



Town of Medway
FINANCE COMMITTEE

155 Village Street
Medway MA 02053

Tel: (508) 533-3200

Fax: (508) 533-3201

September 13, 2017 – 7:00 PM
Sanford Hall, Town Hall
155 Village Street

Present: Frank Rossi, Chair; Rohith Ashok, Vice Chair; Todd Alessandri, Clerk; Ellen Hillery, Jeff O'Neill, Susan Segarra.

Absent: Dan Doherty, Michael Schrader, Jim Sullivan.

Staff Present: Allison Potter, Assistant Town Administrator; Carol Pratt, Finance Director.

At 7:00 PM Chairman Rossi called the meeting to order, declaring that a quorum of members was present.

At this time, he introduced Ms. Segarra to Ms. Hillery who had been absent at the last meeting. Each one recapped their experience and history.

General Discussion – Finance Director:

The Board reviewed the following information: (1) Memorandum dated September 12, 2017; (2) Amendment to Exelon PILOT agreement; and (3) Spreadsheet listing debt service information. All documents were distributed during meeting.

Present: Carol Pratt, Finance Director; Allison Potter, Assistant Town Administrator.

Chairman Rossi extended congratulations to Ms. Pratt on achieving the Town's AAA bond rating. She responded that it was the result of a lot of hard work from the entire financial team.

It was noted that Chairman Rossi and Mr. Ashok would like to attend a meeting where the budget process is discussed to give them a better understanding of the process. Could such a meeting occur before the budget process begins? Mr. Ashok stated that a big challenge was being able to identify

what had changed from one version of the budget to another. Ms. Pratt stated that the budget instructions have historically come out in early December so that might be a good time to get together. This meeting would be comprised of Chairman Rossi, Mr. Ashok, Mr. Schrader, Ms. Pratt and Town Administrator Michael Boynton.

At this time Chairman Rossi asked for an updated list of transfers out of the Finance Committee Reserve Fund over the course of FY17.

With respect to budget preparation, Ms. Potter stated that they work off the previous year's five-year capital plan. It was noted that the Capital Improvement Planning Committee will meet sometime this month. The Capital Budget Committee is comprised of representatives from both staff and committees. In response to Chairman Rossi's question about a 5% escalator, Ms. Potter stated that a quote cannot be for a project too far out into the future so a quote can be submitted with an estimated increase of 5%. It was noted that a definition of "level services" is how much the same services will cost from year to year. Brief discussion followed.

Ms. Pratt distributed a debt service spreadsheet, explaining that the split in DPS allocations has been modified and there is also an addition of \$2 million in the general fund. Excluded debt is debt that taxpayers agree will be added to their property taxes. Some borrowing will have to be rescinded due to new regulations and that cost will have to be reallocated somehow. General discussion followed on borrowing, debt service and Enterprise funds.

Another handout featured an amendment to the Exelon PILOT Agreement. The schedule of payments to the Town has been revised. The value of the extension is built into the overall value of the Town. This will carry on after the 20 years of the agreement has concluded. Year 21 will be assessed on their regular valuation.

Ms. Pratt reported that the Town ended FY17 with surplus revenue of \$1.2 million. The "turn back" of \$850,000 was money that the Town did not spend as anticipated making it a total of \$2.1 million. This was offset by a turn back of \$1.8 million in monetary articles from Town Meeting so the Town is ahead by about \$275,000. Examples of these articles involved road work, assignment of free cash, etc. The School Department never turns back money, while most departments had unspent funds in their budgets.

Continuing, Mr. Pratt stated that in May the Board of Selectmen approved a Declaration of Trust which outlines an investment strategy. Then we came back with a policy designed to monitor investments with the aid of an Investment Committee. This may become part of the Charter and is under review. Discussion followed on the Charter Review. If the Finance Committee has anything to recommend relative to the Charter Review, please submit those recommendations through your representative. Chairman Rossi responded that some recommendations will be discussed later tonight.

At 7:43 PM Ms. Pratt exited the meeting room.

Charter Review:

Chairman Rossi reported he received a couple of comments from members via email. He will take notes during tonight's discussion, edit them and send them to Mr. O'Neill to present to the review committee.

The Charter was reviewed as follows:

- Chapter 1 – no recommendations.
- Chapter 2 – discussion on section 5 on whether a position held by a member seeking reappointment is actually a vacancy. Should the outgoing chair be part of the appointment committee? Discussion on modifying the places where the ad is posted and add Town's social media. Discussion on removing the word "annually" with respect to public hearings.
- Chapter 3 – Park and Recreation should have an appointed manager/director and not an elected commission. Fees for use of athletic fields is a bona fide revenue source that needs strong effective management. Addition of community representative on a new advisory board. Discussion on whether police officers can serve on committees or Board of Selectmen. In section on the Planning Board, add economic development committee and redevelopment authority. Remove Industrial Development Committee. Should the Board of Health be elected or appointed? It is a question of expertise and experience.
- Chapter 7. Discussion on various roles. Section 3 refers to a monthly report on variances to the budget that is supposed to come to the Finance Committee but is not.
- Chapter 8. Discussion on committees designated to review charter and bylaws.
- Section 2 of main document should be removed because it refers to May 2008.

Based on the above discussion and his notes, Chairman Rossi had a list of items for revision or removal and reviewed them briefly. They are as follows:

Section 1.

Chapter 2. Legislative Branch

- 2-5-2 Posting of annual vacancies for committee should include "social media" in addition to 1 local newspaper and town website

Chapter 3. Elected Officials

- 3-1-2 Parks and Recreation commissioners appointed, not elected
- 3-1-9 Need some clarification as to the reasoning-open for discussion
- 3-5-1 Town Clerk plays a significant role in town, appointed not elected
- 3-7-3 Change Industrial Development Committee to Economic Development Committee

Sections 8 & 9

- Should Board of Health & Water and Sewer be elected positions?
- Open discussion

Section 11

- Eliminate elected Parks and Recreation commissioners. Hire a Parks and Rec manager, appointed and managed as employee. Establish Community Advisory Committee

Chapter 4. Appointed Officers

- Reflect Appointments if no longer elected

- 6-4-5 Change Administrative Assessor to Principal Assessor (make change to title in Section 4 as well)

Section 2. (Page 18)

Remove entire paragraph.

Mr. O'Neill moved that the Finance Committee approve the Charter Review recommendations as discussed and listed by Chairman Rossi; Mr. Ashok seconded. Discussion followed during which it was noted that these recommendations are only suggestions. Mr. O'Neill noted that the Charter Review Committee will likely discuss all questions/recommendations with the committee that submitted them. VOTE: 6-0-0.

General discussion with Assistant Town Administrator Allison Potter followed.

2017 Fall Town Meeting Calendar:

The committee reviewed the Fall Town Meeting Calendar.

Chairman Rossi expressed concern that the Finance Committee have sufficient time to review the warrant prior to the public hearing. Ms. Potter stated she can forward a draft warrant informally to begin review by members.

It was noted that the next meeting is on October 11, and after discussion, it was determined that the public hearing should be on October 18. The Finance Committee will also vote its recommendations that evening following the public hearing.

Ms. Potter reported that there are about 15 articles on the warrant right now. A few more in the works with a possible total of 20 or so.

Chairman's Report:

Chairman Rossi distributed information on the upcoming Association of Town Finance Committees' 2017 Annual Meeting on October 21. He noted that it is a good seminar for new committee members or for someone who wants to increase their understanding of municipal finance.

Chairman Rossi reminded members to complete their Ethics Commission training, noting that it must be done every two years.

Clerk's Report

Mr. Alessandri, Clerk, reported that there have been no transfers from the Finance Committee Reserve Fund for FY18 yet; the balance remains at \$100,000. For the committee budget, an invoice in the amount of \$210 was paid for dues for the Association of Town Finance Committees.

Liaison Reports:

Ms. Hillery reported that the Community Preservation Committee is focused on Phase 1 of the Parks Improvement Project which will be for Choate Park and Oakland Field.

Mr. O'Neill reported that he and Ms. Segarra met with Fire Chief Lynch where it was learned that the current challenge is hiring qualified firefighters who already have paramedic training. They are meeting with Police Chief Tingley tomorrow.

Ms. Segarra reported that the Capital Improvement Planning Committee will meet on September 26, noting that they will start their planning soon after. They first meet with department heads to review current and long-term needs.

Mr. Alessandri noted that he will be catching up with the School Committee soon.

Review of Meeting Minutes:

The committee reviewed draft minutes from July 12, 2017.

Mr. Alessandri moved that the Finance Committee approve the minutes of July 12, 2017, as amended; Mr. Ashok seconded. No discussion. VOTE: 6-0-0.

Upcoming Meeting Schedule:

As discussed earlier, the next regular meeting will be on Wednesday, October 11, in Sanford Hall at 7 PM. The public hearing for the 2017 Fall Town Meeting will be on Wednesday, October 18.

At 8:56 PM Mr. O'Neill moved to adjourn; Mr. Alessandri seconded. No discussion. VOTE: 6-0-0.

*Respectfully submitted
Jeanette Galliardt
Night Board Secretary*