

Approved 9/14/21

TOWN OF WINCHENDON

WINCHENDON TOWN CLERK
RCUD SEP 15 2021 AM 11:30



Finance Committee

Telephone (978)-297-5419

Regular Meeting/Public Hearing

Finance Committee Minutes

August 3 2021

Meeting conducted via ZOOM

Present: Chairman Thomas J. Kane Jr., Vice Chair Maureen Ward, David Alexander, Charles C. Corts, Douglas Delay, Austin Cyganiewicz, Phillip Levine.

Guests: Town Manger Justin Sultzbach

Mr. Kent recording and representing the Winchendon Courier

List of Documents Presented at Meeting:

- YTD Reports
- End of Year Reports

6:30PM: Chairman Thomas Kane called the Finance Committee meeting to order followed by the Pledge of Allegiance.

Minutes: April 27, 2021 Motion by M. Ward. Seconded by C. Corts. Passed: 5-0-2
(Cyganiewicz, Alexander)

May 11, 2021 Motion by M. Ward. Seconded by C. Corts. Passed: 6 -0-1
(Cyganiewicz)

June 28, 2021 Motion by C. Corts. Seconded by D. Alexander. Passed 3 - 0 -4
(Ward, Cyganiewicz, Levine, Delay)

Committee Reorganization:

Motion by M. Ward to nominate T. Kane as Chair. Seconded by A. Cyganiewicz Passed: 7- 0

Motion by T. Kane to nominate M. Ward as Vice Chair. Seconded by C. Corts. Passed: 7 - 0

Motion by T. Kane to nominate D. Delay to the Capital Planning Committee. Seconded by M. Ward. Passed: 7 - 0.

Motion by T. Kane to nominate C. Corts to the Audit Committee. Seconded by D. Alexander. Passed: 7 - 0

End of FY 21 EOY Reports: Mr. Kane shared that the school department is still transferring between accounts but the bottom line should be very close to accurate. Some areas are over budget, but those were offset by accounts that were underbudget.

The most troubling reports were the Enterprise funds. Both water (\$130,000) and sewer (\$160,000) have significant deficits. People are paying bills but water usage is down significantly. There is a disconnect between the meters reading water coming into town and meters in the homes that are recording a decrease in water use. There is about a 25% decrease in loss in water before it gets to houses. There needs to be another discussion on upgrading water meters going forward. Sewer is based on water coming in, therefore; those revenues are also down.

Mr. Sultzbach, Town Manager, spoke to the water issue. The Town has stopped water shutoffs due to COVID which is part of decrease. Our system/infrastructure is also very antiquated which is causing a loss of revenue as systems are not accurately recording. Over the next year aggressively analyzing where pipes need repair/replacement (Approx. 6 million) as well as a study on our current service provider, rates, meters, and main feed lines will be done. The Town is searching for alternate/grant funding for our water issues.

Discussion on dollars available, possible uses, enterprise projections. Weather was also a factor this year and with the amount of rain there is less watering.

Expecting a Free Cash dollar amount by the end of August.

FY22 Goals Discussion: Would like to see action on the following rather than just more discussion.

- 1. Strategies to fun reserve accounts:** OPEB, Retirement liabilities, stabilization fund.
 - Would like to have a commitment to put a flat fee into these accounts. The goal would be to move to a policy level so that money is automatically transferred on an annual basis. \$10,000 was put in as to start the account over 10 years ago and nothing has been added since.
 - Ex: a large number of school employees retired this year collecting their benefits which created an overage. Fortunately, the school was able to cover this cost.
- 2. Capital Planning Funding Policy:** Mr. Kane suggested that the town looks at a policy that commits a certain percentage of its budget to capital needs. Look at line item and debt to come up with a predictable dollar amount that will be needed as a long- range planning tool. More coordinated effort in applying to Robinson Broadhurst for funding – ie: not individual department requests but overall TOWN requests. Mr. Kane suggested that the Capital Planning Committee should be the governing body for the requests to Robinson Broadhurst. Mr. Sultzbach added that he would like a 1, 5, 15 year plan, a solid stabilization account and a strategic plan to fix problems before they escalate into big expenses.

3. **Knowledgeable about the ARPA act and Town's use of these funds:** Mr. Kane shared a state report/information so all members could be knowledgeable about the use of SLFRF – State and Local Fiscal Recovery Funds. Involvement in use of funds and needs of town to prioritize where it is used. These funds are directed to economic impact. The Town Manager has created a list of Capital Needs that came out to about 100 million dollars. He wants input from different departments, committees to assist in this prioritization. These funds need to be committed by 2024 but not spent until 2027 so there is time to research and be cautious on committing to projects. Mr. Sultzbach will keep an updated spreadsheet of all funds encumbered and spent.
4. **Proactive monitoring of the town budget:** This item is a reflection on the fire department budget that was overspent by 160,000 plus dollars in 2021. The FinCom was aware of the problem in Oct. but did not fully investigate or push for remediation. Discussion on how we can be more proactive.
5. **Data:** Mr. Cyganiewicz would like department data prior to budgets being created. He would also like to see a spreadsheet of Audit findings, completions, and in process items.

Member Comments: Mr. Cyganiewicz asked about the Cares Act – about two hundred thousand is left. Needs to be used by December 2021.

Mr. Corts asked if Monty Tech could help with renovations. Mr. Sultzbach has already been in touch and they have done a walk through.

Dr. Ward welcomed Mr. Cyganiewicz to the committee.

Mr. Sultzbach has done a preliminary walkthrough of town hall and is looking at creating a phased plan for maintenance and repair. It is estimated to be around 3.5 million for repairs. He will prioritize those repairs and work with other agencies (Monty Tech) to see if they can provide some labor assistance. Monty Tech has worked on other town projects that fit with their curriculum.

Mr. Corts asked for a MUNIS report on departments that are over budget – anomalies in order to be more proactive.

Mr. Corts asked what our next course of action – ie: action – not more discussion. Mr. Kane will put together a list from our discussion tonight and set up an action plan.

Public Input:

Motion by M. Ward to adjourn at 7:54. Seconded by A. Cyganiewicz. Unanimous.

Respectfully Submitted
M. Ward, Vice Chair

Thomas Kane, Chair