February 22, 2021 Minutes

Town of Sharon Finance Committee Meeting

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

Also present: Lee Ann Amend – Library Director, Krishan Gupta - Director of Finance, Mark Hogan – Town Clerk, Fred Turkington – Town Administrator, Cheryl Weinstein – Chair of the Library 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.
2. **Finance Committee Sector Budgets for FY22**

2.a. Lee Ann Amend and Cheryl Weinstein discussed the Library sector budget:

* 1. In order to be certified for state aid to public libraries each fiscal year the Sharon Library must meet minimum requirements each:
		1. Must appropriate at least the average of the last 3 years of municipal appropriations for library operations and increase that by 2.5% to retain state aid.
		2. Minimum standards are that the library must be open to all residents of the Commonwealth and that all residents of the Commonwealth can access reading and reference rooms and have the same access as Town residents.
		3. Must include no charge for normal services except for certain services like rental collections or lending of special materials.
		4. Library must be open a minimum of 50 hours/5 days a week for the Town’s population group of 15,000 – 24,000 residents. Weekend hours are not a requirement.
		5. Materials expenditure requirement is a percentage of the municipal appropriation to the library based on the population. The amount that must be spent on materials for the Town of Sharon is 15% of total MAR. Includes electronic content.
		6. Must include in Library’s annual report statistics such as non-resident circulation and loans, etc.
		7. Director and personnel requirements are that the Library must employ trained personnel who have achieved a specified level of education and experience, scaled to the population size of the municipality. Directors must hold a certificate of librarianship from the MBLC.
		8. Non-resident loans are direct, over-the-counter loans to non-residents, including renewals, etc. This is part of our state aid award.
	2. Largest budget change is to salaries:
		1. Mr. Turkington stated that labor contracts have not been settled yet. There will be a negative adjustment of $24,000 for materials and salary adjustments coming. Union employees will be receiving 1 – 1.5% raises due to bargaining agreements.
		2. Longevity for Library staff is less because some Step 10 employees left, and they will most likely be replaced with a Step 1 person who will have decreased hours. Earn time is approximately the same as in past.
		3. Electricity and fuel are level funded for this coming fiscal year.
		4. Additional request for technology as it needs to be updated occasionally, with a request this year of an increase of $1,000.
		5. Requesting a decrease of $3,500 for building and grounds.
		6. DPW has taken over the work for when the building floods, which will save the library’s budget.
		7. Legal is level funded from previous year, with a budget of $1,000. Funding for state aid has been covering legal expenses. This comes in two checks per year, and the Library just received a payment for approximately $14,000, which brings state aid funding to approximately $25,000 for the year. Legal expenses will be higher this year, but will be paid through a different account that currently has a balance of $42,000 in it after current legal expenditures to date.
		8. Postage increase to $750 due to COVID-19.
		9. Library and state travel dropping from $200 to $100.
		10. FY21 Library salaries voted on previously: $855,042.
		11. Proposed budget for Library salaries for FY22: $850,086.

2.b. Mark Hogan discussed the Town Clerk sector budget:

* 1. Mr. Hogan discussed that they are not adding steps, therefore an increase of $2701.44 to the salaried line is probably estimated too high. Will have final number once negotiations are complete. 2022 proposed budget:
		1. Salaried: $68,999.45
		2. Elected: $82,728.00
		3. Longevity: $925.00
		4. Earner time: $1533.32
		5. Personnel total: $154,185.77.
		6. Postage: $1500.00, which represents a slight increase
		7. Printing: $2250.00, which is an increase of $375
		8. In-state travel: $1,250, which is a decrease of $250
		9. Out-of-state travel: $1750, which is a decrease of $250
		10. Training and education: $500. Mr. Gupta added this line for online education and training during COVID, and doesn’t represent an increase in funding overall with in-state and out-of-state travel being reduced by the same amount.
		11. Dues and bonds are level funded from the previous year.
		12. Town Clerk total budget: $164,380.77. This represents a 4.21% increase in total salaries over the previous fiscal year, and a 4.09% increase in the total department budget
		13. Mr. Hogan estimates that he will have enough credits to become a certified municipal clerk within 6 months from now, which is two years before the deadline.
			1. He currently received approximately $1500/year, or $22/week, for elections based on the number of registered voters.
			2. He stated he has saved approximately $13,000 for the Town during the election period, and received grant money to cover some election costs. Opened the Town Hall to non-resident marriages when other town halls shut down due to COVID, which represents additional revenue.
			3. Mr. Turkington stated that the executive group’s salaries have been capped at a 3.5% increase, including for steps. An elected position, the Clerk’s salary is not in that executive pool, and is set by the Finance Committee.
			4. The committee discussed that many employees throughout different departments had to do extra work due to COVID. This extra work is greatly appreciated, but other departments could as easily argue that they’ve put in a similar level of extra work. When coming up with the salary level for the new Town Clerk, the Committee did cost comparisons and other research into what a fair salary would be. Also, once certification is completed the Town Clerk will receive an automatic bump in pay then.
				1. William Brack and Dan Lewenberg will work together to come up with a summary of related issues and run these numbers to see in context with other salaries across the Town, so that this is not evaluated in a vacuum.

2c. Finance Committee sector budget was discussed:

* + 1. Contract Services are budgeted at $2,000. Everything that is not spent from this account goes back to the general fund. This is level funded from the previous year.
		2. Will remove the little utilized snack line from this sector budget, as it is an extra expense and the Committee is now meeting remotely.

**­­**

2d. Moderator sector budget was discussed:

* + - * 1. Level funded from previous year at $50.

­­2e. Personnel Board sector budget was discussed:

Level funded from previous year at approximately $3,000.

Salary survey found this year that salaries were within $1,000 of market average. Now looking to do salary surveys every five years.

1. **Annual Town Meeting Articles**
	1. Community Septic Management Program – Mena Mesiha, Board of Health
		1. The Community Septic Management Program is sponsored by the Board of Health. They are responsible for administering the program, including screening applicants and approving them. Typically administered on a first come, first serve basis.
		2. Most towns that participate in this program charge 5% to cover their fees. There is an upcoming meeting in March to discuss the rate to charge, which will be between 2.5 – 5%. The state charges the town 2.5%. No early payment penalty is charged on these loans. The loan period to residents is 20 years, with a lien on the resident’s tax bill.
		3. Initially the program will be open to everyone, and not just be income-based. There will be no charge to users for early pay-off. Currently there is at least one resident who is waiting to utilize this program, but there may be 1-2 more.
		4. Sharon is hoping to make $100,000 available to loan which would cover approximately 3 residents but can take up to $500,000 once more residents are taking advantage of the program. Money that is not utilized is simply sent back to the state.
		5. The only option for such a program is through the state, as towns are barred through the state constitution from giving assistance directly to individuals. Previously the Town had a similar program with loans totaling approximately $175,000, now with only two residents currently remaining with outstanding loans. There has been no abuse of this program historically.
		6. Sharon will be responsible for repaying the loans to the state, which is why this must be a vote at Town Meeting.
		7. Committee discussed that faulty septic systems are a potential danger to the Town’s ground water. It is in the Town’s interest that septic systems be maintained.
		8. Additional work for the Town related to this program will be for the Assessor’s office once the betterment agreement is signed, work to impose the liens, handle fees, and oversee management of the program for the money returned to the state as needed.
	2. Library Articles:
		1. Mr. Turkington stated that the Select Board has been negotiating with the Freemans on their willingness to exchange a portion of their property, and they seem willing to proceed. The least expensive alternative for the Town is to purchase this property. This would shift the building 25 feet north and east, leaving the footprint the same.
		2. No discussion yet with the Zoning Board, as this option would eliminate variances except for one. It will create a better buffer and make the building more acceptable to the neighborhood.
	3. Committee decided they will vote on these articles at a later date.
2. **Liaison updates:**
	1. Schools - Ann Keitner
		1. Schools will be presenting their budget next week.
		2. Recently underwent diversity, equity and inclusion training.
		3. Bequest to Schools was resolved with less legal fees than expected, leaving approximately $159,000 for the fund. 3% interest earned, which will equal about $5,000 a year for scholarships.
	2. Library – Charles Goodman
		1. No Updates.
	3. Planning Board – Arnold Cohen
		1. No updates.
	4. Standing Building Committee - Gordon Gladstone
		1. High school building is moving forward without complications. SBC entered into a guaranteed maximum price with the contractor of $121 million on February 16, which is $4 million less than anticipated.
	5. Community Preservation Committee - Patricia-Lee Achorn
		1. CPA is required to take votes on two proposals. Most likely will vote on Heights and East to improve drainage in athletic fields. Voted again on pickleball, tennis rally wall and resurfacing of playground.
		2. Only outstanding issue is a five-year plan for playing fields.
		3. They will hold two more meetings, allowing time to look at revisions for the proposal.
		4. Historic funds for one of the cemeteries in town may come up for a proposal.
		5. Committee gave a plea to other Town committees to suggest projects that would be applicable for historic funding. There are approximately $700,000 in funds that can’t be designated elsewhere.
3. **Minutes to be voted: February 8, 2021**

**Motioned:** by Patricia-Lee Achorn to approve the meeting minutes as written **Seconded:** Anja Bernier **Voted:** 10-0-0.

1. **Topics not reasonably anticipated by the Chair in 48 hours**
	1. Audit Committee met and found two items of concern. These are school department payroll, which will be discussed in executive session at the March 8, 2021 Finance Committee meeting, and financial goals and policies, which this Committee will discuss further after Town Meeting.
	2. Patricia-Lee Achorn, Anja Bernier and Brian Collins attended a workshop on climate change last week. Town assets could be at risk due to climate change. An assessment has been done and the Town can ask for funds. Broad-based projects from roads to septic systems, etc. are applicable for funding.
2. **Adjournment:**

The meeting was adjourned through unanimous consent at 9:32 pm.