

## Town of Charlton

### Finance Committee Minutes

Town Hall - 37 Main St., Charlton, MA

Date: February 15, 2023, at 6:30pm

Minutes taken by: Jaclyn Bonner, Clerk

**Attendees:** Henry Camosse Jr.-Chairman, Kristin Kustigian - Vice Chair, Ruth Beringer, Mike Jacobs, Keith Johnson, Jason Julian, Kristen Lemire

**Absent:** N/A

**Guests:** Ashley Obrzut -Town Finance Director, Andrew Golas – Town Administrator

**1. Call Meeting to order at time.**

Meeting was called to order by Hank Camosse at 6:30 P.M on Wednesday February 15, 2023.

**2. Approval of Minutes from Previous Meeting**

Motion to accept the minutes of November 16, 2023 was made by Keith Johnson and seconded by Mike Jacobs. Jason Julian and Krisin Kustigian abstain. Minutes approved by Hank Camosse Jr., Keith Johnson, Kristen Lemire, Mike Jacobs, and Ruth Beringer.

**3. Budget Hearings**

**A. Library**

- a. The library director, Karen Wall, is attending the meeting to discuss her operating budget and capital requests for FY24.
- b. Library Wages increased \$15.5K due to the pending promotion of a staff member along with proposed cola increase for the cost of living.
- c. Operating expenses increased \$22.5K. The increase is due to general expenses rising, the pending need to replace copiers, and building repairs.
- d. Karen explains her needs vs wants approach to the budget. She 'Needs' building repairs for example, and she 'Wants' a programing line item in the operating budget. Over the past few years, the group who usually funds programing 'friends of the library' has donated less than it has in the past.
- e. The library director applied for and was granted \$38K in monies from the MA cultural council to turn a community meeting room into a more functional space.
- f. Hank asks if the \$5k for a new copier should be considered a capital expense instead of an operating expense. The finance director responds that the threshold for capital is usually \$10K.
- g. The library is requesting \$270.5K in capital for FY24 consisting of roof/gutter repairs and a cistern pipe/screen replacement for the fire pond.
- h. Please see attached for the Charlton Public Library's FY24 budget narrative.

## B. Building

- a. The building commissioner/zoning enforcement officer, Curtis Meskus, attends the meeting to discuss his operating and capital budget for FY24. Please see attached for the FY24 department of building and inspection services budget request narrative.
- b. Building wages increased 23% due to the pending promotion of the part-time local building inspector to a full-time position.
- c. The municipal building department is requesting \$900K for police station HVAC system upgrades and \$550K for town hall improvements for FY24 capital improvements.
- d. The building department is handling a rapidly rising number of requests for building inspections. Hank asks what the average cost of an inspection is for the department. Curtis responds that the cost depends on the project. Larger more complicated projects like LG and Amazon require a third party review. The cost of the third party is covered by the applicant. Residential inspections "cost" the department time – around 25 minutes per inspection.
- e. Hank asks when the last fee restructuring occurred for the department. Curtis responding that it has been approximately 10 years. Our fees are low compared to similar towns.
- f. The building commissioner brings attention to the need for a facilities manager.
- g. Mike Jacobs asks what the permit fee of 6 dollars per 1,000 dollars is based off of. Curt responds that the rate is set with the board of selectman. We have room to increase. Curtis is putting together a presentation for the board to discuss fee allocation.
- h. Kristen Lemire asks if the number presented for the full-time assistant building inspector is inclusive of the cost of benefits. The finance director responds that there would be an additional cost to adding a benefited employee, but it would not be included in the building department's budget.
- i. Jason Julian asks if Curt foresees the department requesting an additional vehicle if the part time inspector is promoted to a full time position. Curt responds that he does not think a new vehicle will be necessary.

## C. DCRSD

- a. The superintendent of schools, Steven L. Lamarche, and the director of finance and operations, Richard Mathieu, attend the meeting to discuss their FY24 operating budget and capital requests. Attached please find a full summary of their presentation to the finance committee.
- b. Hank asks what percent of the school budget is covered by state aid. He wants to draw attention to the fact that the state budget has not yet been released. The finance director responds that roughly 50% of the budget is funded by the state and 50% is funded by the towns.
- c. Hank asked if the OSD item covers transportation, tuition etc. - responding the Superintendent says yes.
- d. Keith Johnson asking if there are any grants for solar available to cover the rising cost of electricity. The finance director responded that they have investigated solar while working on the roof project during the past year.
- e. Hank is looking for clarification on a \$2.7M reduction in the budget if the town of Dudley does not make an override. The Superintendent clarifies that the school will

need to reduce the current budget by \$2.7M to balance the budget and pay bills without the extra money. Kristin Kustigian mentioning that last year Dudley was not able to fund the equivalent portion of the school's request, and funds from Charlton were turned back as a result. The Finance Director then clarifies how those funds were re-allocated.)

- f. Hank asked for an explanation on the feasibility study happening at shepherd hill schools. The superintendent responded that the study is looking at anything from renovations to reconstruction of the building - the study is also reaching out to the community.
- g. Kristen Kustigian asking what the increase to technology is driven by. The Superintendent responds that desktops in the school are on a 6-to-7-year cycle - many are EOL.
- h. Hank commented that the request from the school will take all town funds to complete. We will need to cut from town hall police and fire.
- i. Ruth Berringer asking if there has been any movement at the state level on the issue of funding additional needs for mental health care in schools. Responding the super reminds the committee that the state program funding is a lagging process - so we would need to fund it up front in any case. Ruth asks if the super feels it is getting better - he responds no. Services responsible for younger children were also hit hard by Covid.

#### 4. Review of FinCom Annual Report

- a. Hank asks the finance director to remove an outdated line of the report and encourages the rest of the committee to review the report.

#### 5. Review Auditors Documents

- a. Auditors Management Letter
  - i. Ashley explains that the management letter is a summary from the Audit.
  - ii. Hank calls attention to the fact that we have two unfunded liabilities as opposed to one. We have a pension and an OPEB unfunded liability.
  - iii. Hank suggested that we begin to plan more long term for rising costs he suggests 5 years.
  - iv. Hank draws attention to our responsible funding of OPEB.
  - v. Hank asked why we have not been making a lot of money on our investments. The finance director responded that we have a new treasure collector who is not yet comfortable with investing. She continues that they have been working together to correct this. Kristin Kustigian saying that she sees a loss in the potential time value of money when it comes to staggering Amazon permit monies. In her opinion we should have taken the lump sum and invested the cash in order to make interest. Ashley responds that we staggered the amounts to cushion free cash - but we can look into taking a different approach in the future. Hank asked if we had a financial advisor to which Ashley responded yes - this company is who we invested with.
  - vi. Hank asked about financial policy and procedures. Ashley responded that the town is lacking a finance director bylaw - which would give her more teeth in her policy making authority.

- b. Financial Statement Audit  
NA
- c. Gov Grants Audit
- d. NA

**6. Update from the Finance Director/Town Manager**

- a. Ashely is waiting on the budget for the school and the state budget in order to move forward with our in house at present. We still have no revenue numbers from the state.
- b. All of the departments have given the fin director budgets at this point
- c. Andrew suggests that we go to a town vote rather than an override.
- d. Andrew commenting that we do not have that money in free cash
- e. Hank urges the committee to think long term - the feasibility committee may suggest that we rebuild the school which could be a \$200M project.
- f. Andrew reminding the committee about the middle school roof project on top of everything else that the school has already asked for this year.
- g. Kristin Kustigian asking if we know the rate related to the feasibility study. Andrew responded saying that we do not know what we will be reimbursed for; the town is completely funding this project.
- h. Andrew adds that he does not want to overestimate revenue. New growth is only a license to tax - not revenue in hand. Ashley adding that the fire chief will need more OT money - possibly an emergency transfer from the Finance Committee.
- i. Hank thinks that we should approve the override for the and raise the base we pay annually. He suggests raising the tax rate.

**7. Other Business – Unknown at Time of Posting**

N/A

**8. Adjourn Meeting**

Motion to adjourn at 9:00 PM was made by Kristen Lemire and seconded by Ruth Beringer. Motion approved by Henry Camosse Jr.-Chairman, Ruth Beringer, Keith Johnson, Kristen Lemire, Kristin Kustigian, Jason Julian, and Mike Jacobs. The meeting is adjourned.

Town of Charlton Finance Committee Meeting Minutes

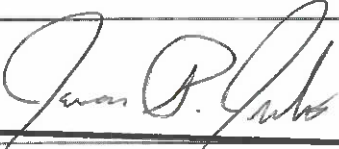
Voted: 3/18/23

X 


Henry Camosse Jr.

X

Keith Johnson

X 


Jason Julian

X 

Kristin Kustigian

X

Kristen Lemire

X 

Mike Jacobs

X

Ruth Beringer

X