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Select Board Meeting Minutes
Joint Meeting with Finance Committee and School Committee
May 14, 2020

Present: The members of the Select Board all participated remotely via using GoToWebinar: Mr. Jess Aptowitz, Chairman; Mr. Michael Trowbridge, Vice-Chair; Mr. Neil Rhein, Clerk; 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 along with members of the School Committee and Finance Committee. Ms. Teresa Murphy, Superintendent was also present for the GoToWebinar meeting.

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

Ms. Kiera O'Neil opened the School Committee meeting at 5:31PM followed by Mr. Walter Wilk opening the Finance Committee (FinCom) at 5:32PM. Chairman Aptowitz called the Select Board meeting to order at 5:32PM and did a roll call confirming that all members of the Board were present.

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

Mr. Dumas thanked everyone for coming together again and asked Mr. LaCasse to go through the spread sheets he provided. The first tab was the revenue reduction assumptions based upon the request from the last meeting. He stated that new growth was lowered by twenty percent, motor vehicle excise tax reduced by five percent followed by a ten percent reduction for State Aid. He then stated that hotel and meals tax was reduced by thirty percent because it is unknown when these businesses will be allowed to open again. He then stated that licenses and permits were reduced by twenty percent. Mr. LaCasse summarized that it was a 10.41 percent reduction in local receipts and overall 3.29% reduction in all revenue which was slightly above the ten percent reduction across the board model that was used at last week's meeting. He then stated that the workbook of consensus options were the basic options agreed to at the last meeting with two changes. He explained that the OPEB appropriation was reduced from \$200,000 to \$120,000 and a slightly larger budget reduction of \$40,000 split amongst the Town and School budgets. He then provided an update on year to date local receipts and compared those to last fiscal year. He added that the meals and hotel taxes were tracking higher through March, but a large dip was expected due to the shutdown. Lastly, Mr. LaCasse provided a ten year history of local receipts detailing out a ten year average.

Mr. Dumas stated that he felt comfortable with planning for a ten percent reduction and he anticipates having to make adjustments at fall Town Meeting after carefully monitoring receipts and expenses in FY21. Ms. Murphy agreed with Mr. Dumas and stated that her associations and the Commissioner of Education have also suggested that she should expect a ten percent reduction in State Aid. She stated that there are going to be unexpected costs on the school and town side and that there were lots of unknowns at this time. Ms. Murphy stated that she will work to support the decisions that are made amongst the three boards and committees.

Questions and comments were then taken from the Board and Committee members. Ms. O'Neil stated that she agreed with Ms. Murphy and was appreciative of the work that has been done on the budget. Ms. Lauren Scher asked if this was going to be a conservative enough approach to go with a ten percent reduction. Mr. Wilk agreed with Mr. Dumas that the budget could be addressed at Fall Town Meeting. He also noted that Ms. Murphy and Mr. Dumas have the fifteen and twenty percent scenarios to look at if needed, but he believed that they should come to a consensus on the ten percent to move forward. Mr. Eagle, FinCom member thought the ten percent was low and that he is seeing other states through his line of work making cuts of fourteen to twenty percent. Mr. Cooney, FinCom member commented that Ms. Cavicchi brought up an important point at the last meeting that there are going to be unexpected costs that occur. Mr. Feely, FinCom member commented that based on what has been heard it does not make sense to go with a number other than ten percent. Mr. DeSantis, FinCom member asked Mr. LaCasse if reducing the contribution to OPEB would affect the discount rate. Mr. LaCasse noted the addressed this in a prior email, but the answer was that it would not. Ms. Sara Walsh also a FinCom member then commented that she is proposing a financial policy that FinCom discussed at their last meeting. She explained that the policy would define how funds were to be reapplied to the stabilization fund including the Town and School budgets if additional

funds are received than what is expected. Mr. Wilk explained that this policy is amongst the three boards. He then provided an example saying if the federal government reimbursed \$3,500,000 that he would expect funds to be replenished and that the budget wouldn't grow next year by that amount. He then stated that the stabilization fund was created for catastrophic events like this year. He noted that it would take about eight years to replenish the \$1,400,000 being used. Ms. O'Neil asked to see the policy and commented that she would suggest treading cautiously as there are so many unknowns.

Mr. Rhein then commented that he hoped the ten percent reduction in State Aid was the least amount and not higher. Mr. Schoonveld thanked Barry for his work on the spreadsheets, he commented that not only did it have data, but there was thought behind. He stated that there does seem to be seasonal changes, noting that permits and licenses are higher in the spring and fall than during the winter. Mr. Schoonveld then stated that \$250,000 was taken out of the Health Insurance Stabilization Fund and now there will not be \$400,000 added to the OPEB Liability, but he was okay with that because there is a funding policy in place. He stated that long term the discount rate is important, but for next year it would not make a significant impact. Mr. Schoonveld then commented on new growth of \$160,000 and how that could be equivalent to a new full time employee for both the town and school. Mr. Schoonveld then stated that he would like everyone to consider reopening the budget for Fall Town Meeting because it is a difficult budget and is only an estimate at this point in time and should be rebalanced once there is more information which he states also goes along with Ms. Walsh's policy. Mr. DelVecchio agreed that the budget should be revisited in the fall and was comfortable with the ten percent consensus. He thought that it was reasonable considering how difficult of a budget it is to predict. Mr. Trowbridge also stated that he supported the ten percent, but noted that he is not a big believer in another policy because it can "tie hands" and he added that he would want to be able to put that policy aside should there be unforeseen circumstances. He also agreed that Fall Town Meeting is where adjustments will need to be made. Chairman Aptowitz also agreed with the ten percent and noted that everyone is doing the best they can at this point. He stated that he had a couple comments on the policy that was sent out and it appears that everyone is in agreement on the high level overview. He stated that at the next Select Board meeting they would discuss the policy. Mr. Dumas commented that he would have some minor tweaks of the draft policy. He noted that when money comes in to the Town, it cannot just be transferred somewhere else and that it would need to be reflected at the end of the year as Free Cash and then be made available for appropriation. Mr. Wilk agreed that it was a draft that he wanted input from everyone.

Motion: Select Board recommends the consensus option as detailed on the slide by Mr. Barry LaCasse.
(Schoonveld/Trowbridge) **Passes 5:0**

Roll Call Vote:

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

The School Committee made the same motion and took a roll call vote that also unanimously passed 5-0. The Finance Committee also made the same motion and took a roll call vote that passed unanimously passed 7-0.

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

There were no items.

4. Adjourn

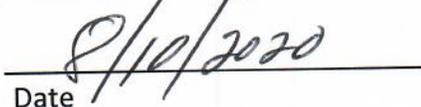
Motion: To adjourn the Select Board Meeting of May 14, 2020 at 6:26PM. (Trowbridge/Schoonveld) **Passes 5:0**

Roll Call Vote:

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

The Finance Committee and School Committee then closed their meetings.


Signature


Date

Minutes prepared by Carrie Champagne