

BUDGET ADVISORY/SELECTMEN VIRTUAL MEETING

Wednesday April 1, 2020 – 4:00 PM – via Drop Box

PRESENT: Roger Manzolini, Chair Select-board; Neal Pilson, Selectman; Alan Hanson, Selectman; Danielle Fillio, Town Administrator; Angela Garrity, Town Accountant; Pat Callahan, Budget Advisory Cte.; John Mason, Budget Advisory Cte.; Bob Gniadek, Budget Advisory Cte.; Bob Youdelman, Budget Advisory Cte.

Bob Gniadek opened the meeting Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §20, and the Governor's March 15, 2020 Order imposing strict limitations on the number of people that may gather in one place, this meeting of the Richmond Budget Advisory Committee is being conducted via remote participation. No in-person attendance of members of the public will be permitted, but every effort will be made to ensure that the public can adequately access the proceedings as provided for in the Order. A reminder that persons who would like to [listen to/view] this meeting while in progress may do so by going to the town website richmondma.org under minutes & agendas and click the video link.

Danielle announced that the School Committee will not be attending this meeting as they had not had a chance to make finish the investigation into the Town Insurance line but plans to attend next Wednesday's session.

The school budget as written contains an increase of 8%, which in this time of layoffs and lost income on a myriad of levels is not tenable. The Committee agreed that 8% increase would be considered too high for normal circumstances and is especially impossible now. We do not yet have any real idea of where the Town will be financially in 2021.

There was a discussion of the latest news coming out of Boston about the state budget and conjecture that all revenues will be down and not able to be recovered for some time, which translates to a reduction in State Aid overall. The discussion anticipated losses of revenue for the Town and the need to preserve Free Cash and the Stabilization Fund for unforeseen emergencies.

The discussion turned to whether the committee should recommend that the school revise their budget to a 0% increase. Danielle advised the group that if that becomes their recommendation, the school will be in the position of having to cut a significant number of teachers. She said she did not believe that a major percentage of the Richmond population will find themselves severely affected financially that they will become unable to pay their taxes for an entire year and that for those who do find themselves in that situation, the Town would create payment plans to help them.

It was noted that Town meeting has been postponed to the end of June and perhaps such major worst-case scenario planning could be postponed until a little later.

Some other strategies were discussed: Roger suggested advising all town departments to reduce their budgets for 2021 to level-funding where possible and to postpone spending on

some items that are included until the future becomes clearer. Neal asked what the neighboring towns are doing about their budget decisions and Danielle offered to contact the other Administrators and ask that question. She doubted that many towns will ask their schools to level-fund, given the consequences. The school can, however, be asked to relook at their budget to pare down expenditures where it will not result in layoffs.

Neal said that if the Town adopts a level-funded budget or perhaps a 3% increase it would then not be unreasonable to ask the school to do the same.

Some options arising from the discussion:

Have the school revise their budget to level-funding with the option to revisit for possible increases or additional cuts halfway through the year. Danielle reiterated her caution that level-funding the school budget will mean cutting faculty significantly.

Have the school budget include a 3% increase for now with the advice that if money becomes tighter as the year goes on, the school will have to make cuts.

Hold off on all discretionary Articles to reduce spending (the new playground, the repair of the school parking lot, Sewer Enterprise Fund, Conservation Land Fund, Weed treatment of the Pond, the OPEB Trust Fund and the purchase of a new Grader for the Highway Department.) Neal felt that such drastic reductions this early are not truly necessary. If the situation devolves to that point in the future, it can be dealt with at that time.

Have the discretionary Articles included in the budget but decide later on whether or not to fund them. Unused funds can be reallocated by Town Meeting.

Conclusions:

Neal – Tell the school that this committee is not prepared to recommend to the Town Meeting any increase over 3% for the Town or the school. Recommend that the school revise its budget to meet a goal of a 3% increase and look at expenditures that could be deferred.

Roger – The Town will create an Austerity Budget with an increase of 2.6%. It will also take some items out of the budget and spending on some others will be deferred. He outlined the steps he proposed as follows:

Sewer Enterprise Short Fall Funding – delay payment to see how finances go

Conservation Land – Leave \$500 in fund to keep the line item open

OPEB Funding – Leave \$50,000 in fund to keep the line item open

Fully fund – the Emergency Assistance Fund, The School Bond, the Sewer Enterprise Fund and the Grader.

Remove from Articles: Beach Playground, Repair School Parking lot.

Give the school a target of a 3% increase.

The impact to the tax levy for the Town funding will be a 2.7% increase, which was not asked to be reduced by any further cutting.

It was noted that Danielle will let the School Committee know the outcome of this meeting so that they can revise their proposed budget for the next meeting on Wednesday, April 8th.

There was a general commendation from all members of the group for Danielle's creating the ability for this meeting to take place remotely and allowing the work of the committee to go forward.

There being no further business before the committee, a motion was made to adjourn. The motion was seconded and approved by unanimous vote.