



Finance Committee
 Town of Halifax
 499 Plymouth St.
 Halifax, MA 02338

Meeting Minutes
 Monday, February 26, 2018

	Gordon Andrews	Mel Conroy	Linda Braga	Bill McAvoy	Diane Ruxton	Melinda Tarsi	Vacant
Present	✓	✓	✓	✓	✓	✓	

Also in attendance were Department Heads, Board of Selectmen and some Town Employees and Residents.

Gordon Andrews called the meeting to order at 7:09pm

Meeting was recorded by Area 58.

Mail

No mail this week.

Meeting Minutes

No Meeting Minutes ready to approve this week.

Joint Meeting

Charlie Seelig started off the evening by explaining that at town meeting in May we decided to do COA project, fire suppression project, school project (under debt exclusion) and the P&I would be inside the budget, not in debt exclusion as of FY19. In addition, it was decided to not spend to the levy limit. Making those decisions put a little bit of a squeeze for future years, but it was the decision that was made in May. Each year there are various changes that come up. New Growth changes, but FY17 was a low year for New Growth. Local Receipts are another portion of that. Motor Vehicle and Ambulance are the two big sections of that. If you are not collecting that much money the state is going to lower your numbers down. Our numbers are a wash at this point. Motor Vehicle is up but Ambulance is down. Then there is Chapter 70 (school) and Local Aid (used to be lottery). Our budget as a whole just can't increase because the money is not coming in.

On the other side, we have some large increases. Health Insurance is at 6%, Retirement is only about 1.5%, we have to pay those first. Even if we take just FY18 budget, step increases, things are a lot tighter and we are going to have to make a lot more choices. Finance Committee hasn't started making suggestions yet, but that is why we are here tonight. If we want pay increases, it takes \$166,000.00 for non-union and union.

Gordon Andrews explained that the largest increases that they saw were at the schools. With the line items that have currently come in, all the money is already spent for the entire town. That is when they decided to have this meeting to discuss what is going on with everyone. What makes financial sense when discussing what we can afford to do? The idea tonight is to decide to tax at some level between taxing to the max and leaving money in excess capacity.

Kim Roy feels that they have been mindful of the taxpayers and the services that need to be provided. The large SPED and Health increases coming along were not expected along with no New Growth. It is a good thing that we did not spend to the levy limit and kept some excess capacity. She doesn't remember a time that any department has really grown. She was hoping that this was going to be the year, however, that may not be happening. The first thing we need to look at is keeping \$300,000.00 in excess capacity for any emergency that may come up.

Gordon said that we need to cut 176,000.00 from the budget that has been proposed in order to maintain 300,000.00 in excess capacity. That includes all departments and no salary increase for any of the employees. Kim is concerned about retaining staff. We had a consultant come in and look at how competitive we are and we are looking at not being able to implement that plan. All contracts, raises, with the exception of the school contracts are approved at Town Meeting. The School contracts are included within the School's budgets. Another reminder is that the Library cannot be cut unless all other departments are being cut or you risk losing your accreditation.

What they have heard at Town Meeting is that they would like services kept. FB is another thing; however these people never come to a meeting or Town Meeting. This meeting is happening about 2 weeks after we had an idea we could be in this predicament. We are notifying you as soon as we can.

Chief Viveiros is replacing 50% of his full time staff every year because we cannot compete with other towns. We cannot retain any staff if we do not attempt to give any raise at all. This applies to all departments. Staff members are seeing paychecks going down on July 1 once health increases take effect. That is not going to encourage staff retention. Halifax is a 50/50 insurance town. Compared to other towns that are 80/20, which is another thing that we are fighting against.

Capital Items get funded through Free Cash. There is less and less money that comes back to us every year so fewer items get funded. We have enough free cash this year to be able to fund some of the items that we are in need of. If we cut our budgets this year, even more to the bone, keep in mind that we will have even less free cash to purchase Capital Items with next year.

As far as the Commercial base coming into town, some things that may be coming into town would be the marijuana grow facility and a large solar facility in the same area. They would not solve all of our problems, but they certainly would help. Halifax is not

that attractive for businesses as we are not close to any major highways. The meals tax money has been designated towards funding Capital Items. That has been very helpful in being able to fund these items.

Depending on what happens with the SL budget, we will know 3/8 what is ahead of us. If we are looking at giving a 2% raise and leaving 300,000.00 on the table, then we know we need 150,000.00 cut from SL's budget. The finance committee is going to meet again next week and start talking about what direction they are going to head.

Brief recess was taken before the meeting returned to the Finance Committee Meeting

Mail

The Town of Halifax Statements for Auditors and Suggestions for Improvement were received.

Budget Discussion

Kim would like to try for the 2%. It may not work, but it is worth giving it a shot. Charlie will run the numbers over the weekend.

Charlie feels that we could cover 1%, he is not sure that 2% will be a possibility. He needs to check the math before committing. He will need to find more money if we are seriously looking at a 2% increase. It would mean cuts probably from 2018, not from 2019.

Sandy went through and figured if you level fund every expense line, you would save \$25,000.00. Gordon feels that we need to look at staffing. We are not going to come up with \$150,000.00 without looking at staffing. We did this before with Conservation, having an Agent and a Secretary so we made cuts and saved money.

Tom Millias reminded everyone to be careful when cutting staff. The Collectors office just brought in over \$90,000.00 by being diligent about properties in tax title. Having enough staff to cover all aspects of the department will enable the town to possibly collect money that is owed.

Calendar

3/5/12 - Update of SL Meeting, Look at Departments Individually

Mel Conroy made a motion to adjourn at 9:35pm. Seconded by Diane Ruxton. Motion passed unanimously.

Respectfully Submitted,

Linda Braga
Clerk