
	4. Committee discussed that the state may cut back even more next fiscal year, and that Sharon should continue its tradition of being prudent with the budget and capital items.
	5. 50% of mortgage taxes in Sharon are paid through escrow agents, so Town expects that these will continue to be paid.
	6. Estimates of state budgets include high shortfalls for FY20 and FY21 budgets.
	7. School Committee has been discussing budgets. There has been an unexpected increase in enrollment of 45 students at the high school. Schools are currently strategizing about using unconventional spaces to accommodate students.
		1. Sent a survey to families regarding technology needs. Hot spots and Wi-Fi extenders are also being discussed.
			1. Sharon is not purchasing a device for every student as some districts are choosing to do, but instead are purchasing based on need with the understanding these numbers may fluctuate.
		2. Many Town employees are contractually entitled to raises. Teachers are given raises for years of seniority and for education levels attained. All Town employees are projected to get a 1.5% cost of living increase each year. Merit increases are an additional 1 – 2.5%.
			1. Total of approximately $28,000 for raises for 12 employees in the Select Board budget that do not have contractual increases.
			2. Salary increases include Town Administrator. Some Town employees have had to do increased work during the pandemic.
	8. Tri-Board will be reviewing budget items and this will trigger school budget talks. Priorities will meet and vote at the Tri-Board meeting.
	9. With these reductions, especially by the sectors, budgets will not need to be re-voted by the Finance Committee.
	10. The Select Board will meet around the end of August to make changes.

**Motioned:** Ira Miller moved that any discretionary funds that would go to increase salaries should be foregone for FY21. The motion was not seconded. Ira Miller withdrew the motion.

* 1. Because the state cuts are less than expected, and there has been some attrition in employees, the Town is hoping to not have to do layoffs.
	2. Personnel Board is responsible for determining salaries, but they do not judge employee performance.
	3. The Committee discussed options for recommendations such as salary freezes, freezing merit increases or cost of living increases, and reopening contract negotiations. Freezing salaries would be a symbolic gesture as it is not fiscally necessary.
	4. The Committee would like to consider building pandemic provisions into future contracts.
		1. The Town Administrator stated that they have tried to build in different triggers in contracts in the past and would appreciate hearing if anyone has successful metrics for this.
	5. Projection for tax rate is 20.52%, including debt exclusion.

**3a. Capital Outlay**

* 1. Committee had voted capital outlay previously but have discussed reconsidering it.
	2. Fred Turkington had a discussion with Paul Linehan, who would prefer at the Tri-Board meeting to have the Capital Outlay Committee vote the revisions to the plan that reflect the June 29th vote and the assumption that the Capital Outlay Committee will support the resources within the School’s capital to shift from in-house technology to remote technology.
		1. This would allow the Finance Committee to vote adjustments at upcoming meetings later in August.
		2. Language for the Warrant should be updated to reflect the changes.
	3. Some pre-funding has occurred.
	4. Grand total for capital outlay for police, fire, and others is: $4,682,000.

 **3b. Community Preservation Act**

* 1. Previously voted against one CPA item. Reiterated that CPC funding is previously funded, is sequestered and doesn’t impact operating budgets so there is no need to re-vote.

 **3c. Personnel By-Law**

* + - * 1. Fred Turkington discussed that the Finance Committee can ask the Select Board to reconvene to ask them how they fairly apply merit increases based on performance reviews.
				2. Increases are administered by Town Administrator and Select Board, and the amount of the increases are reviewed for consistency.
				3. They Select Board does not consider if raises should be given, rather that when they are given they are fair and equitable.
1. **Update on planning for Annual Town Meeting – Fred Turkington**
	1. The Town intends to proceed with Town Meeting and has taken into account the Finance Committee’s suggestions from the last meeting. Fred Turkington has met with the Town Clerk, School Committee, Sharon Cable and others regarding the outdoor option. Have reached out to other towns that have held outdoor meetings for suggestions as well. Are taking into account many factors, including mobility and disability issues for attendees.
	2. Date for the outdoor Town Meeting is tentatively set for Sunday, October 11 at 1pm at the high school football field.
		1. Rain date of Monday, October 12 at 1pm (Columbus Day), with a secondary rain date of Tuesday, October 13 at 7pm indoors in the gym and cafeteria.
		2. If held indoors, high school will not have students the following day and the building will be able to be sanitized.
	3. Because the meeting will be held outdoors during the daytime there will be no screen or PowerPoints.
	4. Unsure of capacity for socially-distanced attendance in the high school. Next step is to measure and calculate.
	5. Town meetings have been exempted from Governor’s group size limits. Unless hear strong opposition, expect to proceed with Town Meeting.
	6. Town Meeting is a legislative body. Early voting for Town Meeting is not allowed. Only residents present can vote. The Town is doing the best they can given the pandemic and are working hard to find solutions to make Town Meeting as safe as possible.
	7. Committee members discussed that they would prefer that the moratorium on artificial turf not be discussed at this Town Meeting as it may not be impactful at this time and it would be beneficial for the health of residents attending to not extend the meeting for this presentation. The Capital Outlay Committee could take a vote that they will agree to move any related items to next year’s meeting so that there is not reason for concern in the interim.
	8. May be helpful to print updated parking and social distancing measures in the Warrant to help streamline the process for attendees.
2. **Real estate taxes due 8/3 payment trends – Krishan Gupta**
	1. As of August 6 the Town is close to normal for tax collections:
		1. 98.3% of real estate taxes have been collected
		2. 99.7% of personal property taxes have been collected
		3. 93.6% of motor vehicle taxes have been collected.
	2. Due date was May 1, but Town extended to fiscal year end. Have sent letters to those who did not pay on time in May.
	3. Tax title collections for FY20: $159,613
	4. Deferred tax collections for FY20: $13,890
	5. Received $556,993 this July for last year’s taxes.
	6. Collected 81.7% of preliminary tax bills in July and another 15.4% so far in August.
	7. As of now there is no deficit for motor vehicle excise taxes or local receipts. Restaurants have said they expect 60% of typical revenue. Hotel tax revenue estimate was cut in half based on forecasting of reduction of business.

# Liaison Updates:

* 1. Sharon Schools –Ann Keitner and William Brack:
		1. Survey went out today to parents.
		2. There are ongoing negotiations with the teacher’s union.
		3. Dr. Greer is expecting to release full plans for the fall soon.
		4. COVID-19 Committee is continuing to meet.
	2. Library - Charles Goodman:
		1. There was an initial conversation with the Library Trustees, neighbors and chair of the Select Board. Each will talk with their groups regarding potentially changing the size of the building, traffic flow, litigation, etc. Then will determine if moving ahead.
		2. Additional meetings are needed to resolve this, and it feels far away from a resolution.
		3. The Library has raised some funds on their own.
	3. Planning Board - Arnie Cohen: No updates.
	4. Standing Building Committee - Gordon Gladstone:
		1. The Library project is on hold. There is an abutters meeting on Wednesday night. Memos have been distributed to attendees.
		2. A memo will be coming from a consultant on the High School project who will offer to do a pictorial survey of abutter’s properties regarding impact of heavy equipment, etc. to determine existing conditions.
1. **Minutes to be Voted: July 27, 2020**

**Motion:** by Gordon Gladstone to approve the July 27, 2020 minutes **Seconded:** Edward Philips to approve the July 27, 2020 minutes **Voted:** 10-0-0.

1. **Topics not reasonably anticipated by the Chair in 48 hours****:** None.
2. **Adjournment:**

**Motioned:** by Anja Bernier **Seconded:** Ann Keitner to adjourn **Voted:** 10-0-0.

The meeting was adjourned at 10:08 pm.