

Finance Committee

Meeting Minutes
November 28, 2023
7:30 PM

Present: Jason Cole (Vice Chair), Steve Noone, Esha Gangolli, Christine Russell, and Scott Sullivan

Mr. Cole called the meeting to order.

1. Citizen's Concerns

None

2. Facilities Study and Preliminary CIP

Mr. Cole referred all to the 11/20/23 Select Board meeting. Refer to those notes. Mr. Cole was not ready to discuss the CIP tonight, will come to a future meeting.

Mr. Noone commented that this coming Monday evening, 12/4, John is presenting the Capital budget.

3. ALG

Mr. Cole commented that ALG met on 11/20/23 and will be meeting again on 12/4/23. At last FinCom meeting, the override was discussed; Consensus reached at the meeting that some sort of Override is needed.

Further discussion ensued about:

- Does FinCom want to provide a number for multiple years
- What % of Override to be consumed in the first year
- What kind of % increase in taxes, for what purpose - for example look at Revenue side, or look at "Asks", for example?

Mr. Cole had a conversation on the School side and was given the major budget busters. For the town: Health Insurance, Debt Service, OPEB and Pension, Equipment and Maintenance and Personnel.

Ms. Gangolli asked about the issue of spreading out over several years. The question first - what is needed in the first year.

Mr. Noone recalls that with previous overrides, it was over multiple years. Regarding Untaxed Levy Capacity, we'll be referring to the ALG for further process guidance/comment.

Ms. Russell inquired how do we get to the percentages, what should be taken into consideration.

Mr. Cole listed 4 categories to consider:

HIT

Inflation isn't running at 2 1/2% anymore; that will continue to happen
Unmet needs, educational programs (i.e. suffering from COVID learning)
Maintenance and Infrastructure

Mr. Noone suggests a multi-year Override due to the above issues that compound from year-to-year.

Mr. Cole referred back to a "Residents: Tax Bill" PowerPoint slide and "Capital Projects" slide. To the comment of "Unmet Needs", one is essentially stealing from Peter to pay Paul. If you put off what you have to pay in the future, you're not running a balanced budget. If you have 3%, that is what you have. This "Unmet Needs" is being referred to as Deferred Maintenance. Just because the town has a list of "Unmet Needs", it shouldn't come out of the taxpayers pocket.

Ms. Russell commented back that due to inflation, your "bucket of money" that was originally appropriated for maintenance and infrastructure isn't worth the same amount, can not cover the same list of projects.

Mr. Cole acknowledges the decay of inflation, but still concerned about proper planning.

Mr. Sullivan commented that he sees this as two-fold: short-term: a budget gap. Long-term: so many variables that impact the town budget; inflation not sustainable; real estate market "crash"; vacancies (store fronts) happening and not being refilled.

Mr. Noone commented that we should know more how the residential tax bill will be affected based on what is presented at next Monday's Select Board meeting. Mr. Cole commented that at the 11/20/23 meeting over \$20m in Capital was discussed at the meeting. Select Board appeared to have little appetite to take out bonds for the smaller projects.

Ms. Russell commented on what are the "want to's" versus the "have to's". What are community thoughts on that? Which services do we keep, do we not keep?

Mr. Noone commented we don't have too many Police officers, Firefighters or Teachers. Looking at declining enrollment numbers, one would say we don't need as

many Teachers. But, you don't affect the cost structure with just 2 students less in a class, you really need to have a decrease of 25 students from a class, for example, to see the affect.

4. Point of View (POV) Discussion

Postponed until next meeting

5. Finance Committee Business

Joint Meeting with Select Board December 4, 2023

Next Meeting is December 12, 2023

Mr. Sullivan moved to adjourn. Mr. Noone seconded. The motion was approved unanimously.

Documents and Exhibits Used During this Meeting

POV document