

**FINANCE COMMITTEE MEETING MINUTES**  
**TUESDAY, JULY 23, 2019**  
**6:00 PM**  
**TOWN HALL**

**Present:**

**Finance Committee:** T. Blauvelt, M. Loubert, M. O'Connor, A. O'Dwyer

**Town Finance Director:** Susan Carmel

**Town Manager:** Mark Pruhenski

**6:00 PM - OPEN MEETING**

**1. CALL TO ORDER:** A. O'Dwyer called the meeting to order at 6:00 PM.

*Note: At the Chair's request, the meeting followed a slightly different schedule than on the agenda, as S. Carmel needed to leave the meeting early.*

**4(A). FINANCE COMMITTEE BUSINESS-I**

- **Update from Finance Director**
  - (1) Encumbrances Tracking. S. Carmel informed the committee that she continues to work toward using the P.O system more regularly. Her office was able to set aside some money from FY 2019 to purchase the remaining piece of the electronic Munis software purchasing module, which will allow Town staff to enter requisitions from their desktop. The plan is to test the new system out with departments that are already familiar with doing POs and using Munis. She noted that in addition to providing efficiencies, this system will reduce/eliminate paperwork. M. Loubert commented that she had used this system before, and that it is an effective system—offering checks and balances as well; she supports S. Carmel's plan to roll it out in this manner. A. O'Dwyer asked the cost, and S. Carmel reported that it is a one-time cost of \$6,000.
  - (2) Closing out FY 2019. S. Carmel reminded the FC that while the FY ended June 30<sup>th</sup>, the Town has until July 15<sup>th</sup> to get all invoices paid, do final payroll, etc. She is beginning to work on reconciling the budgets, analyzing open PO's, working on any hold-overs, and encumbering funds into 2020 as appropriate. Grants reconciliation is the focus right now. She noted that the Town has many reimbursable grants, and many departments have requested their reimbursable funds, in order for the funds to be received by Sept 30. She will be analyzing all the funds, not just budgets: also capital grants, etc., and anticipates a late Sept /early October for finalizing the balance sheet and determining free cash for FY 2020.
  - (3) Other Topics. S. Carmel reported that the Town is looking to late August/early September for setting the tax rate. Regarding the new fiscal year, she reported that FY 2020 budgets are out to departments, so that all departments are able to work on FY 2020. T. Blauvelt asked if there were any updates on the FY 2018 audit; S. Carmel reported no update from the auditors at this time. M. Pruhenski confirmed this.
- **Draft Procedure for Fund Transfer Requests to Finance Committee.** The committee reviewed a draft of written procedures for fund transfer requests. Some minor revisions were requested, especially around setting a timing for requests that work for all, and she will bring these back to the committee for approval at the next meeting.

**2. APPROVAL OF MAY 21, 2019 MINUTES** (one typo on agenda—not in minutes--was noted and corrected).

**MOTION:** T. Blauvelt made a motion to accept the minutes of May 23, 2019.

**SECOND:** M. Loubert

**VOTE:** 4-0, passed.

**3. COMMITTEE REPORTS**

- **Community Preservation Committee.** T. Blauvelt reported that the CPA met earlier in the month, and are asking all Town committees to consider if there are projects they would like the CPA to consider. He reviewed the general steps and timeline of the CPA process, and shared the upcoming dates:
  - Aug 6, 2019 is the CPA public hearing on the CPA plan;
  - Oct 7, 2019 is the deadline for Step 1 applications; those recommended for Step 2,
  - resubmissions will be due on November 4, 2019.

T. Blauvelt reported that the legislation has allocated an additional \$36 million (state-wide) increase to the CPA (pending the governor's signature---the CPA members are reaching out to the governor encouraging him to sign it). Also, if there is a surplus at the end of this year, the legislature has authorized an additional \$20 million. He noted that this could mean substantial additional funds for Mass CPAs. He reminded the committee that the CPA gives special preference to town-sponsored projects. Asked Finance Committee members to think about possible projects for CPA funding. The categories for funding are: (1) Historic Preservation; (2) Affordable Housing; and (3) Open Space/Recreation.

- **Economic Development.** M. O'Connor reported that the committee is still in the process of getting up and running, focusing on developing a vision and a mission statement. The next Economic Development meeting is on July 31, 2019.

#### 4(B). FINANCE COMMITTEE BUSINESS-II

- **Anonymous Letter.** T. Blauvelt shared a letter (postmarked June 13, 2019) he had received addressed to the Finance Committee at his home mailbox. The letter went into detail about concerns regarding the proposed roundabout near police station. No other member of the Finance Committee had received a letter. Both Selectboard members in the audience (S. Bannon and E. Abrahams) reported that they had not received the same letter. M. Loubert recalled Selectboard meetings when the roundabout roadwork had been discussed, and asked S. Bannon and E. Abrahams for clarification/updates. E. Mooney suggested from the audience that there be a public meeting to share information about the project. M. Loubert reported that the DOT website states that the project will begin Autumn 2020, and that she was surprised by that date. S. Bannon noted that the costs are being absorbed by the State, and that the funds cannot be redirected. Since it was an anonymous letter, no direct response to the letter-writer is possible. The letter was thus acknowledged.
- **Update on Outstanding Tax Payments.** Continued to next meeting. A. O'Dwyer will meet with Karen Fink, Town Treasurer/Collector, before then re: both the process of managing delinquent tax payments.
- **Revised Finance Committee Meeting August Meeting Date.** A. O'Dwyer reported that a member of the Finance Committee is no longer able to meet on Tuesday evenings. The next Finance Committee meeting was thus rescheduled for **Wednesday, August 21, 2019 at 6:00.**
- **Review and Discussion of Town Budget Financial Policy 2020.** A. O'Dwyer began the discussion by noting that the Finance Committee will be voting on the 2021 Budget Financial Policy in September, and the goal of the current discussion is to consider the strategic policies. A. O'Dwyer and M. O'Connell observed that the Economic Development Committee are also looking at the Master Plan regarding the Town's financial wellbeing, and finding it still generally relevant. A. O'Dwyer noted that future budget needs were considered, in particular, in the recent creation of a [Capital] Stabilization Fund [approved at the 2019 Town Meeting].

M. Loubert and S. Bannon brought up the question about the Town's use of revenue from the 6% **taxes on marijuana** sales. Noting that 3% of the fees are more restricted (the "mitigation" taxes), but 3% are more open for use (although will last for only 3-5 years). M. Loubert shared that she had been to several other meetings, and that she observes that the Town's inspection services are stressed right now. She was looking at host agreements and the community impact fee, and inspections services are involved/included in the community impact. This use of the community impact fees is something she wants the Finance Committee members to look at to bring to a meeting to discuss. The committed pointed out that the other fee is sales tax and that we can do what the Town wants with these tax revenues. M. Loubert suggested a public discussion about these issues, and to get more information from S. Carmel and M. Pruhenski regarding what we can/cannot do with the community impact fees. M. Loubert reports that she has found the Cannabis Control Committee has been very responsive and helpful, and that the next public CCC meeting in Boston on August 8<sup>th</sup>.

A. O'Dwyer reminded the committee that the development of the Economic Development Committee came out, at least in part, by the feedback from the town regarding focusing not only on budget cutting to control costs, but to bring in more and **new revenue sources**. She noted a key Finance Committee role is to be on top of what future assessment values might be; she will follow up with Shaun McHugh in the assessor's office regarding his expectations for this upcoming re-assessment year.

A. O'Dwyer also pointed out that regarding **grants**, S. Carmel is working hard to ensure that we are on top of grant draw-downs/reimbursements. M. Pruhenski said that he is working with S. Carmel to streamline

the process of submitting grant reimbursements and other paperwork (e.g., not needing his signature before going to the Finance Director, if not needed by the grant) so that they can be processed faster and more efficiently.

Regarding the **budget process**, A. O'Dwyer reflected that a major goal of the Finance Committee and Selectboard has been to streamline the budget process. She pointed out that both she and M. Loubert had attended School Committee meetings, and that this committee's system—of having departments come to them early on in the process (e.g., in the fall) seems to be quite helpful. One suggestion is to have one or two departments come to each meeting in the fall; M. Loubert pointed out that the Town Manager and Finance Director should weigh in on this potential new process, and that these earlier meetings could focus on the services and needs, versus budget numbers, in these earlier meetings. M. Pruhenski suggested one way to approach this would be to have the larger departments begin this process. A. O'Dwyer will meet with M. Pruhenski to discuss this possible new procedure.

The committee closed the discussion by noting that the only proposal from the Finance Committee regarding revising the Town's Budget Financial Policy is to have earlier meetings with departments.

S. Bannon asked that the dates for the 2021 joint budget meetings be set ASAP.

- **Mentoring new Finance Committee Members.** A. O'Dwyer indicated she is working to create information for committee members (as well as to the public) about available online resources regarding Mass town and regional finances on the Finance Committee website—making a listing of resources (e.g., on the Town's website, State Finance Committees website, from annual budget booklets) and how to access them.

M. Loubert shared that as a new Finance Committee member, she did not struggle to follow the budget booklet and found the budget process smooth this past year, and she complimented S. Carmel in the information she presented.

T. Blauvelt had found attending the orientation for new State Finance Committee members very helpful. It was in Worcester the year he attended. M. Loubert reported that she had looked on the State website for info on upcoming meetings, but did not find one posted; perhaps will be posted later in the year.

- **Looking Ahead to Setting 2020 Tax Rate.** As noted above, A. O'Dwyer will ask Shawn McHugh to attend a meeting.

## 5. CITIZEN SPEAK

[No additional comments: Note: audience members are permitted to participate during these meeting]

## 6. FINANCE COMMITTEE MEMBER COMMENTS

[No additional comments]

## 7. MEDIA TIME

[No additional questions]

## 8. NEXT FINANCE COMMITTEE MEETING

As noted above, the next Finance Committee meeting has been rescheduled for **Wednesday, August 21, 2019 at 6:00.**

## 9. ADJOURN

**MOTION:** T. Blauvelt made a motion to adjourn the meeting at 7:10 PM

**SECOND:** M. Loubert

**VOTE:** 4-0

Respectfully Submitted,

Anne O'Dwyer  
Chair, Finance Committee

Approved August 21, 2019

