

**Joint Meeting
Finance Committee
Selectboard
May 26, 2020
Town Offices**

Finance Committee Attendees: Paul Antaya, Dan Kennedy, Jim Kirkendall, Fred Baron, Thomas Mahar, and Bob Fydenkevez; Also present via Zoom were Selectboard members, Joyce Palmer Fortune, Fred Orloski, and Jonathan Edwards; Town Administrator Brian Domina and Administrative Assistant, Amy Schrader.

The meeting was opened at 6:05 pm by the Chairperson Paul Antaya.

Discuss and vote approve meeting minutes of May 12, 2020.

The Committee voted to approve the meeting minutes from May 12, 2020. All in favor.

Roll call vote: Jim – yes, Fred – yes, Bob -yes, Paul – yes, Fred Baron – yes, Dan -yes, and Thomas – yes.

Discuss and review the fiscal year 2021 Town operating budget as submitted with revenue projections for fiscal year 2021

Discuss overall financial targets for fiscal year 2021 – Brian reviewed his proposal to reduce the FY21 projected tax levy with specific attention the Whately Elementary School, Frontier Regional, Public Works, Fire Department, Police Department, Legal, Agricultural Commission, Group Health Insurance, OPED trust, Recreation Department, Town Fuel, and COLA/Salary Adjustments. The increase in local revenue of \$14,000 for the Transfer Station bag fee increase was left out of the original projection, but is now included. Brian stated that to reduce the tax levy we can do two things; decrease expenses or increase non-property tax revenue. Whately Elementary School and Frontier Regional High School have level funded their FY21 budgets. Franklin Technical School is not going to provide a revised budget and will likely operate under a 1/12th budget, if all their communities don't adopt a budget in time. The Committee expressed disappointment with Franklin Technical School's unwillingness to consider budget reductions. A discussion ensued regarding the Transfer Station tipping fees, COLA options, Personnel Committee's recommendations on salary adjustments for four town positions, Free Cash options, and the Whately Elementary School budget reductions. Jonathan Edwards suggested escrowing the COLA expenses which could be applied to salaries at a later date. Brian discussed the excess levy capacity increase/decrease amounts, potential tax rate increase, and state aid fluctuations. After much discussion, no decision was made at this time.

Discuss potential areas for cost savings -

The Committee/Board inquired if Brian sees any other potential areas for cost savings? Brian stated that he could review every small budget, but that wouldn't generate a lot of additional savings. One potential mechanism to reduce the budget would be to pay the outstanding debt service on the fire truck loan with currently available funds.

Discuss and review the fiscal year 2021 capital projects as submitted

Brian stated that the only Capital Improvement Project that would impact the FY21 budget would be the debt service for fire truck. The Committee/Board discussed the financial options for paying the debt service for the fire truck with specific attention to the Town's various stabilization account and Free Cash. Currently, the payment is coming from the operating budget. Brian informed the Committee/Board that this is the last year of a 5 year note with a balance of \$80,810 remaining. This payment can be funded by sources other than the operating budget which would cause the tax rate to decrease. No decision was made at this time.

Discuss the overall approach to funding capital projects for fiscal year 2021 - The Committee/Board discussed funding capital projects for FY21 with specific attention to the Highway Department's proposed purchase of a new woodchipper. Keith Bardwell (Highway and Building Superintendent) stated his opinion that the taxpayers should be the ones making the decision to purchase a new woodchipper or not. The taxpayer should know that they might have to wait weeks and/or months before debris is removed from their yard due to not having a woodchipper. Keith strongly feels that it's a good service to offer to Whately residents. After much discussion, no decision was made at this time.

The Committee/Board had a lengthy discussion regarding FY21/FY22 budget challenges and potential state aid shortfalls. Paul Antaya suggested that Brian prepare an excel spreadsheet comparing the FY20 budget to submitted FY21 budget with the proposed FY21 budget increase amounts. The Committee/Board will review the spreadsheet along with the proposed budget increases and discuss what increases are warranted and what proposed budget increases should be reduced. Paul Antaya stated that he will personally work with Brian and Fred Baron to prepare an excel spreadsheet to show this information in real time. The Committee strongly feels that their goal is to level fund the operating budget for the taxpayers due to the current circumstances that has affected our nation, State, and Town.

Brian inquired if the Committee/Board would like to vote on the Capital Improvement Projects? Paul Antaya stated that the Town will be using other funds, beside the operating budget, for the excavator purchase, Fire/Police new radio system, woodchipper, and Library's driveway, if funded. The Committee/Board had a brief discussion regarding the Complete Streets contribution to capital improvement projects? Brian suggested pushing off all capital items, except those essential to the Town's operations or where an opportunity for costs savings may be lost, until the fall when we know the levels of state aid for FY21. The Committee made no decision at this time.

Thomas Mahar suggested transferring a portion of the Town's Free Cash into a stabilization account. The Committee/Board discussed the importance of maximizing the Town's Free Cash amount moving forward.

Brian stated that he sent the Finance Committee the proposed CPA projects for FY21. The Committee/Board had a brief discussion regarding CPA projects with specific attention to the Kestrel Land Trust purchase on Chestnut Plain Road. Fred Orloski stated his request for additional information on this CPA project before he would feel comfortable endorsing the project on the Annual Town Meeting warrant. The Committee/Board suggested that Fred contact the CPC for additional information.

Items not anticipated within forty-eight (48) hours of the meeting

none

The meeting was adjourned at 7:57pm.

Respectfully submitted,

Brian Domina, Town Administrator

Next meeting – June 9, 2020 (zoom)

Document List on File in the Selectboard Office

Finance Committee/Selectboard Meeting Minutes dated 05.12.2020

Memorandum from Brian Domina dated 05.26.2020

Proposed budget reductions dated 05.26.2020

FY21 Budget projections #2 dated 05.26.2020

Whately CoMIRS Radio Projects

Radio Email from J.P. Kennedy dated 05.26.2020

Executive Summary from Franklin County Technical School District dated 05.01.2020

CPA warrant Items