

Town of Bedford Finance Committee

Remote Meeting - Zoom

February 17, 2022

Minutes

Finance Committee Members in attendance: Stephen Carluccio (Chair), Elizabeth McClung, Paul Mortenson, David Powell, Stephen Steele, Karen Dunn, Ben Thomas, Erica Liu

Others in attendance: David Castellarin, (Finance Director), Emily Mitchell, Select Board, Ed Pierce, Select Board, Emily Price, Energy and Sustainability Committee, Dan Bostwick, Energy and Sustainability Committee, Bill Moonan, Select Board

Chair Carluccio called the meeting to order at 7:03 pm.
Reads Remote Meeting Guidelines.
Calls the Roll of Committee Members in attendance.

Noted for the record that the meeting is being recorded by Bedford TV

I. REGULAR BUSINESS

1. Public Comment

Emily Prince, 66 South Road, Chair of the Energy and Sustainability Committee. Notes that she and Energy and Sustainability Member Dan Bostwick are available for any questions with respect to the Energy and Sustainability Manager position.

Uma Cuhdina 15 Concord Road. Provides data gathered in support of Energy and Sustainability Manager position.

Patricia Fabian, 33 Anthony Road. Provides data in support of Energy and Sustainability Manager position.

Joseph Piantedosi, 14 Putnam Road. Provides information and comments concerning research concerning experience of other towns and the need to require the person work closely with and report to the Facilities Department. Also needs a job description.

Chair Carluccio notes that written comments received have been forwarded to Members.

2. Review and Discussion FY2023 Finance Committee Budgeting Model

Chair Carluccio refers to the FY23 Budget Guideline Allocation document provided to Members. Suggests using this document as a basis for discussions of the individual budgets.

Member Powell refers to the Schools as proposing a budget of \$45,157,090 and moves that the Finance Committee recommend approval of the budget as submitted.

Second by Member McClung

Member Powell provides comments in support.

Member Steele provides comments as to lower enrollment numbers. Also asks about Reserve numbers.

Member Thomas pleased that the budget came in at 3.5%.

Member McClung agrees with Member Steele re: decreasing enrollment

Chair Carluccio fully supports this budget.

Roll call of Members in attendance

Vote: 7-0-1

Motion carries

Member Powell refers to the Select Board budget in the amount of \$18,681,557 and moves that the Finance Committee recommend approval of this budget.

Second by Member McClung

Member Steele comments that he would have preferred that the Budget had been adjusted upward by \$10,000 for the Council on Aging but supports budget as it stands.

Member Thomas notes still having questions the Sustainability Manager position. Also any such position should be working with the facilities director. Still doesn't know what the job entails and we have no job description provided.

Member McClung agrees. Sees redundancy here. Would prefer the Select Board agree to review in a few years.

Member Powell refers to a proposal slide which dealt with the job description.

Chair Carluccio asks attending Select Board members for comments.

Bill Moonan agrees with Members Thomas and McClung. Believes that position needs more definition including reporting.

Roll call of Members in Attendance

Vote: 4-4-0

Motion fails

Motion to approve the Select Board budget submitted excluding the Sustainability position (\$75,000) by Member Dunn

Second by Member McClung

Member Powell comments on the extent of the motion being made.

Chair Carluccio confirms that the pending motion would make the approved budget number \$18,606,344.

Roll call of Members in Attendance

Vote: 6-2-0

Motion carries

Member Powell refers to the Planning Board budget and moves that the Finance Committee recommends approval of this budget in the amount of \$241,738

Second by Member Dunn

Chair Carluccio asks for any Member comments. None offered.

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Member Powell refers to the Board of Health budget and moves that the Finance Committee recommends approval of this budget in the amount of \$399,101

Second by Member Dunn

Chair Carluccio asks for and Member comments

Member Steele asks about the percentage increase. Also asks about nurse hiring

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Member Powell refers to the Library budget and moves that the Finance Committee recommends approval of this budget in the amount of \$1,409,522

Second by Member Steele

Chair Carluccio asks for any Member comments. None offered

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Chair Carluccio refers to the next line item, Financial Committees. Asks Mr. Castellarin for comment.

Mr. Castellarin states that the number here is the Guideline number. \$1,001,614 is the number in the Model.

Member discussion of number to be used. Decision to wait on this line item

Member Powell refers to the Vocational Education budget and moves that the Finance Committee recommends approval of this budget in the amount of \$959,598

Second by Member Dunn

Chair Carluccio asks for any Member comments. None offered

Roll call of members in attendance

Vote: 8-0-0

Motion carries

Member Thomas refers to Fixed Expenses budget and moves that the Finance Committee recommend approval of this budget in the amount of \$38,082,040

Chair Carluccio asks for any Member comments. None offered

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

3. Review/Discussion Town Meeting Warrant

General discussion by Members of various Model numbers with relation to various Town Meeting Articles.

Chair Carluccio states that the discussion of Town Meeting Articles will go by number. Would like to get as many of the Committee's recommendations in as possible.

Member McClung notes that the Select Board is discussing changing various elements of Article 2 Debate Rules and asks whether we should hold off on our action until that is settled.

Motion by Member Thomas to provide recommendation at Annual Town Meeting of Article 2, Debate Rules.

Second by Second by Member Steele.

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Discussion of Article 5 specific numbers by various Members. Member Thomas request that fund balances as of end of 2021 be added. Request made to Mr. Castellarin.

Member Steele requests that decisions on Article 6, Lines 12 and 13 be held for now.

Member Powell recommends approval of Article 6, Community Preservation, except for lines 12 and 13.

Second by Member Dunn

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee recommend approval of Article 6 Line 12, Bikeway Extension, at \$1.5 million.

Second by Member Thomas

Roll call of Members in attendance

Vote: 5-3-0

Motion carries

Motion to recommend approval at Town Meeting of Article 6 Line 13 by Member Steele.

Second by Member McClung

Roll call of Members in attendance.

Vote: 6-2-0

Motion carries

Brief discussion of Article 7, Capital Projects Plan

Member Steele notes his request for a hold on #23-27, # 23-26 and #23-34.

Motion by Member Powell that Committee recommend approval of all project numbers of Article 7 except for items 23-27, 23-26 and 23-34.

Second by Member McClung

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Discussion of held items here by Member Steele.

Member Mortenson asks Mr. Castellarin for reasoning for bonding.

Mr. Castellarin provides reasoning.

Motion by Member Powell that Committee recommend approval of Article 7 Item 23-26 to be paid for through bonding.

Second by Member Mortenson

Member McClung discusses effect of bonding

Mr. Castellarin responds to this bonding issue

Roll call of Members in attendance

Vote: 7-1-0

Motion carries

Motion by Member Powell that the Committee recommend approval of Article 7 Item 23-27

Second by Member Thomas

Discussion by Members Steele and Dunn.

Discussion by Mr. Castellarin as to bonding versus use of the Levy.

Discussion by Chair Carluccio

Roll call of Members in attendance

Vote: 7-1-0

Motion carries

Motion by Member Powell to recommend approval of Article 7 Item 23-34 to be paid for through bonding

Second by Member Thomas

Roll call of Members in attendance

Vote: 7-1-0

Motion carries

Chair Carluccio discusses prior vote on Article 9 Fire Station Design and Project Management.

Motion by Member Thomas to recommend approval of Article 9 Fire Station Design and Project Management, 139 The Great Road

Second by Member Powell

Chair Carluccio asks for Member comments

Member Powell discusses overall debt result of project.

Member McClung discusses projections of actual cost over which years. Also asks about the closing of consideration of other locations.

Member Thomas provides comments

Select Board Member Pierce provides comments about competitive bid process under MGL 30B. This project did not go out under 30B based on a determination that this property was unique.

Member McClung asks about the current building on the property.

Mr. Pierce provides information of HDC involvement in project.

Roll call of Members in attendance.

Vote: 7-1-0

Motion carries

Motion by Member Powell to recommend approval of Article 10 as printed in the warrant

Second by Member Liu

Member McClung asks about residential tax impact of this.

Mr. Castellarin notes that this will be an interest free loan from the MWRA. Not much impact.

Roll call of Member in attendance

Vote: 8-0-0

Motion carries

Motion by Member Thomas to recommend approval of Article 11, Minuteman Bikeway Extension by Member Thomas

Second by Member Powell

Member Powell asks to confirm that this Article only authorizes the project while then actual funding will come from the CPC budget.

Chair Carluccio confirms

Member McClung asks about the actual land takings and feelings of abutters.

Mr. Pierce discusses needed easements for this project.

Member Liu comments on the use of the funding.

Roll call of Members in attendance

Vote: 5-0-0

Motion carries

Motion by Member Powell that the Committee give its recommendation on Article 12, Land Acquisition – 33 Shawsheen Road, at Town Meeting

Second by Member McClung

Roll call of Members in attendance

Vote: 7-1-0

Motion carries

Motion by Member Powell that the Committee recommend approval of Article 13, PEG Access and Cable Expense Related Budget FY23, as printed in the Warrant

Second by Member Thomas

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Member Thomas discusses Article 14 substance and Select Board action and intent.

Mr. Pierce confirms statement. Deals with Stabilization Fund re-funding from Reserve Fund.

Chair Carluccio and Mr. Castellarin discuss details of funding of Reserve Fund and expected Reserve Fund expenses including for Schools. Needs to be cleared by Legal. This issue just came up.

Members discuss this matter. In general satisfied with concept. Actual amount to be involved in question.

Motion by Member Thomas that the Committee recommend approval at Annual Town Meeting of Article 14, Supplemental Operating Budget for FY22 and Articles of 2021 Annual Town Meeting

Second by Member Powell.

Roll call of Members in attendance

Vote: 8-0-0

Motion carries.

Motion by Member Powell that the Committee provide its recommendation on Article 15, Salary Administration Plan Bylaw Amendment – Classification and Wage Schedule at Annual Town Meeting

Second by Member McClung

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Further discussion by Members and Mr. Moonan concerning possible language changes for the title of this Article.

Motion by Member Powell that Committee recommend approval of Article 16, General Bylaw Amendment – Article 58 – Salary Administration Plan Bylaw as printed in the Warrant

Second by Member Mortenson

Roll call of Members in attendance

Vote: 7-0-1

Motion carries

Motion by Member Thomas that the Committee recommend approval of Article 18 - Ambulance Enterprise Budget – FY23

Second by Member Liu

Roll call of Members in Attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that Committee recommend approval of Article 19 – Salary Plan Additional Funding – as printed in the Warrant

Second by Member Dunn

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee give its recommendation for Article 20 at Annual Town Meeting.

Second by Member McClung

Roll call of Members present

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee recommend approval of Article 21, Supplemental Accrued Leave Fund, in the amount of \$150,000.

Second by Member McClung

Roll call of Members present

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee provide its recommendation for Article 24, Appropriate Funds for Transportation Infrastructure Fund, at Annual Town Meeting

Second by Member McClung

Roll call of Members in Attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee provide its recommendation for Article 25, 300th Anniversary Stabilization Fund Appropriation, at Annual Town Meeting

Second by Member McClung

Roll call of Members in Attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that the Committee provide its recommendation for Article 26, Free Cash, at Annual Town Meeting

Second by Member Thomas

Roll call of Members in Attendance

Vote: 8-0-0

Motion carries

Chair Carluccio moves back to Article 22, Stabilization Fund.

Member discussion of what was done last year and what has been recommended by the Select Board.

Member discussion about current balance, potential methods and possible amounts to be transferred into Stabilization Fund.

Mr. Castellarin provides various current numbers in place at this time and possible future amounts needed.

Chair Carluccio suggests having Members provide their recommendation for Article 23, OPEB.

Member Thomas discusses Select Board discussion as to amount to be transferred to OPEB.

Mr. Pierce discusses what Select Board has approved and is thinking for this year as to this Fund. Believes the Town should continue with funding this Fund.

Chair Carluccio surveys the Members as to what they would prefer as to any transfer to OPEB and in what amount. Also the same issues as to the Stabilization Fund. Also the potential use of Free Cash and how much. Also as to following financial policies in place.

Mr. Castellarin discusses various amounts that we would need to use for various amounts to go to OPEB and Stabilization and use of Free Cash. Definitely can use Free Cash but should be very limited at any one time.

Member Powell suggests a straw poll with these numbers:

Increase the Model utilization of Free Cash from \$5.1 million to \$6.1 million.

Increase the OPEB liability in the Model from \$250,000 to \$1.241 million

Increase Stabilization from \$250,000 to \$500,000

Then have Mr. Castellarin run those numbers and come up with our deficit which will probably be between \$400,000 to \$500,000. In theory we would be eating into unused levy capacity but we would have a decent chance that number would be cut in half.

This would be a compromise across the board.

Member Steele provides further numbers.

Mr. Castellarin computes the numbers using the 969,000 for OPEB and increasing Free Cash to \$6.1 million. Stabilization would go to the recommended \$500,000. Would leave us with \$8,104,000.

Straw poll of Members on the \$969,000 for OPEB (Total), the \$500,000 for Stabilization (Added \$250,000) and \$6.1 million Free Cash:

PM – Yes (half and half)

EL – Yes

KD – Yes

DP – Yes

SS – Yes

BT – Yes

EM – No

SC – Yes

With these numbers, Unused Levy would be \$8,104,727

Discussion of Schools funding of \$500,000 from Stabilization Fund.

Mr. Castellarin provides number for total budget of \$105,104,694 including \$75,000 for new hire. Less that new hire number, the budget number is \$8,104,727.

Motion by Member Powell that the Committee approve an overall budget \$105,649,694 as presented in Article 17 of the Warrant.

Second by Member Steele

Roll call of Members present

Vote: 8-0-0

Motion carries

Motion by Member Powell to defer the Committee's recommendation on Article 23, OPEB, until Annual Town Meeting.

Second by Member Steele

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Motion by Member Powell that we defer the Committee's recommendation on Article 22, Stabilization Fund, until Annual Town Meeting.

Second by Member Steele

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

4. Assign Town Meeting Position Rationale Write-ups

General discussion will look to next meeting.

5. Minutes

None

RECURRING BUSINESS

1. Meetings Attended

Member Steele attended Capital. Listened to School Committee.

Member Thomas attended Select Board meeting

Member McClung attended Select Board meeting

2. Open Discussion

None

3. Adjourn

Motion to adjourn by Member Morton

Second by Member Steele

Roll call of Members in attendance

Vote: 8-0-0

Motion carries

Time: 11:01PM

John B. Connarton
Recording Secretary

DOCUMENT LIST

Agenda for February 17, 2022 Meeting

Memo from Sarah Stanton – Town Manager - FY23 Select Board Budget Submission – Finance Committee February 7, 2022

FY2023 – Select Board Budgets and All Budgets – Finance Department

FY23 – Budget Guideline Allocation 2-10-22

2022 Annual Town Meeting Warrant

Model FY23 – February 17, 2022

Town of Bedford Financial Policies

Memorandum from Sarah Stanton, Town Manager dated February 15, 2022 re: Fire Station – General Fund Debt Policy

