**Sturbridge Finance Committee**

**Meeting Minutes of October 26, 2023**

**Minuteman Conference Room, Sturbridge Town Hall**

**Call to Order**

Finance Committee (FC) Chair Kevin Smith called the FC meeting to order at 7:00 pm and read the agenda.

1. Call to order
2. Reserve Fund Transfer(s)
   1. Underground Diesel Tank at DPW
   2. Charter, Open Space and Master Plan Mailing
   3. Election Costs for Polling Location Change
   4. Insurance Blanket Account
3. Meeting Minutes
   1. April 14, 2022
   2. April 18, 2023
   3. May 11, 2023
   4. July 13, 2023
4. Old Business
5. New Business
   1. Discuss Form of Motions
6. Public Access
7. Adjournment

Committee members present: Leigh Darrin (LD), Michael Hager (MH), Larry Morrison (LM), Kathy Neal (KN), Ken Talentino (KT), James Waddick (JW), Kevin Smith (KS), and Sean Wawrzkiewicz (SW).

Absent: Michael McGlone (MM)

Guests: Remote: Barbara Barry, Finance Director (BB); Robin Grimm, Town Administrator (RG). In-person: Heather Blakeley, DPW Director (HB).

**Reserve Fund Transfers**

The Reserve Fund starting balance was noted to be $184,000.

Underground Diesel Tank at DPW

HB explained that the diesel tank at the DPW had failed. Prior repairs were thought to have left the tank in viable condition; however, there was a recent failure in the interstitial tank requiring the tank to be taken out of service and drained. The transfer request is intended to cover costs through the end of this fiscal year related to removing the tank, providing a temporary tank and providing environmental reports to DEP. A longer-term solution/replacement will be developed after a sizing/needs study is performed and options are evaluated. An earlier estimate of $600,000 for a new tank is still accurate. While ambulances and buses are moving away from diesel, fire trucks, big DPW trucks and older buses still require it.

LM made a motion to approve the transfer of $43,124.00 from the Reserve Fund to the DPW – Purchase of Services, Account #14102-52000 for the purpose of funding costs through the end of the fiscal year related to removing the failed diesel tank and providing a temporary tank; LD seconded the motion. Motion approved 8-0-0.

Charter, Open Space and Master Plan Mailing

Funding was available through existing approved budgets; therefore, an RFT was not submitted, and no action was needed or taken.

Election Costs for Polling Location Change

At budget time, the Town Clerk had explored costs to move the polling location off site and found they were astronomically high. As a result, the Town Clerk did not include any off-site costs in their FY24 budget. The Town Clerk continued to investigate off-site options and was able to find space at the Sturbridge Host Hotel at a significantly lower cost.

The Town Clerk has proposed using an off-site location for the upcoming FY 2024 elections due to the following concerns:

* Inadequate parking.
* Traffic issues exiting and entering Maple Street and the parking area.
* Noise and congestion while Town Hall staff is working.
* Insufficient campaigning area (150-foot requirement).
* Long lines and crowding at check in and check out.

The move to the Sturbridge Host Hotel is expected to remedy the noted issues and make staff more efficient while giving the election process more room to accommodate the large crowds that are anticipated in 2024.

KT asked whether other less-costly sites were considered, such as use of Burgess Elementary School. RG noted that the Town Clerk has spent considerable time looking at many locations and this was the one location that was available, would meet the approval/requirements of the State Elections Committee and was at a reasonable cost. LM noted that the school is under the control of the Burgess School Committee and that elections were no longer held there, due to building security concerns that arise with large numbers of the public in the building while school is in session.

LM made a motion to approve the transfer of $1,575.00 from the Reserve Fund to the Elections – Purchase of Services, Account #11622-52000 for the purpose of funding the costs of off-site elections in FY2024; KT seconded the motion. Motion approved 8-0-0.

Insurance Blanket Account

BB explained that FY2024 insurance premiums were higher than anticipated at budget time. The budget was based on past premium adjustments/endorsements and dividend and participation credits (i.e., trainings, such as safety training, that lower risks) which turned out to be less than anticipated. RG is working with department heads to increase training where available to be able to increase participation credits in the future as well as exploring limited options for alternate carriers. RG also noted that during the course of enrolling in coverage for the year, the Town’s administrative assistant found three vehicles that had not been previously included in the prior insurance coverage.

The requested increase of $41,000 would be on top of the base budget for insurance, which was approved at $416,000.

KT asked if the Town could self-insure a portion of the costs at a lower cost for coverage. RG responded that may be an option for some of the coverages but it could not work for all and that the Town would need a large pool for self-insurance to make sense. This was an option that could be considered in the future, but the Town needs to be careful of the risks that it would take on and potential costs that could be incurred.

LM made a motion to approve the transfer of $41,000.00 from the Reserve Fund to the Insurance Blanket Fund, Account #19102-57410 for the purpose of funding increased insurance blanket costs for FY2024; LD seconded the motion. Motion approved 8-0-0.

Following the above transfers, $98,301 remains in the Reserve Fund. BB noted there may be a Special Town Meeting in January and suggested the FC consider whether it wants to include an article to replenish all or a portion of the account.

**Old Business**

KS noted the appeal period for the prior Open Meeting Law violation complaint has passed but the FC has not received notice of closure of the matter from the Attorney General’s (AG’s) office. RG had Town Counsel check on the status with the AG’s office and did not receive any update. KS is considering the matter closed until some further action is taken or notice is provided to the FC.

**New Business**

KS noted that Free Cash was certified at $7,795,693 at the end of last fiscal year, vs. $7,082,857 at the end of the prior fiscal year. This is after the Free Cash articles at the last Annual Town Meeting and Special Town Meeting had been accounted for. BB is preparing a summary to explain the drivers of the Free Cash value. The FC had a general discussion regarding upcoming borrowings and other potential uses for Free Cash, such as returning it directly to taxpayers, using it to fund Warrant articles in lieu of raising and appropriating funds, using it to offset tax rates, or using it to offset upcoming borrowing costs. No specific action resulted from the discussion. BB is investigating upcoming borrowing needs and current market rates, including as it relates to the upcoming Senior Center renovation, and will develop a plan that will be shared with the FC. LM noted that having a healthy Free Cash balance is essential to maintaining the town’s enviable AA+ bond rating. KS noted that he is in the process of setting up a meeting between BB, RG and the FC to discuss these and similar topics.

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KS is working with BB to develop a schedule for upcoming meetings and topics to be discussed at each meeting, with the FC prior to the budget cycle beginning.

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KS noted he had provided liaison assignments to FC members and that BB has provided them to department heads.

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MH provided a suggested form of motions for various actions taken by the FC (see attached). This was driven by slightly different wording of motions, but the same intent, during the budget process, which was difficult to capture when preparing minutes. The suggested motions were proposed to drive consistency in future meetings and to obtain agreement as to how motions should be worded when made and reflected in FC minutes. The FC was in agreement with the proposed intent and wording of the motions. No vote was required/taken.

**Meeting Minutes**

JW moved to approve the minutes of the April 14, 2022 meeting as presented; LM seconded. Motion approved 7-0-1 (SW abstained).

JW moved to approve the minutes of the April 18, 2023 meeting as presented; LM seconded. Motion approved 6-0-2 (KN and SW abstained).

JW moved to approve the minutes of the May 11, 2023 meeting as presented; LD seconded. Motion approved 5-0-3 (MH, LM and SW abstained).

JW moved to approve the minutes of the July 13, 2023 meeting as presented; KT seconded. Motion approved 8-0-0.

**Public Access**

None.

**Adjournment**

LD moved to adjourn the meeting at 7:56 p.m.; KN seconded. Motion approved 8-0-0.

**Town of Sturbridge**

**Finance Committee**

**Suggested Form of Motions**

**Line Item Budgets**

Motion: To recommend that Town Meeting approve the [insert department name as it appears on the budget sheet] budget of $[X].

Example: I move to recommend that Town Meeting approve the Senior Center Building budget of $28,300.

Minutes: [XX] made a motion to recommend that Town Meeting approve the Senior Center Building budget of $28,300; [XX] seconded the motion. Motion approved [X]-[X] [add initials of those voting against] – [X] [add initials of those abstaining].

**Warrant Articles – Approve as Written**

Motion: To recommend that the Town vote to approve Article [#] as written.

Example: I move to recommend that the Town vote to approve Article 12 as written.

Minutes: [XX] made a motion to recommend that the Town vote to approve Article 12 as written; [XX] seconded the motion. Motion approved [X]-[X] [add initials of those voting against] – [X] [add initials of those abstaining].

**Warrant Articles – Take No Action**

Motion: To recommend that the Town vote to take no action on Article [#].

Example: I move to recommend that the Town vote to take no action on Article 12.

Minutes: [XX] made a motion to recommend that the Town vote to take no action on Article 12; [XX] seconded the motion. Motion approved [X]-[X] [add initials of those voting against] – [X] [add initials of those abstaining].

**Warrant Articles – Approve in Different Written Form**

Motion: To recommend that the Town vote to [insert exact language of the Article to be acted upon].

Example Article: To see if the Town will vote to transfer a sum of money from some source to fund the Snow and Ice Removal account for last fiscal year, or take any other action relative thereto.

Example Motion: I move to recommend that the Town vote to transfer the sum of THIRTY-ONE THOUSAND EIGHT HUNDRED SIXTY-EIGHT and 74/100 DOLLARS from Free Cash for the purpose of funding the Snow and Ice Removal account for Fiscal Year 2023.

Minutes: [XX] made a motion to recommend that the Town vote to transfer the sum of THIRTY-ONE THOUSAND EIGHT HUNDRED SIXTY-EIGHT and 74/100 DOLLARS ($31,868.74) from Free Cash for the purpose of funding the Snow and Ice Removal account for Fiscal Year 2023; [XX] seconded the motion. Motion approved [X]-[X] [add initials of those voting against] – [X] [add initials of those abstaining].

**Reserve Fund Transfers**

Motion: To approve the transfer of $[X] from the Reserve Fund to [insert name of budget line item], Account #[insert account number] for the purpose of [describe requested purpose].

Example: I move to approve the transfer of $8,000.00 from the Reserve Fund to the DPW – Purchase of Services, Account #14102-52000 for the purpose of installing a Shade Systems shade structure at the little league field.

Minutes: [XX] made a motion to approve the transfer of $8,000.00 from the Reserve Fund to the DPW – Purchase of Services, Account #14102-52000 for the purpose of installing a Shade Systems shade structure at the little league field; [XX] seconded the motion. Motion approved [X]-[X] [add initials of those voting against] – [X] [add initials of those abstaining].