

MINUTES OF TOWN OF BERKLEY SELECTMEN'S MEETING OF 04/03/2025

SELECTMEN IN ATTENDANCE: Tabitha K. McCrohan, Chairwoman, Jennifer Vincent, Clerk

	ACTION
Meeting Called to Order at 08:02 a.m. in the Moitoza-Petty Hearing Room	
<p>The meeting was called to order at 08:02 a.m.. Present were Selectmen Jennifer Vincent (JV) and Tabitha McCrohan (TM).</p> <p>Board to discuss updates to the FY2026 budget with the Town Administrator; review of matter; votes may be taken</p> <p>During the FY26 Budget Review Meeting, the town administrator and board members gathered to dive deep into the town's financial landscape. JV initiated the discussion by requesting a comprehensive review of the budget, aiming to gain a thorough understanding that would help answer potential public inquiries. The meeting centered on the fiscal year's levy increase, which was constrained by Prop 2.5's 2.5% tax increase limit. JV emphasized the importance of a line-by-line examination, expressing a desire to comprehend the nuanced details of the town's financial structure. Mathew Chabot (MC) guided the conversation, breaking down complex financial concepts and providing insights into revenue streams, tax calculations, and the challenges of municipal budgeting. The group's collaborative approach reflected a shared commitment to transparency and fiscal responsibility, with each participant seeking to unravel the intricacies of Berkeley's financial planning.</p> <p>MC began by walking the group through the foundation of municipal revenue: the tax levy. He clarified that the levy represents the total amount the town is allowed to raise through property taxes each year, and that "new growth"—value added through new construction or renovations—automatically becomes part of the next year's levy limit. JV raised a question about certain revenue streams and whether they're properly counted within the levy, including items such as school choice reimbursements and library revenue. MC explained that some of these, like library revenues, are effectively "back-charged" to offset associated expenses, while school choice funds are netted against tuition payments made to other districts. This exchange led to a broader conversation about the treatment of reimbursements for exempt property, like state-owned land, which JV noted often results in less funding than expected.</p> <p>Turning to state aid and local receipts, MC explained the town's reliance on unrestricted general government aid and how unpredictable timelines from the state legislature make planning difficult. JV inquired about the timing of state budget releases, and MC confirmed that delayed updates can leave towns guessing deep into their own budget cycles. This has prompted Berkley to adopt more conservative forecasting practices to avoid overcommitting. Chapter 70 funds for education were discussed in this context—although critical, MC pointed out their limited growth has created long-term budgeting constraints. JV acknowledged this tension, expressing concern that dependency on static or slowly increasing state aid makes local fiscal planning more difficult.</p> <p>The conversation shifted to local revenue streams such as motor vehicle excise tax and meals tax. TM noted that economic development, including new restaurants and expanded liquor licensing, could drive meaningful revenue growth. MC agreed, explaining that the meals tax is especially helpful because it broadens the revenue base beyond residential property taxes. JV emphasized the importance of staying cautious, even with signs of growth, noting the need for financial discipline as new revenues take time to stabilize. There was a shared understanding that targeted bylaw changes and commercial growth could eventually relieve some of the pressure on residential taxpayers.</p> <p>Questions were raised about how the town is using special revenue accounts, particularly for capital needs. Chabot explained the concept of capital stabilization, which acts as a savings account for large-scale investments such as infrastructure projects. TM brought up the potential for these funds to support grant applications, as having matching capital available can make Berkley more competitive for outside funding. JV asked about historical practices and emphasized the need for more long-term capital planning to prevent deferred maintenance from becoming a budgetary crisis.</p>	Information only; no vote needed

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MC then addressed free cash and general stabilization. He clarified that while free cash can help support the operating budget, it must be used sparingly to avoid creating structural deficits. JV expressed concern about drawing too heavily from stabilization to balance the operating budget, especially given its role in protecting against economic downturns. MC agreed and reiterated that while the town had been careful in the past, future cycles would demand even tighter discipline. TM added that while immediate needs must be met, the long-term costs of neglecting reserves are often far higher.

The conversation naturally turned to personnel costs, which remain the largest share of the town's budget. JV asked about salary growth and its impact. MC stressed the importance of remaining competitive with wages to attract and retain skilled staff. TM noted the town's recent wage classification study, which confirmed the need for adjustments in several areas. JV agreed but warned that without strategic planning, salary increases could outpace revenue growth. The group acknowledged that while paying fairly is non-negotiable, doing so requires careful long-term financial modeling.

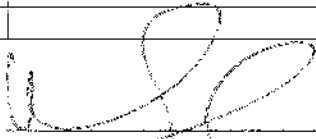
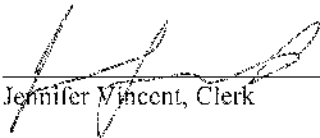
Faced with constrained revenues, MC confirmed the town is exploring significant cost-saving measures, including potential staff reductions. TM warned about the real-world consequences of service cuts, noting how they would be felt by residents. JV emphasized the danger of continuous short-term fixes and urged the town to focus on sustainable strategies. Ashleigh Haslem (AH) brought up another concern—burnout. Employees are taking on more with fewer resources, and several, including the town clerk and highway staff, routinely work beyond their contracted hours. MC acknowledged that the pressure on staff in public service often exceeds what's found in private industry, especially given the public accountability and emotional toll.

As the meeting moved toward its conclusion, TM revisited the town's broader revenue challenges. Upcoming bylaw changes are expected to support economic growth, and a vote at Town Meeting in June will be pivotal. JV stressed that success depends not only on the vote itself, but on building public understanding of the town's financial situation. TM agreed, suggesting that residents must hold elected officials accountable for long-term outcomes. MC noted that a Financial Advisory Committee meeting was scheduled for April 16th and supported the idea of a joint meeting involving all boards. Plans for educational outreach events—including public breakfasts—were also shared as a way to inform residents and encourage participation.

In a final round of discussion, ideas were floated for operational efficiency. AH suggested early payment discounts and leveraging new technologies. JV proposed centralizing procurement and utility management to reduce waste. MC was supportive of exploring these ideas further, but cautioned that they must be paired with the right staffing support. The meeting closed with a shared recognition of the town's precarious financial position—and the urgent need to pair strategic revenue growth with disciplined budgeting. JV motioned to adjourn, and the meeting ended with a reminder of the critical decisions facing Berkley in the months ahead.

Meeting adjourned at 9:35 a.m.

Ms. McCrohan
moved to adjourn,
Ms. Vincent 2nd,
motion approved


Tabitha K. McCrohan, Chairwoman
Jennifer Vincent, Clerk
Matthew Chabot, Town Administrator