



TOWN OF SHREWSBURY

Board of Selectmen Workshop

REMOTE MEETING:

Google Meet: Dial (US) +1 336-914-1132 PIN: 555 315 026#

Richard D. Carney Municipal Office Building

100 Maple Avenue

Shrewsbury, Massachusetts 01545-5398

Wednesday, January 5, 2022 – 6:00 PM

BOARD OF SELECTMEN WORKSHOP

Minutes

1. Call to Order

Mr. Samia read the remote meeting script and called the meeting to order at 6:04 PM, “As a preliminary matter, this is John Samia, Chair. Please permit me to confirm that all members and persons anticipated on the agenda are present and can hear me.

Present: Mr. John Samia, Chair, Mr. John Lebeaux, Vice-Chair, Mr. Maurice DePalo, Clerk, Ms. Beth Casavant, Selectmen, Ms. Theresa Flynn, Selectmen

Also Present: Mr. Kevin Mizikar, Town Manager, Ms. Kristen Las, Assistant Town Manager, Ms. Taylor Galusha, Principal Department Assistant (Board of Selectman and Town Manager)

Good evening. This Open Meeting of the Board of Selectmen is being conducted remotely consistent with Senate Bill 2475 signed into law by Governor Baker on June 16, 2021 Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, this meeting of the Board of Selectmen will be conducted via remote participation to the greatest extent possible. The Order allows public bodies to meet entirely remotely so long as reasonable public access is afforded so that the public can follow along with the deliberations of the meeting. For this meeting, the Board of Selectmen is convening by Google Meet as posted on the Town’s Website identifying how the public may join. Please be sure to press *6 to mute your device. The meeting will/will not feature public comment. Please wait until I open the item for public comment, and press *6 to unmute your device.”

2. Discuss Town of Shrewsbury Three to Five Year Financial Forecast

Mr. Mizikar gave a presentation on the three to five year financial forecast for the Town of Shrewsbury. He reviewed the fiscal year 2021 and fiscal year 2022 local receipts year to date, reviewed the revised forecast models, and discussed the overall budget objectives.

The Board discussed their goals and objectives with the financial forecast model, somewhere between longest duration of the override and continuing to enhance services and planning major capital projects in Town. The Board noted these objectives and goals should be in tandem with the strategic plan as well. They noted it is also important to see what the community’s goals are.

3. Review and discuss 409 South Street Local Initiative Program application from Greystar

Mr. Mizikar summarized the item, related to their Decemebr 21, 2021 and November 9, 2021 meetings. Ms. Las summarized the previous two LIP agreements the Town has engaged with in the past. Mr. Mizikar laid out the potential next steps.

Minutes

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The Board discussed the value a 55 and over community would add to the Town of Shrewsbury. They also discussed their preferences on moving forward with the LIP agreement of letting it become an unfriendly 40B project or a friendly 40B project. They discussed the risks of not going through with the LIP agreement. They also discussed the difference between the LIP application and the Development Agreement. The Board noted the risk of not having control over the project if it becomes an unfriendly 40B.

4. **Discuss Town Bylaw Priorities for Calendar Year 2022**

Mr. Mizikar primed the Board on this agenda item to have them think about their priorities going forward and prepare for the Town Meeting warrant this year.

5. **Adjourn**

On a motion by Mr. Lebeaux, seconded by Mr. DePalo, on a roll call vote, Ms. Casavant—Yes, Ms. Flynn—Yes, Mr. DePalo, —Yes, Mr. Lebeaux, --Yes, Mr. Samia—Yes, the Board unanimously voted to adjourn at 7:31 PM

Respectfully Submitted,



Taylor M. Galusha

Referenced Materials:

- Three to Five Year Financial Forecast Presentation



Financial Overview

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Summary

- Review FY21/FY22 YTD Local Receipts
- Review Revised Forecast Models
- Discuss Overall Budget Objectives

Local Receipts through December 31st

- **FY2021**
 - *Total Budget: \$10,427,212*
 - *Total collected: \$3,658,726*
- **FY2022**
 - *Total Budget: \$10,891,067*
 - *4.45% increase*
 - *Total collected: \$3,754,492*
 - *2.26% increase*
- **Analysis**
 - *If FY22 is 2.26% greater than FY21 the total anticipated receipts is \$13,397,988, which is \$2,506,921 over budget*
 - *Timing of MVE*
 - *MVE is 0.5% less than last year at this point*

Revised Forecast Models

- Four Models Completed
 - *Local Receipts have been revised for all models versus 03/21*
 - *Conservative Revenue Estimates*
 - *Local Receipts*
 - *FY27 estimate is FY21 Actual; then 2% growth*
 - *Prepandemic CAGR from FY16-19: 4.10%*
 - FY27 at prepandemic growth estimate is \$2.7M > forecast model
 - *State Aid*
 - *1.0% Annual Growth*
 - *No one-time revenues contributing to operating budget*
 - *Declining ability to predict Free Cash levels*

Revised Forecast Models

- Four Models Completed
 - *Local Receipts have been revised for all models versus 03/21*
 - *Conservative Revenue Estimates*
 - *Local Receipts (FY27 estimate is FY21 Actual; then 2% growth)*
 - *State Aid (1.0% Annual Growth)*
 - *No one time sources in operating budget*
- Forecast 1: Most Conservative for Revenue and Expenditures
 - *Indicates 6-Year Duration of May 2021 Override (FY2027)*
 - *FY28 Deficit Projection is \$6.1M*
- Forecast 2: Crude look at timing of subsequent Override
 - *Uses same parameters at Forecast 1*
 - *Contemplates \$6.5M Override in FY2027*
 - *This second Override indicates it would provide 2+ additional years (FY2029)*

Revised Forecast Models

- Forecast 3: Tested the impact of more aggressive expenditures
 - *Uses same revenue model as Forecast 1*
 - *Adds addition 0.5% spending for Municipal and Education*
 - *Indicates inconsequential deficit in FY2027*
 - *Net change in net financial position between F1 & F3 -\$1.26M*
 - *FY28 deficit projection \$7.4M*
- Forecast 4: Most Mature Forecast
 - *Uses same expenditure model as Forecast 3*
 - *Contemplates \$7.5M Override in FY2027*
 - *Indicates 9 year duration of overrides (FY2030)*
 - *Conservative look at financial cycle*
 - *Declining ability over time to predict Free Cash Levels*

Objectives

- Models
 - *Consideration of overarching revenue and expenditure assumptions*
 - *Longest duration or enhancing services*
 - *Revenues other than Property Tax*
 - *Local Receipts Estimate*
 - *State Aid Estimate*
 - *Timing of next override question*
 - *If deficit is projected in BY+2, then...*
 - *How do we time major capital projects which require debt exclusions?*

Objectives

- FY2023
 - *How do we appropriately baseline/establish starting point?*
 - *Project only through FY2026?*