

March 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: Krishan Gupta – Finance Director, John Ford – Police Chief, Eric Hooper – Department of Public Works, Fred Turkington – Town Administrator, Jim Wright – Fire Chief

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.

2. General Government Sector Budgets

Fred Turkington stated that the Select Board budget came in just below the Priorities Committee target. Fire, Police and the Department of Public Works make up approximately \$13 million of the \$14.8 million budget.

- a. Police Chief Ford reviewed the Police Department budget:
 - a. It is difficult to compare FY21 with FY22 because of the pandemic. Certain activities that are typical in a normal year did not take place during the pandemic, so there are savings in some areas.
 - b. Mr. Ford encouraged the Committee to check in with the next Chief regarding salaries, as the salaries budget is tight. It would take only one person on extended leave to go over the budget. 1-2 senior employees are retiring so this should result in some savings for salaries as new employees are hired at lower starting salaries.
 - c. May need to make a mid-year salary adjustment for the budget. Will alert the Finance Committee well before needing any fund transfers.
 - d. Police salaries budget request reflects an increase of \$18,613 or 0.52%:
 1. FY21 (voted): \$3,591,387
 2. FY22 budget (proposed): \$3,610,000
- b. Fire Chief Wright reviewed the Fire Department budget:
 - a. Represents a level service budget
 - b. This will be a transition year from the 75% grant funding level to a 35% grant funding level for the four fire fighters that were hired. Took advantage of a grant to significantly reduce the cost of hiring these additional fire fighters to meet the present demand.
 - c. The Fire Department raised the on-site required number for staff from 5 to 6 due to increased call volume. A fire truck needs a minimum of 2 fire fighters for a call. Overtime pay has not decreased. All fire fighters are also paramedics.
 - d. Town received approximately \$860,000 - \$900,000 per year for billing insurance, which goes into the general budget with \$650,000 going to offset the operational budget. Approximately \$85,000 charged out of receipts for billing for ambulance use and medical supplies.
 1. Ambulance billing is a flat fee for a level of service with additional billing per number of miles transported. Typically follow Medicaid guidelines for charging for reimbursement. Private insurance pays most of what is billed, while a lot of Medicaid patient's services end up being written off.
 - e. Requesting a new vehicle to supplement calls so that fire trucks will not need to be sent out as frequently. 2 people will staff that truck for each call.
 - f. Fire Department budget request reflects an increase of \$143,155 or 4.32% due to firefighter salaries:
 1. FY21 (voted): \$3,710,580
 2. FY22 budget (proposed): \$3,859,102
- c. Superintendent Eric Hooper reviewed the Department of Public Works (DPW) budget:

- a. DPW has various divisions and groups such as the building inspector, administrator, town facilities and the maintenance group which is primarily custodians.
- b. Two thirds of the DPW budget consists of salaries. This year the department had several staff retire and had a one-time savings for hiring step one staff. Also had a savings from one person no longer being on workman's compensation.
- c. Currently halfway through a project of switching over to LED lights and are starting to see savings there.
- d. Increase in various materials and services costs such as forestry and grounds, as there has been pressure to maintain playing fields at a higher level
- e. Three major projects currently for DPW are water tank replacements, water meter replacements and water main replacements.
- f. Department of Public Works budget reflects an increase of \$58,682, or 2.26%:
 1. FY21 (voted) DPW budget total: \$4,156,045
 - a. Salaries: \$2,596,496
 - b. Materials and services: \$1,342,501
 - c. Street lights: \$217,048
 2. FY22 (proposed) DPW budget total: \$4,226,741
 - a. Salaries \$2,655,178
 - b. Materials and services: \$1,378,515
 - c. Street lights: \$193,048
- g. Water consumption has increased during Covid. Pre-quarantine water use patterns are starting to return. Transitioning the old pumps out and adding more efficient pumps will represent a cost savings.
- h. Total water department budget including reserves reflects an increase of \$370,060, or 8.38%:
 1. FY21 (voted) department total including reserves: \$4,418,324
 2. FY22 (proposed) department total including reserves budget: \$4,788,384
 3. Retained earnings available for appropriation: \$1,748,363
 4. Water reserve fund: \$200,000
 5. Expenses without capital: \$1,367,037
- i. DPW does not anticipate other large projects in the next 5 years. Goal of \$1 million per year for water main replacements. DPW never runs out of projects, they are continuous The department works to combine water and road projects, such as the current project of upgrading sidewalks while replacing water mains.
- j. DPW must have a program in place by April 1 to test for PFAS at pump stations and identify potential sources of PFAS, as required by DEP. If they are present in the testing results, will determine what needs to be done including potential treatments for wells. Unsure of associated costs. Tested negative for PFAS in 2013 but at that time were looking for parts per billion. Current guidelines are to test for parts per trillion.
- k. Railroad parking lot budget is a revolving fund, and there were savings associated with plowing, maintenance and compliance this year. Sufficient buffer in revolving fund to cover expenses of \$260,000. Should see parking lot revenue increase as the state reopens and this lot is used more than it has been over the past year during Covid.
- l. Committee thanked the Town for providing the budget information electronically and encouraged future use of this format.

3. School Budget / Capital Follow-Up Items:

- a. Heights Project Plan and Budget: School Committee chair Adam Shain will present this at the next Finance Committee meeting on Thursday night.
 1. The reason for the specific amount of money originally asked for related to this project has been lost as school administration has transitioned. This project has not been enlarged, rather additional funds are needed to complete the existing project as the amount allotted and voted on is insufficient.
 2. The Capital Outlay Committee believes it is important to have oversight for this road project. DPW doesn't have the bandwidth to oversee a \$2

million project that includes road work, and it is not in their purview to oversee bid specifications, etc. DPW typically hires consultants to oversee the design process through construction for large projects. Asked to have a project manager oversee the project.

3. Contingency fee should be part of appropriations for this project, at 25%. If not used it will go back to the Town. A contingency fee is always added to large projects so that the project doesn't have to stop and be on hold until additional funds are voted at a Town Meeting. There are also remobilization fees associated with restarting a project.
4. South Main Street is not a state road so it is unlikely there would be state grants to assist with project costs.
5. Committee would like to see a completed traffic study.

4. Vote Town Meeting Articles:

- a. Committee will wait and vote on the personnel bylaw article until the next meeting.
- b. Article 9 - Unemployment Fund. Requesting an increase of \$225,000 to the unemployment fund. Typically, \$75,000 is appropriated. July bill alone was \$113,000. Monthly billing has decreased since then. Town's unemployment fund is self-insured. State has given permission to pay as late as June 2021. Town needs to increase the appropriated amount because we are facing a large deficit in this account due to the pandemic.

Motioned: by Anja Bernier, **Seconded:** Patricia-Lee Achorn, to recommend approval of Article 9 as read out by the chair. **Voted:** 11-0-0.

- c. Article 13 – Revolving Fund Authorizations: Increases to the Recreation Program revolving fund and the Council on Aging Program revolving fund were voted on at last year's Town Meeting and are now in place. Some exceed expenditure limits but the Finance Director has approved this – it is allowed to exceed these fund balances, as the revolving fund can spend what it collects and the balance it has, although it cannot exceed the amount voted on at Town Meeting. This fund is at the expenditure limit for FY21 and FY22. Total fund balance as of June 30, 2020: \$1,234,337.59.

Motioned: by Anja Bernier, **Seconded:** Patricia-Lee Achorn, to recommend approval of Article 13 for revolving fund authorizations in these amounts. **Voted:** 11-0-0.

- d. Article 17 – Community Septic Management Program: Board of Health is meeting on Wednesday night and will have this Committee's questions on their agenda to discuss. Committee will wait to vote Article 17.
- e. Article 19 – Gas Utility Easement to convey to Eversource a right and easement at the Sharon High School at 181 Pond Street. Plan has been reviewed with the contractor for where the gas line is located. A professional survey would have been completed if there had been sufficient time, but no issues are anticipated. The gas line has already been put in - this Article simply addresses conveying the easement and properly locating it on a survey for future knowledge and use. Committee will wait to vote Article 19.
- f. Deadline for Committee members to turn in their written warrant articles is Friday, as they need to be finalized for printing by April 1.

5. Liaison updates:

- a. Schools - Ann Keitner

- a. A contract has been extended to Mr. Botelho. Waiting to see if he will sign.
 - b. Committee would like to see an executive summary from the Schools, as they have in the past during each budget season. Understand Schools are working on it and that there have been delays due to Covid-related planning and employee turnover. They may not have the resources at this time to review line items with the Committee due to the schools reopening over the next coming weeks.
- b. Library – Charles Goodman
 - a. No update given.
- c. Planning Board – Arnold Cohen
 - a. No update given.
- d. Standing Building Committee - Gordon Gladstone
 - a. No update given.
- e. Community Preservation Committee - Patricia-Lee Achorn
 - a. This committee is meeting on Thursday.

6. Minutes to be voted: February 22, 2021:

Motioned: by Ann Keitner, **Seconded:** Anja Bernier to approve the meeting minutes as written.
Voted: 11-0-0.

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

- a. None.

8. Adjournment:

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