

Minutes
Williamsburg Board of Selectmen joint meeting with the Finance Committee
Zoom Meeting made available to the public
April 15, 2020 at 6 p.m.

Select Board members: David Mathers, Bill Sayre

Select Board members absent: Denise Banister

Finance Committee: Paul Wetzel, Linda Rowley, Richard Kisloski, Gil Loud, Jacqueline Dufresne, Charlie Heath, Charles Dudek, Eric Cerreta

Finance Committee Members absent: Linda Kisloski

Others: Town Administrator Charlene Nardi

The members of the Board of Selectmen met with the Finance Committee to review the current status of the Town Budget for FY21. The Finance Committee sent out a letter requesting that all departments look to reduce their budget by 3%.

The meeting was called to order at 6:15 p.m. after working through a few technical difficulties

The Finance Committee received the local school budget from Principal Stacey Jenkins. The total budget request for FY21 increased \$165,709 (a 7.9% increase from FY20). Principal Jenkins' explanation of those increases was detailed in a letter to the Committee (attached). Much of the increase in the local school budget resulted from mandatory special education expenses (\$149,476). Additional staff salary increases were offset with a reduction of two paraprofessionals (see table below).

FY21 Local school budget change summary

+ 149476	Special Education increases - mandatory
+ 75365	Contractual Staffing increases
- 10,000	Savings due to retirement
- 49132	Reduction in staffing ~ 2 paraprofessionals

\$165,709 Total increase

The Finance Committee reviewed the responses from other Town department heads to the Committee's request for a reduction of 3% of their FY21 budget requests. The Committee thanks all the members of the Town staff that contributed to these reductions. Most departmental budgets were level funded, especially those departments primarily composed of salary lines. Reductions to the requested budget that were incorporated into the Town budget are listed below:

Account Name	Reductions
Group Health Insurance	47,220
Transfer Station Expenses	20,000
Reserve Fund	10,000
Highway Labor	8,500
Vehicle Fuel	6,000
Sidewalk Construction cancelled	5,000
Internet Expenses	2,841
10% reduction of elected people's salaries	2,788
Street Lighting	1,432
Building Inspection Program	500
Copier Expenses	435
Other Miscellaneous	203
Total	\$104,919

This leaves a FY21 budget increase of \$209,884 (2.6% increase) with no free cash contribution. Further cuts to the budget would require salary cuts or elimination of positions. Several members of the Committee felt that position layoffs would be counterproductive because the Town would lose the services of those employees, the employees' lives are disrupted, unemployment benefits would increase, paying employees keeps local money in the local community, and the Town has the option to add free cash or stabilization funds to the budget.

The health of the State's budget was discussed. On 14 April, State financial officials convened a hearing with budget analysts to discuss the State's budget and forecast the future. Results of this hearing, printed in the Hampshire Gazette, were summarized by C. Heath:

- Massachusetts Taxpayers Foundation president says unemployment could reach 18%, contributing to a 14.1% decline in state revenue (\$4.4 billion). The Foundation put percent cuts of employment for elementary and secondary education at 0% but colleges at 20%. They also put local government cuts at 0% in employment. So, they are not suggesting cuts at the local government level.
- Liquidity and credit concerns in the municipal bond market may affect access and the costs of borrowing funds for state and local governments, hospitals, airports, and colleges and universities.
- Mass Budget and Policy Center recommended tapping the rainy-day fund (\$3.5 billion) and seeking federal aid to states. Governor Baker did not seek new taxes.
- State Representatives may seek month to month budgets and may delay FY21 budget until after November elections. They are sorting out how to even manage legislating virtually. Economists quoted called all future predictions guess work that is rapidly evolving.
- C. Heath said there was no guidance on local budgets, but his observation is that local government funding is among the more deferrable parts of the state budget, with many fixed costs, so local governments may bear the brunt of cuts made. Property tax revenue is considered more dependable in normal downturns than the income tax revenue the state relies on.

W. Sayre suggested that the Committee needed two budget plans, one if there is a Town Meeting in June (normal) and two, if the Town must create a budget month to month. There was a discussion about the existing laws governing month to month budgets. What was known is that if a new budget cannot be approved by Town meeting, then the existing budget remains in place. Further information will be required for the next meeting.

Participants in the meeting felt that the Select Board and Finance Committee should formally communicate with the community. The communication should describe what has happened financially and what decisions are being considered and that the Town can pay its bills and continue to provide services. The overall tone should be positive. This communication could be put out over the Town wide auto telephone system, the newspaper, and via the Town Clerk's email list.

The next Finance Committee meeting is scheduled for 29 April 2020 at 6:00 p.m. It will be held virtually. The Select Board was invited to join the meeting.

The meeting was adjourned at 7:38 p.m.

Approved:

Clerk

