

Select Board Meeting Minutes
Joint Meeting with Finance Committee and School Committee
May 7, 2020

Present: The members of the Select Board all participated remotely via using GoToWebinar: Mr. Jess Aptowitz, Chairman; Mr. Michael Trowbridge, Vice-Chair; Mr. Frank DelVecchio and Mr. Steve Schoonveld, Mr. Kevin Dumas, Town Manager and Mr. Barry LaCasse, Assistant Town Manager/Finance Director also participated using the GoToWebinar. Members of the School Committee and Finance Committee were also present on the GoToWebinar.

Mr. Neil Rhein was not present from the Select Board at the start of the meeting and arrived at 8:19PM.

1. Call To Order Select Board Meeting - Pledge of Allegiance

Chairman Aptowitz called the meeting to order at 7:30PM. The Ms. Kiera O'Neil, Chair of the School Committee opened their meeting at 7:31PM. Mr. Walter Wilk, Chair of the Finance Committee opened their meeting at 7:33PM. All members of each of the Boards and Committees announced themselves individually as being present.

2. Fiscal Year 2021 Budget Discussion with Finance Committee and School Committee

The discussion began with Mr. Dumas stating that the State has not yet provided an updated Cherry Sheet, but he has been in communication with the State delegation. He stated that informally it has been recommended that the Town plan to expect a ten percent reduction in State Aid for fiscal year 2021. Mr. Dumas stated that he hoped to reach a consensus tonight on adjusted revenue targets, the use of the stabilization fund, relaxing the financial policies for a year and placing many of CIP items on hold in order to balance the budget.

Mr. LaCasse presented three scenarios stating that these scenarios do not assume any money from FEMA or the CARES Act. Mr. LaCasse stated that the first option was a ten percent reduction in revenue, which created a \$3,250,180.24 shortfall in the budget. He explained that in order to overcome that shortfall he would use free cash, stabilization funds and reduce the FY21 reserve fund and OPEB contributions. These reductions then reduce the budget shortfall to \$1,124,680.24. He believed in this scenario there would be no loss to any government services provided or it would not create a need for a reduction in staff. Mr. LaCasse then went on to explain what a fifteen percent and twenty percent revenue reduction would look like for the FY21 budget.

Mr. Donoghue then explained a spreadsheet that he provided for the meeting for the projected fiscal year 2020 revolving fund revenues. He stated that he expects to have savings in transportation and overtime. He also commented that there has been less spent on substitute teachers due to COVID.

Mr. Wilk then asked if the finance reserve account would be enough to cover the shortfalls in revenue for this fiscal year and Mr. Dumas answered that they would. Mr. Wilk then asked how April and March from last year compared to this year and Mr. LaCasse responded that the general government revenues through April 30th are one percent below where they should be, however, he believed the biggest change would be in May and June. Mr. Wilk commented that this was a good first pass, but wanted Mr. LaCasse to further look at the local receipts knowing that vehicle excise may only be impacted by five percent, but meals tax could be off by forty to sixty percent to get more realistic numbers. Mr. LaCasse stated that he could do so, but was unsure if there would be enough data from the month of May to support making those changes. Mr. Wilk stated that he wanted the expenses to be as tight as possible.

Ms. O'Neil commented that this was a tough budget year and everyone needed to come to an agreement. Mr. Dumas commented that if they choose to use fifteen percent or twenty percent reduction to revenue numbers that it will mean that jobs will be cut. Mr. Dumas also believed that everyone should be looking at the revenue as whole not individual line items. Mr. Wilk understood Mr. Dumas's point, but did not think they should vote tonight, members of the Finance Committee agreed to the approach that Mr. LaCasse had used. Mr. Dumas asked if the consensus was that financial policies could be relaxed and money would be used from stabilization. Ms. O'Neil stated that she wanted to leave tonight knowing that they needed to close a gap that was between \$500,000 and \$2.1 million dollars which is significant for both the Town and Schools. Mr. Aptowitz agreed and that it was going to be changing

constantly, but wanted Mr. LaCasse and Mr. Dumas know if they could relax financial policies and the use of some funds from stabilization. Ms. Cavicchi commented that to open the schools was a very complex process, and they were still waiting for the State to provide guidance on that and come September they will have lots of unexpected costs occur for the fiscal year.

Mr. Schoonveld commented that the group needed to decide what principles were going to help fix the budget, he stated that reserves were built to use in times like today. He then stated that policies were created when the budget was not stressed. He then stated that he believed that the revenue calculations needed to be refined. Mr. Schoonveld then noted that the schools did a lot to cut the budget a few months prior to get to the previous budget balanced and that needed to be recognized as well as expecting there to be increased costs to open schools back up in September. He stated he was in favor of using reserves, but did not support the numbers because they were guesses at this point in time. Mr. DelVecchio then commented that the big picture number was State Aid and fifteen percent of the budget was local receipts, therefore he did not believe it was worthwhile to spend a lot of time refining those items because things were going to be able to change. He stated that fifteen percent of the budget was important, but not as important as the other eighty five percent. Mr. Trowbridge commented that he thought it was important to come to a consensus so Mr. Dumas and Ms. Murphy could move forward with rebalancing the budget. He then noted that these are significant budget cuts and the reserve fund was set aside for a "rainy" day and that time was now. Mr. Rhein commented that no one knows how bad the cuts to State aid are going to be and asked what items would be cut if twenty percent less was received from the State. Mr. Aptowitz asked for everyone to reconvene next week for a continued discussion. Mr. Wilk stated he would post for a Finance Committee meeting next week to be able to confirm that everyone was on board with using stabilization or the reserve funds. It was decided to meet on May 14, 2020 at 5:30PM. The School Committee and Finance Committee stated they would also be available. The Finance Committee closed their meeting at 8:25PM and School Committee closed their meeting at 8:26PM. The Select Board closed their meeting last.

3. Any items not anticipated by the Chair 48 hours prior to this meeting

There were no items.

4. Adjourn

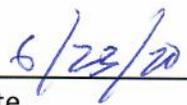
Motion: To adjourn the Select Board Meeting of May 7, 2020 at 8:27PM. (Schoonveld/Trowbridge) **Passes 5:0**

Roll Call Vote:

Mr. Rhein – Yes Mr. DelVecchio – Yes Chairman Aptowitz - Yes
Mr. Trowbridge – Yes Mr. Schoonveld - Yes



Signature



Date

Minutes prepared by Carrie Champagne