



TOWN OF ADAMS

FINANCE COMMITTEE

MONDAY, March 21, 2016 – 6:00 PM

ADAMS VISITORS CENTER, 3 Hoosac Street, 1st FLOOR, ADAMS, MA 01220

On the above date the ***Finance Committee*** and held a joint workshop with the ***Board of Selectmen*** at the **Adams Visitors Center** at **6:00 p.m.**

Chairman Richard Blanchard presided the ***Board of Selectmen*** meeting. Present were **Vice Chairman Jeffrey Snoonian, Members Joseph Nowak, Arthur Harrington and John Duval.** Also in attendance were **Town Administrator, Tony Mazzucco** and **Town Accountant, Mary Beverly.**

Chairman Timothy Burdick presided the ***Finance Committee*** meeting. Present were **Vice Chairman Leon Parrott** and **Members Jeffrey Lefebvre, John Cowie, Sandra Kleiner, Paul Demastrie, Charles Foster, Mark Chittenden, Rachel Tomkowicz, Matthew Pitoniak, Craig Corrigan, Brian Johnson, and David Allen.** *Members Amy Giroux and Joan Smigel were absent.*

The Finance Committee Workshop was called to order by Chairman Burdick at 6:04 p.m.

The Select Board Workshop was called to order by Chairman Blanchard at 6:04 p.m.

OFFICIAL BUSINESS DISCUSSION

Town Administrator Mazzucco made a public service announcement imploring citizens not to flush wipes down the toilet because they cause major issues at the Wastewater Treatment Plant.

Budget Overview

An overview of the evening's budgets was given. The use of *Free Cash* over the past several years to balance the budget was reviewed, and it was noted this is the first time in fifteen years that the *Free Cash* number went up. Health Insurance costs were given a brief synopsis with recognition that there will be changes to how prescription medications will be paid for, which is dependent on Federal regulations. The Greylock Glen has become the premiere economic development project, and an RFP will be going out for the campground.

There were staff cuts of four to five positions in the budget, and funds were allotted from the eliminated *Deputy DPW Director* position to offset costs for the Greylock Glen. Two emergency dispatcher positions were eliminated, as well as the Library Cataloguer and one full-time Van Driver. Vacated positions were not filled and employees in the eliminated positions have been reallocated. The DPW workload is getting behind so resources will be shifted and additional seasonal help will be added to assist. The Town is maintaining an OPEB contribution of \$10,000 per year, which is a great start but not enough.



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Not addressed in the budget is a sewer replacement plan, facility investments for upcoming needs like a Town Hall roof and window replacement, Police Department roof, the replacement plan for cruisers, adequate funding for the DPW fleet and potential need for a replacement of the 70 year old DPW Garage. Compensated absences, growing the Stabilization Fund, OPEB and dropping the Debt Service were discussed as well. Further work is needed on health insurance options.

Additional funds are now required due to new *Department of Environmental Protection* requirement mandates. Funds have been taken out of the *Reserve Fund* for electric bills and an additional amount needs to be considered to absorb electric costs. Net metering credits have been locked in and LED lighting installation costs will be reduced through the Green Communities grant.

Challenges of the upcoming fiscal year were reviewed, including the continued reduction of labor costs, balancing insurance benefit costs, the current revaluation of properties, free cash and finding funds for capital projects. Fiscal trends over the last ten years of Adams-Cheshire Regional School District, McCann Technical School and the Town of Adams were compared. The tax collection over the last five years was examined, as well as the average tax bill and tax rate history. The impact the Wastewater Treatment Plant has on the tax rate was also outlined. The drastic decline of the *Stabilization Fund* since 2002 was charted out for both Boards, and it was noted that 2016 was the first year the fund went up. *Free Cash* and State Aid trends were also graphed out and discussed.

Capital Expenses were briefly listed as being a cruiser, a one-ton dump truck, a sander body, one emergency shelter kit, slum and blight removal, an alarm system for the emergency shelter, walk-behind mowers and snow blowers as well as other miscellaneous equipment. The individual budgets were then reviewed one by one.

The **Executive Budget** was reviewed and included the Selectmen, Town Administrator, Town Counsel, Moderator, Finance Committee, Reserve Fund, and Town Report. The budget showed only moderate increases, predominantly due to cost of living adjustments (COLAs).

Other Post-Employment Benefits (OPEB) was discussed at length. The reasons the Town needs to begin putting aside OPEB funds was covered, as well as the consequences the Town will face if it is not addressed.

The **Finance & Technology Budget** included Employee/Retiree Benefits, Accountant, Technology, and Property & Liability Insurance. Increases in these areas were due to COLAs and increases in health and property and liability insurance costs.

The **General Government Budget** included the Assessors, Treasurer, Debt Service, Town Clerk, Elections, Registrations, and Codification. COLA increases were noted, but nearly equal reductions in various budgets offset total costs.



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The **Community Development Budget** included the Conservation Commission, Planning Board, Zoning Board, Community Development, Building Inspector, Gas Inspector, Plumbing Inspector, Weights & Measures, Electrical Inspector, Historical Commission, and Agricultural Commission. The major change in the Community Development Budget was a shift of \$40,000 from the eliminated DPW Deputy Director position toward expenses related to the Greylock Glen.

The **Public Health Budget** included the Board of Health and showed a decrease of around \$2,700 due to staff adjustment and reduction of outside legal counsel services.

Town Administrator Mazzucco gave a final update and explained there was a difference between the amount the Town had put into the budget and what the School Committee had programmed into the budget due to a change in the state formula. The result left an amount of \$220,000 that may be utilized elsewhere, and suggested options were offered.

A short question and answer period took place between the members of the Finance Committee, the Board of Selectmen, audience members and the Town Administrator.

ADJOURNMENT

Motion made to adjourn by Member Lefebvre

Second by Member Johnson

Unanimous Vote

Motion passed

The Finance Committee Meeting adjourned at 8:22 p.m.

Respectfully Submitted by Deborah J. Dunlap,
Recording Secretary

Timothy Burdick, Chairman