

Williamstown Finance Committee
Wednesday, February 21, 2024
7:00pm, Town Hall

Members present: Melissa Cragg, Charlie Fox, Elaine Neely, Suzanne Stinson, Paula Consolini, Fred Puddester, Michael Sussman (Zoom), Molly Magavern (minute-taker).
Staff: Robert Menicocci, Anna Osborne.

1. Call to Order @ 7:00pm - Melissa Cragg
 - a. Introductions
 - b. Doris Karampatsos will be stepping down; committee members to take turns taking minutes.
 - c. Note clean-up of Fin Comm website. Some budgets are still coming in (Water, Sewer, 5-year capital, nonprofit applications back-up materials).
 - d. Recall Joint Select Board/FinComm meeting of January 22, 2024. Focus for the 2025 budget season should be on keeping property taxes as close to unchanged as possible. Also, a “deep dive” into water and sewer budgets (operating, short and long-term capital requirements).

2. 2024-2025 Town Budget and Five-Year Capital Budget Overview - Bob Menicocci, Anna Osborn, Committee
 - a. Select Board directive to keep property tax increases to a minimum or level and be mindful of growth. Attempt to “calm the budget down” after some necessary changes last year. A few last clean-up items but not an exciting budget. Still seeing impacts of inflation, such as health care. This budget shows a fair amount of growth without adding anything new. Still some unknowns: schools, water, sewer. Some initiatives the community would like to see; we’ll look for grants and other funding sources. Still plan to address issues. Need to look at how this approach trends.
 - i. Non-discretionary increases: health care (+7%); and retirement (+7%, gets us closer to full funding); also, some salary increases to address equity issues and market forces.
 - ii. Revenues: project ~\$11.2 million in new property growth which translates to \$170,000 for the budget. In the long term, some movement on properties that are underutilized. The upcoming year should continue to be good in most non-property tax categories.
 1. Occupancy tax and meals tax should continue to do well.
 2. Cannabis excise tax isn’t growing in our area; revenue is budgeted to decrease.

- iii. Debt service is increasing this year but old elementary school and Cable Mills debt fully amortizes bringing debt service down.
- iv. Retirements will provide short-term savings.
- b. Executive budget:
 - i. Professional development to help create good career ladders. Some staff movement between departments.
 - ii. Community development is flat.
 - iii. Public safety - more structure in department, command staff; no new requests. Recruitment has been positive.
 - iv. Public works - 1.7% increase. Good news on utility, and few costs, staff turnover has helped.
 - v. 3% salary increase across the board, union and non-union.
 - vi. Free cash ~1.85 million but still some movement.
 - vii. Stabilization - propose adding \$250K. Fund is relatively small, need to build resiliency. \$1.6 or \$1.8 million would be a reasonable total. We'll be breaking \$1 million by the end of 2024.
 - viii. The total budget is about \$25 million. Schools take up about \$14 million of total. Placeholder for schools is 4%. McCann is looking at an increase due to additional Williamstown students. Free cash gives us wiggle room: \$1.85 million. Usually spent on capital projects, non-profits, and reserves. Some portion to reduce tax rate.
- c. We are about \$570k (+2.8%) away from flat taxes. The question becomes how do we address that?
- d. Should move three non-profits into regular budget lines and out of free cash so that line can be used for capital projects. Would they still have their own warrant article? Bob to research.
- e. Request for excel spreadsheet versions of budgets.
- f. Working on keeping up with capital projects; looking to provide a five-year projection.
- g. Question about interplay between CARES report, Public Safety and budget generally. Being mindful of cost pressures while addressing concerns.
 - i. Need to modernize website for effective communication. Received a Community Compact grant to help develop a communications plan. Contracting with Collins Center at UMass Boston communications team. Will eventually need staff.
 - ii. A \$10k bump in the Select Board budget is to support DIRE and other community initiatives, events, recreation plan, economic development, etc.

- h. Randy Fippinger would like to see spreadsheets, too. Asked Bob about headcount in town government and is it enough to maintain.
 - i. e.g. Pros and cons of having a grant writer.
 - i. Comprehensive Plan recommendations will be gradually reflected in this budget and future budgets. There is a priority list. Some heavy equipment needs replacement. Usual paving projects: North Hoosac. Still working on stabilizing the riverbank, where the sewer line lies. South St. moving forward. All these feed into our resiliency.
 - j. Question about the significant downturn in new growth. Comprehensive Plan suggests trying to promote development in certain, underutilized areas.
 - k. Melissa would like to see us cut about \$200k from the expense budget. That and free cash could get us to the \$570K gap discussed before.
 - l. Question about alleviation for low-income homeowners. Select Board is looking at different options.
 - m. Comparative analysis helps us see where we stand. Our growth numbers are lower than our comparable towns.
 - n. Library representatives will speak. **Fin Comm members should pose detailed questions in writing ahead of next week's meeting to Bob and Anna so they have answers prepared or can invite the appropriate subject matter expert.**
 - o. 3/6 - water and sewer. Rate setting and capital.
 - p. 3/13 - Debt Study group report, Nonprofits, and CPC
 - q. 3/20 - MGRHS and McCann
 - r. Audit discussion can happen in April after budget is complete and warrant articles for Town Meeting are drafted and voted.
3. Actual revenues and expenses for six-month period ended December 31, 2023 - Anna Osborn
- a. Revenues are in line with past years. Hotel/motel looking healthy.
 - b. Cannabis excise tax is way down.
 - c. Miscellaneous revenue includes a \$60K payment from National Grid, backward adjustment due to change to LED bulbs.
 - d. On expense side, employee benefits line is lower than anticipated due to health insurance (some opting out, some on individual plans)
 - e. Library budget shows transfer from Town Manager's budget for salary adjustments.
 - f. Snow and ice under budget.
 - g. McCann payments are still outstanding.

4. Public comments, questions - None

5. Adjournment - 8:54pm