

## **REVISED: Monday, November 6, 2023**

### **ARTICLE 29.**

**To update rules of appointment and operation for Winchester's Finance Committee**

#### **MOTION:**

**MOVED AND SECONDED** that Section 4.1 of Chapter 2 of the Town of Winchester Code of By-Laws shall be amended as follows:

#### *4.1 Finance Committee -*

*4.1.2 Composition; Term of Office* - The finance committee shall consist of **eleven registered Winchester** ~~fifteen~~ voters, who shall hold no other town office, **but may serve as members of Town Meeting**. The members shall be appointed for terms of three years each, so arranged that the terms of office of **four** ~~five~~ members shall expire **in the first two successive each years, with the remaining three terms of office expiring in the third year. No more than two members from a single Precinct of the town may serve on the Finance Committee concurrently. Members shall not be eligible to serve more than two consecutive terms. Appointments to fill unexpired terms shall not be counted as a full term for the person appointed. Reapplication to the committee shall be permitted no fewer than one year after the completion of a member's prior service. ~~No member of the Finance Committee may concurrently serve as an officer of any political campaign committee for townwide elected office or for influencing the outcome of a townwide election, nor may they serve as an officer of any 501(c)(4) political group.~~ Finance Committee members must abide by the provisions of M.G.L. c. 268A, the Commonwealth of Massachusetts's Conflict of Interest Law, or any other conflict of interest provisions or amendments that may come into force.**

*4.1.3 Appointment of Members* - The members of the finance committee shall be appointed **as follows: by an appointing committee consisting of the moderator, the chairman of the select board and the chairman of the finance committee. each of the eight Town Meeting precincts will appoint, by majority vote of a duly-constituted quorum of members, one member each to Finance Committee who resides within their precinct and may or may not be a member of Town Meeting; the Moderator of Town Meeting will select three additional members. ~~whose backgrounds diversify the committee by factors including, but not limited to: education or experience in areas relevant to the work of Finance Committee; balanced representation of membership by a candidate's self-identified demographic factors; and status as a Town Meeting Member or not.~~**

**Appointments by Precincts 1, 4, and 7 will expire in Spring, 2024, and every third year after the successful passage of this article; appointments by Precincts 2, 5, and 8 will expire in Spring, 2025, and every third year after; appointments by Precincts 3 and 6 will expire in Spring, 2026, and every third year after. The Moderator will make one appointment expiring over each of three successive years (2024, 2025, 2026, etc.).**

**All applicants must respond to a public notice posted by the Town of Winchester no later than 30 days after the closing session of Spring Town Meeting, and each must specify whether they are interested only in appointment to their one precinct-level seat, to the three appointed seats filled by the Moderator, or to either. The Moderator will fill appointed seats after each Precinct has chosen its representatives.**

**All appointments must be complete no later than 60 days after the last session of spring Town Meeting. Only during the first year after the passage of revisions to this section, each precinct will be required to (re-)appoint one of its *currently-sitting* Finance Committee members to ensure continuity. This will occur within 60 days of the last **Fall 2023** Town Meeting session; starting from Spring 2024 Town Meeting and thereafter, new application and interview processes must be held with no preference to prior membership on the Finance Committee.**

**During interview, no questions may be asked about any protected class to which an applicant belongs, or whether their membership in a protected class might influence their capacity to participate, unless said applicant publicly identifies their membership in a group and identifies it as a potential impediment to their work on the Finance Committee.**

~~4.1.4 Time for Appointments—Appointments to the finance committee shall be made within thirty days following the dissolution of the spring town meeting.~~

**4.1.45 Duties** - The finance committee shall each year receive and review the proposed budget submitted by the town manager. The finance committee shall conduct one or more public hearings, **one of which must be held either virtually or in a hybrid format to maximize participation, if permitted by Massachusetts law; and all of which must be recorded for public dissemination, particularly to Town Meeting Members.** ~~and thereafter the~~

**committee** shall file its recommended budget with the office of the town clerk for distribution to town meeting members and subsequent town meeting action.

**The Town Manager and Town Moderator will work in concert with Town Counsel to determine which non-budgetary articles have appropriations implications and refer these to the Finance Committee for consideration five (5) business days after the Town Meeting warrant closes. Finance Committee may provide a recommendation on any articles referred to them.** The Finance Committee shall ~~in addition,~~ prepare a written report **on all articles referred to them for distribution to Town Meeting Members no fewer than seven days before the start of Town Meeting**, stating the committee's ~~recommendations reasoning~~ and, **if not unanimous, its provide the reasons therefor for all votes registered**, pertaining to all warrant articles which involve the expenditure of town funds. ~~It may also, at its discretion, report on any article in the warrant.~~ **Given the importance of budget matters to the Town's health, if there is a split vote of the committee, any written or verbal reports must include a balanced picture fairly representing all dimensions of the committee's deliberation.**

Copies of such committee reports shall be mailed or electronically distributed to the town moderator, to each town meeting member, to each member of the select board, to each member of the school committee and to the heads of all town departments. Written authorization must be provided to the town Clerk in order to receive electronic distribution of materials.

#### BACKGROUND:

There has recently been debate about Winchester's appointment processes to the Town's Finance Committee. The current mechanism for selecting members, a three-member appointing authority comprised of the Moderator, Select Board Chair, and Finance Committee Chair, is out of step with a majority of Massachusetts communities, and the language governing Winchester's appointment process also suffers from a lack of specificity around process. The Commonwealth's Association of Town Finance Committees provides data in its handbook on how Finance Committees across Massachusetts operate, freely available at the following URL:

[https://www.montereyma.gov/sites/g/files/vyhlf3496/f/uploads/fin\\_comm\\_handbook2021.pdf](https://www.montereyma.gov/sites/g/files/vyhlf3496/f/uploads/fin_comm_handbook2021.pdf)

Finance Committee supports the work of, and reports to, Town Meeting, Winchester's "legislative branch" (not to the executive, currently represented in the selection process by the Select Board Chair). As a constituent body of Town Meeting, Finance Committee should equitably represent all precincts in an independent, balanced manner not influenced by sitting

members of Finance Committee. (With the current language, there is no prohibition against the Finance Committee's Chair voting on their own reappointment to the committee.) These amendments balance membership across precincts and place appointments in the hands of elected Town Meeting Members and their elected Moderator.

Most commonly, town meetings in Massachusetts are supported in their work by 9, 7, or 5 member Finance Committees. Recent challenges in filling time-consuming volunteer positions by a representative cross-section of Winchester voters suggest that an eleven-member Finance Committee will empower more efficient and targeted work, while bringing Winchester more in line with other Massachusetts communities.

Finally, these changes enshrine the importance of full transparency, and the highest standard of ethics and independence. In the absence of an external financial auditor, active intervention in shaping the Town's budget is hugely impactful to the perception that Winchester is conducting business and meeting residents' needs without favoring any groups or types of expenditure. Open meetings with enhanced options for participation, recording, and record-keeping will allow Town Meeting Members, at every turn, to access readily-available public information, thereby guiding their decision-making. *Please note: an amendment to language originally contained in the warrant has been made at the suggestion of Town Counsel. The revised language (in blue) adds specificity by referencing the Commonwealth of Massachusetts's Conflict of Interest statute and any future amendments or alterations. All Finance Committee members in the state are required to comply with this law's provisions.*

Budgeting is at the heart of what Town Meeting does. A cross-section of Winchester residents, from all walks of life, come together to engage in this historic and unique form of governance, supported by the Finance Committee's work. Together, we make big decisions with real impact on our neighbors' lives. Article 29 aims to create a "next-generation" Finance Committee for the coming years in Winchester. Informed by principles of good governance and transparency, the changes in this Article will better allow Winchester's Finance Committee to harness the community's depth and breadth of experience in service of building and passing a community-based budget at Town Meeting that responds to residents' needs and priorities.