

Finance Committee

Meeting Minutes

May 28, 2024

7:30 PM

Present: Christi Andersen (Chair), Jason Cole (Vice Chair), Steve Noone, Scott Sullivan, Adam Nolde and Greg Jarboe

Ms. Andersen called the meeting to order.

1. Citizen's Concerns

None

2. Leadership Election

Election of the new Finance Committee Leadership took place where Jason Cole was voted in as new Chair; Scott Sullivan Vice Chair; Roland Bourdon Clerk.

3. FY24 Q3 Presentation

Ellie Anderson, Budget Manager, presented the Q3 figures. Overall, all percentages for revenues and expenses are on target. These are for the general operating and enterprise accounts.

Follow-up questions were posed:

Septage expenses – Are they normal at this time? Answer: Expenses are a bit lower due to not having a full year's worth of the Health Director salary.

Transfer Station – Revenues are \$200k above profit margin. At what point are we concerned about being over 100%? Answer: We would defer to DPW Director Corey York; we do know, though, this was an exceptional year for collections. Target in mind of Free Cash? Answer: Not a specific target, but putting a plan together like we did for the Sewer Commission.

Ambulance – Looking at the expenses, are there concerns about overtime? Answer: Not at this time, we have new hires coming on board, specifically 7 new hires and we manage this account very closely pay period to pay period.

Mr. Noone suggested to put last year's Q3 percentages next to this year's percentages so that FinCom can compare and contrast. Good idea. We will do that for the next Quarterly presentation.

Mr. Nolde asked if retained earnings can be moved between Enterprise Funds? Both Mr. Noone and Mr. Cole responded no; Mr. Noone commented though that subsidies from the general operating account can be moved in.

4. Annual Town Meeting Debrief

Mr. Cole commented this was an opportunity to comment on both the elections and Annual Town Meeting:

Mr. Jarboe – As the newest member coming on board with FinCom, after almost all work was completed for the override, want to be on record giving kudos to the FinCom for all the work they did for a successful Town Meeting.

Mr. Nolde – Would like residents to stay for the full Town Meeting, to stay for all/most Article votes.

Mr. Sullivan – Rockport MBTA vote, what is happening, he heard Rockport is suing?
Ms. Friedrichs commented that it is not the Cities/Towns that are suing, these are separate Citizen groups. The Committee discussed other Cities/Towns that are in similar situations.

Mr. Noone – Thanked the staff for managing the largest town meeting ever. Westford does it in the opposite order, Town Meeting first, then the polls. We should consider this.

Mr. Cole – Commended and thanked the staff, as well, for making the process as smooth as possible. He was most concerned about the ballot results as that is the most votes taken and it only takes minutes to vote versus attending a town meeting. Did not expect the extremely close results at the ballot. We should remain vigilant. We should not be squandering our untaxed levy capacity; it is not there for an immediate grab.

Ms. Andersen – Liked how the Moderator introduced the concept of inviting questions before an Article vote.

5. Cost Cutting Task Force

Mr. Cole commented this was an idea of the immediate past Chair, Christi Andersen. He recommends not just having elected officials and the standard volunteers, but a more diverse group. He imagines this will not be a Committee that will make a ton of votes, but more so analysis and consensus building. He also doesn't see it as just cost cutting. Recommend to look at items such a municipal property ownership, etc.

Ms. Andersen commented this group should be looked at how the public can better understand how the town uses the money appropriated to it.

Mr. Sullivan commented that last year, in the beginning of the budget cycle, he appreciated Ms. Andersen's questions about the need to receive and understand some basic foundational data/numbers. This should still happen and should help this task force.

Mr. Noone asked how does Ms. Andersen see this? Ms. Andersen isn't exactly sure at this moment, but she doesn't want it to be a town versus school. Mr. Noone commented the one from 2010/2011, an invitation went out to the Select Board and School Committee. There were then smaller teams created to concentrate on specific topics. For example, what is the crossover of the Recreation Department and Community Education. The group may have overburdened staff with requests, it was a FinCom initiative, but overall information collected was good. Mr. Noone thinks there was also an open mic session. He will look for his notes and share.

Mr. Nolde likes the idea of all three entities – FinCom, Select Board and School Committee having representation. Need to have buy-in on all of these three (3) entities.

Mr. Jarboe suggests this group first needs to decide on how and what will be measured; meaning decide on how metrics will be collected and analyzed. Also, ensure this group looks at Minuteman Technical Regional High School. Suggests this group gets together with other FinCom's from other towns.

Ms. Friedrichs commented on the expertise of group members. Look at KPI's. For example, FTE per population. Should there be a separate School Committee group. Also, agreed not the usual suspects, but consider a wider net.

6. Finance Committee Business

Mr. Cole instructed FinCom members to think about to which Committee(s) (i.e. Select Board, Economic Development Committee, Health Insurance Trust) they would prefer to be the liaison.

Mr. Jarboe – Economic Development Committee received a grant from the State.

Mr. Noone – Health Insurance Trust limping to the finish line. Ms. Fleckner commented that because they continue to use the same IBNR amount throughout the whole fiscal year (\$2.3m), it is very challenging to forecast the amount of money needed for the following month's claims. Also, the Trust will no longer receive the \$2m monthly premium amount, it is now going to MIIA. Runout claims in FY25 will be very challenging for both town and school.

Confirm future meeting Dates - June 11th and June 25th, 7:30pm
Ms. Andersen suggested ALG start sooner this year.

Announcements, Other Committee Business - Mr. Cole thanked Christine Russell for her 2 terms on FinCom. And, her unending patience with the POV! Also, thanked the outgoing Chair Christi Andersen.

Mr. Jarboe moved to adjourn. Mr. Noone seconded. The motion was approved unanimously.

Documents and Exhibits Used During this Meeting

FY24 Q3 Presentation