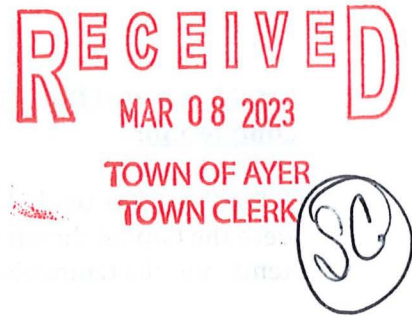


Town of Ayer

Executive Bi-Board Meeting Minutes For

February 21, 2023



**Attendance:** Scott Houde, Chair; Barbara Tierney, Finance Manager; Carly Antonellis, Assistant Town Manager; Robert Pontbriand, Town Manager

**Absent:** Kurt Fraczkowski; Sebastian Cordoba

**Call To Order:**

The February 21, 2023 Executive Bi-Board Meeting was called to order at 2pm on Zoom. S. Houde read the following statement:

Due to the ongoing COVID-19 Pandemic, in accordance with Chapter 22 of the Acts of 2022, suspending certain provisions of the Open Meeting Law (ONL), public bodies otherwise governed by the OML are temporarily relieved from the requirement that meetings be held in public places, open and physically accessible to the public so long as measures are taken to ensure public access to the bodies' deliberations "through adequate, alternative means." This meeting will be live on Zoom. The public may participate remotely by joining Zoom (Meeting ID# 854 0032 4335) or by calling 929-205-6099. For additional information about remote participation, please contact Carly Antonellis, Assistant town Manager at [atm@ayer.ma.us](mailto:atm@ayer.ma.us) or 978-772-8220 ext. 100 prior to the meeting.

**Review/Approval of Previous Meeting Minutes (October 25, 2022; January 31, 2023):**

The Executive Bi-Board reviewed the meeting minutes from October 25, 2022 and from January 31, 2023. There were no changes made to either sets of minutes.

**Motion:** A motion was made by C. Antonellis and seconded by B. Tierney to approve the October 25, 2022 meeting minutes and the January 31, 2023 meeting minutes. **Motion Passed (4-0) by Roll Call Vote: S. Houde, Y; B. Tierney, Y; C. Antonellis, Y; R. Pontbriand, Y.**

**Town Finances and Budget Status Update:**

R. Pontbriand provided a brief update on the FY 2024 budget process.

B. Tierney stated that revenues and collections all remain on target.

**FY 2024 Budget Process Update:**

R. Pontbriand covered this item under the Town Finances and Budget Status Update.

**Final Review of DRAFT Financial Policies Proposed Revisions/Updates and Next Steps to Completion:**

R. Pontbriand provided an overview of the outstanding items in the DRAFT Financial Policies which were the Capital threshold amount for debt/capital exclusions; the threshold amount for capital items; and the Cannabis policy.

R. Pontbriand provided a brief presentation "Financial Policies Final Review Items" (see attached to these meeting minutes).

S. Houde stated that increasing the threshold from \$350,000 to \$500,000 seems realistic and reasonable as a recommendation. The current threshold creates challenges in terms of the types of projects that have to go on the ballot and it could also create a log jam of projects.

C. Antonellis stated that she agrees with the \$500,000 as it is a practical threshold especially if people are being asked to vote on the project at Town Meeting and by ballot.

B. Tierney stated that based on various different CPI calculations she ran, she is also in support of the \$500,000.

**Motion:** A motion was made by C. Antonellis and seconded by B. Tierney to recommend that the threshold for debt and capital exclusions in the Financial Policies be increased from the current \$350,000 to \$500,000. **Motion Passed (4-0) by Roll Call Vote: S. Houde, Y; B. Tierney, Y; C. Antonellis, Y.; R. Pontbriand, Y.**

R. Pontbriand stated that from the research most towns have a dollar threshold amount between \$10,000 to \$25,000 for a single capital project.

S. Houde stated that he would be in support of increasing the threshold from \$10,000 to \$20,000 for items with at least a five (5) year life cycle. There were only three items this year on Capital that were below \$20,000.

R. Pontbriand also stated that Departments are asked to identify any single budget increase of \$10,000 or more in their omnibus requests and to provide a written explanation of the request.

C. Antonellis stated that she is in support of increasing to \$20,000.

B. Tierney stated that increasing it to \$20,000 makes sense.

**Motion:** A motion was made by B. Tierney and seconded by C. Antonellis to recommend the threshold for single capital items with a lifecycle of five (5) years be increased from the current \$10,000 to \$20,000 in the Financial Policies. **Motion Passed (4-0) by Roll Call Vote: S. Houde, Y; B. Tierney, Y; C. Antonellis, Y.; R. Pontbriand, Y.**

There was consensus by the Bi-Board to use the proposed language from R. Pontbriand in the presentation for the Cannabis policy.

S. Houde stated that he liked the proposed language.

B. Tierney stated she also like the proposed language and we should mention in the language that per DOR, these funds are General Fund monies subject to appropriation by Town Meeting.

C. Antonellis concurred.

**Motion:** A motion was made by C. Antonellis and seconded by B. Tierney to propose the Cannabis policy language as presented by R. Pontbriand in his presentation with the DOR language about the funds being General Fund subject to appropriation. **Motion Passed (4-0) by Roll Call Vote: S. Houde, Y; B. Tierney, Y; C. Antonellis, Y.; R. Pontbriand, Y.**

R. Pontbriand stated that with these final proposed changes, the Financial Policies will be prepared to go out to all Town Departments for an interdepartmental review as well as to the Finance Committee and the Select Board. The target date for review and adoption by the Finance Committee and Select Board will be the end of April, beginning of May.

**New Business:**

R. Pontbriand asked Bi-Board members to be thinking about suggestions for the content of the Second Budget Presentation and that the Bi-Board will discuss at the March 7, 2023 Bi-Board Meeting.

**Scheduling of Next Meeting:** Tuesday, March 7, 2023 at 2pm on Zoom.

**Adjournment:**

**Motion:** A Motion was made by C. Antonellis and seconded by B. Tierney to adjourn the meeting at 2:35pm. **Motion Passed (4-0) by Roll Call Vote: S. Houde, Y; B. Tierney, Y; C. Antonellis, Y.; R. Pontbriand, Y.**

The meeting adjourned at 2:35pm.

Minutes recorded and submitted by R. Pontbriand, Town Manager.

Minutes reviewed and approved by the Executive Bi-Board on March 7, 2023.

Signed:   
Robert A. Pontbriand, Town Manager

Attachment: "Financial Policies Final Review Items" presentation by R. Pontbriand, Town Manager



# Financial Policies Final Review Items

Ayer Executive Bi-Board Meeting

Tuesday, February 21, 2023 at 2pm on Zoom



# Proposed Debt Exclusion Policy/Language

- Current Financial Policies state that any capital expenditure over \$350,000 is subject to either a debt or capital exclusion.
- Historic evolution of the funding threshold in the policy:
  - 2011: \$250,000
  - 2014: \$300,000
  - 2019: \$350,000





# Factors Impacting Significant Capital Projects

- During and since COVID Pandemic:
  - Increased costs for materials and energy/fuel
  - Record inflation
  - Supply chain issues
  - Delivery delays
  - Phasing in of projects now has significant cost increases on projects



# Recommendation for Debt/Capital Exclusion Threshold

- Recommend that the Bi-Board propose increasing the debt/capital exclusion threshold from \$350,000 to \$500,000.
- Most Town's appear to use a percentage of debt service to total budget between 10% to 20% as threshold as opposed to a specific amount.  
(Note: Ayer's FY 2023 Debt Service was 5.23%)
- Town of Sudbury Debt Exclusion threshold target of \$1.5 million
- Recommend that the Bi-Board propose increasing the threshold for individual capital items from the current \$10,000 to \$20,000.



# Proposed Cannabis Policy

- Since the last version of the Financial Policies the Town now receives a local Cannabis payment on a quarterly basis.
- The Cannabis funds like the Local Meals Tax are General Fund Revenues.
- Like the Local Meals Tax, the Town could develop a policy for these funds subject to the action/authorization of Town Meeting.
- Proposed Policy for Consideration:

***“The Town’s Local Cannabis funds shall be deposited in the General Fund subject to an annual recommendation by the Bi-Board to transfer and deposit into the Town’s Stabilization and/or Capital Stabilization Fund(s) each year subject to approval by Town Meeting.”***

