



BOARD OF SELECTMEN MINUTES

Via zoom
April 28, 2020

Members present: Tom Alonzo, Chairman; Phyllis Luck, Vice Chairman; Michael-Ray Jeffreys

Members not present: Damon McQuaid, Clerk and Katey Adams

Finance Committee Members present: Teri Burchfield, Chair; John Henshaw, Michelle Walton, Dave Passios, Peter Beardmore, Jay Simeone

Also Present: Town Manager Heather Lemieux; Karen Brochu, Finance Director; Senator Dean Tran, State Representative Stephan Hay; Mike Cassidy, Business Manager/HR Director for Lunenburg Public Schools; Rebecca Lantry, Historical Commission Chair

Chairman Alonzo called the meeting to order at 7:02 p.m. and announced in accordance with the requirements of the Open Meeting Law, please be advised that this meeting is being recorded and broadcast over the Lunenburg Public Access channel.

The Town of Lunenburg, in response to the COVID-19 (Corona Virus) is currently following the guidance from the Lunenburg Board of Health, Massachusetts Department of Public Health and the CDC regarding the virus and steps communities can take to prevent the spread and all town facilities are currently closed to the public. In accordance with the Governor's Order Suspending Certain Provisions of the Open Meeting Law, G. L. c. 30A, § 20, all public meetings are being conducted remotely. **This meeting will be broadcast live through local access cable, on FacebookLive on the Public Access Facebook page (<https://www.facebook.com/Lunenburg-Public-Access-Cable-157427270975305/>) and will be able to be found on the LunenburgAccess YouTube channel within 24 hours after the meeting.**

The following information is also provided for members of the public that would like to participate in the meeting remotely: To Participate Remotely: From a computer, please use the link below to join the public meeting webinar:

<https://zoom.us/j/9091740347> or

From a **telephone, dial the toll free number (888) 475-4499 and enter Webinar ID: 909-174-0347 #** If you have not registered with Zoom you will be asked for your name and an e-mail address.

Note: No participant ID is needed, just press # when asked. Telephone users may dial *9 to request to speak after joining the meeting. Computer and app users may use the "raise hand" feature to request to speak.

Mr. Alonzo asked for a roll call attendance of the Board of Selectmen adding, "I am Tom Alonzo, Chairman.

Mr. Jeffreys: "Here,"

Ms. Luck: "Here."

He stated Board member Katey Adams would not be attending this evening and Mr. McQuaid could be joining the meeting at some point later.

Chair Teri Burchfield called the Finance Committee meeting to order and did a roll call;
Dave Passios, "Here,"
John Henshaw, "Here,"
Peter Beardmore, "Here,"
Michelle Walton, "Here."

PUBLIC COMMENT- there was none from the Board or the public at this time.

ANNOUNCEMENTS

Ms. Lemieux reported Governor Baker announced he is extending the Stay At Home advisory, the prohibition of gatherings of more than 10 people, and the closure of non-essential businesses until May 18th. As with previous orders, the closure of town facilities to the public will also be extended until May 18th to fall in line with the Governor's Order.

APPOINTMENTS

Joint Meeting with the Finance Committee to meet with Representative Stephan Hay and Senator Dean Tran including discussions on funding formula for Schools and Student Opportunity Act and State Finances.

Ms. Lemieux reported this meeting was requested by the Finance Committee. Senator Tran stated the Governor published his proposed budget in January for Chapter 70 at about \$5.5 billion dollars. Right now we do not know how the legislature will react to the proposal. The intent for now is we are in a holding pattern until we get past some obstacles. We are trying to find a way for them to meet and vote in a formal session.

State Representative Hay concurred with Senator Tran in that everything right now is up in the air. He believed the revenue projections are going to be different from what the Governor used in his budget proposal in January. This could change once the House and Senate gets back together and discusses the budget.

Peter Beardmore expressed thanks to both legislators for meeting with them. He did not believe anyone in Town expected the School Opportunity Act (SOA) would be a windfall but was driven to improve education as a whole. But what we saw was the Governor's proposed budget back in January and we know the proposed Chapter 70 numbers are formula driven. What was explained to us at a Finance Committee meeting is the formula has been affected by the School Opportunity Act. The formula increases for FY 21 were less than what they had been in the previous years without the SOA; and without the reporting requirements etc. to even get that money. So now we are getting less comparatively dollar for dollar and having to do more to justify those funds. Another month went by and we met with the Monty Tech representatives and we learned the formula had also adversely affected us. At that time we learned Lunenburg would be paying double the increase, partially due to an enrollment increase.

Monty Tech informed us that was a small part of the increase but was mainly due to Lunenburg's demographics. We are just expected to pay more largely as a result of this SOA. I feel like I have been hoodwinked a little bit by this.

Discussion ensued on how to address the Governor's budget and reductions to it. Ms. Burchfield asked if the Town should plan for a 10% reduction in state aid. Senator Tran could not answer that as currently the numbers are fluid. Rep. Hay concurred with him.

Discussion ensued about how to plan the Town's budget based on limited information from the State. Mr. Alonzo thanked the legislators for participating tonight.

Ms. Lemieux asked about the status of Senate Bill 2602/House Bill 4611 for emergency hazard pay. Senator Tran stated it was still in committee review and would need to be forwarded to the Ways and Means Committee and then to the floor for a vote.

Ms. Lemieux asked about how Lunenburg could apply for CDBG funding under the CARES Act. Senator Tran stated some of the towns/cities that had already received CDBG funding would receive a portion of that funding. Representative Hay thanked the Board for the opportunity to speak with them. Both legislators signed out of the meeting.

Monty Tech Business Manager Tammy Crockett had been standing by for questions, if needed. The Boards thanked her for doing so. The Finance Committee adjourned from their meeting.

NEW BUSINESS

1. Quarterly Update from Finance Director

Ms. Brochu stated she would read the memo and then answer any questions.

Below is my summary for thereports:

Revenues

Total collections to date are \$33,388,925.48, or 78% of FY20 estimates through 3/31/20. Below is a summary of the individual categories:

- **Local Receipts:** We have collected \$2,560,804.58 or 84% of the FY20 Local Receipt estimate. There are several estimates that are running over target at this time including Fees (79%), Fines & Forfeits (124%) Other Excise/Meals Tax (118%), Motor Vehicle Excise (87%), and Investment Income (120%). There are a few categories that are running below target at this time including Departmental Revenue-Other (70%) and Departmental Revenue - School (42%).
- **Taxes:** At this time we have collected \$21,296,585.69 (76%) of the levy. This includes \$202,760.81 in tax lien revenue.
- **State Aid:** We have received \$6,766,279.96 (74%) of our state aid estimate.

Expenditures

We have expended/encumbered \$30,017,843.92 (70%) of budgeted expenditures as of 3/31/20. Of note on the expenditure side is the following:

- **Snow Removal** - As of 3/31/20, there is a deficit in this account for \$98,307.36. This deficit can be eliminated prior to year-end via approved transfers under M.G.L. c. 44, Section 338.

All other expenditures are at or near where they should be at this point in the fiscal year. There are several appropriations that show percentages used of higher than 75%, but that is largely due to the fact that many departments open blanket purchase orders at the beginning of the fiscal year and use those purchase orders throughout the year.

Mr. Alonzo asked Ms. Brochu if she foresaw any problems with ending this fiscal year. Ms. Brochu did not as we were so conservative with our local receipt estimates and overall on the expenditure side we have appropriations that are sufficient for departments. She believed we would meet our local receipts estimate and didn't anticipate any reductions in state aid. Mr. Alonzo thanked Ms. Brochu for her report.

OLD BUSINESS

1. Fiscal Year 2021 Budget

Ms. Lemieux reported on her approach to revamp the FY21 budget since the outbreak of Covid-19. There have been multiple meetings with state officials for updates and there is no clear indication of what our local aid number will be. Outside of all the calls, I have also listened to the testimony of experts at the state economic round table, consulted with my peers on what they were budgeting for estimates and have also contacted the Commissioner of the Division of Local Services, Sean Cronin, a couple of times. I have been reading forecasting articles by different economists and government journals. I believe the budget I am presenting is a conservative approach and that our receipts are a conservative number as well as the surplus that we have as excess levy capacity to fall back on as sufficient to address any decline in our state aid. I have consulted with the Finance Director daily and we both concur that this recommendation is a conservative estimate for our budget. Our local receipts are historically conservative allowing us to not have to reduce them further from the FY20 figures. Our actuals are historically between 10 and 20 percent over the estimated receipts. We have made concerted efforts to build up our stabilization accounts and this is a prime reason for tapping into those reserves if we need to at the fall town meeting. That was also discussed by our legislators as an option. I went back and reduced the new positions as well as the associated costs for them to the budget. The Lunenburg public school budget was reduced from a 2.5% to a 1.58 % budget and I cut the capital plan in half as half of the funding was from tax revenues. We also reduced the additional pavement management funding of \$50,000. Our liability and workers' compensation actual renewal premiums came in slightly less. After some other adjustments that would leave a surplus of \$982,156.32.

After again looking over the other accounts on the Town side, any further reductions with a few minor exceptions would mean a reduction in services and staff. At the Finance Committee meeting last Thursday it was asked if there was any expenditures from FY20 budget that would be able to be paid and then be removed from the FY21 budget. Two items that may be possible but may not be known until we have a Town Meeting in June, would be part of the Technology budget and the expenditure in the Town Clerk budget for voting booths. If we have surplus funds at the end of the year, we would be able to purchase those this year and defer that for FY21. But she was not sure they would know that in time for June Town Meeting. There could be the possibility of reducing those at the fall town meeting. We have about \$3 million in our stabilization funds. We have made a concerted effort to increase these funds. This would be a one-time expenditure in the fall to offset any further reduction in revenue sources.

She was encouraged by Senator Tran's and Representative Hay's positive comments this evening about their priority to get as much local aid as possible and using the stabilization funds to supplement the budget. They will be using earmark and federal funding to supplement the budget as much as possible. She believed she were budgeting conservatively as they believed all cities and towns should. Ms. Luck wanted to clarify regarding using stabilization there were two differing opinions from each; one wanted to use it and the other did not.

Ms. Luck was concerned that Other Post Employment Benefits (OPEB) was not being eliminated out of the budget adding the excuse was it would affect our bond rating but we got a letter that clearly said not in this pandemic age. Ms. Lemieux stated that will be a discussion topic with the Finance Committee on Thursday, regarding our financial policies. Ms. Luck stated she did not believe the budget was conservative. Mr. Alonzo asked when we would appropriate to the OPEB account. Ms. Lemieux stated the Finance Director could better answer that question but that finding source is Free Cash not tax revenue, so we could defer it until a later date. But that Free

Cash amount could be put in stabilization instead. Ms. Brochu stated the funding source is Free Cash, so I agree with Town Manager that we don't want to apply it to the operating costs but to a stabilization account. As far as the transfer, if it got voted at Town Meeting, typically all approved transfers are done right away in July.

Mr. Jeffreys stated this budget was a good modification from last week. He asked for confirmation that any further cuts would mean dipping into stabilization or a reduction in services. Ms. Lemieux affirmed. Her recommendation would be to wait until the fall town meeting to use stabilization funds if our revenue sources are not sufficient. That is the safety net for a one time expenditure.

Mr. Jeffreys stated he was satisfied with the changes. We roughly have a million dollar surplus if needed. The other thing is if we need to access stabilization, we can. I think the answer you have given is reasonable. I consider this to be a conservative budget. Mr. Alonzo believed this was a very responsible budget under very uncertain times. The Town will have close to a million dollars to allocate if needed.

Ms. Luck stated these are unprecedented times so looking at precedents is not helpful; I think we need to be more conservative than we have in the past. Mr. Alonzo asked what number are you looking for? Ms. Luck stated state aid and sales and meal taxes. They are going to be lower. She found it hard to believe state aid would be level funded.

Ms. Lemieux in response to an earlier comment about taking guidance from the state, stated she certainly would take guidance from the state, but they have not provided any. We have been asking all along through this process. In regards to the previous Town Manager and the percentage she used during 2010, we exceed that reduction if you apply what we have for a surplus to our state aid number; an almost 11% reduction.

Mr. Jeffreys stated the real indicator he is waiting for is when taxes are due. Until we see what comes in, that will be the beginning of the data of the impact on our Town. He appreciated Ms. Lemieux's approach and supported her budget. There is a reasonable concern from teachers and parents right now; teachers are working long hours. Parents are as well. This is not sustainable and is difficult. How do we get to a point in the budget that we are saying to the residents that we are giving you the best we can do? How are the schools planning on a typical curriculum for next year or are they adjusting? Mr. Alonzo to Ms. Lemieux stated he assumed the Superintendent and the School Committee have seen your adjusted budget and asked what their response was? Ms. Lemieux stated they have provided me with scenarios and a budget. I already knew about their critical staff position (SPED teacher) that they want funded, so this budget reflects inclusion of that position as well as a Reading teacher, both at Turkey Hill Elementary. The school has made continual adaptations to the current situation. Right now everything is geared to remote learning. They are talking with state officials on what future education will look like.

It was noted the School Committee was meeting this week and they would also be attending the Finance Committee this week to discuss their budget. Also at that meeting will be the Green Community Task Force to discuss the led streetlight replacements or if not, the following week.

2. Review of Annual Town Meeting Warrant Articles

The Board began with Historical Commission Chair Rebecca Lantry to discuss the Community Preservation Act warrant article. Ms. Lantry reported the Historical Commission had met and she also had the opportunity to speak with the MA Community Preservation Act Coalition. On the coalition's recommendation they decided to go ahead with the warrant article but to request the surcharge be reduced to 1 or 1.25%. There are still real estate transactions happening so the

matching revenue stream is coming in. Mr. Alonzo stated he was in personally favor of this article. Ms. Luck did not believe this was the time to put this on the Town Meeting warrant. Mr. Jeffreys agreed with Ms. Luck partly. He understood this is not a tax and appreciated reducing the percentage down to 1%, but until he has an understanding of the impact of the pandemic, he did not believe it should be on the warrant. He thought it was an excellent program but if unemployment projections are true, he was not in favor of asking homeowners for additional money. He preferred to have a full Board present to make the final decision.

Ms. Lantry stated it is not a tax but a savings account. We have to start being smart and putting funds aside when we know we have to spend money on buildings or purchase land. We need to start saving and have control on when we spend the money. It's going to cost the average person around \$45 per year since the percentage reduction to 1%.

Mr. Alonzo stated this is the voters' opportunity to make the decision. We are giving them the opportunity to participate in a state program that is over a decade old and I trust that they will vote what their individual circumstances are. This is one of the programs that actually brings in additional money from what you put aside. It's not without its own reward. It's going to fund specific things. He was completely for the program and confident that the townspeople would vote what was in their interest as well as the Town's. We should get a vote with the whole Board present. He appreciated Ms. Lantry coming back and told her she was more than welcome to come back when the full board is present.

Discussion ensued about voting on these articles with a full board present. The next meeting will be focused on the warrant articles and recommendations. Ms. Lemieux asked for any questions on the warrant articles in advance of next week. Mr. Jeffreys preferred quickly reviewing them tonight in case questions come up. Ms. Luck preferred to go over the simpler ones to save time. When asked about the revolving funds article, Ms. Lemieux confirmed these were the same amounts as last year.

Regarding funding the first year of the FY 20, FY 21 and FY 22 Police Officers Collective Bargaining Agreement dated July 1, 2019 – June 30, 2022 with IBPO Local 353, AFL-CIO, Ms. Lemieux explained this was a required vote from last fall's Special Town Meeting and was passed over based on legal counsel advice that because there was a zero appropriation it did not need to be appropriated. However the vote was required since it was the first year appropriation. Mr. Jeffrey's asked what amount would be appropriated. Ms. Lemieux stated \$110,000 from Free Cash. Ms. Luck repeated she would like to see the appropriation for OPEB removed from the warrant.

Regarding the article that adds the positions of Videographer, Senior Videographer and Water Safety Instructor to the Salary Administration Plan (SAP), Ms. Lemieux stated these are all existing positions that are already in place and funded. The Parks Commission is meeting this week to discuss the Water Safety Instructor position and plans for the Town beach this year. Ms. Luck, regarding the article that reads: "To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$120,000 for the FY 2021 capital budget for the Public Educational Government (PEG) Access Enterprise Fund"; it sounds like the money is coming from the Town. Ms. Lemieux clarified the funding comes from PEG revenues in the enterprise fund. It is written on anticipated receipts from cable fees and the wording is required. Mr. Jeffreys asked about the article, "To see if the Town will vote to secure estimates for demolition of the old Primary School and a future design of the space. " There is no funding for this so suggestion was made that when the full Board meets again to discuss deferring it until the fall Town Meeting.

Discussion turned to the citizen's petition that would convert Jaxx County Variety from a retail beer and wine off premises license to an all alcohol off premises license. Ms. Lemieux stated the article has to go on as written and asks the Town to approve petitioning the General Court for an additional section 12 license. Mr. Jeffreys noted the property is up for sale and was curious why they would ask for a license while intending to sell the business. He asked if the owner could come before the BOS to answer some questions. Mr. Alonzo stated next week the full Board would make recommendations on everything they could. Mr. Jeffreys asked for any liquor license violations history of Jaxx Country Variety and Bad Larry's before next week. Ms. Lemieux asked about the Finance Committee's suggestion to defer the remaining amount of \$664,800 for the Capital Plan until fall Town Meeting. Mr. Jeffreys asked for what items remained. Ms. Lemieux read the following:

Revised Priority #	CIP#	Dept.	Project Name	Category	Revised FY21 CP for ATM
1	FM20-01	DPW	Town Hall, ADA Ramp/Sidewalk	Facilities	\$22,000
2	INFRA20-01	Highway	Flat Hill Culvert Design	Infrastructure	\$112,500
3	LPS16-19-C	Schools	THES Asbestos Abatement/Ceiling Replacement	Facilities	\$123,500
4	PD19-01	Police	Police Vehicle, 1 Marked New	Vehicle	\$67,000
5	FD17-05-B	Fire	SCBA Complement, Replacement (1/2)	Equipment	\$115,000
6	FD16-20-A	Fire	ALS Equipment Phase 1	Equipment	\$54,800
7	PD20-01	Police	ACO Vehicle	Vehicle	\$26,000
8	FD20-01	Fire	Midlife Overhaul of Squad 3	Vehicle	\$65,000
9	PD16-18	Police	Portable Radios	Equipment	\$45,000
10	LPS19-03-A	Schools	Design AC for Classrooms at Primary	Planning	\$10,000
11	FM17-16A	DPW	Senior Center, Reconfigure Front Entrance	Facilities	\$24,000
			Total Capital Plan		\$664,800
		Funding:	Raise & appropriate		
			Free cash		\$664,800
			Unexpended Capital		
			Premium Reserved for Capital		
			Total		\$664,800

Mr. Jeffreys suggested keeping them as is. Ms. Luck preferred deferring some of the items. Ms. Lemieux clarified she was looking for feedback on the overall bottom figure not the individual projects and noted these are the Capital Planning Committee's recommendations. Ms. Luck stated if that was the case, she would prefer to defer all of them. Mr. Jeffreys disagreed stating the Town should not be postponing repairs that in his opinion are overdue. We have to maintain our buildings.

Mr. Alonzo reviewed the upcoming meeting schedule; May 5, 12 and 19th.

PUBLIC COMMENT:

Mr. Jeffreys encouraged everyone at home to support local businesses during this critical time as many are struggling. He also suggested if people have extra time to get out there and pick up trash off the road.

Mr. Alonzo expressed appreciation for all the work that everyone in Town is doing; all the departments, First Responders, townspeople donating and distributing food, checking on their neighbors, delivery people, etc.

Motion: P. Luck

2nd: M. Jeffreys

To adjourn the meeting at 8:40 p.m.

Vote: Ms. Luck- aye, Mr. Jeffreys –aye, Mr. Alonzo- aye

Respectfully submitted,

A handwritten signature in cursive script that reads "Elaine M. Peterson".

Elaine M. Peterson

Executive Assistant to the Town Manager