October 26, 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, Fred Turkington - Town Administrator, and Cheryl Weinstein - Nominating Committee of the Finance Committee & Chair of the Library Board of Trustees

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 the meeting was being recorded and broadcast.
	2. Pleased that the Annual Town Meeting was able to happen despite the weather, and thanked Fred Turkington, the moderators and all those who helped out.
	3. Anil Ramoju gave notification that he has resigned his position on this committee. Dan thanked him for his service.

1. **Finance Committee Re-organization**

**Motioned:** by Patricia-Lee Achorn to move the slate with Dan Lewenberg as Chair, Ira Miller and Ann Keitner as Vice-Chairs, and Anja Bernier as Clerk **Seconded:** Edward Philips **Voted:** 10-0-0.

* 1. Patricia-Lee Achorn stated she will be joining the Nominating Committee for the Finance Committee in place of Charles Goodman, whose seat is up for re-nomination.
	2. The pros and cons of the number of seats on the Committee was discussed. The by-law states there must be 7 – 12 members. Lately the Committee consists of 11 and they may want to keep an odd number. Determined they did not feel the need to change the by-law to state 11 members instead of 12.
	3. Also discussed that it would be helpful to have new members join earlier as there may be an opportunity to onboard new members in time for much of the incoming budget cycle.

**Motioned:** by Patricia-Lee Achorn to ask the Nominating Committee to the Finance Committee to start looking for two additional members for early 2021 to fill the two vacant slots that will be three year terms **Seconded:** Anja Bernier **Voted:** 10-0-0.

* 1. The Committee discussed that it may benefit to add a liaison to the Community Preservation Committee (CPC) as a way of engaging continuously. Patricia-Lee Achorn volunteered to be the liaison.
		1. Dan Lewenberg will let the CPC know that a Finance Committee member will be serving as a liaison to their committee.
1. **Q1 FY2021 Financial Update – Krishan Gupta, Director of Finance**
	1. Krishan discussed that he does not see any financial issues and presented the quarterly update.
	2. Total General Fund Budget & Transfers:
		1. Total budgeted = $90,259,826
		2. Realized through September = $17,883,487 or 20%
	3. Schools:
		1. Total budgeted = $46,234,015.
		2. Realized through September = $5,122,013 or 11%
	4. Total Funding (Revenues):
		1. Realized through September = $22,776,225 or 25%
			1. Receivables completely offset by deferred revenues
		2. Fund balances – restricted: $2,300,991
			1. These are encumbrances that are mostly outstanding purchase orders from the School Department
		3. Total liabilities / deferred revenues: $19,374,758
		4. Total fund balances: $12,157,803.
	5. Life insurance has come in at 154% of budget. Krishan will look into this.
	6. Liability is at 84%, because typically this is paid up front at the beginning of the fiscal year.
	7. Information Technology typically pays their subscriptions at the beginning of the fiscal year.
	8. Revenue from Four Daughters will not post until the second quarter.
	9. COVID-19 related expenses:
		1. The state has made $1.67 million available to Sharon for municipal purposes.
		2. Schools have received a grant through DESI that has paid $800,000. They have made an additional $950,000 in requests for pandemic-related expenses.
		3. Since June the Town has spent $1.3 million. Krishan is working to gather information from Town departments regarding additional pandemic-related expenses.
		4. There is confusion regarding what categories FEMA will cover. The Town is applying and making claims through FEMA first, as they have been advised to do by the State.
		5. The other category that has seen a major increase in pandemic-related expenses is insurance. $725,000 has been paid out in health claims for Town employees, dependents, and / or retirees on the Town’s insurance plan.
		6. The Town currently has approximately $2.4 million in related expenses, of which $1.3 million is expected to be reimbursed by FEMA. The remaining amount should be covered by A&F, and the Town should not have to cover any COVID-19 related expenses. Expecting a total of approximately $3.2 million in expenses.
2. **Zen Leaf / Four Daughters**
	1. Fred discussed that two checks have been received from Four Daughters:
		1. $100,000 for the permit, including the Host Agreement which is a one-time fee associated with receiving the permit.
		2. $15,000 deposit for 3% sales tax against the first quarter. Will reconcile after sales in first quarter complete.
3. **Billboards Update**
	1. There is a public hearing scheduled regarding billboards in November.
	2. Fred discussed that there are two separate billboard issues:
		1. First, there are existing billboards that have different rates. Some of these are being converted and will be licensed. Payment will be received then.
		2. Second, the new billboards are part of the new development. Have had preliminary talks with John Carroll to pursue as a partnership. Bob Shelmerdine will update the Committee as needed.
4. **Library Project Update**
	1. Fred discussed that the Zoning Board has posted they will meet November 4 to discuss the library project in open or executive session. They are expected to move quickly.
	2. Due to the state of emergency in the State the deadlines requiring written decisions have been delayed.
	3. Deadline to sign off/ have construction docs is August, 2021.
		1. Urgency to issue a written decision because the Library Trustees may be taking legal action, and this will need to be resolved by that deadline.
	4. Discussion that it is important to acknowledge the ZBA committee are professionals, just as the Finance Committee is, and the assumption should be they are working diligently. Also discussed that the ZBA voted against what the Town Counsel recommended, and there is a great amount of money at stake in this project. In addition to losing grant money the cost of project will escalate with delays.
	5. Contents of building plans, diagrams and designs are online.

**Motioned:** by Anja Bernier to urge the ZBA to issue its written decision (regarding the Library ZBA variance application) as soon as feasible **Seconded:** Ann Keitner **Voted:** 8-1-1. Gordon Gladstone voted no. Patricia-Lee Achorn abstained.

1. **Agenda Items for November Finance Committee Meeting**
	1. May have School Committee attend to review financial ramifications of legal suit(s). May require part of the meeting be an executive session.
	2. Ann will reach out to Judy Crosby regarding the meeting date.
2. **Finance Committee Resignation – Anil Ramoju**
	1. Discussed earlier.
3. **Liaison updates:**
	1. Sharon Schools - Bill Brack/Ann Keitner
		1. Veronica Weisman appointed to replace Marcy and Tanya Lewis was appointed to replace Fern on the School Committee.
		2. Last week there was one case of COVID-19 in the schools. Due to HIPAA it has not been disclosed which school was affected.
		3. Search firm for a new superintendent has been engaged and will start in early November.
		4. The Town must respond to the complaint filed by Dr. Greer. There is now a docket number and the insurance company is reviewing whether it will cover this claim. A Boston firm familiar with discrimination claims has been engaged.
		5. Nerlande Mintor, who was the Business Manager and Human Resources, has taken of leave of absence through the end of the calendar year.
		6. Krishan is working with the School Committee to upload their 2021 budget and get it completed. Have hired a contractor part time to help with this.
	2. Library - Charles Goodman
		1. No further updates.
	3. Planning Board - Arnie Cohen
		1. No further updates.
	4. Standing Building Committee - Gordon Gladstone
		1. High school is moving along, including excavating work. Flyover pictures captured by drone are available online.
		2. The footprint for the new school is smaller because it is two stories, whereas the existing structure is more spread out because it only has one story.
		3. Funds have not been accumulated to update the existing field after the Town voted for a three-year moratorium on artificial turf. The Town’s construction budget covers the field, it is not part of the School budget. Watering, seeding and other maintenance and upkeep for rehabilitating the field are being assessed. A consultant has been engaged, who has worked previously with the project’s landscape architect. The field is on the agenda for tomorrow night’s Standing Building Committee meeting.
4. **Meeting Minutes**

**Motioned:** by Ann Keitner to approve the September 21, 2020 meeting minutes **Seconded:** Patricia-Lee Achorn **Voted:** 10-0-0.

1. **Adjournment:**

**Motioned:** by Anja Bernier **Seconded:** Patricia-Lee Achorn to adjourn **Voted:** 10-0-0.

The meeting was adjourned at 9:13 pm.