

MEETING MINUTES
FINANCIAL FORECAST COMMITTEE
Town Hall, 600 Chief Justice Cushing Highway
Select Board Hearing Room, 11:00 AM
Monday, December 18, 2023

In Attendance: Andrew Goodrich, Chair and Select Board Vice-Chair; Jim Boudreau, Town Administrator; Nancy Holt, Finance Director/Town Accountant; Pam Avitabile, Treasurer Collector; Tom Raab, Director of School Finance & Business; Bill Burkhead, Superintendent of Schools; Peter Gates, School Committee and Elise Russo, Advisory Committee Chair; Chris Carchia, Capital Planning Committee Chair

Other Attendees: Maria Fenwick, School Committee Alternate

Members Not Present: Joe DiVito, Director of Assessing

The meeting was called to order at 11:05 am by Mr. Goodrich.

SCHEDULED ITEMS:

Review/Approve Minutes

Ms. Holt made a motion to accept the minutes of the October 16, 2023 meeting which was seconded by Mr. Raab. The motion was approved unanimously (8-0).

Discuss/Vote Revisions to FY25 Voted Forecast

Ms. Holt stated the new growth for FY24 was certified just after the last meeting of the Committee at \$1,850,793.

Ms. Holt made a motion to incorporate the FY24 actual new growth figure of \$1,850,793 in the forecast which was seconded by Mr. Boudreau. The motion was unanimously approved (8-0).

Ms. Holt stated she had concerns that the estimate in the forecast for the Plymouth County Pension Assessment was too low for FY26 on due to the poor investment performance in calendar year 2022 of negative 6.6%. She noted the current estimate is 8% and the recent history has been in excess of 10%. Mr. Gates asked for clarification on the investment dates which Ms. Holt confirmed. Mr. Boudreau asked if Ms. Holt was suggesting 10% and Ms. Holt responded perhaps higher. Ms. Avitabile recommended 10%.

Mr. Boudreau made a motion to increase the FY26 and forward pension assessment to 10% rather than 8% in the current forecast which was seconded by Ms. Holt. The

motion was unanimously approved (8-0).

Mr. Carchia joined the meeting.

Mr. Goodrich commented that the meals tax room occupancy assumptions in the forecast were significantly lower than the actual results. Mr. Goodrich asked if members were interested in making any increases in the assumptions. Mr. Raab and Ms. Avitabile agreed. Mr. Gates asked about the number of establishments and noted that inflation should also cause it to increase. Mr. Boudreau expressed concern about the loss of Rivershed and the potential movement of CP's Pizza. He also stated that the state revenue was lagging and the Governor so far had not suggested any cuts yet. Mr. Raab asked if Unrestricted Governmental Aid was in jeopardy and Mr. Boudreau stated it would require Legislature to approve but it was possible. Mr. Raab said he was comfortable with \$25,000 and Mr. Boudreau stated he was comfortable with \$50,000 each.

Mr. Gates asked the percentage rate of the meals tax which was confirmed at 75 bps by Ms. Holt. Ms. Holt noted that Quarter 1 changed by \$8,000 from 2022 to 2023 with the new restaurant Drift In.

Mr. Boudreau made a motion to update the meals tax estimate for FY25 to \$280,000 and the room occupancy estimate to \$100,000 in the forecast and keep the allocation to the Economic Development Commission at \$46,000 which was seconded by Mr. Raab. The motion was unanimously approved (9-0).

Mr. Gates asked if the estimate would carry forward to future years and Ms. Holt said no.

Mr. Boudreau moved to carry those changes forward in the forecast which was seconded by Mr. Gates and voted unanimously in favor (9-0).

Mr. Goodrich informed members that the town side departments were having a difficult time meeting their budget needs. He stated that the Select Board members are sensitive to the pending new school vote but the town side is in a position requiring the proposal of an operational override. Mr. Goodrich stated a third of a percent was needed to assist the town departments. Mr. Raab if that was going forward or just for FY25. Mr. Boudreau stated it was up for discussion annually but he thinks it should be reflected in the forecast going forward. Mr. Boudreau stated the town departments need an override and now it is down to timing. He also commented that he thought FY26 was going to be very difficult for the School Department with their collective bargaining contracts expiring in FY26. Mr. Goodrich noted that the aging population was causing costs to escalate as well on the town side.

The School Department members asked for a recess to discuss the matter.

Mr. Boudreau made a motion for a recess which was seconded by Ms. Holt and voted unanimously in favor (8-0).

Mr. Goodrich called the meeting back to order at 11:31 AM.

Mr. Burkhead stated that the school department members were aware of the town's struggles and they were willing to assist the Town for FY25 by making a change to the revenue sharing agreement by the .33%.

Ms. Avitabile made a motion to adjust the revenue share by .33% from the school share to the town share which was seconded by Ms. Russo and further that the change will be carried forward for FY26 onward and re-visited each year.

Mr. Burkhead asked that in future years the share be reviewed as it may be needed to be adjusted in the opposite direction at some time.

Ms. Carchia asked if this prevents the override and Mr. Boudreau stated no. He said the additional amount will restore expenses which have been cut to the bone. Ms. Fenwick asked if there was any chance that the unfunded mandate created by police reform would be addressed as it affected other communities. Mr. Goodrich responded that it only affects coastal communities and Mr. Boudreau commented that the Legislature had responded to concerns stating the reform was done.

The motion to adjust the revenue share passed unanimously (9-0).

Other Business

Ms. Holt stated the next meeting would be in January. Mr. Boudreau noted that the MMA conference should provide more information on state revenue and the health insurance range. Mr. Boudreau stated the FY25 state revenue consensus was 1.7-3.25%.

Adjournment

Mr. Boudreau made a motion to adjourn the meeting at 11:40 AM which was seconded by Mr. Carchia and voted unanimously in favor (9-0).

Respectfully Submitted,

Nancy Holt
Recorder