

Finance Advisory Committee Meeting Minutes: April 17, 2023

Present were:

Mitch Gluck, FAC
Dennis Howe, FAC
Luke Moran, FAC
Joe Woodworth, FAC

Introduction of FAC Candidate - Melissa

The FAC was able to meet with Melissa prior to our meeting. At the meeting we discussed how her skills and experience can help the FAC move forward. The FAC felt Melissa was a great match for the town's needs to develop the annual operating budget.

2023 Budget Development Discussion

The FAC reviewed lessons learned from each member. Overall, the team believed our efforts were successful, and identified a few areas that we can make improvements to.

Action: Mitch to 1) consolidate the Lessons Learned; 2) categorize them by the budget phase (development, briefing, deliberation, etc.); and 3) individuals needed to help improve.

Quarterly Budget Execution Review (BER) Discussion

The following process was reviewed:

- a. 2023 Budget to Actual PDF previously distributed.
 - i. Comparison of 1st QTR 2023 Budget to 2023 Funds Execution
 - ii. Action completed. Draft summary shared.
- b. Process to Identify budget execution concerns to BOS.
 - i. Occurs 15 days following Calendar quarter: 1, 2, and 3rd Qtr
 1. 4th quarter results are reported in the annual report but are not actionable; corrective action must be addressed following the 3rd quarter.
 2. Anomaly expenses become more critical near the end of the calendar year.
 - ii. Report exceptions/anomalies only; identification of normal execution is not necessary.
 - iii. 25% per Quarter (+/- 2%) normal condition
 - iv. Exception is reported and qualified as:
 1. Type expenditure: seasonal, quarterly, monthly, or one-time expenses
 2. Explanation of anomaly and corrective action, if applicable
 3. Date expended or expected to expend.
 4. Exception / anomaly expenses are tracked each quarter until it returns to a normal budget condition.
- c. Actions to take for over / under execution of funds.

- i. Expected Results
 - 1. Department Head managed each Quarter – engage with managers each quarter to explain anomalies.
 - 2. BOS managed in the 4th quarter.
- ii. Redirected Funds
 - 1. If expense item cannot be executed or is over expending, an alert must be provided to Selectmen at 3rd Quarter end for funding decision:
 - a. Return to Taxpayer
 - b. Critical Unfinanced Requirement from current year
- d. Tracking tool: Excel –
 - i. needs development.
 - ii. tracks anomaly expenses only
 - iii. populated and tracked each quarter until calendar year completed.

Action: Joe to create a simple tracking tool that summarizes expenses that are inconsistent with the budget plan.

Next steps

Decision to meet Monday, April 24, 2023

Agenda for Monday, April 24, 2023

1. Review the lessons learned summary
2. Review the Quarterly Budget Review (QBR) Tracking spreadsheet
3. Determine the next steps

Meeting Adjourned

The meeting was adjourned at 6:15pm.