



**LANCASTER FINANCE COMMITTEE (“FinComm”)
Meeting Minutes of Tuesday, June 27, 2023, 6:15pm
Meeting held via ZOOM
(Meeting ID 816 1071 8749)**

1. CALL TO ORDER

Jocelyn Mylott called the meeting to order at 6:15PM. Roll call was taken, Michelle Vasquez, present; Stanley Starr, present; Emily Kerrigan, present; Richard Trussell, present; Jocelyn Mylott, present. Also in attendance were Finance Director Cheryl Gariepy and Town Administrator Kate Hodges.

2. REORGANIZATION

Mr. Starr nominated Richard Trussell as Chairman for the new fiscal year; Ms. Kerrigan seconded the motion. Mr. Trussell asked if Ms. Mylott would be willing to remain as Vice Chair. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

Ms. Kerrigan nominated Jocelyn Mylott as Vice Chair. Mr. Starr seconded the motion. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

Mr. Starr moved to nominate Emily Kerrigan as Clerk. Ms. Vasquez seconded the motion. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

3. FY25 BUDGET SCHEDULE (Select Board) & FY25 BUDGET CALENDAR (FinComm)

Chair Trussell confirmed that all board members had received this via email.

4. FY25 BUDGET MESSAGE (FinComm)

Chair Trussell explained that that in previous years the FinComm had prepared a message to all town departments explaining that the budget being prepared was to be level funded or level service. Discussion was held as to what projections would be needed in order to make this decision. Mr. Trussell verified with Ms. Gariepy that all areas were in “pretty good shape” and questioned what the rate of inflation might be; Ms. Vasquez stated that recent seminars that she has attended suggest that inflation would continue through next February; her guess would be that

revenues would likely be flat through the upcoming fiscal year. Discussion continued relative to trends. Ms. Vasquez suggested delaying a decision on the Budget Message until the FinComm has had an opportunity to review the Actuals. Mr. Trussell asked Town Administrator Hodges what date the Budget Message would be needed by. Ms. Hodges noted that she does not believe that the FinComm issued a Budget Message for the last budget cycle, and that this is not a requirement found in the Town Code. She suggested that it would be premature to discuss recommendations prior to the beginning of FY24. Additionally, the DPW contract has just been completed and other contracts have not been finished. Finally, she noted that in budget preparation last year, she used the Government Standardized Budget Preparation model. They are advocating for communities in the Northeast to carry at least between 3.5-4%.

Mr. Trussell stated that on a \$27 million budget, there is some leverage on about \$4 million. Ms. Hodges noted that a Classification and Compensation study is underway, and it appears that the town is underpaying in many categories. She reviewed several areas that make it difficult to recommend level-funded versus level-service until the budget process is well underway. Mr. Trussell expressed concern, stating that the budget needs to be driven by the FinComm. Mr. Starr opined that since the Federal Reserve cannot predict inflation, the Town of Lancaster probably can't either. Mr. Starr asked what percentage of the budget is salaries; Ms. Hodges stated that it is probably near 80%. Mr. Starr stated that it was premature to make budget decisions until contracts have been finalized and variances have been analyzed. He suggested that probably the most sensible route will be some hybrid of level-funded and level-service, and that departments need to be addressed in part by size, rather than applying the same formula to all. Ms. Hodges explained that she is asking departments for both level-funded and level-service. Mr. Trussell stated that he does not want to show up in November to be told which budget is being used.

Ms. Gariepy said that before making decisions on the FY25 budget, FinComm needs to see year end FY23, and see what adjustments have been made for FY24.

Chair Trussell asked for a motion to delay any decision on this until FinComm has had the opportunity to review data. Mr. Starr made the motion, with a second by Ms. Mylott. Ms. Mylott asked when this would be tabled to; Ms. Gariepy suggested the August meeting might be appropriate. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

5. JOINT SATURDAY SESSION FOR DEPARTMENT BUDGETS 11/11 OR 11/18 (Select Board & Finance)

Ms. Kerrigan moved to hold the Joint Saturday session for Department budgets on November 18, 2023. Ms. Mylott seconded the motion. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

6. NRSB OTHER POST EMPLOYMENT BENEFITS (OPEB) MANAGEMENT ADVISORY COMMITTEE
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Mr. Trussell noted that this account is currently \$48 million in arrears, and a committee is being established to address the issue. He has volunteered to be part of the committee. Mr. Starr would

also be interested in joining. The committee meets monthly, beginning in July. It is ad hoc and must have a recommendation in December. There is no limit to the number of members. Ms. Kerrigan moved to recommend Richard Trussell and Stanley Starr as Lancaster's members on the NSRD OPEB Management Advisory Committee. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

7. FY23 JULY THROUGH JUNE 16th BUDGET TO ACTUAL

Ms. Kerrigan moved to table this to the next meeting so that FinComm can see complete year-end figures. Agreement was reached; no vote taken.

8. FY23 FINANCE RESERVE FUND TRANSFERS

Ms. Gariepy explained that to cover Snow & Ice expenses, either the FinComm must make a Reserve Fund transfer or it has to be added to next year's tax rate. Traditionally this is always funded through a Reserve Fund transfer. The cost for Snow & Ice is \$125,900. The current balance in the Reserve Fund is \$145,000. Ms. Vasquez moved to transfer \$125,900 from the Reserve Fund to Snow & Ice to cover costs. Ms. Mylott seconded. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

9. NEW BUSINESS

a. Next meeting dates – July/August/September

Mr. Trussell asked the FinComm if Tuesday still works for everyone, and if 6:15 is still good; the group agreed unanimously that this should continue.

Ms. Gariepy notes that the last warrant of FY23 will be issued on July 13. Ms. Mylott moved to schedule the next meeting for July 18 at 6:15pm. Ms. Vasquez seconded. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

b. School Funding Committee

Ms. Hodges stated that the School District Superintendent's Office is looking for a small group, with representatives from each town, to meet once in July and once in August, to explore debt funding for the upcoming school building project. Meeting dates have not been determined, but the meetings will be in the evening and will be via Zoom. Ms. Vasquez would be willing to do this if dates are determined. Mr. Trussell asked Ms. Hodges if it would be acceptable to send Mr. Starr with Ms. Vasquez as a backup. Ms. Hodges will find out more about meeting dates. Ms. Kerrigan moved to appoint Michelle Vasquez as representative to the School Funding Committee with Stanley Starr as backup. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

10. MEETING ADJOURNMENT

Ms. Vasquez moved to adjourn the meeting at 7:13pm. Mr. Starr seconded. *Vote taken, Michelle Vasquez, Aye; Stanley Starr, Aye; Emily Kerrigan, Aye; Jocelyn Mylott, Aye; Richard Trussell, Aye. Motion passed. [5-0-0]*

____Approved 7/18/2023____
Emily Kerrigan, Clerk