

Town of Sterling
Joint Finance & Capital Budget Committee Meeting Minutes
May 6, 2021
Zoom

Finance Committee and Capital Budget Committee meeting called to order by Todd Chapman at 6:04pm

Fincom Attendees: Todd Chapman, Mary Cliett, Chris Paquette, George Handy

CBC Attendees: Todd Chapman, Lynn Sheppard, Bob Brown, Mary Cliett

Absent: Ezequiel Ayala

Also Attending: Arden Sonnenberg, Select Board, Kellie Hebert, Town Administrator, Fred Aponte, Town Accountant and Valerie Handy, Recording Secretary for Fincom and CBC.

Approval of April 29, 2021 Fincom and CBC Minutes: CBC Motion to approve by Mary Client, 2nd by Lynn Sheppard. Fin Com Motion to approve by George Handy, 2nd Chris Paquette. Both motions unanimously supported.

Fincom Motion to approve Reserve Fund Transfer of \$12.5K from ambulance payroll to ambulance expense. This represents the remaining operating costs of fiscal year. Motion to approve made by George Handy and 2nd by Mary Cliett for. Roll call vote unanimously supported.

Finalization of Discussion of Capital Budget Items and Plans to Finance these Items:

The discussion lays out Capital Budget Items the CBC has voted on and relates them to the appropriate funding source.

Engineering Review of '07 Plans for Capital Improvements to Town Common Revitalization

Warrant article for \$46K. Bundled within the \$158K (Article 13) bucket for revitalization of town common. Currently there is no Use Agreement signed by the Church on the town common. Decision made to table this item until a memorandum of understanding has been discussed with the Church. Kellie Hebert is meeting with a Church representative on Tuesday.

Proposal to Use Town Free Cash \$215,500 to fund Fire Department Intercept SUV for \$55K, Fire/EMS Forestry pick-up for \$48.5K, Fire/EMS Jaws of Life replacement for \$50K, Public Safety Radio Tower Site at Pratt's Junction \$40K, DPW Ride on leaf blower \$10K and DPW Truck Loader for Leaves \$12K. According to Kellie Hebert this \$215K proposal represents one-half of Article 15. The second half of Article 15 will be for Town Facility Improvements and has not yet been completed so vote cannot be taken on the article. CBC unanimously supports the acquisition of these items using free cash.

Vote to approve Separate Warrant Article for School Playground. Motion by Bob Brown, 2nd by Mary Cliett. CBC roll call vote unanimously supported.

Vote to approve Playground Expenditure of \$130K from Free Cash. Motion by Mary Cliett, 2nd by Bob Brown. CBC roll call vote unanimously supported.

Vote to approve Proposed Capitalization Stabilization Fund \$282, 750. Motion by Lynn Sheppard, 2nd by Mary Cliett. CBC roll call vote unanimously supported.

CBC Vote to Approve BAN's Financing. Motion by Mary Cliett, 2nd by Bob Brown. CBC Roll call vote unanimously supported. BANS (Bond Anticipation Notes) are short term notes with set terms and a set rate. They are usually paid over 5 to 10 years, current interest rates is

approximately 0.4%. This stabilizes the department and is used for items in excess of \$100K. The use of BAN's implies investment in your town and infrastructure. The first interest payments are due in year two. The Capital Fund \$4M earnings are offset by the 0.4% borrowing rate. This warrant article will require a two thirds vote at town meeting.

Motion to Approve Adjournment of CBC Portion of Meeting at 7:35pm. Motion by Bob Brown, 2nd by Mary Cliett. Lynn Sheppard absent. CBC roll call vote unanimously supported.

Meeting proceeded to Finance Committee Voting on Articles.

FinCom Vote to Approve School District Budgets to two separate Articles 10 \$12.264K and Article 12 totaling \$939K. Motion to approve Article 10 Wachusett School District budget made by George Handy and 2nd by Chris Paquette. Fin com roll call vote unanimously supported.

Motion to approve Article 11 Montachusett Tech School Budget \$939K made by George Handy and 2nd by Mary Cliett. Fin com roll call vote unanimously supported.

On a previous vote the FinCom approved the segregation of the article related to the Omnibus Budget, the Montachusett Tech Budget and the Wachusett School District Budget to three separate articles. The Wachusett School District Budget would become Article 10. The Montachusett School District Budget would be Article 11. Discussion around Sterling losing 89 students this year; if only half of them return (40) that could mean a \$.5M increase to town. The completion of 300 rental units in Sterling would also be an impact to school enrollment.

FinCom Vote to Recommend Article 21 Fire Department Position \$62K. Motion to approve made by George Handy, 2nd by Mary Cliett. Cliett Yes, Ayala Yes, Chapman Yes, Handy No, Paquette No, motion carries 3-2.

FinCom Vote to Approve Article 2 Snow and Ice Deficit \$57.9K. Motion to approve made by George Handy, 2nd by Chris Paquette. Roll call vote unanimously supported.

FinCom Vote to Approve Article 6 East Lake Wachusett Treatment \$13K. Motion to approve made by George Handy and 2nd by Mary Cliett. Roll call vote unanimously supported.

Next Meeting Finance Committee: Meeting scheduled for March 13, 6pm.

Motion to Adjourn Finance Committee Meeting 8:10pm: Motion to adjourn made by George Handy and 2nd by Chris Paquette. Roll call vote unanimously supported.