



# TOWN OF WAYLAND

41 COCHITUATE ROAD  
WAYLAND, MASSACHUSETTS 01778

LOUISE L.E. MILLER  
TOWN ADMINISTRATOR  
TEL. (508) 358-3620  
www.wayland.ma.us

## MEMORANDUM

To: Finance Committee  
From: Louise Miller, Town Administrator  
Date: April 15, 2020  
Re: COVID-19 Response – Financial Update

---

The Town began preparing its COVID-19 response in February 2020. In early March 2020, all Department Managers were instructed to limit expenditures to immediately necessary expenditures only. At the same time, all Department Managers submitted updated emergency coverage and continuity of operations plans, which were incorporated into the Town's pandemic response plan. Following Governor Baker's declaration of a public health emergency, his order closing all public schools, and his order limiting governmental business to essential services only, the Town implemented its emergency and continuity of operations pandemic response plan.

At this time, the Town is providing all services necessary for its COVID-19 response and any other essential services as defined by the Governor's Order. As the COVID-19 situation evolves, State officials will work on reopening plans for Massachusetts. Locally, the Town will develop a reopening plan and a safe return to full operations. This public health emergency is just a pause in the Town's operations. It is not a wholesale change in the services being provided to our residents.

### Expenses Related to COVID-19 Response:

The Town has not incurred significant expenses related to COVID-19 to date. Supplies were inventoried and supplemented in late February and early March. Thereafter, the Town has purchased supplies as needed to maintain approximately two months of inventory. These expenses have primarily been charged to the Fire and Facilities Departments budgets. Additional COVID-19 related expenses include extraordinary cleaning charged to the Facilities Department contractual services. While the expense line in the Fire and Facilities Departments budgets may become overexpended prior to the end of the fiscal year, the Board of Selectmen's declaration of a local state of emergency on March 16 included authorization for the Town Administrator to overexpend specific line items if there were sufficient funds to cover the overexpenditure in other lines. The Town has sufficient funding in other lines to cover any overexpenditure in the Fire and Facilities Departments budgets.

### FY2020 Year-End Projection – General Fund Salaries and Expenditures:

The Town anticipates underspending salaries and expenditure for FY2020. Beginning in March, the Town Administrator instructed all departments to limit spending to essential items only, and

to reduce overtime to the greatest extent possible. All Police, Fire, DPW, and Facilities shifts were modified to minimize the risk to employees of contracting COVID-19 while providing coverage for all necessary services. Other departments are working remotely with only essential employees reporting on a daily basis. Vacation and personal days have been deferred for all employees. The measures taken to control salary payments and expenditures should allow for a successful balanced close of the FY2020 budget.

FY2020 Year-End Projection – General Fund Revenue:

The Town issued fourth quarter tax bills on time and anticipates tax revenues prior to fiscal year end at levels commensurate with prior fiscal years. The most recent excise tax bill warrant was lower than in the prior year, probably due to slower activity at the Registry of Motor Vehicles. The Town also anticipates lower local receipts in the last quarter of FY2020 due to a slowdown in the restaurant industry. Any shortfall in FY2020 revenues should be offset by lower expenditures.

FY2020 Year-End Projection – Transfer Station and Recreation Revolving Funds:

The Town has reviewed the two major revolving funds that pay for salaried employees: the Transfer Station revolving fund and the Recreation revolving fund. The Transfer Station revolving fund is currently being reviewed by Town management and the Board of Public Works to determine its overall fiscal viability and a long-term fiscal plan for its operations. At this time, the Transfer Station hours of operation and receipt of certain items, such as bulky items, have been modified to address safety issues for employees and residents during the COVID-19 pandemic. A further update regarding the Transfer Station revolving fund will be provided in late May or early June.

The Recreation revolving fund has collected revenue for spring activities that did not take place or ended early. A refund of the fees collected will be made in the next month after authorization by the Recreation Commission. Registration for recreation activities for the summer was completed, and fees were collected in February. Potential summer employees have been interviewed and are ready to be hired depending upon developments with COVID-19 in the next few weeks. Even if programs are cancelled and refunds issued for all summer programs, we do not anticipate any fiscal issues with the Recreation revolving fund.

FY2020 Year-End Projection – School Department:

The School Committee and School Department management are reviewing the School Department budget and school-related special revenue funds. An update is anticipated to be available from the School Committee and School Department in late April. We will provide the update to the Finance Committee when it becomes available.

On-Going Capital Projects:

Almost all construction work has paused on capital projects. Design work is continuing on a limited basis. The State has issued guidelines that no scheduled summer projects or other maintenance projects can take place in closed schools and other closed municipal buildings

during the COVID-19 state of emergency. Depending upon how the COVID-19 situation develops and when Annual Town Meeting takes place, the Town may need to reevaluate summer projects. It is too early to do so now.

2020 Annual Town Meeting:

The Town Moderator declared a postponement of the 2020 Annual Town Meeting. Under State law and pursuant to special legislation, the Town Moderator can declare a postponement of Annual Town Meeting for up to 30 days from the date of declaration. The Town Moderator may declare additional 30-day postponements as needed, not to go beyond 30 days after the rescission of the Governor's declared State of Emergency. At this time, the Town Moderator has postponed Annual Town Meeting to April 30, 2020. At least one more postponement is anticipated as the Governor's stay-at-home advisory extends to May 4.

FY2021 Budget Adoption:

If the Governor's declared State of Emergency prevents the adoption of a budget for FY2021, special legislation adopted April 3, 2020, allows for the continuity of municipal operations by municipalities who request the director of accounts at the Department of Revenue to allow for the expenditure of 1/12 of the FY2020 budget for the first month of the fiscal year, and for every month thereafter on a month-to-month basis until a budget can be adopted.

FY2021 Budget Projection:

It is premature to review the proposed FY2021 operating budget. Federal relief funds are available to mitigate expenses incurred as a result of the Town's COVID-19 response through December 30, 2020. The Town is tracking eligible expenses and will submit a request for funds at the appropriate time. Over the next few weeks, State officials will review the fiscal impact of the COVID-19 pandemic on State revenues. Once the State has issued guidance on any impact to municipalities from anticipated lower revenues, the Town will review and evaluate its own revenue projections for FY2021.

I will continue to work with the Finance Director, Treasurer/Collector, Director of Assessing, and Department Heads to ensure the financial well-being of our community.