January 06, 2020 Minutes

Finance Committee Meeting

**Present:** Daniel Lewenberg, Anja Bernier, William Brack, Arnold Cohen, Ann Keitner , Edward Philips and Anil Ramoju.

**Absent:** Patricia-Lee Achorn, Gordon Gladstone, Charles Goodman, Ira Miller.

Also present: Fred Turkington, Town Administrator and Krishan Gupta, Director of Finance

1. **Review and Make Recommendation regarding Debt Structuring Options for upcoming Town Debt Issuance**
   1. Krishan Gupta, Director of Finance, presented two additional hybrid debt structuring models, models #7 and #8, created by Hilltop Securities.
      1. Model 7: $90 million bonds dated 2020 at approximately 2.25% interest with $25 million bonds dated 2021 at an estimated percentage rate of 2.75%.
      2. Model 8: $100 million bonds dated 2020 at approximately 2.25% interest with $15 million bonds dated 2021 at an estimated percentage rate of 2.75%.
   2. The Committee discussed:
      1. All models are based on a 20-year borrowing period. Longer loan periods present too much of a tax burden to Sharon taxpayers and rating agencies look unfavorably at borrowing past a 20-year period.
      2. Town of Sharon has borrowed for 20-year loan periods or less in the past.
      3. Debt unrelated to the high school and the library drops off to approximately $2 million by 2036.
      4. Important to consider there will be other capital projects in the future, such as rebuilding or renovating local elementary schools.
      5. Interest rates in the future are unknown and can only be estimated at this time.
      6. Town administrators have worked to build the Town’s reserves to guard against economic downturns.
      7. High school grounds have been tested as part of the due diligence of the project so as to be made aware of things that could potentially delay the project.
      8. Model 7 may offer more flexibility later because it borrows less money up front.
      9. Daniel Lewenberg, Finance Committee Chair, has asked Dr. Victoria Greer, Superintendent at Sharon Public Schools, for an assessment of current school facilities, including contingency plans for if enrollment increases, for future projects over the next 10 years.

**Motion:** by Edward Philips **Seconded:** Anja Bernier to recommend to Select Board that they adopt either Model 7 or Model 8, with a slight preference for Model 7 **Voted:** 8-0-0.

1. **Review and Set Salary for Town Clerk Position**
   1. Dan Lewenberg discussed that Marlene Chused, Town Clerk, has announced she will be retiring and not seek reelection next term.
   2. Fred Turkington, Town Administrator, discussed data on Town Clerk salaries that he collected for 14 peer communities:
      1. Town Clerk positions are both elected and appointed in surrounding peer towns, and salaries vary based on experience, certification level, and other factors such as if a town has a hospital which generates more vital records. Sharon historically has elected this position. The Town of Sharon could consider voting to change town Bylaws at a future Town Meeting to instead have an appointed Town Clerk.
      2. Elected position requires person to live in Sharon. Appointed Town Clerk positions typically do not require residence.
      3. Expectation is that person elected will not have Town Clerk certification through International Institute of Municipal Clerks, and recommended starting salary should reflect that. It is not a requirement that the new Town Clerk get certification. The Town has budgeted for this certification to be attained.
      4. Ability to structure the starting salary to have a built-in increase when and if certification is achieved.
      5. Nomination papers for the 3-year position will be available Monday, January 13, 2020 at the Town Clerk’s Office, Town Office Building, 90 South Main Street. The last day to take out nomination papers is Friday, March 27, 2020 at 12PM.
      6. Marlene Chused, as the existing Town Clerk, is required to stay for 8 days after the new Town Clerk starts in the position, and she has stated she is willing to stay even longer, until June.
      7. As an elected official this position has health insurance through the Town, does not accrue paid time off, and has the ability to buy into elected benefits.

**Motion:** by Anja Bernier **Seconded:** William Brack to set the newly elected Town Clerk’s salary at $72,500 **Voted:** 6-1-0. Edward Philips voted against.

# Documents Distributed Since the Last Meeting:

* 1. Hilltop Securities Debt Models #7 & #8 - Hilltop Securities, Financial Advisor
  2. "Feb 2020 Debt Issuance Structuring" - Krishan Gupta, Finance Director
  3. Sharon Debt Models Summary Spreadsheet - Krishan Gupta, Finance Director
  4. Sharon Charts Summary of Models - Hilltop Securities, Financial Advisor
  5. Informal Town Clerk Salary Survey Email - Fred Turkington, Town Administrator
  6. Roles of the Town Clerk - Town of Sharon
  7. Town Clerk (Elected) - Town of Upton

# Minutes to be Voted: December 16, 2019

**Motioned:** by William Brack **Seconded:** Edward Philips to approve the December 16, 2019 minutes **Voted:** 4-0-3. Anja Bernier, Arnold Cohen and Ann Keitner abstained.

# Topics not reasonably anticipated by the Chair in 48 hours

* 1. Committee discussed whether a quorum would be present at the School Committee meeting they are attending on Wednesday, January 8, 2020. Determined that no quorum is needed as they will not be voting on any items.
  2. Discussed importance of participating and helping to create a collaborative process with that Committee. Encouraged members to stay focused on issues of discussion during the meeting as the agenda is long.

# Adjournment

**Motion:** by Anja Bernier **Seconded:** by Ann Keitner to adjourn **Voted:** 8-0-0.

The meeting was adjourned at 09:10 pm.