

SPECIAL SELECTBOARD MEETING
January 15, 2024
Minutes

Present: Bill Cleary Holly Delisle
 Lee McClenny Callie Hamdy
 Dave Baczewski Greg Barrows

Guests: Pat Hechmer, Vicky Ross, Ben Bornstein

The meeting was called to order at 6:00 p.m. The meeting was held in person and via Zoom.

CHANGES TO AGENDA

Holly added a clarifying question at the end of the meeting regarding the Community Wastewater Project.

PUBLIC COMMENT

Pat Hechmer mentioned it was difficult to hear the public on Zoom during the January 11th meeting at the Westford Common Hall because of the lack of microphone. Lee had heard this from others and thanked Pat for her comment. Holly mentioned the town could purchase some microphones or other audio equipment using the Town Office IT/HVAC ARPA funds.

EXECUTIVE SESSION:

Lee made a motion that premature public knowledge of matters related to personnel would put that town at significant disadvantage. Bill seconded. Motion passed 3-0.

Lee motioned to go into executive session at 6:15 p.m. for personnel and invite Library Trustees Pat Hechmer and Vicky Ross to the meeting. Bill seconded. Motion passed 3-0.

Bill motioned to exit executive session at 6:42 p.m. Lee seconded. Motion passed 3-0. No action taken.

BUDGET EXPENSES REVIEW AND REVISIONS

Carl went over the changes in the budget since the last workshop. The biggest increase was in the Highway Fund due to equipment payments. There are two new equipment payments in FY'25, one for the grader and one for the new truck. Interest on those is also going up. The excavator had been paid off in FY'24. The budget increase overall was at 4.09%.

The administration budget has slight increase over the current year. The tax rate increase was 1.71 cents. The grand list increase was estimated at 1%. Carl had gotten all the issued planning/zoning permits to see what activities are ongoing, adding up the estimated construction cost on those permits. That was 1.68%. Not all those permits are being constructed by April 1st which is the cutoff date for determining the grand list. The grand list value was based on the percent of completion by April 1st. Raising the amount of revenue per 1 cent up to \$25,973.

For the Highway there is a \$24,000 revenue increase. \$18,000 is for the Stormwater related grant the town has not budgeted for in the past. We did, however, receive it. We were also able to increase our state aid payment. This calculates as a Tax Rate increase 4.864%.

Carl and Holly had worked on the Budget Presentation. On last year's presentation, the grand list marked FY'23 Actual and FY'24 projected were not accurate. The amount of money to be raised by taxes was a \$109,000 increase. The grand list was estimated to go up that much, but the tax rate was the same. It did not work out. What it boils down to is that roughly 2 cents

of the tax rate increase that he showed earlier is to make up for what we did not levy in taxes last year. In addition to the \$18,500 the town had used about \$70,000 more of additional funds. The board noted a special meeting from July 11, 2023, that detailed the decision.

Bill was ready to throw money at the budget this year. Carl considered a balanced budget as one where the town collects taxes for the funds we spend. If we do not raise the taxes for the budget, we are ready to pass and we would use the surplus to make up for it. The board had collected too much tax in previous years, so they looked at it as using the money they had already collected. Carl noted this is not unusual, but if you try to go back and balance your budget, you start out with an automatic increase because you did not levy enough like what happened last year. Bill noted that previous boards had also thrown money at budgets. He understands the cliff Carl is talking about, but we have traditionally had surpluses. Carl thinks they need to boil down the budget to what they need to collect. Yes, we had collected more than we needed, but as we tighten the belt, we will not have such an easy way to build up a surplus. Going forward we may want to get an understanding of what our actual cash balance in the general fund is. Subtracting everything that is obligated from all the money we have left over. What do we have to work with after that point for applying to offset the tax rate? Bill is aware of our path; our surpluses will disappear. If it turned into a tax emergency, we could tap into the contingency. Greg noted we still have the first four CDs. We have spent some of that money on the transition from Nanette's departure, around \$23,500. The CDs themselves are intact but in terms of other things available. Greg had also looked at the ARPA money, we have been allocating the income generated from the CDs, and so far, that is going to provide some funds that could go back to the ARPA admin fund. Bill thought we could spend the interest money for anything we wanted since we took it as lost revenue. Dave noted there are a few restrictions that were maintained. It could not be put towards a rainy-day fund or existing debt.

Bill suggested pulling money from the Highway surplus if we needed money. We had \$226,000 in the contingency fund that may be able to be used. We do not have a lot of money to play with. It also does not look like we are going to have a surplus. We do not get a good chunk of money until remaining FEMA reimbursements from 2019 come in and taxes in March. Bill noted we have never budgeted for incoming FEMA funds since we do not know when we are going to get it. Carl and Holly had looked through the audit report and it was noted that the town has a cash balance of \$400,000. The municipal ARPA \$150,000 is separate from that. It is not considered unassigned since it is assigned to the Community Wastewater project.

Carl noted that our job is to present a budget to the voters. We want to have an eye on what the tax rate might be, and we can say if the next Selectboard wants to have a balanced budget that the tax rate is going to have to go up 3.425 cents. If they want to apply this fund balance to it would go up around 2 cents. That is up to the new Selectboard in June/July. We can still present a projected tax rate in our presentation. Carl thinks step 1 is agreeing to the budget.

Bill thinks we need to take a few expenses in the capital budget worksheet and push them out, specifically in the Highway Department. If we push them out, we should figure out how to stagger them, so we do not have two big payments in one budget year. This means moving a couple projected replacement dates, so they are staggered more. There is also the shadow of the upcoming Fire Truck bond vote. The board discussed replacement dates for equipment. Dave and Lee agreed this is where we should be figuring out savings.

Dave thinks in a few years we may look at the capital budget and want to tighten things again, but this is the logical approach right now. Carl had adjusted some of the figures for the

replacement costs due to inflation, which is also driving costs up. Bill took issue with the Conservation Commissions asking for a \$1,000 increase over last year's budget for insurance for the snowmobile and new shed. The Conservation Commission has a fund balance they can access for that. Dave suggested taking out \$2,500 instead, and for the Conservation Commission to use their surplus reserves to close the budget request this year at a minimal risk.

Paving of the Westford Milton Road is anticipated in 2025. The town does not apply for a paving grant every year because in this district there's not enough money to go around and one of the criteria is who got money recently, which was us. Lee did not understand why we pave such a small section of Old Stage, thinking it encouraged drivers to speed up or keep a high speed on the dirt road portion. Dave recalled some old agreement. Holly asked if Carl is implying, we are unlikely to receive a grant this year since we received one last? That was correct. They will ask the road foreman, Sean, to look at the numbers.

Bill asked how much fund balance we have? Our fund balance exceeds our cash, and we do have spare money in the Highway reserve balance. There is a delta of about \$80,000. There was also excess in the fire and admin reserves. Bill thinks we need a better grasp on what money we have. Lee asked if they look at the financial work that has been done and there is over \$50,000 do we want to plug this in and put together a draft presentation to consider on Monday? Dave suggested making the changes, putting in the \$50,000, pull together the presentation and show it on Monday. He prefers to present it and have a few days to take in public comment prior to finalizing the Town Meeting Day warning.

CWSRF APPLICATION

Holly's interpretation of Bill's 1/11/2024 motion for 'Ron and the Planning Commission to keep funds alive' is that we would be signing to stay on the State's Priority list. The Town would not be committed to any specific plans. By staying on the list, we tell the state that Westford is interested in continuing to explore Wastewater solutions. Lee thought the Selectboard had the authority to tell the State to take the money back, but ultimately the new board could do whatever they wanted. If we are smart, we will be able to keep as much money as possible in play. Bill brought up the CRRP grant. Do they want to see just one new business or a new house? We do not know what their threshold is. If we add one business and one residence does that satisfy their requirement? We did not know. Holly noted that if we stayed on the list, we would get to that point eventually to make those decisions, but we would at least keep our place. If they start to commit money to us, we need to be transparent and onboard which is why we hired Ron. They will evaluate the system and see if they meet requirements.

ADJOURN

The meeting was adjourned at 8:55 p.m.

Respectfully Submitted,

Lee McClenny, Chair
Selectboard

Callie Hamdy
Minute Clerk

ADOPTED THIS 25 TH DAY OF JANUARY 2024.

WESTFORD SELECTBOARD

Lee McClenny, Chair



David Baczewski



William Cleary