

**Sudbury Finance Committee
Virtual Meeting Minutes
June 5, 2023
7:00PM**

ATTENDANCE

Members of the Finance Committee present were: Michael Joachim, Eric Poch, Susan Berry, Andrew Bettinelli, Henry Sorett, Ryan Lynch, Maura Carty and Mike Ferrari.

ABSENT

Colin Wang

ALSO ATTENDING THE MEETING

Finance Director/Treasurer Dennis Keohane.

Open the Meeting

ITEM 1: Welcome and Member Roll Call

There being no present Chair until election, Mr. Joachim called the meeting to order at approximately 7:00PM, declared a quorum present and roll-called members present. He stated that the meeting is being broadcast live and recorded for viewing by the public. He read the Municipal Remote Meeting Disclaimer.

● **Introductions**

Continuing and new members as well as the Finance Director introduced themselves and gave a brief bio.

ITEM 2: Public Comment

There was none.

ITEM 3: FinCom Reorganization

● **Election of Chair and Vice Chair or Co-Chairs**

Mr. Joachim began the discussion on the election of officers. He stated that while he is happy to serve as Co-Chair again with Mr. Poch, he welcomes new leadership. Mr. Poch stated his willingness to serve as well. He added that the co-chair model worked well in strengthening “the bones of what the Committee does, acts and creates” and upgraded and updated documentation to provide broader access. However, he is willing to support anyone who is interested in the future leadership role to come up to speed and have more comfort in the Chair/Vice Chair position. Ms. Berry stated there was something to be said for “rotation of people” not necessarily a year at a time but “different voices leading us.” The remaining members were in support of continuing the Co-Chair role of past leadership.

Upon motion duly made by Ms. Carty and seconded by Mr. Sorett, it was unanimously voted to elect Michael Joachim and Eric Poch as Co-Chairs for FY24-25. Roll call vote: Mr. Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Mr. Lynch-Y, Mr. Sorett-Y, and Mr. Joachim-Y. Motion carried 8-0, unanimous.

- **New Member Onboarding**

Co-Chair Joachim reviewed the PowerPoint presentation on new member onboarding, including a) an overview of the FinCom's roles and responsibilities for a typical fiscal year; b) FY23-26 three-year revenue projection and expenditure projections; c) description of municipal financial terms; d) FinCom materials/documents; e) relevant town bylaws; and f) FinCom Rules, and Operating Procedures.

Discussion ensued on the continuing role of the FinCom, adherence to open meeting law requirements and keeping the public informed of upcoming agenda topics as well as general operating procedures.

- **Liaison Assignments**

Co-Chair Joachim presented the current liaison assignments for finalization for FY24. Following discussion of possible member interest, Co-Chair Joachim will update the liaison assignments accordingly for FY24, upload to google docs and review at the next meeting for finalization.

- **CIAC Appointment**

Co-Chair Joachim reviewed the role of the CIAC and the one member selected by FinCom. He advised of the current member's willingness to be reappointed. Discussion ensued on the process for appointment and reappointment and the need for the development of a formal policy. Both Co-Chairs recommended the reappointment of the current member because of her long-standing service as the CIAC representative. Following discussion, it was the consensus of the Committee to advertise for the vacancy on the website with a deadline for submission in time to make a decision by the next meeting.

Co-Chair Poch suggested taking agenda item 6 General Business out of order.

Upon motion duly made by Co-Chair Poch and seconded by Ms. Berry, it was unanimously voted to take agenda item 6 General Business out of order. Roll call vote: Co-Chair Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Mr. Lynch-Y, Mr. Sorett-Y, and Co-Chair Joachim-Y. Motion carried 8-0, unanimous.

ITEM 6: General Business

- **Transfers and other business**

Finance Director Dennis Keohane stated that as a result of a snow and ice deficit of \$479,699, he is asking the FinCom to approve a transfer of \$220K from the reserve fund account to the general operating budget account. The remaining balance will be absorbed in the general DPW operating budget which has non-expended funds due to turnover in staffing.

Discussion ensued. In response to Mr. Sorett's question on the amount of deficit in light of a light storm season, Mr. Keohane stated that some of the factors involved are the duration of a single storm determining how many times trucks go out including cost of materials and contractors. The DPW Director could supply more details.

In response to Mr. Lynch's question on the alternative to not approving the transfer, Mr. Keohane stated that if not approved, some portion would be offset by the DPW budget and the remaining amount would be included in the tax rate for funding in FY24. It is a requirement that if the deficit is not funded in the current fiscal year, it would be raised in the following year.

In response to Mr. Ferrari's question on the reserve fund being under the control of the Finance Committee, Mr. Keohane stated that under state law the use of the reserve fund is under the control of the FinCom. The reserve fund has in the past been used other than for snow and ice deficit, but generally the purpose is to fund unanticipated expenses that arise usually by unforeseen circumstances. The reserve fund of \$300K has not been used thus far in FY23.

In response to Mr. Ferrari's question on why the DPW budget is not increased to handle actual snow and ice expenditures, Mr. Keohane stated it is more prudent to budget this line item at the same level every year rather than increase the amount since it cannot be budgeted at a lower amount in subsequent years.. However, he did allow that it may be time to evaluate increasing that line item especially with the rising costs due to inflation.

In answer to Mr. Bettinelli's question on whether the transfer is approved by the Select Board, Mr. Keohane stated that the reserve fund is the special purview of the FinCom, whereas other transfers from line items are under the purview of the Select Board.

Upon motion duly made by Co-Chair Joachim and seconded by Co-Chair Poch, it was unanimously voted that the FinCom transfer \$220K from the general reserve fund account to the general reserve fund snow and ice materials account to reduce the FY23 snow and ice deficit as detailed in the memo from the Town Manager to the FinCom dated May 31, 2023.

Discussion continued. Mr. Keohane confirmed that any remaining funds in the reserve fund account at the end of the fiscal year will be part of the basis for the calculation of free cash. The amount cannot be transferred without FinCom approval.

Roll call vote: Co-Chair Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Mr. Lynch-Y, Mr. Sorett-Y, and Co-Chair Joachim-Y. Motion carried 8-0, unanimous.

- **Liaison reports**

There were none.

- **Calendar**

Co-Chair Joachim reviewed the draft of the FY24 calendar and asked members to personally review for further discussion at the next meeting.

Mr. Sorett suggested a post-pandemic informal meeting of members for dinner. Following discussion, it was agreed that Co-Chair Joachim will send a doodle poll, check with legal counsel on conducting an informal meeting and investigate potential for in-person meetings next year.

It was agreed that the summer meetings would be June 19th and July 24th.

- **Approve meeting minutes of February 6 and February 15, 2023**

Upon motion duly made by Co-Chair Poch and seconded by Mr. Betinelli, it was unanimously voted to approve meeting minutes of February 6th and February 15th. Roll call vote: Co-Chair Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Mr. Lynch-Y, Mr. Sorett-Y, and Co-Chair Joachim-Y. Motion carried 8-0, unanimous.

ITEM 4: Updates and Review

- **Budget updates**
No updates.
- **Initial FY23 debrief and lessons learned table to next meeting**
Co-Chair Joachim stated that the above agenda item would be tabled until next meeting. Suggestions were made to the new members to look at last year's meeting for edification and critical review for further discussion.

Co-Chair Joachim reported that Mr. Sorett had submitted a memo to him for suggested topics for the Board's review. Mr. Sorett reviewed his memo including the following highlights:

- Computer security backup and insurance coverage in case of hacking event.
- Privatization of various town services like payroll, ambulance service, details during construction work and fuel supply management
- Transparency and bureaucratic friction to prevent additional cost to taxpayers.

Co-Chair Joachim will share this memo in the materials packet for next meeting.

Mr. Lynch noted the importance of prudence with respect to taxpayer dollars. Actionable items should be developed after any ideological discussions. Both Mr. Ferrari and Co-Chair Joachim stated the importance of restoring a constructive relationship with the School Committee to better collaborate on budget issues. Mr. Joachim would also like to see more collaboration with the Town Manager and journey with him in his new role and be able to exchange views. Mr. Sorett noted the ongoing debate whether the Town Manager Act is consistent with home rule petition amendment to the state constitution which gives ultimate power to Town Meeting. It is the FinCom's responsibility to ensure that the Town Manager can make the necessary meaningful decisions notwithstanding the Town Manager Act. Ms. Berry was in favor of discussing ways to give more people access to important information.

ITEM 5: Planning

- **Initial Discussion of FY24 Agenda Topics**
This agenda item will be tabled to the next meeting.

ITEM 7: Public comment

Select Board member Jen Roberts announced she was reappointed as liaison to the FinCom and welcomed new members.

ITEM 8: Adjournment

Upon motion duly made by Mr. Sorett and seconded by Co-Chair Poch, it was unanimously voted to adjourn. Roll call vote: Co-Chair Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Mr. Lynch-Y, Mr. Sorett-Y, and Co-Chair Joachim-Y. Motion carried 8-0, unanimous. The meeting was adjourned at 9:20PM.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary