

**FINANCE COMMITTEE Meeting Minutes  
(FY 25) July 13, 2023**

Location: Zoom      Date and Time:      July 13, 2023 7:35pm

**Members:** Chair: John B Miller, Vice Chair: Jeffrey Calabrese, Vincenzo Rascionato, My Linh Truong, Patrick Matteson, Megan Blackwell, Lauren Herrmann, Brian Vernaglia, Derek Ross, Jeff Calabrese, John B Miller, Stefan Carp, Kathryn Hughes

The relevant Public Meeting Notice and Agenda is attached to these meeting minutes.

**1. Roll Call:**

Chair Miller brought the meeting to order at 7:40PM and called the Roll. A quorum was established. The results of the roll call are as set forth below.

Quorum is 8	Present	Absent	Late Arrival (Time)
Total	0	0	0
Vincenzo Rascionato	X		
My Linh Truong	X		
Patrick Matteson	X		
Megan Blackwell	X		
Vacant			
Lauren Herrmann	X		
Brian Vernaglia	X		
Derek Ross	X		
Jeff Calabrese	X		
John B Miller	X		
Stefan Carp	X		
Vacant			
Kathryn Hughes	X		
Vacant			
Vacant			

**Guests Present in the Meeting:**

List Guests Present. Stacie Ward, Comptroller, Town of Winchester

**2. Public Comment:**

There was no public comment.

**3. Meeting Minutes**

There were no prior meeting minutes reviewed or approved.

#### **4. Guests: Presentation by Guests.**

The Comptroller attended the meeting related to the RFT described below.

#### **5. Request for Fund Transfers (RFTs)**

A Reserve Fund Transfer to the Unemployment Acct 9130 in the amount of \$6,640.00 was presented to Finance Committee by the Comptroller. The RFT is attached to these minutes.

The RFT was made available to Finance Committee before the Meeting in the Finance Committee Box folder, so members had an opportunity to review it on their own before the meeting began.

A motion was made by Stefan Carp and second by Jeff Calabrese to approve the RFT. Stacie Ward briefly reviewed the content of the RFT. After a short exchange among the members of Finance Committee and Ms. Ward, the motion passed unanimously, approving the RFT.

#### **6. Ongoing Review/Approval of Dept Components of the FY25 FinCom Budget**

There were no departmental budgets placed before the Finance Committee for discussion.

#### **7. Review/Approval of Articles Before Town Meeting**

There were no Town Meeting articles placed before the Finance Committee for discussion.

#### **8. Updates on Ongoing FinCom Activities**

##### **a. Lynch Solar Sensitivity Analysis.**

The Chair and Vice Chair described a request from the Town Manager Beth Rudolph, Asst. Town Manager Mark Twogood and the Chair of Select Board Richard Mucci that the Finance Committee conduct a sensitivity analysis around numbers that had been provided to the Select Board and School Committee w/r/t different options for solar panels and roof canopies at the new Lynch School.

The basic options are three: a 25 year PPV (lease) [at no cost to the Town] or a purchase by the Town – in one of two ways – (i) borrowing or (ii) outright purchase from available funds.

The expectation at the time the Lynch Debt Exclusion was presented to voters in January 2023 was a 25 year lease (at no cost to the Town). Changes in federal law have led to the current discussion as to whether this strategy should be revisited.

After discussion among the Members, it was suggested that the Chair appoint a three member working group to respond to the request. A straw poll among Members present favored this approach.

The Chair has asked the Town Manager to request original excel financial analyses from the vendors – rather than pdf printouts which do not include the logic underlying the financials, which cover a 25 year term.

The variables around which a sensitivity analysis could be conducted include: the rate of electricity cost increases, the rate of electricity price increases, maintenance and operating costs per year, failure of equipment or replacement of equipment earlier than the full 25 year term; the Town's borrowing rate; the Town's assumed discount rate; and other uses of the Town's available funds that would compete with an additional expenditure on solar panels (canopies).

The Working Group will bring its analysis back to Fin Com for discussion and review, before results are transmitted to the Town Manager.

b. Reappointments.

The Chair reported that Stefan Carp and Kathryn Hughes were reappointed to three-year terms.

**9. New Business**

There was no new business.

**10. Adjournment**

The meeting adjourned by unanimous consent.



Approved by: \_\_\_\_\_

John B. Miller, Chair of Finance Committee

Attachment(s): Public Meeting Notice and Agenda  
RFT Unemployment Acct 9130

# TOWN OF WINCHESTER



**RECEIVED**

By Town of Winchester at 12:19 pm, Jul 12, 2023

## PUBLIC MEETING NOTICE and AGENDA-REVISED

Pursuant to MGL Ch. 30A, Sec. 18-25 All meeting notices and agendas must be filed and time stamped by the Town Clerk's Office and posted **at least 48 hours prior** to the meeting (**excluding Saturdays, Sundays and Holidays**) Town Clerk's staff requests submissions **72 hrs. prior** to the meetings to allow for processing time.

### Board/Committee Name: Finance Committee Meeting

Type Check one: In Person:  Remote:  Hybrid:

Date: Thursday, July 13, 2023

Time: 7:30pm-9:30pm

Email: [gdlozowski@comcast.net](mailto:gdlozowski@comcast.net)

Join Zoom Meeting

<https://us02web.zoom.us/j/89503177516?pwd=cWR4TmxNNmhpeFlKMEJGTDEwREtidz09>

Meeting ID: 895 0317 7516

Passcode: 01890

### Agenda:

- Public Comment
- RFTs
- Updates on Other Committee Activities
- Meeting Minutes
- New Business

*If you need reasonable accommodations under the ADA Law in order to participate in the meeting, contact the Human Resource Department 781-721-7157 in advance of the meeting. While the municipality will do its best to accommodate you, certain accommodations require the hiring of outside contractors who may not be available if requested immediately before the meeting. Please submit posting: [townclerk@winchester.us](mailto:townclerk@winchester.us)*



# Winchester Finance Committee Budget Transfer Request Form

Date: 7/11/23

Submitted by: Stacie Ward

## Account with potential deficit:

Department Name:	Unemployment	Department Head:	Stacie Ward
Department Number:	9130	Requested Amount:	\$6,640
Account Name:	Claims/Payments to State	Account Number:	0191302-54117

## Source of transfer:

(if reserve fund, enter "Reserve Fund" for Department Name and leave the rest blank):

Department Name:		Department Head:	
Department Number:		Current Year Budget:	\$
Account Name:		Account Number:	
Year-to-Date Balance:		Projected Surplus:	\$

Please complete the following table for the account with the potential deficit:

	FY23 Original Budget	FY23 Expenses YTD	FY23 Transfers/ Adjustments	FY22 Actual
Expenses	\$75,000	\$107,661	\$11k RFT & \$25k STM	\$97,461

### 1) What is the reason for the transfer and will these conditions recur next budget year?

Claims came in higher than anticipated. The \$75k budget was based on pre-COVID unemployment cost history, but claims are difficult to estimate and are based on the employment activity of the departments (the biggest unknown being the school department). The regular/recurring anticipated claims relate to the Police Department traffic supervisors who file claims during school vacations and the summer. Also, the Recreation Dept is responsible for claim activity due to the nature of program flexibility and the availability of jobs (note that unemployment is included in the Rec Dept indirect charges and the General Fund will be paid back for these). The remainder of the activity is usually related to the School Department, not due to any layoffs but more likely due to other factors. In FY23, we paid \$2,000 to a third-party service provider to assist in very basic administration of the claims, but in terms of actual claims, we've been billed for \$116k (including the final \$9,797 June bill that we haven't paid yet). Of this, \$12k relates to Traffic Supervisors, \$59k relates to School Dept, \$24k relates to Rec Dept, and \$21k relates to 3 fraudulent claims. I was hoping

we would get a credit for at least half of the fraudulent claims by now since one of the issues was from earlier in the year, but we are still waiting for the state to wrap up their investigation. The other 2 fraudulent claims are more recent (May) and will take even more time. This request is for \$6,640 in order to pay the June bill.

**2) By when is the transfer required?**

As soon as possible before 7/17/23. The DOR's fiscal year cutoff for this type of transfer is usually 7/15, however, since the 15<sup>th</sup> is on a Saturday, they have extended it to the following Monday 7/17.

**3) If the transfer is not made, what will be the consequences?**

We will not be able to make the June payment and will have to wait until FTM for a prior year bill article to be approved. The state will charge us interest and penalties on the balance.

**4) What mitigating actions have been taken to avoid the transfer?**

The only mitigating action is protesting the claims that do not appear valid (based on discussions with departments), which has taken place. We are awaiting fraudulent claim credits of over \$20k.

**5) Has this account had transfers in the past?**

Yes, in the past, due to volatile activity during COVID and its aftermath, but more recently, this year, an \$11k RFT and \$25k STM increase.

**6) Will the transfer result in any cost savings or revenue generation?**

No, but the fraudulent claim credits we anticipate will offset FY24 bills.

**7) How certain is the amount requested, and could a lesser amount suffice currently?**

It's exact. The June bill is \$9,979, the remaining budget is \$3,339 = \$6,640.

**8) What other accounts could fund this expenditure?**

At this time, any department budget can be used to fund this via the Year-End Emergency transfer process which allows transfers from one department to another from May 1<sup>st</sup> – July 15<sup>th</sup>. This type of transfer requires both FinCom and Select Board approval. Since the Reserve Fund has \$377k, this is the account that would be most suitable and does not require the second step of obtaining the Select Board approval.