

March 8, 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: Aziz Aghayev, Kevin Brown, Judy Crosby, Dr. Meg Dussault, David Fixler, Krishan Gupta, Bill Heitin, Robert Hillman, Paul Linehan.

1. Dan Lewenberg, Chair, Gave Opening Remarks

- a. This meeting is being held through the Zoom online platform due to the State of Emergency based on the COVID-19 outbreak. The open meeting portion of this meeting, after the executive session, will be recorded and broadcast.

2. Executive Session - School Committee Litigation Update: Potential Financial Impact on Town's Budget

- a. Mr. Lewenberg stated that pursuant to MA Gen L ch 30A § 21 to discuss strategy with respect to litigation. An open meeting may have a detrimental effect on the bargaining or litigation position and as the chair I declare we move to executive session.

Motioned: by Gordon Gladstone **Seconded:** Patricia-Lee Achorn **Voted:** 10-0-0.

The executive portion of this meeting was adjourned and the open session resumed at 7:44 pm.

3. Brief Priorities Committee Recap – Dan Lewenberg

- a. Priorities Committee met on February 25th.
- b. \$1.1 million in state funds will be available to Sharon, which was not previously known
- c. Priorities number was previously estimated at 2.02%, now it is set at 2.8668%. This is the amount that operating budgets may be increased and still fit within projected revenue limits.

4. Capital Outlay Items

4a. School Capital Items – Jim Comeau and Tony Kopacz:

- a. In 2019 Schools requested and were approved for \$1.186 million for work on the Heights parking lot. Schools have come back this year with another request for completing the scope of work. Engineering firm did cost estimating and came in at approximately \$2.1 million. Capital Outlay voted to approve this amount with a contingency that a project manager was hired to oversee.
- b. Mr. Kopacz discussed that when he was hired he reviewed the project and determined that \$1.186 million was not enough to cover the scope of work. Went through 9 revisions of the project to attempt to bring it within the original amount requested, but this proved impossible even with limiting some of the work.
- c. Original design has changed to make the new traffic pattern safer. Worked together to target the 3 main areas for improvements to current site scheme:
 - a. Repair asphalt sidewalks
 - b. Improve traffic circulation to move it off Main Street
 - c. Improve parking at the school
- d. Discussed that there is no cure for the traffic at this location, but this project will help substantially. Solar car ports have been removed from the design. May not be adding the 27 parking spots near the front door. May have hostile abutters if move hardscape. Will reorient parking area and add some additional parking spots. No need to go through the Conservation Commission as there will be no changes to the wetland area. A queuing lane is included in the plan for cars. Design is not finalized yet
- e. The initial \$1.186 million has been borrowed for the project, but not spent yet
- f. Complete cost for the project: \$2,119,661.41

- g. The Finance Committee stated they would like to see the project budget and site design diagram before voting on the additional funds.
- 4b. Other Capital Outlay:
 - a. The Committee discussed the ongoing multi-year project of upgrading water meters. Original request was \$775,000, which was a tentative number. Once put out to bid determined that cannot complete project for less than \$1.2 million. This is partly due to Covid-19 as workers are needing to be tested frequently. Also, the price of the meters has increased. DPW has the reserves in their budget to cover that gap.

5. FY 2021 School Department Financial Update – Dr. Meg Dussault, Acting Superintendent; Aziz Aghayev, SPS Financial Consultant

- a. Additional funds include: CvRF (Covid-19 Relief Fund) grant: \$931,925
- b. Circuit Breaker: \$770,782
- c. Total budget for FY21: \$46,243,963
- d. Total spent YTD: \$44,840,173, or 96.96%, which includes most encumbrances
- e. School Department has \$1.4 million to spend still in this budget year. Salaries, which are contractual obligations through the end this fiscal year, are encumbered and do not need to be covered from this remaining amount. Mr. Aghayev indicated that these funds may be sufficient to finish the year.
- f. Total additional funds for schools that were unexpected:
 - a. ESSER II grant, 2nd round of CvRF, savings from closed FY20 purchase orders: \$638,079
- g. Revolving funds were in a deficit: was \$652,303 and is now \$523,767 due to furloughs
- h. Total surplus: \$114,312 after offsetting additional funds applied against revolving fund deficit. Covid-19 still continues and the Town will be using these surplus funds to cover those expenses
- i. Total projected final costs for non-salary accounts: \$8,427,014, or 81.07%
- j. Total projected final costs for salary accounts: \$37,816,949, or 100.51%
- k. Closed purchase items were mostly special education items, maintenance, etc.

6. FY 2022 School Department Budget - Dr. Meg Dussault, Acting Superintendent; Aziz Aghayev, SPS Financial Consultant

- a. FY20 actual: \$44,595,778
- b. FY21 YTD: \$26,542,312
- c. FY21 budget: \$46,243,931
- d. FY22 budget: \$47,569,653
- e. Offsets, including grants, other DESE funds and revolving funds: (\$3,291,000)
- f. Cuts: (\$954,000)
- g. The Special Education budget will be less in 2022 than 2021
- h. School Committee accounts historically have been budgeted below what was spent. This year that variance has increased more due to Covid-19 and the teacher strike
- i. Schools are tracking Covid-19 expenses separately, and these have been taken out of the general fund expenditures
- j. Teacher salaries are encumbered for the last 3 months of the year. Teachers are paid in 26 payments, but their contract ends June 30. They are paid the contracted amount over the summer, and it is their right to receive that pay within the fiscal year. Cannot pay teachers out of the next fiscal year's budget, so it must be done this way.
- k. Dr. Dussault stated she would get the Committee the number of projected students for next year
- l. School Committee is voting on their budget on March 11. Then they will put detail in the budget book.
- m. Mr. Gupta stated he will share the final costs and revenue for the Town with the Committee
- n. The Committee expressed many thanks to Dr. Dussault, Mr. Gupta, Mr. Aghayev and others for their hard work on this.

7. Topics not reasonably anticipated by the Chair in 48 hours

- a. Patricia-Lee Achorn will send out the pro-forma warrant write-ups this week. Other committee members who are responsible for writing up warrant articles please send out this week so the others have time to review.

8. Adjournment:

The meeting was adjourned through unanimous consent at 10:05 pm.