

January 24, 2022 Minutes  
Town of Sharon Finance Committee Meeting

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

**Not Present:** William Brack, Arnold Cohen.

**Also Present:** Krishan Gupta - Finance Director; Fred Turkington - Town Administrator; Cheryl Weinstein, Library Trustees Chair.

**1. Dan Lewenberg, Chair, gave opening remarks:**

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

**2. Q2 Financial Update, spent through December 2021 – Krishan Gupta, Finance Director**

- a. Total general fund budget and transfers: \$40,282,524, or 43% spent year to date
- b. Total funding: \$46,203,612, or 49.1% realized year to date vs budget
- c. Some major items and some items that are above 50% for the fiscal year are:
  - a. Insurance expenditure: \$4,266,919, or 39%
  - b. Schools: \$18,433,040, or 39%
  - c. IT: \$252,799, or 73%. IT typically spends more of their budget earlier in the fiscal year when they pay for various licenses. Do not expect to be over budget
  - d. Board of Appeals: \$29,042. Expect that they will be asking for a reserve fund transfer at the end of the fiscal year
  - e. Workers compensation / liability: \$468,855, or 77%
  - f. Legal: \$24,708, or 16%
  - g. Police: \$1,965,148, or 51%
  - h. Fire / Ambulance: \$2,080,223, or 54%
  - i. Reserve fund: \$59,450 used, or 7%. There was a total of \$800,000 allocated to the reserve fund, \$300,000 more than usual to provide safety net in the event of surprise COVID-19 expenses.
- d. Funding sources:
  - a. Taxes: \$37,738,129, or 48.3%
  - b. State aid (Cherry Sheet): \$5,473,762.74, or 52.3%
  - c. MSBA: \$608,054, or 100%
  - d. Local receipts (estimate): \$2,114,922, or 41.3%
  - e. Ambulance reserve: \$650,000, or 100%
  - f. Other transfers: \$159,759, or 100%
  - g. Free cash: \$300,000, or 100%
  - h. Total: \$46,203,612, or 49.1%
- e. Assets:
  - a. Cash: \$14,081,645
  - b. Total assets: \$56,725,123
- f. Liabilities:
  - a. Total liabilities / deferred revenues: \$42,927,378
  - b. Total fund balances: \$13,797,745
- g. Tax recapitulation FY'22:
  - a. Total appropriations for the Town: \$100,186,041.75
  - b. Total the Town has to raise from taxes, local receipts, free cash and other sources: \$101,523,800.20
  - c. Tax levy, raised by the Town to balance the budget: \$78,115,990.20
  - d. Tax rate: 19.75
  - e. Total property valuation: \$3,955,240,010.00
  - f. Estimated total local receipts for FY22: \$5,121,700

- h. The owner of Shaw's plaza appealed the Costco permit. There is a hearing next week. Cannot break ground or move ahead until this is resolved. Mr. Turkington stated he will send any related documentation he has to the Finance Committee.

**3. Brief Audit Committee Recap – Krishan Gupta, Finance Director**

- a. The replay for the Audit Committee meeting is available online
- b. Sharon received the best opinion possible – an unqualified report, with no modifications necessary
- c. Unassigned fund balance for the General Fund increased by \$473,590, even though it was during the pandemic
- d. The total General Fund (GF) balance is 9.8% of the GF expenditures, which is very healthy
- e. Town was able to refinance \$10.4 million of existing bonds at a lower interest rate of 1.4% resulting in budgetary savings of \$1.85 million over the remaining life of these bonds
- f. Took balances at the end of the previous fiscal year and put an extra \$300,000 in the Reserve Fund
- g. Summary of budget to actuals for the entire year was overall revenues were higher than budgeted and total expenditures were less than budgeted
- h. Management letter:
  - a. The payroll disbursement process previously stated in the management letter noted that controls should be improved, including that:
    - 1. Personnel Action Forms should be created
    - 2. Individual employees should maintain timesheets
  - b. The Town's response has been:
    - 1. Explore implementing an electronic Personnel Action Form
    - 2. All employees hiring, payroll changes and separations will be authorized and documented
    - 3. All existing employment contracts are being reviewed for accuracy
    - 4. All employee Master Files in MUNIS are being reviewed for accuracy
    - 5. Individual employee time sheets will be approved and retained
    - 6. The School Department, in conjunction with the Town, will continue to monitor these controls
  - c. This was noted as a "significant deficiency" last year, however these items were not written up as such this year due to the meaningful changes implemented over the past year by the Town.

**4. & 5. Overview of article list for ATM 2022, and assign articles for warrant write-ups– Fred Turkington, Town Administrator**

- a. Monday, February 7 – Finance Committee meeting for capital outlay and non-financial articles
- b. Wednesday, February 9 – Joint meeting of the Finance Committee and School Committee
- c. The Nominating Committee to the Finance Committee is still looking for people to apply to be members
- d. The Committee agreed that articles with a consent agenda will be put together as an omnibus:
  - a. Patricia-Lee Achorn will write these up
- e. Article – Accept deed in lieu of foreclosure - Ashcroft Road land donation to Conservation Committee:
  - a. As part of the transfer the taxes will be wiped out
  - b. Ann Keitner will write up this warrant article
- f. Article – Acquisition of 94 South Main Street:
  - a. This is the house south of the Town offices. The family is interested in selling their property and hope to negotiate. The Town has no immediate use for this property but recognize that it would be very useful in the future due to its location. The appraisal for it was authorized today
  - b. Ann Keitner will write up this warrant article.
- g. Article – Amend charge to Lake Management Study Committee:
  - a. Amend the charge for this Committee and increase budget
  - b. Brian Collins will write up this warrant article.
- h. Article – Appropriation for additional Library project funding:
  - a. Want to appropriate additional funds because of project delays, increased building costs, etc. February 1 is the court date for counsels to convene and to set the timeline for

determination of appeals. Not sure if we will know the costs by Town Meeting time this May.

- b. Gordon Gladstone will write up this warrant article.
- i. Article – Approve ambulance billing contract (3 years plus 2 one-year contracts):
  - a. Recommendation to increase contract billing years, which is currently required every 3 years. At Town Meeting will vote to increase this to every 5 years.
  - b. Ira Miller will write up this warrant article.
- j. Article – Establishment of a new historic district on East Street:
  - a. Proposed that 2 homes on East Street become designated as historic. The homeowners are okay with this. There are implications as these designations can be difficult for some homeowners.
  - b. Ann Keitner will write up this warrant article.
- k. Article – General bylaw addition regarding outdoor water use:
  - a. The Committee requested a presentation on this.
  - b. Ira Miller will write up this warrant article.
- l. Article – General bylaw change to amend the beach / boating fees (Chapter 120):
  - a. To raise the fees from \$20
  - b. Jada Wang will write up this warrant article.
- m. Article – General bylaw change to amend Stormwater Protection bylaw:
  - a. Working to get clarity on this article. Will circulate the text so far.
  - b. Brian Collins will write up this warrant article.
- n. Article – General bylaw change to amend fine for an unlicensed dog:
  - a. To raise fees from \$25 to \$50, as recommended by the Town Clerk
  - b. Ira Miller will write up this warrant article.
- o. Article – General bylaw change to increase expenditure limit for solid waste and recycling fund:
  - a. Raise from \$1.8 million to \$2.5 million
  - b. Jada Wang will write up this warrant article.
- p. Article – Personnel bylaw change to rename Columbus Day:
  - a. Rename from Columbus Day to Indigenous People’s Day. Only place this name is written is in the Federal Holiday list for employees.
  - b. Ann Keitner will write up this warrant article.
- q. Article – Zoning bylaw change:
  - a. Codification of zoning bylaws with no substantial changes.
  - b. Arnold Cohen will write up this warrant article
- r. Ann Keitner will send list of assigned warrant articles to Lauren at the Town Hall.
- s. Discussed expanding the description of Finance Committee responsibilities, as it is currently written up as a warrant committee. Patricia-Lee Achorn will start by making a list of current Committee activities and will review for the Governance Study Committee. Ann Keitner offered her assistance with this project.
- t. Mr. Lewenberg requested that members write up as much as possible of their assigned warrant articles by the next Committee meeting on February 7.

**6. Town exposure to COVID-19 related health care costs and need and/or options to mitigate – Fred Turkington, Town Administrator.**

- a. Not discussed.

**7. MCAD legal case accounting summary – Fred Turkington, Town Administrator**

- a. \$10,000 deductible has already been paid
- b. \$9,984 in legal fees for Town Counsel are not reimbursable from insurance and have been paid for expenses incurred in the last fiscal year
- c. Mr. Turkington stated that when he receives insurance renewal amounts he will bring them to the Finance Committee.

**8. School budget worksheet format requests**

- a. Looking for a specific format for starting the school budget discussion. Requested that the format be both electronic and in hard copy as members have different preferences for the summary and detailed version.
- b. Joint meeting with the School Committee on February 9.

**9. Vote to Appoint Patricia-Lee Achorn to Sharon Standing Building Committee Selection Committee**

**Motioned:** by Gordon Gladstone, **Seconded:** Ann Keitner to appoint Patricia-Lee Achorn to the Sharon Standing Building Committee Selection Committee. **Voted:** 9-0-1.

**10. Brief discussion regarding Finance Committee use of public comment in its meetings**

- a. Mr. Lewenberg received an email from a Town resident requesting clarity on public comments at meetings. Discussed that residents are entitled to make public comments at the discretion of the Chair
- b. Recognized that School Committee Chair Tanya Lewis does a great job of balancing public comment in discussions
- c. Discussed that it may not be clear in Zoom meetings when members of the public are speaking versus Committee members, and that Committee members can edit their Zoom name to include their position to decrease any confusion.

**11. Liaison updates:**

- a. Schools: Ann Keitner
  - 1. No update.
- b. Standing Building Committee: Gordon Gladstone
  - 1. High school project is moving along according to schedule to finish on time in June and within budget. Sharon Community Television did a walkthrough of the building that aired.
  - 2. Will authorize contingency funds for overtime to make sure it is completed on time.
  - 3. \$650,000 for furnishings for the new school. According to the Town by-laws the old furniture will be inventoried and offered first to other Town offices and departments, and secondly to Town residents.
- c. Library: Gordon Gladstone and Charles Goodman
  - 1. Library operating expenses are in line with the budget, according to the last meeting, except may need more help with potential legal fees in future. Attorneys billing Standing Building Committee instead of the Library, so is coming out of project fees. Town Counsel is representing the Zoning Board and therefore there will not be a Library reserve fund transfer request as previously discussed.
- d. Planning Board: Arnie Cohen
  - 1. No update.
- e. Community Preservation Committee: Patricia-Lee Achorn
  - 1. This Committee has met twice recently and have 3 more meetings scheduled between now and March 2.
  - 2. Currently have 6 projects, with an additional project coming from Housing. These include:
    - a. 2 proposals from Recreation, for the Ames playground to replace a unit in the shape of a train and an ADA mat on the playground.
    - b. Last year there was funding for a group to assess athletic fields and make suggestions to improve a number of fields, including Deborah Sampson.
    - c. Beach weed hazard proposal.
    - d. 10% of funding is for historical projects, 10% for public housing, 10% for open space and recreation, and the remaining 70% can be given to any of those areas.

- e. Town is requesting funds to assess and rehabilitate the deteriorating well station building across from the rail station. Originally it was built as a pump house.
- f. Veteran's Administration is asking for funds to restore monuments (not headstones) such as the one of Deborah Sampson in Town.
- g. Town has 9 historic cemeteries and want to put uniform signage across these. Also want to start an electronic database which would eventually include a historical register of who is buried there.

- f. The deadline for the warrant is March 31.

## **12. Minutes to be Voted**

**Motioned:** by Gordon Gladstone, **Seconded:** Patricia-Lee Achorn to approve the November 11, 2021 Finance Committee meeting minutes as written. **Voted:** 8-0-1. Ann Keitner abstained.

**Motioned:** by Gordon Gladstone, **Seconded:** Ann Keitner to approve the November 22, 2021 Finance Committee meeting minutes as written. **Voted:** 9-0-0.

**Motioned:** by Gordon Gladstone, **Seconded:** Patricia-Lee Achorn to approve the December 20, 2021 Finance Committee meeting minutes as written. **Voted:** 9-0-0.

## **13. Topics not reasonably anticipated by the Chair in 48 hours: None.**

## **14. Adjournment:**

**Motioned:** by Patricia-Lee Achorn, **Seconded:** Ann Keitner to adjourn. **Voted:** 9-0-0.  
Meeting adjourned at 9:54 pm.