

Finance Committee  
June 8, 2021  
Remote

With a quorum present, the Chair called the meeting to order at 7:35.

Finance Committee members present: Janice Clements-Skelton, Michael Dougherty, Joseph Bourque, Rob White, Michael Schaaf, Walter Hartford, Emilie Smith, Chris Doucette

Jamie Fay joined at 7:51pm

**1. Citizens Queries - Janice Clements-Skelton**

- There is an open chat room for any citizen's queries.
- No citizen's queries.

**2. Welcoming of the newest FINCOM Member Emilie Smith**

**3. Acceptance of Finance Committee Minutes - Janice Clements-Skelton**

- Minutes from February 4 & 9 supported.
- Minutes from April 6 & 13 will be reviewed, and resubmitted.

**4. Feoffees Update- FY21 Performance and FY22 Distribution**

**Mr. Evans-**Gave a brief update on the performance distribution, from April 2020 to March 2021 is up 43.8%. It speaks to the sound plan that was in place especially with the difficulties of 2020. It is great for the custom bench mark which is a default portfolio approach for bench marks, which was out performed by 820 bases for the year. The 3- & 5-year numbers are also very strong 12.3 % over 3 years and 11.7% over 5 years. As of March 31<sup>st</sup>, the trust was greater than 40 million dollars. When this was set up it was in the low 20's in terms of value. The benefits of this growth are the distribution to the schools has grown as well, which will total 889,360 and this is up 7.7% from the prior year. Due to the challenges of 2020 some of the money that was distributed to the schools, the schools were unable to use that money so they have returned the unused funds to the trust. They can call on the money in the future if they develop a need for it. The amount that was returned totaled 347,000.

**Questions & Comments:**

**Nat Pulsifer:** The role of the FEOFFEES in the schools is to meet the marginal project. We are not engaged in assisting any of the school functions, but we want to provide funds for the exceptional project which can a program, a teacher or a group of students up a level. The school system shut down last year due to the pandemic, and many projects were stopped, so that is why we have the 347,000 back in the bank. I would hope the schools would call on these funds to make the schools system better than they are today.

**Robert White:** Regarding the investment managers, and the passive vs active managed part of the trust, can you go through that and who the managers are, as well as the expense ratios?

**Mr. Evans:** There is a firm called Aureus Asset Management, which plays two rolls for us. They act as our investment advisor/consultant across the entire portfolio. A number of these members come to our meetings quarterly. We discuss the markets and they share their advice and insights on these topics. Aureus is also managing our public

equity part, and what they manage is half of the total trust, mostly U.S equities. We complement their equity exposures, commodities to protect the portfolio just in case. Things have changed in the past 6 months, where bigger name stocks have lacked growth, where value stocks are growing. This balance has helped the portfolio over the past 6 months. Our fixed income is actively managed with a local firm here in Boston. I'm going to hesitate on the total we pay Aureus, but I can get that for you. The numbers I reported are net of all fees.

**Robert White:** If you could email that to us that would be great. Now in regards to mortgages and other numbers of the portfolio?

**Mr. Evans:** We are down to one mortgage at this point, which is good news/bad news because we don't want to be in the mortgage business, but at 6% steady return it's not the worst thing in the world.

**Walter Hartford:** As far as Aureus goes, has Karen Firestone signaled her thoughts on how long she'll be with the firm?

**Mr. Evans:** We haven't asked that question in regard to Karen, but we speak to the portfolio manager of the equity strategy, David Scutter. If there were to be a change this would cause us to investigate it.

**Walter Hartford:** What is the assets allocation?

**Mr. Evans:** We are at an equivalent of a 70/30 to a 75/25 stock bond portfolio. At the end of March, we were at a 68% in equity exposure. Depending on how you view the commodities and hedge strategies that between 70-75% risk exposure.

**Michael Schaaf:** At the last FEOFFEES report, I asked if the FEOFFEES were utilizing any social criteria or ESG criteria determining where you would invest the school funds. My understanding was that FEOFFEES would consider this, and review the portfolio. I have heard nothing back, what is the status of this?

**Mr. Evans:** We've had some conversations about this, we should have a ESG policy. It is a broad and complex approach thinking about those issues. Do you take an exclusionary approach? Do you take a more leaning into companies and areas that can contribute to a positive change and what areas? The conversation starts with what ESG values and how do we build from there. It isn't something that we've ignored, it's a conversation that is just starting.

**Michael Schaaf:** You may want to consult with the school committee on this matter, and the return to the FEOFFEES and the contributing to the education of the school children is very important to their advancements, which would normally be unavailable to them. If we're investing these funds in which compromised their long-term future, then it is a short-term bargain and I would urge us to take a broad view to this matter.

**Janice Clements-Skelton:** Any other questions for Mark? No? Okay.

##### **5. Public Safety Committee Update- Feasibility Study Completed**

**Janice Clements-Skelton:** We haven't heard from the Public Safety Committee; I believe in 9 months now. We had a brief update as part of the budget hearing but wanted to give you the opportunity where we are with the project, and any early insights for what we might be seeing for the fall town Meeting.

**Bob Wetherell:** The purpose of me being here tonight is really about the milestone that we have received the completed feasibility study from our consultant. As all of you know, you know that at the last town meeting I stood up with a document paper version in my hand to say here it is and in a more formal way of coming before this committee to say,

yes, it is done. We have assessed our current facilities, our current and future needs and have identified our solution for a combined facility to cover all our public safety services in one spot. The town supported purchasing a parcel of land to build it on. As a committee we focused on community outreach, and being very good about bringing onboard voters and any other groups that are a part of this community and do what we can to communicate well about our project. This project that we want to bring forward, both seeking design funding and the construction funding in October. We have been in conversations with supportive groups about working on this project as it moves closer to a design stage. I was energized by a tour of the new Beverly Police station, it was positive and enlightening experience, seeing another town working on a progressive project. The report, I've been working to get up it up on to the town website, as of this afternoon it wasn't on there yet, but it is on the fire department website, or paper copies at town hall.

### **Questions and Comments :**

**Jamie Fay:** The trip we made down to see the new Beverly Police station; it was very eye opening. It is just a thoughtfully designed building, and a very high degree of reliance and not just in the way in terms we think about it but for sea level rise, and low energy use. Michael Collins, from Beverly is in charge a million things in Beverly, including the new middle and high schools, he is so focused on all the things that you need to make a building work. All of the communications, power supply, water supply etc. have backups. The most striking thing he told me was the infrastructure of the building, were the dispatchers have access to all of the security cameras in the schools, and every town building so if a call comes in, they can track a situation live and tell police and or fire what is happening. This is something that we couldn't dream of doing in Ipswich, in our current facilities. He also gave us some numbers that are very impressive from a financial perspective, about the payback with investment and the energy conservation. It is 33, 500-foot wells that provide all the heating, without using any oil or natural gas. I did ask if there is any public funding to create a building like this, and the answer is no, you are basically on your own. **Mr. Weatherall** answers to build on what Jamie said, what is so impressive is that every move down to the smallest details is that the replacement items is inexpensive, to make universal items and not proprietary items. It's not just the cost of the building but the upkeep costs for the future. It's so interesting to see coming from a town that just keeps patching old things, just to keep them ticking.

**Janice Clements-Skelton:** Does this Mr. Collins work for an architectural company or is he an employee in Beverly? **Mr. Weatherall** answered that Mr. Collins is a Civil engineer by training who works for the City of Beverly.

**Jamie Fay** mentions that what Mr. Collins has also done, which he was a big fan of and something we need to talk about further, they built it under the method of Construction Manager at Risk. Which you hire a general contractor for the project, but you bring him on at the same time you bring on your architect, so they are working together on the project not separately.

**Janice Clements-Skelton:** Where you able to get a sense of what the cost is per square foot, its sounds like it tops of the line within that class?

**Jamie Fay:** It's a nice building, but I didn't see anything luxurious. There are a lot of bullet and barrier proof which are necessary and expensive. They have a public meeting room, with a little kitchen but you can't get beyond that.

**Mr. Weatherall** answered that they are talking loosely about numbers, and Mr. Collins explaining his process through all the buildings he's worked on for Beverly and we all know that the numbers are rising and hope to hit that sweet spot of borrowing at a low rate but we don't need to spend it for a few years, and materials costs level out.

**Emilie Smith-** was the Geo-thermal design built into the proposed facility or added on?

**Mr. Weatherall** answers that at the inception of our study, geo-thermal wasn't a presumption. The number we are in our report does not assume Geo-thermal; it needs to be woven together in this project. It doesn't have to be geo-thermal; it could be electric. And we haven't had a cost analysis on either.

**Janice Clements-Skelton** - if we looked at adding geo-thermal onto this project, assuming it has an appropriate payback and timeline, is that something that effects nearby properties? **Mr. Weatherall** answers that in his experience and what we've heard is that these wells are sealed with grout. It isn't a case with the ground water. It's a passive way to pull the warmth from the ground into the building.

**Jamie Fay-** There are two types of wells that can be used, but these would not touch the ground water at all.

**Emilie Smith-** my only concerns is that site can accommodate the wells in question.

**Mr. Weatherall** responds there will be 33, with a dept of 500 feet but it all depends on the analysis.

**Michael Schaaf-** I'm interested in the Winthrop school, and also, we need to tell the towns people that we have looked at every possibility to develop this new facility and minimizing cost. I think the committee needs to be sure that what it's putting forward with the facility with these capacities are ones that we truly need.

**Mr. Wetherell** from the start of sketching out site plans for this, there was a lot of whittling down with the town manager and the two chiefs and it is a smaller building now which they've worked on for months now. This building will also service a much more modern part of town life.

**Robert White** asks that I'm assuming the numbers haven't changed since you got your document, but I'd like to see how Essex and Rowley compare and contrast on size and the different cost. Is there anything that either town did it with size of the town vs the cost of building?

**Mr. Wetherell** answers we need to be careful making these comparisons, because of demographics. Essex is an all-call fire department, which is a town less than half our size. Beverly is just the police station which is much larger than what we are planning for a joint facility. The best person to ask is Chief Nikas.

**Michael Dougherty** asks if the Pine Swamp area is where the new public safety building is going to go, I'd like to see that it doesn't stick out like a sore thumb and have it blend in as best we can.

## 6. ELD Budget -

Jon Blair- Electric light Manger

Ray Leczynski - Utilities department accountant/Chair

**Janice Clements-Skelton** - We don't include the electric light as a part of the budget hearing because we don't weigh in on their budget, and this is more for education and to

understand their operations for the coming year as that does affect our budget for the next year.

**Mr. Blair-** we are here to discuss the rates and upcoming budget for fiscal year 2022. Last year we tried putting together a neat, package called the annual report and it combines the four main elements:

1. Organizational overview- which describes who we are, what we do, rates, power supply and a good background about us.
2. Operational budget
3. Capital plan
4. Strategic goals and compliments

The FY22 Budget is remarkable. We are moving forward with a 6% rate increase depending on which rate class and how much is used. It's a penny addition to all metered rate classes, which is about 6.5% increase to the overall bill. That one penny will generate 1 million dollars to the department, and that's driven by two factors. Firstly, we are doing a full conversion of the meter infrastructure for water and electric, which will be about a 3-year process and cost under 2 million dollars and we are looking to fund that through depreciation. We do not wish to borrow. This is about 40% of where the new rate increase will be focused on, and the remaining 60% will used for wholesale power costs. If you look at the past decade we average about 2.5% increase, but we have been a stable and practicable rate for electricity.

Questions or Comments:

**Jamie Fay** asks Mr. Blair to Explain why you are replacing all the meters in town. If they are working why replace them?

**Mr. Blair** - Back in 2011 when we invested in Muller, and they were the top water meter brand and they look to be a fair solution on electric. Around 2015-16 Muller decided to no longer invest in their electric program, which little to no support for customers and quality of products. We are seeing an increase in failing meters, just today we had 10 failures which adds up every day. For us to buy new meters from Muller is around 300, were from another company is about 125-150, along with replacement parts are also easier to come by. We are also on the same system as the water department, which will make things much easier with meter reading, billing etc. Also, with Muller, we would have to rebuy an entire system to keep it retro-compatible and rebuy a new system to stay on Muller. We have gone out wholesale, and we should be getting bids by mid-July and vendor presentations by august and have a new contract by fall.

**Jamie Fay:** Ten years isn't a long-life span for a meter, and I believe this is the third time I've seen them changed while on the Finance Committee.

**Robert White:** Jamie and I were on the board the last time and we were sold a story that for a million dollars we can be state of the art and see water consumption, water, and sewer daily and clearly that wasn't delivered. Can you give us a feel for what the customer will experience? What is the time line for getting the new meters in?

**Mr. Blair** - I can't find fault with how people feel about what happened in 2011. As for what customers can see they can contact the utilities office and a login can be created for a customer portal. We have advertised it, but it had a lack-luster response. An ease of use and access is something we'd like to address with this next system. Last time it took 8 years for a full install, while the technology was expiring, and I can't speak for my predecessor. We are looking to execute this in 3 years.

**Jamie Fay:** So, what is the total cost with a new system, new meters, installation?

**Mr. Blair** -we won't know for sure until we get the RFP's back, have some quotes of 1.8 million dollars for the hardware, and we are doing the installation ourselves by using the distribution crews.

**Jamie Fay:** \_What is the cost of doing that, because those people could be doing other things.

**Mr. Blair** They could be, but I don't have the labor calculations, I think it's a sunk cost and we are prepared for it.

**Jamie Fay:** \_I disagree, they are people who do stuff every day and they are being pulled away and not doing the stuff they normally do. I think if you are proposing a program and you are not fully accounting the full cost you are not presenting it properly. **Mr. Blair** I only have quotes for the hardware, and we aren't at the point where we have a full scope estimate currently. The labor is a significant component of this, and we will account for it.

**Jamie Fay:** you've committed to funding it for 3 years, what are you funding it at?

**Mr. Blair** we are funding the hardware purchase for electric, and I can't speak for water. They have said they will fund their portion of it. As for electric we are funding 400,000 of material at the end of FY22.

**Michael Dougherty :** Do you see this triggering overtime using existing staff? **Mr. Blair** No

**Jamie Fay :** So, this could be a 5-million-dollar project between Water and Electric? **Mr. Blair** No, the hardware and the software, everything other than transportation and labor points to 1.8-2 million dollars. We are not hiring new staff or labor that we wouldn't otherwise have and it maybe an operational cost but it's not an added cost.

**Janice Clements-Skelton-** \_To touch on Jamie's point, the existing staff have responsibilities and will now be displaced while they are installing the new meters. So, the question is who picks up the day-to-day operational work of those individuals or does the work go incomplete. **Blair**\_By funding out of our depreciation fund and not going out and borrowing for a project above and beyond which is what we would ordinarily do in the year, we are insuring that's not happening. Each year we do 2/3's of our capital spending on renewing things, like telephone poles if they get hit by a car or a tree falls on wires. The rest is for poles that need to be replaced or maintenance. These are something we would use that money for, but this year it's the meter conversion. Nothing is being displaced

**Janice Clements-Skelton-** \_Looking at your current staff would you say 60% of their time or what number is spent on daily operations and the remaining is reserved for project work? Is it split like that? We just are trying to figure out how this is going to be done without adding new staff or outsourcing it.

**Mr. Leczynski** We are a little different in how we fund projects. We have a depreciation fund that we put aside about a million dollars a year to replace assets. This is about 3 to 5 hundred thousand dollars each year that goes to capital projects, and this project will get a portion of that. **Mr. Blair** We could be doing a better job with laying out the labor costs with this project. It's not something that's been ignored but we can put a finer point on it, and it's not going to be something that they are going to be working on every day for three years.

**Emilie Smith:** is that why it took 8 years last time? Was it one guy doing it between other projects? **Mr. Blair-** to some extent yes, because he also had to do meter reads and

maintenance but this time, we will have two teams of 4-6 people working on this, including a much more conceived and rigorous planning process. Also, we've replaced the plumbing hardware which is normally located in people's homes or business, so we don't need to gain access anymore. We will be changing the electric meter which is normally on the side of a building and the communication node that has three wires to a communication pad which is typically within a few feet of the electric meter. It's a 15-minute process with including administrative processes.

**Mr. Leczynski** one point to add is what we saw in the past the roadblock to install the meters was not a labor problem it was a commitment to capital problem of buying the meters.

**Walter Hartford:** What percentage of time these guys are going to be spending on this project over the span of three years? And having some sense of costing on a project.

**Mr. Blair** about a third of their time. This wasn't on my agenda a few years ago but it's something that needs to be done, because we will be unsupported very shortly.

**Emilie Smith-** are you going to vendors looking for both hardware and software as a bundle or are those sold separately?

**Mr. Blair** -We are not specifying a requirement on the customer portal, we are requiring them to submit a solution, where it be a bundle deal or a partnership.

**Janice Clements-Skelton-** once you do get the hard numbers, this may make sense with some mix of contracted help and inhouse help to expedite this project and to free your staff up to work on the day-to-day stuff. Also, if we need to spend a little more to wrap it up in 12 months and not 18 months that maybe an option. **Mr. Blair** -with the contracted help it's a concern of labor control and making sure the meters are installed correctly and not upside down, which can and does happen, then we run into issues with the meter not reading correctly and having to go back out to fix it.

**Jamie Fay:** I'm interested in where you think we are in terms of our overall power mix and your perspective of the new power plant in Peabody. Is that something that we are involved in?

**Mr. Blair** -with our power mix, in our annual summary on page 12 it goes into detail about our power supply, and the various components. The takeaway is that we supply some of our power and we pull some power. The sources we prescribe are 98% carbon free from wind, hydro, solar and 2% that is oil and gas. The power we supply are from carbon free sources, regional power source dominates at 42%, nuclear, hydro from New York. Total power we are about 65% carbon free. The goal is to be transparent and how long we are locked in with each source. Now the Peabody Peaker Plant, which is sponsored by NEMLEC, it is a 60-megawatt natural gas, fire and wind turbid generation unit that hasn't been built yet, but it has been permitted but was met with opposition. Ipswich is not a member of that project; thought we are a member of NEMLEC. We were offered a share back in 2015-16 but we decided, because we have our own Peaker plant.

We were approached by a developer out of Rhode Island to remove the defunct Hyundai wind 2 turbine and replace it on the same site and enter into a 25-year agreement. That was taken up with the select board back in April and has been kept on ice as of the then. There isn't anything problematic with the proposal, but the price is steep, and the technology in not too familiar with. I think it stalled because it is a community decision. It's not just some project we aren't going to see, because it's going

to be on the marsh. Along with that we have some issues with the site, and contract with Hyundai, but there isn't a need to get into that now.

## **7. Town Meeting & FY22 Budget Process & Postmortem**

**Janice Clements-Skelton-** This is where we go over everything over the past year after the budget meeting and walk through the building of the budget, hearing process, report process and finally town meeting. Looking for general feedback on anything that we could do to make things more effective and efficient. Let's start with the FY22 Budget- any thoughts, or concerns?

### **Questions and Comments:**

**Michael Dougherty:** With what we had to go-through this year with everything virtual, I think we did a good job. We are known as a committee that combs through all the details and I don't think we let up this year because of the pandemic. It seems like we had more meetings than usual, I know we had the extra warrant hearing, but I think we did a good job by having that extra hearing and getting through all the articles. We seem to run into a problem with the planning department and trying to coordinate those efforts. They are on time crunches and we were trying to get final numbers in but it seems like we were running out of rope really quickly, along with them having quite a few articles as well.

**Janice Clements-Skelton-** I'm not sure how to improve that process. When we built the schedule this year, we started with the planning board schedule knowing they are the "long pole" on most articles. Then they didn't finish their hearing processes as quickly as they thought, which put us in the position to recommend on an article that we didn't know if they had recommended on yet and we didn't have input from the select board. There are so many dependencies that if one slips, we all end up slipping. Along with that we have seen more and more zoning articles, and they should be going back to the meetings in the fall and that's where the focus should be. The mix of articles and zoning articles makes it a more difficult meeting.

**Michael Shaff:** Over the last few budget rounds, FINCOM's role adding to the importance of establishing the budget targets has eroded. Those of us who have been on the committee for a while can recall a time that FINCOM was aboard if we can afford 2.7%, which has eroded. I think there is a loss of coordination around budget target and it slips through in a hurry and we are done, then more careful consideration of that target. I think that the analysis that's prepared by the finance officer has always been the key document in setting those targets, often prepared with multiple scenarios. I think we need to bring that forward more, if possible. Within that balance we should try to undertake that role as soon as we can and to elevate the importance of the Tri-Board which I don't recall if we did or not. So, it's a matter of timing and importance.

**Rob White-** I think Michael brings up a good point. I think we are in a stronger position with the capital budget than we have been in previous years largely because of the strategic planning effort that brought a lot of things together, and now everyone on our committees are on top of that. When you mix that in with conservative budgeting on the municipal side and large free cash, they then control the increase because we know it's going to be 2.5% and we do know we are going to get free cash to fund these other components of the budget. We also have these off budget accounts and suddenly they know more about what the number could be than we do. This prevents us from really achieving a lot in 2022, because we must worry about this and that, then at the end of the day we move 1.3 million to free cash, then we use it in the fall. With that we've lost the importance of its going to be 2.7 and not 3.2. The free cash numbers are huge, and



when we push to get things done, we get push back about having a good balance to go into that account. What is going to be accomplished in 2022, by the management that would warrant a good performance?

**Janice Clements-Skelton-** In the last 2 year I have noticed that the meeting that we typically have in December, we had the conversation on what the target increase should be. I'm not sure if it's because it's a maintenance budget then a growth budget. I think there is room to work with the select board to have the conversation in December. We took this project on with OPEB, there is a better practice and we can set targets, and it looks like you are thinking along the same lines for the free cash, to find that sweet spot and anything above that should be put towards initiatives.

**Walter Hartford:** When you talk about free cash that's the only real way to handle the budget, because everything else is salaries, benefits, wages and it's all tied together, so unless we are going to do something drastic with the headcount, what are you really going to do is something is that free cash number. I don't think it's being shared broadly with us; we get it at the warrant hearing when it's already a done deal.

**Jamie Fay :** I agree with many things that our other members have said. I don't want us to forget we did a great job in a difficult year and we are in a really good position with the town. We have a town government that works really well, we have personnel issues on every level, but they will never go away, but we have a town manager and a new HR director who are sharp as tacks. I think it good to think broadly. I think we have departments that are doing really well, and getting the job done which is great. We shouldn't forget we are doing a good job, and I get the points but we are doing much better on capital projects, and I think we are gaining ground and we know we have some big projects coming up, but we are doing better with maintaining the buildings and staying ahead of the game. One of the things I'm interested in next year is the staffing levels in the schools, this coming year will be a catch-up year, due to declining student enrolment.

**Michael Shaff:** I feel this is going being beyond the budget process here, is that ok?

**Janice Clements-Skelton:** Yes, do you want to talk more about the budget?

**Michael Shaff:** Yes. I agree with Jamie, we have seen some advancements in operations in the town and some strong leadership that is making a difference. We are seeing some real visions, in moving the town ahead. We may differ about the capital budget, for years FINCOM urged and finally got some movement on establishing a system for the condition of the buildings as a basis for deciding on the best capital investments, and that was a huge advancement for investments. Yet, I'm still concerned about the overall quality of the budgeting process - items that are outside the buildings like the water storage facility on town hill. That was a substantial budget item, why didn't we know about it earlier? It made me concerned if there are other capital items that may come up out of nowhere. Are we being concerned about the capital needs of the community, that's where the more significant short falls? We are getting the roads patched and repaved, and new library, but we face significant capital needs to make sure we are getting our monies worth.

**Walter Hartford :** Michael, remember when they gave us the 5-year plan and we pointed out year 3 and were told not to worry about year 3, that's not giving me a good feeling, to add to your point.

**Janice Clements-Skelton** : it be an indicator that more due diligence that could be done. It maybe because its outside the core governmental services and didn't get the same level of diligence.

**Walter Hartford:** \_I think that we need to see where potential holes might be. We generally do a great job, I think part of our role is to look at it critically, because this is the role we signed up for.

**Michael Dougherty:** Just to remind everyone, the water assets management plan is separate from School DUDE, which came out later. School DUDE focused more on the school and the municipality side not the water, waste water infrastructure which is where the water asset management plan came out. There is acknowledgment for water infrastructure needs in the school DUDE, also more emphasis on the larger projects in town that the 4-million-dollar water tank is on a different level than a new school safety building. There are more 3-5-million-dollar projects in town that we still don't know about that are going to come up in the next couple of years. There was a great point about investing in the schools, but we don't talk about our 20-year school and what improvements that's going to need because for a building that size, we know it's not going to be under a million dollars.

**Janice Clements-Skelton:** \_What about the budget hearings, any suggestions there? Any areas of improvements there? Things we could do differently?

**Jamie Fay:** \_With the warrant hearings, they were productive, and I don't think they were a waste of time. We could do a better job of tracking the things that we think that need to be changed as we go through the budget. Honestly, we review them but they come out the same way they come in. Maybe have some type of tracking system, and adjust and change things before the next meetings.

**Janice Clements-Skelton:** \_That has occurred to me for the second year in a row after the budget meetings, I think it should be something easy to implement.

**Michael Dougherty:** \_That would be an interesting thing to solve, but we have 9 committee members which we assign warrant articles to committee members to go through and vet, and put a write up in for the book, but who's to say we can't do the same with the departments? If we can divvy up the departments amongst the committee members, each person focuses in on for their departments and see what was changed from the beginning of the year to bean counting. This way we can narrow it in a bit.

**Janice Clements-Skelton:** \_we tried it about 4 years ago, and ended up with a more fragmented process, but I hear a different way of going about it. What could work is if we put a little more structure into it. At the end of the meeting where we address new business, we could put a section in called "Follow up or Take always" where we go over X,Y,Z and it goes to Tony or Dr. Blake depending and we set aside time at the beginning of the next meeting for the follow ups.

**Michael Dougherty:** Only problem is we won't have the department head at the next meeting.

**Janice Clements-Skelton:** \_I don't think we will need the department head there, because it will be the responsibility of Tony to manage his team.

**Michael Shaff:** \_I think we should expand this discussion to not only include the budget but also the warrant articles and note it for the minutes.

**Janice Clements-Skelton:** \_Great idea. Now on to the warrant.

**Michael Shaff:** One thing about the citizen petitions? It's difficult to get the citizen petitioners to understand what we are looking for. We've had several former chairs who

were very sympathetic toward them, which continued this year. We even have issues identifying the petitioner. Is there some way the select board can generate some information that might be useful to us or others?

**Michael Dougherty** : Probably the clerk, they need to get the sitting chairs for the petitions and the clerk needs to certify it, so maybe we can get the town clerk to be a little tighter with communications.

**Michael Shaff**: \_Letting them know we are looking for these five matters to be address and please prepared.

**Janice Clements-Skelton** : I've done that with all the petitioners, its hit or miss if they return your calls. I had a great response from the citizen petitioners for all 2020 town meeting where we went over everything we talk about, they question we ask, what problem we are solving with this. Some are more inclined to enter into that discussion than others. At some point someone needs to have a conversation with them about what's involved, it's not just filing the petition, it's just the beginning. If the education was stronger in the beginning, it wouldn't be as difficult and help people prep for these meetings.

**Michael Dougherty**: I think a lot of the citizen petitioners think it's going to be on the floor at the town meeting, which is where the votes take place, But I think they need to understand that if they want to have a full vetting and full accurate representation then they need to come to other boards and need to make their case and give us a way to reach out to the voters.

**Joseph Bourque**: \_My concern is the summaries of the petitions, and as I review the past 3-4\_ it's hard to believe them because of half-truths, and innuendos in these summaries, and I called out to you (Janice) because people are going to think the summaries are something we prepared, and we need to identify that it's the petitioner and not us. Or in a case it should be the sponsor summaries.

**Janice Clements-Skelton**; \_I want to say this is the first time I've seen such subjective summaries during citizen petitions. The select board were objective as the should be, they are trying to persuade, but I did take the unusual step this year with the petitioner summary and not ours, and also some trimming that was just not appropriate for the report. I want to be cautious about making changes because this meeting was an unusual one, with atypical petitions.

**Robert White**: Did you say this is the petitioner summary or are you noting what Joe said and you just massage the summary so it's more neutral?

**Janice Clements-Skelton**: \_No, what I did,\_based off the need,\_I changed the indication and deleted some information that was not appropriate for a town report.

**Janice Clements-Skelton**: \_Looks like we are going back to Tuesdays, and not Saturday for town meetings. The Select board voted 3-2 on it.

**Robert White**: The merits of Tuesdays are what?

**Janice Clements-Skelton** : I didn't watch, I only got the vote update, but probably traditions. **Joseph Bourque**: \_Has anyone mentioned a date for that?

**Janice Clements-Skelton**: we are targeting October 19<sup>th</sup> but is not set in stone yet. If there are no other questions or comments we can move on to section 8.

## 8. Election of FinCom Officers

**Janice Clements-Skelton**: \_I'd like to start off where we normally reorganize, and nobody is looking forward to this more than me. It's been a great two terms, don't get me wrong,

I have learned a ton but it is time to pass the torch and Michael Dougherty has worked so hard to understand the terms and the processes. As we start thinking and reorganizing, I would like to nominate him for Chair next year, and now open that up for discussion, comments, questions or other nominations.

**Robert White:** can you frame it so others know it's for 2 years.

**Janice Clements-Skelton:** Yes, we try to do 2-year terms. The first year you're drinking from the fire house and the second year it becomes easier and better. WE do typically look for a 2 year commitment. This would be the time for other nominations or question from the board.

### **Motion to nominate Michael Dougherty as FinCom Chair for 1-year term:**

Motion: Janice Clements-Skelton

2<sup>nd</sup>: Robert White

Passes: 8 -1 (abstention)

**Janice Clements-Skelton :** now we have an opening for vice chair, which would be responsible for learning the ropes and have an expectation that once the chair move on they will fill that role. I would like to nominate Walter Hartford.

### **Motion to nominate Walter Hartford as Vice Chair:**

Motion: Janice Clements-Skelton

2<sup>nd</sup>: Michael Shaff

9-0 Passes unanimously

**Jamie Fay:** I would like to thank you Janice for everything you've done for this committee. I know how much work it is and I really appreciated it

**Michael Shaff :** I would also like to thank you for your leadership, and how much you care about our town and its residents.

## **9. Sub Committee Assignment:**

Michael Shaff: Is this something needs to address this evening, or can we push this off?

**Janice Clements-Skelton:** Yes, we can push it off to the July meeting.

**Michael Dougherty:** I've been on the water and wastewater sub committees since I joined, which has been a learning experience and I've enjoyed it to some extent, but I'm sure being voted in as chair will bring more responsibilities. I am willing to stay on if no one wants it, but if anyone else would like to step in and take on the role feel free to let me know. They were two separate committees but over time they have seemed to be combined into one committee.

**Robert White:** Another committee that has an opening is the audit committee, and Emilie I'm not sure if you have an accounting background, but if you don't, does anyone want that?

**Emilie Smith:** I do not have an accounting background

**Robert White:** If no one wants it I will take it.

**Janice Clements-Skelton:** Ok, we are tabling this for the July meeting, and I will get the list out if you see something that you'd like to practicable reach out and we will discuss it in July.

## **10. New/Other Business**

**Michael Dougherty:** Just so everyone is aware, as of today the water department has changed its drought status. We are now upgraded to moderate, there are 5 levels and

we are right in the middle right now. We have not met, since this was raised and I'm not sure of the level of our reservoir but I will let you know.

**Michael Shaff:** \_Do we have any end of the year fiscal issues that needs to be taken care of next month?

**Janice Clements-Skelton:** I normally check with Sarah, but she was out today but I will check with her.

## **11. Adjourn**

Janice Clements-Skelton: I will entertain a motion to adjourn

Moved: Michael Dougherty

2<sup>nd</sup>: Joseph Bourque:

9-0

Meeting Adjourned at 10:37pm