

**Town of Holliston
Finance Committee
Meeting Minutes
May 19, 2020**

The meeting was held under the guidelines that were issued because of the emergency caused by the COVID-19 virus. All participation for this meeting was through remote attendance because of the COVID-19 virus. In addition, all votes taken during this meeting were done as a roll call vote.

Mr. Szajda called the meeting to order at 7:00 PM. In attendance was Chairperson Ken Szajda, Vice Chair Benjamin Sparrell, Clerk Vincent Murphy, Daniel Alfred, Tim Maxwell, Michelle Zeamer, and Sue Nersessian.

Reserve Fund transfer Assessors

There was discussion concerning the reserve fund transfer for the Assessors' office for contracted services to provide an assessed value for property owned by utilities. Other vendors were considered but were more expensive. It was suggested by the Committee that the Assessor's office should think about training an in house person to do the utility assessment. The remaining \$4,700 is already encumbered; an additional \$4,000 is required.

Free Cash FY20

Due to a delay in town meeting the funds will be appropriated in FY21. The original plan for the remaining \$200,000 was \$100,000 for Upbranch, \$54,000 for improvements to the Senior Center, and for \$46,000 various other projects. There were concerns that the Highway Department may be overspent without the Upbranch money; this needs to be verified with the DPW-Highway Department. The repair to the ramp at 1750 Washington has not happened yet and is another potential use of the unallocated free cash. Currently there is a quote for \$18,000, but that includes both the ramp and the stairs. The vendor will be contacted to split the quote between the ramp and the stairs, the ramp needs to be done immediately and the stairs can be done at a later date. Mr. Keast, the Facilities Manager, will follow up on status of Senior Center repairs. Linda Marshall, the Senior Center Director was on the call and said that the ceiling tiles are fixed but the upper cabinets need to be sealed. Mr. Szajda will follow up to see if Finance Committee has the authority to do the transfer.

Administration and Finance Document COVID -19

The document lists items covered under COVID-19 aid. Holliston has a \$1.3M allocation and it is valid until 12/31/20. The Town Accountant will be summarizing the COVID -19 related expenses by June 1st for the Select Board. June 5th is when the town needs to submit the first estimate of FY20 COVID expenses to the state.

Finance Committee Dues

Mr. Alfred made a motion to pay the dues for the Association of Town Finance Committees for a total of \$210. Ms. Nersessian seconded and the motion was carried 7 to 0.

Interim Budget Planning

The Select Board is considering a 1/12 budget for July. Every department will be funded at at least 1/12 of their FY20 budget as the law requires. The month of July is a big payment month. The debt budgeted in the 1/12 budget is higher than needed because debt was higher last year. The school budget for July will be high based on 1/12 budget as well. The town Treasurer will provide a real run rate for July. The Select Board is meeting every day next week other than Monday to review department 1/12 budgets. The town also needs to make sure it has enough funds to cover any quarterly or one time bills that hit in July. The Finance Committee feels it is very important to have town meeting in July. DOR does have to approve the 1/12 budgets but it would be better to have a real town meeting approved budget. The guidance from DOR is that the interim budgets are there to get the town to town meeting. In the absence of a federal bill, local aid could be dropped by 15% to 20%. The interim budget for July will be \$8M bottom line, but the expectation is that only \$6M will be needed. Unemployment claims are currently high; however most of the claims are believed to be invalid. There is currently no reduction in town staff, so there should not be an increase in unemployment for FY20. The FY21 unemployment budget will need to be increased. Only the Select Board needs to approve 1/12 budget for July, however input from Finance Committee is encouraged.

Facilities Manager discussion

Mr. Keast, the Facility Manager was on the call to answer questions concerning the purchase of the Dude Solution software. Ms. Nersessian will forward her email to Mr. Keast with a detailed list of her questions. Mr. Keast did forward some additional information to the Finance Committee, including a timeline. Mr. Keast will respond to all Finance Committee questions, the Finance Committee wants an iron clad contract with Dude Solutions. Mr. Keast also wanted to discuss the notice to proceed from the Select Board on 260 Woodland St. The Finance Committee wants to proceed with the work and would like to hold to the bid price. The Finance Committee will determine how to fund. There is \$15.5k being requested for protective barriers at town transaction windows. There needs to be a Select Board vote to proceed. This is a COVID-19 expense. The timeline for reimbursement of COVID -19 expenses is still unknown. Mr. Keast is also looking at temporary barriers for other departments that don't have transactional windows. Barriers for the elections have arrived as well.

FY21 Omnibus

The Finance Committee has not voted on a FY21 budget. The Finance Committee is only reviewing different scenarios at this point. Mr. Alfred reviewed the scenario he prepared. The assumptions were that there was \$325k of new growth, a 20% reduction in state aid, a 15% reduction in local receipts, and \$300k into the reserve fund for extraordinary expenses. As far as the warrant articles, Mr. Alfred included the building on Woodland St that needs to come down and improved radio service for

emergency workers. Capital in his scenario was reduced by \$500k and it as recommended that \$750k be used from stabilization that would leave \$300k for unexpected expenses. This scenario does maintain all current jobs for the town. There is a concern about potential capital outlay in FY21 for COVID-19 issues. The warrant has to be out 30 days before town meeting and the Finance Committee report needs to be out 7 days before town meeting. It is also important that town departments come back with plans for a zero budget as well as how they are dealing with COVID -19 concerns. Some things to consider would be reduced hours and working remotely. Finance Committee needs to determine the largest amount that they are willing to take from stabilization. Stabilization should not be used year over year. It was also discussed if a bond could be used to cover the water treatment plant with the cost funded through the water rates. Nothing is off the table yet as far as reductions including pay cuts and reductions to hours. The Finance Committee needs to reach out to the departments that they are liaisons to and get inputs for 0% budgets. The Select Board is only reviewing 1/12 budgets.

Warrant

Mr. Szajda is looking for feedback on the warrant. There are concerns that it is still too long. Also Article 4 is a concern due to wording of town clerk increase. Article 7 should not be on the warrant it pertains to FY20. Articles 17 and 20 are the same articles. Article 13 needs to remove anything for the Senior Center that is not capital. The Select Board has not voted on these articles. Also zoning bylaws on warrant should be reconsidered due to limited attendance at town meeting. Article 29 for the Sustainability Coordinator was supposed to be self funding and not an additional cost to the town.

Mr. Alfred made a motion at 9:30 pm to adjourn. Ms. Sparrell seconded and the motion was carried 7 to 0.