

MEETING MINUTES

Meeting Conducted Via Virtual Meeting (ZOOM Meeting)

April 30, 2020

6:00 PM

PRESENT: Chairman Jonathan H. Freedman, Karen Adelman-Foster, Vice-Chair, Richard P. Jennett, Jr., Clerk, Michael J. Hickey, Jr., and Susan G. Salamoff

ALSO PRESENT: Town Administrator Melissa A. Malone, Deputy Town Administrator, Bill Chenard, Director of Finance, John Townsend, and Executive Assistant, Joan M. McNamara,

ABSENT: None

Chairman Freedman called the meeting to order at 6:05PM, and noted that the Meeting is being recorded by Pegasus and Zoom. Mr. Freedman also noted that all votes taken will be by Roll Call Vote. Mr. Freedman instructed that there is a "raise hand" button for those who wish to participate during this meeting.

The Pledge of Allegiance was recited and a moment of silence was observed for those in the Armed forces as well as those affected by the Coronavirus.

CITIZENS' CONCERNS

No Citizens' Concerns were raised during this evening's meeting of the Board of Selectmen.

DISCUSSION AND DECISION

A. Discussion of FY 2020 and FY 2021 Scenario Modeling:

The objective of this evening's meeting is to have a discussion in preparation for the Board of Selectmen meeting of May 4, 2020, which will have a series of votes for the budgeting process for FY 21. We will be referring back to Monday's presentation of 4/27/20. Mr. Freedman noted that he will be dividing tonight's meeting into 3 segments. The format will be question and answer. This discussion should be kept to these 3 discussion topics and each segment should be kept to 45 minutes.

Segments:

1. Duration variable: How long do we think this economic depression event is going to last?
2. Impact: Looking at the scenario models and choosing which model is going to fit revenue projections for FY21 and FY22.
3. Adopting policy with respect to deferring capital projects for purposes of liquidity.

Segment 1:

Ms. Malone: Stabilization funds in times of crisis: 9.3 million The Town Administrator is recommending use of 25% of these funds. We do not know the depth of the financial crisis before us. We will need to reassess this in the fall. The bond market has been volatile. There has been a potential for us to do a refinancing in May. The rating agency is looking for answers to several questions. We could see a savings of 3-3.5 million dollars over 10 years. How this ties to stabilization is that we have to be able to articulate that we have a plan and that we are nimble.

Two questions were asked by the Board to Ms. Malone: What are the risks of using the reserves too slowly or too rapidly? If we make a sudden movement and all of the economy rebounds, this could be detrimental. If we spend all that we have now, we leave ourselves high and dry and the duration could be over 3 years.

Ms. Malone also noted that if State aid is "down" for two to three years, we do need a model that we are working toward. We do not have any guarantee on Fiscal 20 aid.

Mr. Freedman: The larger objective is we still have to have a budget for FY 21 and how much stabilization we need to plug that gap. If we are unable to have Town Meeting by June 30th, 2020, we go into that without a budget.

Segment 2:

Mr. Townsend, Director of Finance: We are doing fine with the revenue so far. As of right now we seem to be right on target.

Ms. Malone: In each week we get new data points and further information as to how this crisis is unraveling on a commercial and personal level. This contributes to how we model things differently. Ms. Malone also noted that she had recently learned that the state was going to issue tax anticipation dollars. Also, there are going to be plans for "soft openings" over a long period of time. The price of oil at 1.80 or less speaks volumes as to how volatile the market is.

Mr. Freedman: The administration is asking for guidance from town elected leaders. The budget is the Town Administrator's budget but pursuant to the plan of the Board of Selectmen.

Ms. Salamoff: If the Town meeting did not occur until September, and the 1/12 bridge budget had to occur, could that be revised?

Ms. North, Town Counsel: I would need more guidance on this, but you could always ask.

Deferring Capital projects, Segment 3:

Ms. Malone: We have done borrowings to cover our water/sewer operations, buildings and roads and structures throughout. While we have a lot of projects that are very worthy, they do not rise to the level of health and safety. At this time we don't have access to the bond market. We are asking to take a pause and to not use the capital stabilization funds as a "quick grab". We are looking to defer these projects at this time. We are not shifting these dollars. We are keeping that money on hold.

Mr. Hickey: My main concern is the sidewalks and paving.

Mr. Chenard, Deputy Town Administrator: Those are usually done in the fall and we had moved it forward to the spring this year. Those will likely move to the fall again and be unaffected.

Mr. Hickey: I appreciate that clarification.

Mr. Freedman: If you have any further questions, please try to get them over to Ms. Malone prior to noon on 5/1/2020.

ADJOURNMENT

On a motion by Mr. Hickey, seconded by Mr. Jennett, the Board unanimously voted, by Roll Call Vote, to adjourn the Board of Selectmen's Meeting at 8:10PM. The Vote was as follows:

Ms. Adelman-Foster	Yes
Mr. Jennett	Yes
Ms. Salamoff	Yes
Mr. Hickey-	Yes
Mr. Freedman	Yes

Richard P. Jennett, Jr., Clerk

_____, 2020 Board of Selectmen Meeting Minutes Approved by the Board of Selectmen on _____, 2020

Meeting Date April 30, 2020

All documents used at this Board of Selectmen meeting are available at:

<https://naticktown.novusagenda.com/agendapublic/MeetingView.aspx?MeetingID=748&MinutesMeetingID=-1&doctype=Agend>