Finance Committee

TOWN OF HALIFAX

499 Plymouth Street

Halifax, MA 02338

**Meeting Minutes**

**Monday, March 30, 2020**

**Committee Members Present**: Melinda Tarsi, Bill McAvoy, Fred McGovern, Cheryll Zarella Burke, Drew McGlincy (this meeting was held with Zoom)

Also, in attendance in the audience were: Sandy Nolan, Charlie Seelig, Chief Chaves, Jill Proulx, Christine Healey, Jason Fraser and S. Martin and Gordon Andrews,

The meeting was recorded by Zoom online meetings

**Melinda called the meeting to order at 7:00 pm**

Melinda asked if any of the school committee members would like to speak about the approved school budgets (see attached). Jason spoke on behalf of the Silver Lake School Committee. He said that they had made additional cuts from last time he spoke with the Finance Committee. He said the SL budget was voted unanimously with a $26,314.36 or .5% increase to the Town of Halifax. He said it was a below level service budget. He said there were some increases which were for 1.0 equivalent hires and then there was the reduction of 2.0 teachers. Melinda asked if the SRO was in the voted budget. Jason said they had not included the proposed SRO in the budget. Melinda asked if they still were submitting it as an article to Town Meeting. Jason said they planned on it. The total portion of the budget for Halifax was $5, 132,407.00. Bill questioned the figures based on what he was looking at. Sandy said there was a decrease in the debt payments and so the figure Jason gave was correct. Christine said that due to changes in enrollment Halifax was less effected then Kingston. Melinda said that the current fiscal situation for Halifax and all towns is in a bit of a flux so it is hard to determine at this time exactly what we can do.

Melinda asked if anyone would like to speak about the Halifax Elementary School budget. Melinda asked Jill about the multi-year payment for textbooks for the school. Christine said that we paid the first half in FY20 and she believed the second half was already included in the voted FY21 budget. Bill asked where the $30,000 for the Math Tutor position was included in the budget and Christine said it was under line 2300-100 which is the teaching line. Jill said with the decrease in Title 1 in the elementary school, the Math Tutor would especially be needed. Sandy asked if the new bus contract had been signed yet. Christine said that the bids on the new contract would be opened on 4/1/20. Sandy asked fi the almost $50,000 increase in that line was because they anticipated that much of an increase on the bid prices. Christine said she would have a better answer on 4/1/20. Melinda said she would tell the School Committees when we vote recommendations just so they know where the Fin Com stands. Gordon asked when the warrants will go to press given the change in Town Meeting date. Charlie said probably not until about 5/11/20. Melinda said she imagined it will probably be recommendations from Fin Com near the end of April. She just feels the later Finance waits to make the recommendations the better because then maybe we will have a better idea of what the Town’s finances look like and what the State is going to be able to do. Charlie agrees it is better to wait. Gordon said Melinda should ask Jason about timelines he heard about from the State. Jason said they are looking at schedules at the state for emergencies and spending, but he did not have exact timelines.

Melinda thanked Sandy for the updated budget she sent. Melinda asked Charlie about the Collective Bargaining agreements. Charlie said it has been frozen for now with all unions. He notified all unions that any offers were being put on hold until we had a better financial understanding of the crisis and finances. Melinda told the committee that Wage and Personnel is trying to set the remainder of the recommendations to be ready for the end of April to present to Finance.

Sandy discussed local revenues and said that excise was a big concern. It was $1,090,000. But now with the COVID pandemic she has lowered it to $975,000. She feels it is very important to be conservative. She said that based on what she has heard we should expect motor vehicle sales to drop faster then they did in the recession of 2008. Sandy also pointed out that Governor Baker stated that he will no longer be collecting meals tax. This means that we will no longer be getting any meals tax from the State. Sandy said we have received the last meals tax payment for FY20 so we are only collecting about $75.000 versus the $95,000 we would have expected. Sandy said the original revenues she and Charlie were guesstimating for FY20 are likely to actually be much lower since COVID-19. Charlie said he thinks the Real Estate Taxes and the ambulance fees will be relatively unaffected because we end up collecting that money one way or another. He thinks the miscellaneous local receipts are where we are going to see lower revenues.

Charlie said it is hard to go to Town Meeting at a time like this and ask for much of anything. We shouldn’t say yes to anything for right now and maybe try to give taxpayers some relief for right now. Many taxpayers may be struggling during this pandemic too. Charlie said that Halifax has always been against using Free Cash to fund the budget and he recommends that we do not use it this year either. He said we can always change things later (through another Town Meeting) if we see the economy rebound better then expected. Charlie said we also have to consider that we may need to purchase new capital items that would help us in a situation like this pandemic (ie: new system for streamlining processes and making them more remote). Melinda asked if procedurally we should indicate to department heads that there may be cuts or if we should wait until we know more. She doesn’t want people to revise their budgets repeatedly. Charlie suggested the Fin Com let the departments know that things like new positions, new hours, new programs (with very few exceptions) can’t be done. He said we must just try and hold the budget a level service first and foremost. He said he feels the budget without any new items looks “ok” if we give no pay increase but that being said we may not get good revenues so it will still be tricky. He advised the Fin Com that the budget before we get to Town Meeting may change again but we must wait and see. He suggests Fin Com tell departments heads that things are very tight, and we probably can’t do much with the budget. He advises a “wait and see” approach to service levels and expenses. Charlie said to tell them to keep their budgets as is for now but to start thinking realistically about changes that might have to be made if revenues are down. Charlie pointed out to the Fin Com that you can’t tell everyone to cut by a certain percent because not everyone can. He said for example, the Treasurer and Collector still need to send out bills, so you can’t realistically tell them to cut 10% from their postage budget because they don’t have a choice. He said departments just need to start thinking if there are more efficient ways to provide some services.

Melinda asked Committee members to remember to keep all Mondays in April (except the holiday) and May open for regular meetings. She then suggested that maybe everyone could reach out to “their” (liaisons) departments and let them know to think about if they had to reduce their budgets how would they do it. Bill suggested that it would be better to just have one person reach out to all the departments, so it comes across as a unified front and not as certain departments feeling singled out. Melinda said she would work with Linda on an email to go out to all departments from the Finance Committee as a whole. The email would suggest that if the departments had questions they could then reach out to their liaison.

**Melinda entertained a motion to approve the minutes from the meeting on 3/23/2020.**

Motion: Bill

Second: Fred

**AIF**

There were no Reserve Fund Transfers and there was no correspondence other than the Municipal Financial Data pamphlet from the State.

There was no public participation.

Charlie asked Melinda that if she heard anything knew in the legislative update at the ATFC meeting she was attending during the week; would she be sure and share it with him and the Committee members. She said she will keep everyone informed.

**Melinda entertained a motion to adjourn the meeting at 7:52pm**

Motion: Bill

Second: Fred

**AIF**

Respectfully submitted,

Linda Cole, Secretary \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Fred McGovern, Clerk