

Present: Ann Keitner - Chair, Anja Bernier - Clerk, Daniel Lewenberg – Vice Chair, Brian Collins, Charles Goodman, Ira Miller – Vice Chair Keith Morris, Chris Pimental, Olga Volfson, Jada Wang.

Also Present: Krishan Gupta - Finance Director, Fred Turkington – Town Administrator.

Documents Cited:

- School Committee Voted FY25 Budget Summary
- 2024 ATM Articles
- Turn Backs for Curriculum 2024 March (Schools)

1. Ann Keitner, Chair, gave opening remarks:

The Chair started the meeting at 7:00PM stating this is an online meeting consistent with the June 28, 2023 guidance update provided by the Commonwealth’s Office of the Attorney General. This Committee will be conducting in-person, hybrid and virtual meetings going forward, and the mode of the meeting will be clearly communicated in the posted agenda. She asked that the public and Committee members be respectful in discussions.

Reminder to the audience that the Finance Committee does not have direct oversight of committee and department budgets, but has the authority to make recommendations regarding budgets at Annual Town Meeting (ATM).

You can email this Committee at FinCom@TownofSharon.org.

2. Committee Business – Chair

- Final reminder on DEI Training:*
Please complete the DEI training by March 15.
- Warrant Articles:*
Article write-ups need to be circulated to Committee members for comments before voting – please email them as soon as possible.
- Upcoming presentations:*
At next week’s meeting the following budgets will be presented – the Town Clerk, Compensation of Elected Officials, and the Select Board.

3. Budget Presentation(s):

- School Committee Budget Presentation – Dr. Botelho, Superintendent; Avi Shemtov, School Committee Chair:*

Built this budget from the FY24 appropriation, to meet the Priorities budget number of a 3.1227% increase. Under Proposition 2.5 all towns in Massachusetts can only increase 2.5% without a budget override:

- Have an increase of \$2,894,847, or 5.52%, in personnel-related contractual obligations for the upcoming fiscal year.
- Have an increase of \$169,105 in Special Education.
- Students identified in early childhood education for mandated special education staffing which will result in an increase of 5.8 FTE at \$319,143, or .61%.
- Were cited for not providing physical education for 11th and 12th grades and have added a mandated physical education staff (1 FTE) at \$56,937, or .11% to the FY25 budget.

- Made cuts to Elementary section, received additional offsets via State funding, and other offsets:

FY25 SCHOOL COMMITTEE BUDGET SUMMARY 3/19/2024

FY24 APPROVED BUDGET	\$52,395,688	
FY25 BUDGET COMPONENTS		
PERSONNEL RELATED CONTRACTUAL OBLIGATIONS	\$2,894,847	5.52%
SPECIAL EDUCATION (Out of District Tuition & Transportation)	\$159,105	0.30%
OTHER NON PERSONNEL SERVICES (Transportation, Utilities, etc., including reductions/reallocations of funds)	\$79,624	0.15%
MANDATED SPECIAL EDUCATION STAFFING (5.8 FTE)	\$319,143	0.61%
MANDATED PHYSICAL EDUCATION STAFFING (1.0 FTE)	\$56,937	0.11%
REDUCE 1 ELEMENTARY SECTION (Due to Retirement) (-1 FTE)	(\$65,000)	-0.12%
ADDITIONAL OFFSETS VIA STATE FUNDING FOR FAMILIES IN STATE SHELTERS	(\$80,000)	-0.15%
OTHER OFFSETS (In-Direct Costs, Utility Recovery & Booster Support)	(\$235,000)	-0.45%
FY25 SUPERINTENDENT'S RECOMMENDED BUDGET	\$55,525,344	
TOTAL CHANGE (5.8 FTE)	\$3,129,656	5.97%
FY25 REVISED PRIORITIES TARGET BUDGET		
	\$54,031,855	
AMOUNT OVER FY25 REVISED TOWN PRIORITIES TARGET BUDGET	\$1,493,489	2.85%

- FY25 revised Priorities target budget: \$54,031,855. The School Committee voted to approve this budget 6-1.
- Total reductions: \$1,493,489, or 2.85%.
- Increase over FY24: \$1,636,167, or 3.12%.
- Discussed reductions and adjustments to positions, including cutting the Athletic Director and Assistant Principal positions and adding back in a consolidated position who would be an Assistant Principal for Athletics – this position would have Assistant Principal responsibilities with some athletics responsibilities. Similar consolidation to an Assistant Superintendent of Curriculum and Administration position:

SC Voted FY25 Budget Summary

F24	A	B
18	REDUCTIONS/ADJUSTMENTS	
19	POSITION REDUCTIONS	
20	ATHLETIC DIRECTOR (-1 FTE)	(\$117,300)
21	ASSISTANT PRINCIPAL (-1 FTE)	(\$125,000)
22	ADD-ASSISTANT PRINCIPAL FOR ATHLETICS (1 FTE)	\$135,000
23	ASSISTANT SUPERINTENDENT FOR EQUITY & ENGAGEMENT (-1 FTE)	(\$165,402)
24	DIRECTOR OF CURRICULUM & INSTRUCTION (-1 FTE)	(\$139,384)
25	ADD-ASSISTANT SUPERINTENDENT OF CURRICULUM & ADMINISTRATION (1 FTE)	\$145,000
26	MAINTENANCE POSITION (-1 FTE)	(\$52,644)
27	SHS ADMINISTRATIVE ASSISTANT (-.5 FTE)	(\$23,189)
28	SHS GUIDANCE SECRETARY (-.5 FTE) (vacant position)	(\$15,000)
29	ELEMENTARY ASSISTANT PRINCIPAL/SPECIAL EDUCATION ADMINISTRATOR (-1 FTE)	(\$128,991)
30	ELEMENTARY TEACHER LEADER STIPEND	\$10,000
31	WELLNESS TEACHER (-.5 FTE)	(\$30,000)
32	SMS MATH SPECIALIST (-1 FTE)	(\$70,000)
33	SMS READING SPECIALIST (-1 FTE)	(\$70,000)
34	SHS LEAP TEACHER (-1 FTE)	(\$101,219)

NON-PERSONNEL REDUCTIONS/OFFSETS		
SUPPLIES, MATERIALS, PD	(\$96,823)	
FACILITIES RENTAL OFFSET	(\$11,561)	
INCREASED ECC FEE	(\$32,000)	
REINSTATEMENT OF FULL DAY K TUITION	(\$579,976)	
HS/MS STUDENT ACTIVITY FEE	(\$25,000)	
TOTAL REDUCTIONS (-8.5 FTE)	(\$1,493,489)	
FY25 SCHOOL COMMITTEE APPROVED BUDGET TOTAL	\$54,031,855	
INCREASE OVER FY24 (-2.7 FTE)	\$1,636,167	3.12%

- Will look to the State for any additional funding as possible. Received a decrease from \$60 to \$30 per student from the State when we were deemed a minimum aid town this year.
 - Discussed the drop in minimum aid with Chapter 70 experts who explained that every year a budget is built based on exact enrollment, which is then multiplied by an inflation percentage rate, and this then equals the amount of district aid. If enrollment drops – as it did this year in some areas – Sharon was projected to need less aid. This happened for other districts this year as well.

we would not fill new positions for retirements, openings etc., until we run the new schedule. If we can absorb the classes within the schedule, we would use the budgeted funds to add back from the list below.		
We would also continue to monitor revenue from unanticipated attrition, fees etc., and use any additional revenue to add back from the list below		
CUTS/ADD BACKS		

Elementary Assistant Principal/Special Ed Admin	\$128,991	
SHS AP	\$125,000	
Maintenance Position	\$52,644	
SMS Reading Specialist	\$70,000	
HS .5 Guidance Secretary (Vacancy)	\$15,000	
SMS Math Specialist	\$21,000	
Assistant Superintendent	\$145,000	
Director of Curriculum and Instruction	(\$6,000)	
SHS .5 Wellness (NEW)	\$30,000	
SHS .5 Admin Assistant	\$23,189	

- Committee members discussed that the Finance Committee votes their recommendations on all Town department budgets, including Fire, Public Works and Police, and all departments are working hard to not exceed the increase of 3.1227%. The Finance Committee must vote to recommend what is best overall for Sharon:
 - Town finances are tightly overseen by bond rating agencies. Interest rates for borrowing are in part based on our bond rating. The better the Town's bond rating, the less money in interest tax payers will pay when borrowing for projects like the high school, library, town hall, etc. The use of "Free Cash" (the Town's reserve monies) also affects our bond rating.
 - It is important to carefully protect the Town's bond rating to keep borrowing rates lower. Managing department and committee budgets can be difficult in this time, as Prop. 2.5 has not increased when inflation increased.
 - The Finance Committee votes their recommendation on the bottom line, not how the Schools (or other departments and committees) choose to allocate specific line items.
 - Commended the School Committee for working hard to meet the Priorities number of 3.1227%, and acknowledged the difficulty in this. Stated this number is typical, and encouraged the School Committee to make this exercise a normal part of their process from year to year.
 - Encouraged residents to watch the Massachusetts Municipal Association webinar on March 20 titled *Understanding the Chapter 70 Formula for Education*.
 - The School Committee has a request of \$365,000 for curriculum which they want to fund with a Capital Outlay request.
- Schools are making a \$365,000 request for curriculum that includes text books and related digital licenses for literacy materials for elementary schools and math materials for middle and high school, as seen in the Schools Budget Book presentation. They want to fund this with approximately \$244,000 cash that is

potentially being turned back from school projects and \$65,000 as a free cash request:

- \$55,000 from Schools of the turn back is actual cash.
- \$244,000 is unexpended capital projects borrowed for Cottage HVAC project.
- Most of the turn back was from the Heights parking lot project which was a 20-year loan, however, which can't be used for this curriculum purchase. The committee could treat that turn back if it is used to offset borrowing for the FY25 capital that will be voted at this Town Meeting in May then credit this money and consider this as the School's request as a full free cash request of \$365,000.
- Discussed that Capital Outlay is a different pot of money, as these monies have different strings attached. General policy for Capital Outlay request is that they apply across departments in the Town, requests must have a useful life of at least 2 years, be a minimum of \$20,000, and have to be spent on a tangible asset such as a new building, a fire truck, etc. Money borrowed by towns is called a bond. Must disclose what these monies are used for, and they can't be used for ongoing expenses. Complex issue with tight restrictions on how unexpended funds can be used and the Town must follow these to be in compliance with the law.
- The three options available for this curriculum request are:
 - Capital Outlay Committee reconvenes to vote on this as a Capital request. However, that committee has already finished meeting and have voted on all requests. Technically they could reopen, but that is unprecedented. Need to determine if a curriculum purchase meets the definition of a capital request.
 - Schools could withdraw the \$365,000 request not yet borrowed, and defer it to another year.
 - Separate appropriation at Town Meeting.
 - If take the turnback money and reduce borrowing and effectively credit the School Department for turning the money back the Free Cash amount is \$365,000, which would effectively only be an appropriation of \$65,000 as of July 1 in the new fiscal year.
 - Doing this outside of the School budget would make it so that the amounts aren't changed for the three sectors.
- Mr. Shemtov stated that this curriculum update purchase was not included in the School's budget discussions. They are trying to find a creative approach to funding it without putting it in the School FY25 budget, as that won't allow them their budget to come in at or under the Priorities increase limit of 3.1227%.
 - Committee members encouraged the School Committee to include curriculum in the regular budget process, as it always has been in the past. Discussed that Free Cash is a reserve for the entire Town. Need to keep the Town's bond rating in mind when making these decisions, as borrowing rates increase when the rating is lowered, costing taxpayers more money overall for projects, etc.
 - Discussed the importance of having budget conversations earlier in the process, as the warrant deadline is looming. This could also have been a request to Priorities earlier in the process. The Finance Committee will vote on the Schools' budget at their 3/25/24 meeting.
- The Committee took public comment:
 - Judy Crosby shared history on curriculum purchases, stating that the district bought their last math curriculum at the elementary level in FY22, which was planned for in FY21, as part of the Schools' operational budget. Stated the Schools have always included curriculum in their operating budget in the past. In FY23 and FY24 the district moved \$260,000 for each year out of the line item for supplies and materials

and moved \$160,000 from Professional Development each year, for a total of \$840,000. Those monies could have used to buy this curriculum as they knew this expense was needed and was discussed in FY23. When these monies were removed from the curriculum line item, Finance Committee members discussed that it was a regular purchase and encouraged planning for the curriculum buys.

- o Mr. Turkington clarified that Capital Outlay Committee would need to reconvene and vote and set the recommendation for the School Committee to withdraw or defer Capital items for some portion. Example is the Cottage floors, carpets and exterior doors have an amount of approximately \$265,000 that is being turned back. This would then reduce the amount of debt for roads and sidewalks that they would get cash substituted in for that Capital item. However, Capital items cannot be switched or substituted after a Town Meeting vote.

1	CAPITAL REQUEST	APPROPRIATION AMOUNT	AMOUNT FUNDED BY CASH	AMOUNT TO BE TURNED BACK	AMOUNT OF CASH TO BE TURNED BACK	ORIG	DBI	PROJ	Original Source	Cash	Debt	
2	ELEMENTARY SCHOOLS			55,000	55,000	33249324		582400	MSTPL	Cash ATM 2023	55,000.00	
3	MASTER PLAN COTTAGE HVAC	389,862	244,440	265,462	244,440	33241324		582400	HVAC	UC ATM 2023	79.28	244,360.72
4	CONTROLS				299,440					(See Below)		
5											55,079.28	244,360.72
6												
7												
8												
9				For Fund 3324	ATM 2021 Exem.3322				ATM 2022 Cash Exem.3323		Debt	
10	33229322	582200	COMP		0.07						0.07	
11	33229322	582200	LAPTP		7.25						7.25	
12	33229322	582200	PROJ		81.93						81.93	
13	33229322	582200	VENT		79,500.00						79,500.00	
14	33229323	582300	WRIS		72.03							72.03
15	33229322	582200	PARK		164,778.72						164,778.72	
16					244,440.00						72.03	79.28
17					244,367.97						244,360.72	

4. Non-Budget Presentation(s) / Discussions:

- a. *Amend the General Bylaws to Establish an Electric Vehicle Charging Stations Revolving Fund – Krishan Gupta, Town Finance Director*

Mr. Gupta discussed that the goal of this article is to secure revenues from the EV charging stations by establishing an associated revolving fund, and to use those revenues for expenses incurred by these stations – namely, maintenance, upkeep and paying the associated electric bills. Currently Sharon has two EV charging stations in front of Town Hall, with other stations potentially planned for the train station and the Community Center. Establishing such a revolving fund is typical of how the Town has operated with similar items.

- b. *Consent Agenda – Fred Turkington, Town Administrator:*

Mr. Turkington discussed that Consent Agenda items include accepting Town reports, accepting reports of the Sharon Friends School Funds and Appointments, compensation plan for Personnel By-Law, property tax exemptions and revolving fund authorizations, and then add the revolving fund for the EV charging stations:

	LA	Agenda Topic	Sponsor	Notes
1	CA	Act 23 Reports	Select Board	
2	CA	Sharon Friends School Fund Records and Appointments	Select Board	
3	CA	Approve Changes to Compensation Plan in Personnel By-Law	Personnel Board	
4	CA	Property Tax Exemptions	Veterans' Services	
5	CA	Revolving Fund Authorizations	Select Board	
6	CA?	Amend the General Bylaws to Establish a Electric Vehicle Charging Stations Revolving Fund	Select Board	per KMG 1/11/24
7		Appoint Finance Committee Members and Nominating Committee of the Finance Committee Members	Nominating Committee of the Finance Committee	
8		Compensation of Elected Officials	Finance Committee	

Acceptance of MGL c.64G, s. 3D relating to short-term rentals in the zoning by-laws, which the Town hasn't formally accepted yet.

The historic district article has been pulled by the Historical Commission as they are having trouble finalizing the map of the area involved.

5. Minutes to be voted:

Motioned: by Ira Miller, **Seconded:** Anja Bernier to approve the February 29, 2024 Tri-Board Committee meeting minutes as written. **Voted:** 8-0-2. Dan Lewenberg and Chris Pimental abstained.

Motioned: by Anja Bernier, **Seconded:** Keith Morris to approve the March 4, 2024 Finance Committee meeting minutes as written. **Voted:** 8-0-2. Ira Miller and Dan Lewenberg abstained.

6. Any topics not anticipated within 48 hours of posting:

Mr. Turkington will forward the documents regarding Juniper Lane to Committee members. Legal write-ups will also be forwarded.

7. Public Comment:

Judy Crosby discussed that budget transfers need to be paid close attention to and examined closely. Asked that the Finance Committee have a representative sitting on School Committee contract negotiations to additional synergies and benefit both committees and the Town.

Stated that the boy's basketball team is in the semi-finals and tickets can be bought online. Also the Sharon high school theatre company has had their play 'Middletown' selected to advance in the competition. Proud moments for the Town!

8. Adjournment:

Absent any objection, the Chair assumed unanimous consent to adjourn for the evening.

Adjourned at 9:44 PM.