

July 12, 2021 Minutes
Town of Sharon Finance Committee Meeting

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

Not Present: Anja Bernier, Arnold Cohen.

Also Present: Dr. Peter Botelho, Dr. Meg Dussault, Krishan Gupta, Fred Turkington.

1. Dan Lewenberg, Chair, gave opening remarks:

- a. This meeting is being held via remote means through the Zoom online platform pursuant to Chapter 20 of the Acts of 2021.

2. Introduction of Dr. Botelho to Finance Committee members:

- a. Mr. Lewenberg introduced Dr. Botelho, the new Superintendent of Sharon Public Schools, to Finance Committee members.

3. Lake Management Reserve Fund Request:

- a. Requesting \$17,700 for the Lake Management expense account for herbicidal treatment for Lake Massapoag which was not budgeted for.
- b. Committee members discussed that they would like the Lake Management department to obtain three competitive quotes for the treatment. This treatment is required every three years and would like to see this department budget accordingly.

Motioned: by Gordon Gladstone, **Seconded:** Patricia-Lee Achorn to approve a reserve fund transfer of \$17,700. **Voted:** 9-0-0.

4. School Department Reserve Fund Request:

- a. Dr. Botelho discussed understanding the School's revolving accounts overdrawn during the COVID-19 impacted school year just ended:
 - a. \$46,886,871 covers salaried and non-salaried obligations, available for FY21
 - b. Mid-June projection for deficit: \$463,000
 - c. COVID related expenses transferred to Town accounts for COVID relief: \$179,562
 - d. Updated projected budget deficit: \$283,438
 - e. Revolving charges already spent out of operating budget to balance athletics, transportation, and rental on June 18-21: \$243,308.52
 - f. Revolving deficits not yet charged to operating budget: \$268,839.90
 - g. FY21 Kindergarten opening balance: \$47,505
 1. 2021 revenues: \$469,502
 2. 2021 expenses: \$709,989
 3. 2021 closing balance: - \$192,981
 4. Without student withdrawals due to COVID there would not be a deficit. In FY21 there were 150 students enrolled, with 63 withdrawals. Loss of \$229,005 in revenue.
 5. FY22 projections for Kindergarten:
 6. 150 children at full tuition: \$545,250
 7. Total to date signed up: 162 children: \$553,283
 8. Projected additional enrollment: 13 children: \$47,125
 - h. Early Childhood (ECC)
 1. FY21 revenue impacts
 2. Tuition loss from reduced enrollment: \$67,586
 3. 2021 closing revolving fund deficit: \$75,224
 - i. Athletic revolving fund:
 1. Continuing to collect tuitions

2. Total spending broke even when considering both the operating and revolving funds
3. Initial deficit of \$137,112 was moved from athletic revolving to account to operating budget
4. 2021 opening balance: \$895
5. 2021 revenue: \$183,703
6. 2021 expenses: \$184,598
7. 2021 closing balance: \$0
- j. Transportation:
 1. Transportation came out even due to the combination of operating funds and revolving funds
 2. \$112,999 refunds processed
 3. \$22,750 “second” payments not collected due to withdrawals
 4. \$98,234.48 charged to operating budget
 5. 2021 fees were \$550 per student
 6. 2022 fees will be \$600 per student
- k. Froze expenses which saved over \$300,000 in typical expenses.
- l. In addition to steps and lanes which also have increased, raises for the coming fiscal year are:
 1. .5% for FY22
 2. 2% for FY23
 3. 2% for FY24
 4. Substitute teacher costs were more than double last year due to COVID at \$689,024
- m. Current projected deficit: \$283,438 in total. Asking for a reserve fund transfer of \$283,438 to cover these deficits.
- n. Remaining balance in reserves is \$241,688. DESI requires accounts to be closed out so they can perform their calculations. Only way to make this up in the revolving fund would be to increase fees to parents which seems unfair. This was an extraordinary circumstance due to the COVID pandemic.

Motioned: by Gordon Gladstone, **Seconded:** Patricia-Lee Achorn to approve a transfer of \$283,438, with \$241,688 from the 2021 reserve fund and \$41,750 from the 2022 reserve fund.

Voted: 9-0-0.

- o. Gave special thanks to Dr. Dussault for all the work she did as the interim superintendent.

5. Financial Policy Draft:

- a. Ms. Achorn discussed that at the last audit the Town was dinged for not having all of the financial policies in one place. Have worked to capture all financial processes and practices in one place in these policies. There are three committees that are financially responsible to the Town (Finance Committee, Select Board & School Committee), and each will have to sign off on these updated policies, with the Finance Committee approving them first. These should then be reviewed on an annual or bi-annual schedule.

Motioned: by Gordon Gladstone, **Seconded:** William Brack to adopt the financial policy in its form as the final document. **Voted:** 9-0-0.

6. Library correspondence/correction regarding legal fees:

- a. Mr. Lewenberg stated that the legal bills that were discussed by the Finance Committee two weeks prior related to litigation have been clarified by Cheryl Weinstein:
 - a. Previously reported legal invoice expenditures to date, paid from State aid, through June: \$27,375. Actual number is \$41,090.
 - b. Including an invoice to the Foundation of \$2985, the actual total bills related to litigation received to date: \$44,075

- b. No new developments regarding the Library at this time
- c. There will be a ceremony for the new high school on July 15 at 8:30. All are invited.

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

- a. None.

8. Adjournment:

Motioned: by Patricia-Lee Achorn, **Seconded:** Ann Keitner to adjourn. **Voted:** 9-0-0.
Meeting adjourned at 9:13pm.