

Town of Bedford Finance Committee

Remote Meeting - Zoom

June 29, 2020

Minutes

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

Others in attendance: Victor Garofalo, (Finance Director, Treasurer)

Sarah Stanton – Town Manager; Ed Pierce-Select Board; Emily Mitchell - Select Board; Bill Moonan - Select Board; Jim O’Neil.

Chair Thomas called the meeting to order at 4:02 pm. Reads Remote Meeting Guidelines. Calls the Roll of Committee Members in attendance. All members in attendance.

I. REGULAR BUSINESS

1. Public Comments

James O’Neill discusses Article 23, Item 9, the parking lot pavement project for the John Glen Middle School on the back side near the fields. Mr. O’Neil recommends that the Finance Committee not recommend approval and requests that the item be postponed to a later date.

2. Capital Article

Chair Thomas states that the Select Board at its last meeting reviewed all the Capital items in the Capital Article and voted to defer a number of them. The Town Manager has put together a memo with substantial work from her Department Heads to try and suggest what a possibility was and what was less possible. That was looked at by the Select Board and we will discuss it momentarily. I also asked that someone from the Select Board be here to help us understand their reasoning for the things they deferred and the things they kept and we have Select Board Members Pierce, Mitchell and Moonan in attendance and he thanks them for their attending this meeting to help. Will now turn this over to Town Manager Stanton to speak to her memo that she prepared for the Select Board

Ms. Stanton states that in response to questions from a few specific residents, the Select Board asked that she re-evaluate the Capital Budget to see if there are any items beyond the HVAC project at the Library, the Police Station Renovation and the Fire Station land acquisition that could be deferred or reduced. She states that the Capital Items listed had gone through a six month vetting process based on need by both the Capital Expense Committee and the Finance Committee. With that in mind, went back to the Department heads that provided specific details for each request and she came back to the Select Board with a list of items that could be deferred. Many of the items have a very small impact on the Operating Budget and we cannot use free cash to fund Operating Budget holes but if there was a reduction in free cash usage, it would be in reserve if needed during that time. Taking that in consideration, we looked at projects that would be bonded which would not affect the budget until FY22. All of the projects that are on the list and memorandum that was given to the Select Board are being recommended to be deferred to either Special Town Meeting or a further Capital Budget but the projects identified are not going anywhere for now, they are just moving to when we are accounting for them. The list was vetted by various Department Heads as to what could be delayed. The School Committee put forth the delay of furnishings and equipment. In light of the comments we had received from residents, we thought it best not to make any further reductions to the Schools.

The list was then reviewed again and prioritized for the Select Board specifically. That list totals \$223,000 in additional savings for FY21.

Ms. Stanton then listed the items making up that total. All the items will be moved to a future year of the Capital Plan.

Chair Thomas asked to confirm that no additional reductions were made to the Schools. Ms. Stanton confirms that Dr. Sills had offered to give up some equipment and furnishings but it was felt that the Schools should not be involved in these latest reductions.

Chair Thomas asks Chair Pierce to discuss the JGMS hardscape issues.

Chair Pierce describes that the project is actually part of finishing up the overall JGMS project which needs to be done now. Also states that this was a great process with respect to the reductions overall. Also discusses the need to continue required maintenance.

Chair Thomas asks the Members for any questions.

Member Powell asks about the list provided and confirms this is the considered list. Also confirms that the JGMS paving issue is a cleanup necessity and finishing the project overall.

Member McClung understands the JGMS issue and agrees with the resolution.

Member Dunn is comfortable with the process that has been done here. She supports the recommendations.

Member Liu asks about indefinite postponement of the three large projects.

Ms. Stanton states that the projects will be re-evaluated as to scale and timing.

Member Busa discusses Mr. O'Neil's comments and asks if the JGMS work in question is just maintenance or is it also adding to and if also adding to, isn't that aspect subject to being put off to a future time.

Ms. Stanton states it is actually maintaining existing – all of it.

Chair Thomas states that although these items are being deferred, we really have no idea as to what or when the future is for these items.

Chair Thomas asks Ms. Stanton which of the deferrals scares her the most.

She believes that the three larger projects are very, very important and need to be done as soon as possible. The Fire station is probably the most glaring.

Chair Thomas moves to the items on the Capital List that were not deferred. Any questions.

Member Steele asks about the roof on the Lane House. Why do we need that now?

Ms. Stanton states that initially we thought it would be CPA eligible. It was not eligible since it is considered maintenance. Heavy water infiltration issue there.

Member Steele also asks whether as a result of the virus situation, are there any potential savings out there on bids for jobs or vehicles, etc.

Ms. Stanton states that is not the case. A lot of work was backed up and now that is freeing up and companies are getting busy again. Also, the costs related to now operating in the virus environment have become greater.

Chair Thomas asks for confirmation that under rough math, the current Capital Budget is roughly 60% schools and 40% Town.

Mr. Garofalo states that is basically correct.

Need to confirm that Finance Committee agrees with the Select Board's reduction of the Capital Budget in the amount of \$233,416 which is in addition to the large scale Capital projects already delayed.

Motion to approve the further reductions to the previously approved Capital Budget by \$233,416 by Member Powell.

Second by Member Steele.

Chair Thomas takes a Roll Call of Members.

Vote: 9-0-0

Motion carries.

3. Annual Town Meeting

Chair Thomas discusses the status of the Annual Town Meeting presentations and asks for any Member comments or suggestions.

None offered.

4. Model 3.1

Mr. Garofalo suggests that the Finance Committee vote on the final Free Cash number now that it has been reduced by another \$233,416. So the final number is \$5,656,584.

Chair Thomas states and Mr. Garofalo confirms that this is usage.

Motion to approve the final use of Free Cash for the FY21 Budget at \$5,656,584 by Member Powell.

Second by Member Steele.

Chair Thomas takes a Roll Call of Members.

Vote: 9-0-0

Motion carries.

11 New/Special Business

1. Minutes

June 15, 2020

Mr. Garofalo notes the correction to spelling of Member Dunn's name.
Member Powell had a few small grammar changes.

Motion to recommend approval of the Minutes of June 15, 2020 as amended by Member Powell.

Second by Member Dunn.

Chair Thomas takes a Roll Call of Members.

Vote: 9-0-0

Motion carries.

June 22, 2020

Motion to recommend approval of the June 22, 2020 Minutes by Member Powell.

Second by Member Dunn.

Chair Thomas takes a Roll Call of Members.

Vote: 8-0-1

Motion carries.

2. Meetings attended.

Chair Thomas states the Select Board meeting was mostly discussion of Capital.

3. New Business

None.

4. Open Discussion

Member Powell asks about schedule of future meetings and whether the next meeting after Town Meeting will be in September.

Chair Thomas states that he believes so but no guarantee these days.

Member Powell ask whether the current monthly budget will revert to the approved new budget following Town Meeting.

Ms. Stanton states that the newly approved budget will be in place on July 13 following approval at Town Meeting on July 11.

Member McClung asks about bad weather notice of cancellation.

Ms. Stanton states that Town Moderator will make that call if needed Friday evening.

Chair Thomas thanks each member of the Finance Committee for each of the number of years they have served.

Member Powell offers thanks to Chair Thomas for his 9 years of service.

Motion to adjourn by Member Mortenson.

Second by Member Steele.

Chair Thomas takes a Roll Call of Members.

Vote: 9-0-0

Motion carries.

Time: 4:55pm

John B. Connarton

Recording Secretary

DOCUMENTS LIST

Agenda for June 29, 2020 Meeting.

Memo of Town Manager Stanton concerning Select Board reductions to Capital Budget

Warrant for Special Town Meeting on July 11, 2020

Financial Indicator Review for ATM 2020

Draft Fiscal Year 2021 Proposed Budget – July 11, 2020