

Lunenburg Finance Committee Meeting Minutes
Bilotta Meeting Room
Lunenburg Town Hall
May 23, 2024

Present Members: Chair Evan Watters, Vice Chair Chris Menard, Board Member Tom Gray, Board Member Dave Passios, Board Member Jean Russell, Board Member Jay Simeone

Absent Member: Clerk Tiffaney Tavaréz

1. Call to Order

The meeting opened at 7PM.

2. Pledge of Allegiance

3. Announcements

There were no announcements.

4. Public Comment

There was no public comment.

5. Town Manager Report

Heather Lemieux states she has applied for a Community Compact Grant and DLS is putting together financial policies. These policies are anticipated to be presented in June or July.

Heather Lemieux has been working with Ezequiel Ayala on a long-term financial forecast document for the town and the school. Heather Lemieux is going to be meeting with the finance director in 2 weeks to review, and a presentation is anticipated prior to September.

A Community Compact Grant was applied for and received for the long-term culvert plan. The work has already started and is expected to be completed by August.

The Stormwater Task Force applied for and received an Asset Management Inventory Grant. Another grant will be needed to complete this grant and the DPW is working on the application. The Stormwater Task Force is working on an outreach program to provide information about adding a utility fee.

Heather Lemieux added the DPW directors' presentation to the Select Board relating to Chapter 90 to the SharePoint drive.

6. Finance Director Report

Ezequel Ayala sent over the stabilization fund balances that were requested at the last meeting. The balances provided were what was presented prior to the town meeting.

The special purpose Stabilization fund has a balance of \$2,874,556.

The zoning stabilization fund has a balance of \$2,216, 955.

The OPEB Trust Fund has a balance of \$1,324,308.

The health insurance stabilization fund has a balance of \$114,621.

The opioid Settlement stabilization fund has a balance of \$183,290.

There was a question at a prior meeting inquiring if the interest gained on these funds stays in the account and the Finance Director, Ezequel Ayala, confirmed that is the case.

Dave Passios questions what is coming into those accounts for interest on a quarterly basis. Dave Passios states if we are looking for funding down the road it may be beneficial to investigate what revenues those accounts are earning on a quarterly basis. An option would be to go to town meeting and ask to appropriate the interest which is done with many other accounts to be transferred to cover some other expenses in town. Specifically for things we desperately need.

Chris Menard is requesting all funds be posted on a quarterly basis.

7. New Business

a. Town Meeting Review

Dave Passios states there were no real surprises during the meeting, but emotions and tempers were high. Dave Passios was disappointed with the way it went but states we will have to move forward from here. Going forward there needs to be better security on the voting system at town meeting. Town Clerk and moderator are both aware of what's going on.

Tom Gray expressed that he was happy with the amount of people that appeared for the Town Meeting and states there were roughly 430 people. The Town still has issues with long-term stability. Tom Gray wants to inquire with the Town Clerk to see if the data from voting is collected or recorded.

Chris Menard states the meeting went like he thought it would. The infusion of almost a million dollars into the overarching budget will help us holistically.

b. Town Ballot Review

Chris Menard confirms the elections happened and a lot of unopposed people were voted in. Chris Menard did have a question about the

category where the outcome was failure to elect. Dave Passios is also unclear how that works as there is no minimum vote count.

The Committee states they have not seen the final results yet.

c. Override Update

Dave Passios states the School Committee is going to have a discussion in the near future regarding the override.

Evan Watters confirms there was a vote before the Town Meeting that if the override passed then the ARPA funding would be returned. Evan Watters states there was an error in the presentation the School Committee provided and there does not need to be a special town meeting to appropriate the funds.

d. Summer Planning

i. Review Policies & Procedures

This task was not completed last year, and it is overdue for a review.

Chris Menard states that if it's a state policy then it should be written down.

Dave Passios believes the review of the borrowing policy is way overdue and he will recommend this to the budget task force.

Chris Menard heard Renee Emkey from the Select Board state the only difference between the Finance Committee and the Budget Task Force is just the people who are sitting in it. It would encompass people from different departments in town.

ii. Consolidation of Services/Departments

Evan Watters believes there is a large pushback from the school side and the municipal side regarding consolidation. Additionally, he is willing to pull together a meeting with facilities director and the DPW director and see where it goes. Dave Passios agrees with Evan about getting all the parties together to get input.

Chris Menard wants plans to be put in place like pavement management plan, sewer, and stormwater management plan. This should be backed with data and a list of what it will take to become operational. Additionally, the plans must be sustainable for 10-15 years.

This is a high priority among the lists.

iii. MIAA Health Insurance presentation to FinCom

Evan Watters is unsure about what can be changed to save money.

Dave Passios states the bulk is tied up in collective bargaining and thinks this is a low priority.

Chris Menard believes the insurance plan is good but doesn't know specifics and a presentation would be helpful.

Evan Watters will revisit and request someone from MIAA to come and give a presentation.

iv. TM Discussion of Debt Exclusion Projects

Evan Watters believes this topic may be an area for the Municipal Building Design Committee or the School Committee. The Committee agrees to request the Municipal Building Design Committee come and talk about what's going on.

Chris Menard believes the historical society needs to be proactive and be a part of these discussions.

This is low on the priority list.

v. Chapter 90 Briefing from DPW

Chris Menard says a briefing was put together regarding Chapter 90 and the Committee is inquiring about getting a copy.

Dave Passios asks Heather Lemieux if Chapter 90 has any impact on the Town short-term borrowing and the ability to accomplish projects that are reimbursable that need to be completed prior to receiving reimbursement. Heather Lemieux states it depends on the type of project, but we can deficit spend on certain accounts.

vi. CemCom Discussion on Sales of Cemetery Lots

Chris Menard would like to understand what the Cemetery Commission envisions for operations relating to financial impacts and discuss some of their capital items.

vii. Review Budget Process/Suggestions for Improvement

Dave Passios believes the timeline needs to be moved up because we are never ready for the Town Meeting.

Evan Watters states the DLS provided their cherry sheet estimates for FY 25. There is a \$29,000 difference between what the Governor put forward in February or March and what the Senate put forward in the last few weeks.

Chris Menard suggests budgeting software could be beneficial that the school and the Town can both utilize. Theoretically running a 30-million-dollar school budget off an excel spreadsheet is not ideal. Chris Menard suggests creating a policy relating to inflation. Inflation in the last 15 years has generally been under 2 ½% on aggregate. Evan Watters wants to know what the mode and deviation from the average was for those low inflation rates. Tom Gray also agrees that if there is a low inflation period then we need to figure out what to do with that extra money and not just spend it.

Dave Passios questions if there is a mechanism to create a reserve account specifically for the school department. Based on last year's financial seasons we learned that there were breakdowns and repairs that were anticipated but there wasn't a way to fix them. Evan Watters states it's difficult to budget when you are already under funding other portions of departments. Dave Passios states the budget is lopsided in a direction that is not sustainable for a good operation from a financial point of view. Evan Watters testifies they are a public municipal entity, and their mission is not to make money it's to educate.

This topic is of the highest priority level.

viii. Earmarked/Cherry Sheet Money Distribution

Evan Watters states if an earmark is for a specific use, then that needs to be distributed for that specific use and not be put into the general town fund. If a department is getting additional state or federal funding that comes in and is unexpected and wasn't included in their original budget it shouldn't go into a general fund.

This was at medium priority level.

ix. Re-organization for 1st Meeting Each August

Chris Menard states some of the reappointment years are incorrect but Heather Lemieux will be looking into that.

The Committee agrees to have reorganization at the first meeting in August.

There was a motion to set the first meeting in August of each year as the reorganization meeting by Dave Passios, seconded by Chris Menard. All in favor.

Chris Menard suggests with the reorganization it may be beneficial to have a committee member on the Stormwater Task Force since there may be financial impact. The Committee also agrees there

should be a committee member on the Board of Assessors and the Cemetery Commission.

8. Old Business

There was no discussion relating to old business.

9. Minutes

Evan Watters reviewed the minutes on the town website for 2024. There are minutes for every meeting from the 11th of January through the 25th of April.

Chris Menard suggests using software like Microsoft 365 that has workflow tools available. When an agenda is established for a meeting, it should start a workflow tool and the minutes automatically get posted to the website. Chris Menard does not like the idea of emailing the minutes to the Clerk to then have them posted. Heather Lemieux suggests having a meeting with Chris Menard, the Town Clerk and IT, to discuss this suggestion.

After review, Evan Watters states there are 11 sets of minutes in the SharePoint review folder to approve.

There was a motion to approve the minutes as submitted from January 11, February 20, February 21, February 22, February 29, March 7, March 14, March 28, April 4, April 11, April 25 all from 2024 by Dave Passios, seconded by Chris Menard. All in favor with 1 abstention.

Evan Watters will be looking into meeting minutes from 2023 and 2022.

Chris Menard states there are agendas that have been posted but the meetings never happened. Chris Menard questions if something needs to be posted stating the meeting was canceled or did not happen. Additionally, Chris Menard says there are a bunch of missing minutes dating back to 2016. Heather Lemieux confirms that the official minutes must be a permanent record with the Town Clerk.

10. Committee Reports

Dave Passios confirms that Green Communities pulled the application for the sewer project at the last minute. The savings numbers were provided a couple of days before the deadline, and it turns out the project did not improve efficiency enough to show savings to justify going into the process right now. The Committee will be meeting on the first Monday of next month to restart the process.

Chris Menard heard a comment at the last meeting about a new plan for Marshall Park. Chris Menard states there is not a new plan. Recently there was a community project at the town beach building completed by volunteers.

Chris Menard is on the Committee for Capital Planning and reiterates that meetings will restart in June, and they intend to have a plan in place for fiscal health over the next 10 years.

Evan Watters confirms that the Master Plan Steering Committee workshopped the 4th survey which is currently live. There is going to be another meeting next Thursday at 6 PM at Smokestack for more workshopping. The Council on Aging reached out to invite the Committee to see their presentation on either a Wednesday at 9 or Tuesday/Thursday at noon.

11. Topics for Future Meetings

Topics include:

Grant writing services priorities.

Revisit and have a conversation about percentages of population.

Dave Passios requests a conversation about local income tax.

12. Upcoming Meetings:

a. 6/13/2024

b. 6/27/2024

13. Important Dates

There were no additional important dates.

14. Public Comment

Dave Rogers commented that from a historical perspective the Committee had tried to combine departments when he was the Chair of the Finance Committee but was unable because it wasn't workable. He suggests that every few years the Committee should look at the personnel situation we have in town and the potential for reorganization. After reviewing the school superintendent's spreadsheet regarding the override, he states the last 2 years of the superintendent's contracts were not filed. Lastly, Dave Rogers thanks the Committee for all they are doing.

Evan Watters confirmed that the override passed. Evan Watters thanks the School Committee, the SOS action group that formed, and the students advocating. Evan Watters wants to ensure that we don't forget about the low and fixed-income residents in town and the effect this will create. Additionally, he wants to go after tax incentive programs or other ways to save money for low income or fixed income seniors. Lastly, he thanks the Committee for their hard work throughout the budget season.

15. Adjourn

There was a motion to adjourn by Chris Menard, seconded by Dave Passios. All in favor.

The meeting closed at 9:35PM.