



TOWN OF SHREWSBURY

Richard D. Carney Municipal Office Building
100 Maple Avenue
Shrewsbury, Massachusetts 01545-5398

Finance Committee Minutes February 17, 2022

Present: Mark Adler, Carlos Garcia, Vikram Chhabra, Denis O’Connell, Judy Vedder, Lena Polito, Allen Jarrell, Hannah Kane, Rajiv Dayal

Also Present: Kevin Mizikar, Town Manager, Alexandria Martinez, Management Analyst

1. Call to Order

Mr. Adler called the meeting to order at 7:00pm.

2. Accept Minutes

a. January 20, 2022

On a motion by Ms. Kane, seconded by Mr. O’Connell, the Committee unanimously voted to approve the minutes of January 20, 2022.

3. Town Manager’s Report

a. FY2023 Fiscal Projection One

Mr. Mizikar provided an update on Schedule A Local Receipts through January 2022. The largest commitment of Motor Vehicle Excise Taxes went out in February and receipts are estimated \$200,000 more than last year.

Mr. Mizikar presented an overview of Fiscal Projection One – the initial FY23 budget recommendation. The Committee will review the budget in more detail with Town and School Department Heads during the public budget hearings in March.

Mr. Mizikar reviewed recent updates to the revenue manual figures, proposed staffing level increases and an overview of the proposed operating budget. The proposed expenditures include operating and non-operating expenses. Mr. Mizikar provided a high level overview of budgeted expenditures and departmental requests by functional area. Mr. Mizikar highlighted that the increase in educational funding proposed is in accordance with the override model agreed upon by the Board of Selectmen and School Committee.

Mr. Mizikar reviewed high level proposed changes, including the creation of a standalone Human Resources Department, Fleet Maintenance Division and Parks Maintenance Division that reorganizes responsibilities and removes Parks and Recreation from the Department of Public Works.

The Committee discussed the proposed Capital Improvement Plan. Mr. Mizikar highlighted that for FY23, there is a unique opportunity to fund additional projects utilizing the tax levy. Revenue growth occurred faster than expected, and as a result there is more tax levy available to use towards a Capital Improvement Plan. Mr. Mizikar noted the largest project request is \$950,000 for the Oak Middle School window project. There are funds currently in place to fund a feasibility study, and the Massachusetts School Building Authority will reimburse the town for 50% of the project costs, but the Town has to appropriate the full amount up front. The second largest request is the replacement of computer aided dispatch and records management for the Police Department. Mr. Mizikar also noted that the Town is progressively transitioning the fleet to hybrid and full electric when possible and that is outlined in the proposed plan.

4. Workshop: Overview of Enterprise/Utility Funds

The Committee continued their series of workshops with an overview of Enterprise/Utility Funds. Mr. Mizikar presented an overview of the Town's special purpose funds: water, sewer, stormwater and solid waste. The Committee reviewed the fund structures, including how they are established and what they are used for.

All of the funds, with the exception of solid waste, are sufficient within themselves meaning the revenues cover all expenditures. Solid Waste revenues cover 50% of expenditures, with the remaining 50% supplemented by the general fund. The Board of Selectmen act as the Water Commissioners for the Water Utility Fund and are responsible for setting the rates. The Sewer Commissioners are appointed by the Town Manager.

The Committee reviewed the utility fund balance sheets and how they tie into the overall Master Balance Sheet of the Town.

The Committee discussed holding the next workshop on SELCO. SELCO is also a utility, but is run differently and is not subject to Town Meeting appropriation.

5. Review Meeting Schedule

- a. Thursday, March 24, 2022 Finance Committee Budget Hearing**
- b. Saturday, March 26, 2022 Finance Committee Budget Hearing**
- c. Thursday, April 14, 2022 Public Hearing on Annual Town Meeting Warrant Articles**
- d. Thursday, April 28, 2022 Public Hearing on Annual Town Meeting Warrant Articles**

The Committee reviewed the upcoming meeting schedule.

6. Correspondence

- a. Letter to the Finance Committee from the Central Massachusetts Mosquito Control Project, regarding Notice of Preliminary Proposed Budget for FY23, dated January 23, 2022 – so noted.**

7. Adjourn

On a motion by Mr. Chhabra, seconded by Mr. Garcia, the Committee unanimously voted to adjourn at 8:16pm.