

## **Finance Committee Meeting Minutes**

### **Meeting brought to order at 6pm**

Present: Skip, Dylan, Mary, Ralph, Tom

Absent: Bill

Other: John arrived at 7pm

#### **1) Accountant Expense**

- a. Increase from FY15 driven by need for additional certification classes
- b. Motion for \$17,110 passed unanimously

#### **2) Assessors Salary**

- a. FinCom had voted \$6,500 previously, which was not the correct amount
- b. Motion for \$7,000 passed unanimously

Side conversation takes place about budget overview and big-picture approach for town, its budget process, revenue estimates, and timelines. There will be a meeting Wed April 22<sup>nd</sup> between the Selectboard and Finance Committee to discuss the budget.

#### **3) Assessors Clerk Salary**

- a. Motion for \$50,196 passed unanimously

#### **4) Assessors Expense**

- a. Motion for \$21,560 passed unanimously

#### **5) Treasurer/Collector Expense**

- a. Motion for \$28,450 passed unanimously

#### **6) Planning Board**

- a. Discussion of if items such as Planning Board expense being places where we could make more cuts if the budget is not balanced. FinCom will keep list of things that can be revisited (list at end of minutes)
- b. Motion for \$7,500 passed 4 / 1 - Tom voting NAY

#### **7) Building Maintenance**

- a. Hold placed until Kevin arrives to go through with committee

#### **8) Police Budget**

- a. Slight change from previous budget due to change in OT expense
- b. Motion for \$698,477 passed unanimously

**9) Police Expense**

- a. Motion for \$77,000 passed unanimously

**10) Police Cruiser**

- a. Discussion about placement of cruiser in expense, versus capital item, and as its own expense line item versus in with other expenses
- b. Motion for \$42,500 passed 2 / 1 / 2 - Dylan voting NAY, Tom & Mary abstaining

*[ Kevin Arrives ]*

**11) Building Maintenance (revisited)**

- a. Motion for \$65,670 passed unanimously

**12) Highway Payroll**

- a. Motion for \$425,949 passed unanimously

*[ John Arrives ]*

Kevin discusses how he is attempting in this budget to get the proper amounts in the right accounts, so that there is more transparency as to where the money is expected to go, and where it does go. Committee agrees with this approach.

**13) General Highway Expense**

- a. Motion for \$226,780 passes 5 / 0 / 1 - John abstains

**14) Winter Snow/Ice**

- a. Discussion about keeping amount fixed even though it was insufficient this year – the way the account is set up, the town retains more budget flexibility by keeping this budget unchanged. If you reduce a snow/ice budget, you are restricted from deficit spending in that account the following year.
- b. Discussion about cost increases from previous year – hourly plow rentals were higher this year due to previously contractor no longer providing the service and new contractors being more expensive
- c. Motion for \$83,000 passed unanimously

**15) Street Lights**

- a. Motion for \$35,000 passed unanimously

**16) Transfer Station**

- a. Discussion about cost breakdowns. Transfer station is running around breakeven aside from testing costs and operational salary. Revenues of ~150k, testing expense 75k and ~29k payroll.
- b. Motion for \$265,800 passed unanimously

**17) WWTP – Expense**

- a. Motion for \$309,565 passed unanimously

**18) WWTP – Salary**

- a. Discussion about sewer costs not accounted for, such as for town offices. Frontier/DES also brought up, but conflicting opinion about whether those expenses had been adjusted to reflect use or not.
- b. Motion for \$236,265 passed unanimously

**19) Franklin County Regional Retirement**

- a. This had been voted on previously, but the amount voted was for the total budget amount when the correct amount should just be the budget request, net of offsets from DES/SCEMS/WWTP/SCSC
- b. Motion for \$338,091 passed unanimously

**20) Workers Compensation**

- a. Motion for \$46,800 passed unanimously

**21) Unemployment Insurance**

- a. This figure is expected to rise from previous year due to expected layoffs at DES, but it is difficult to know exactly how many people will claim for what duration of time.
- b. Motion for \$27,040 defeated 2 / 4 / 0 - Dylan / John / Ralph / Mary voting NAY.
- c. Motion for \$46,260 passed 5 / 1, with Tom voting NAY.

**22) Group Insurance**

- a. Discussion about projected insurance saving (~20k) from DES layoffs, versus unknown increased stemming from SCEMS per diem workers becoming eligible. Lowering the budget by 20k now means a likely shortfall when those additional benefits are taken.
- b. Motion for \$787,630 passed unanimously

**23) Town Office Expense**

- a. Item had been voted but budget request resubmitted at lower level
- b. Motion for \$27,000 passed unanimously

**24) Inspections Dept Salaries**

- a. Previous budget did not include COLA salary increase
- b. Motion for \$71,777 passed unanimously

**25) Inspections Dept Expense**

- a. Motion for \$2,570 passed unanimously

**26) Canine Control**

- a. Motion for \$14,510 passed unanimously

**27) Board of Health Salary**

- a. Motion for \$19,878 passed unanimously

**28) Board of Health Expense**

- a. Motion for \$23,510 passed unanimously

**29) Senior Center Expense**

- a. Motion for \$27,821 passed unanimously

**30) Recreation Department Salary**

- a. Discussion about excess funds within Rec Dept. Committee asked about using them to pay for part of the director's salary. According to town accountant, in the dept's current form, these funds may be used for part time salary but not full time salary. A mechanism does exist, however, to transfer excess funds in those accounts back to town free cash account.
- b. Motion for \$43,242 passed unanimously

**31) CIPC Recommendations**

- a. CIPC has recommended various capital projects across town departments
- b. Motion for \$141,400 passed 5 / 1, Dylan voted NO to due \$15,000 SCEMS general capital line item

**32) Town Warrant - Article 21**

- a. This item related to Frontier Regional Long-Range Planning study
- b. Motion for \$4,000 passed unanimously

**33) Town Warrant - Article 25**

- a. Request from FRCOG for funds to aid towns in NED Pipeline Project process. Requests have and will be made from FERC and other agencies which will be difficult for towns to address each on their own. Similar model has been used in Berkshire COG previously. The state of MA apparently not helping towns with any of this.
- b. Motion for \$8,500 passed 5 / 0 / 1 - Skip abstains.

**34) CPA Tax**

- a. Dylan had previously put some numbers together about last 5 years of CPA revenue and projects, and notices (as other have) a steady building of cash, amounting to more than \$1.5mm currently. Many members of committee express concern about large cash buildup without specific plan or accountability.
- b. Request made to have someone from CPA committee come talk to CIPC about the projects for this year, and finance committee about cash buildup and potential future projects. Town Admin will coordinate.

Finance Committee sets meeting for the following Tuesday, April 21, to handle remaining budget items – including the topics of OPEB, SCEMS, CPA Tax (cont), and Revenue estimates (cont).

### **35) SCSC Transfer**

- a. Needed due to under-budgeting for benefits previous year
- b. Motion to transfer \$6,017 from reserve passed unanimously

### **36) Revenue Estimates**

- a. Discussion about previous year's revenues, and best practices for reasonable, conservative estimates. Strength found in a consistent approach when accuracy is uncertain.

### **37) Free Cash**

- a. Discussion about proper amount of free cash reserve town should have
- b. State recommends 5% of annual budget, which would be ~700k
- c. Current FinCom budget has 400k, Selectboard budget has 317k
- d. John expresses opinion that Free Cash balance should be 500k
- e. Dylan agrees with 500k number and says would move off of that in case of emergency situation or one-time expenditure, but that this budget, so far, is simply a normal course of business budget.
- f. Noted by multiple members that this budget also fails to address many long range capital projects, and leans heavily on one time reserves that are now fully or nearly depleted. Next year's budget will be more difficult than this years.

In light of that opinion – here are the list of budget items that at least one member of the committee felt would be worth revisiting if more cuts are needed

Planning Board Expense

Police Cruiser

Recreation Department Excess Cash Transfer

Unemployment Insurance

Group Insurance

SCEMS Budget

DES & Frontier Regional Budgets, specifically looking for clarity as to whether they have free cash accounts which they could dip into as the town is having to.

**Meeting Adjourned**