

TOWN OF GREAT BARRINGTON
BOARD OF SELECTMEN/FINANCE COMMITTEE
TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA
MINUTES
MARCH 12, 2014
6:20 P.M.

PRESENT:

BOARD OF SELECTMEN:

SEAN STANTON, CHAIR

DEBORAH PHILLIPS - ABSENT

STEPHEN BANNON

DANIEL BAILLY

ANDREW BLECHMAN

FINANCE COMMITTEE:

SHARON GREGORY, CHAIR

WALTER ATWOOD

MARK LEFENFELD

LEIGH DAVIS

THOMAS BLAUVELT

TOWN MANAGER: JENNIFER TABAKIN

I. The meeting was called to order at 6:20 p.m.

II. **APPROVAL OF JOINT MEETINGS OF FINANCE AND BOARD OF
SELECTMEN**

MINUTES OF JANUARY 6, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 12, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 25, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 26, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF MARCH 3, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

III. BOS – TO SIGN TEMPORARY BOND ANTICIPATION NOTE (BAN) FOR THE DEWEY COURT HOUSE CAPITAL PROJECT:

It was noted that a total of \$800,000 was authorized for improvements to the Dewey Court House at the last town meeting. A new lease has been negotiated with the state and the \$150,000 of temporary borrowing will be used for a design contract that Joe Sokul has put together.

IV. DISCUSSION RE: OUTSTANDING BUDGET MATTERS

Outstanding categories – Waste Water Treatment Plant capital program and reduction of the recommended budget.

Waste Water Enterprise Fund Capital – The first phase has been put out to bid and awarded. DEP has to approve all the contract documents. The contracts will come back for signatures from the contractors. The second phase – the design has not started yet. We want to look at the second phase and break it into packages so it is done over a four year period of time. The authorization for the next 4 years for the construction project is \$12,580,000. With engineering and some contingency costs the project will be approximately \$13,650,000. We want to minimize the sewer rate increase. The design work will not begin until July 1 if the authorization is approved. Joe, Tim and Jennifer put together a grant application for the SRF loan and that means we are guaranteed a 2% interest rate. In order to do that, we need to apply by a certain time period. That is why we are going to town meeting this year. The application deadline for the SRF funding is at the end of August. The difference in the original 4% interest rate and the 2% interest rate will be a difference of \$55 per year on the sewer rate. It was noted there will be no impact in the sewer rate fee this fiscal year. The borrowing authorization done a couple of years ago is already built into the rates. There is currently 2.7 million of free cash in the sewer and we are asking that \$450,000 of free cash be used to reduce the rates. It was noted that we are not borrowing the 12.58 million we are just locking in on the 2% interest rate. We would borrow as we need to pay the vendors. It is from the state revolving fund which helps municipalities.

Sewer Rate Study – Joe noted we were requested to obtain sewer rate studies. One to review the existing rate structure, equivalent dwelling unit or (EDU) and a flow based rate structure to be worked with the Great Barrington Fire District and the Housatonic Water Company. The study for the EDU is \$16,300 and a full base study is \$30,300.00. In our design process in phase II we are requesting that the designers look at the full phase of the scope and package the work in a sequence that works and also have available a peer review with another engineering firm to make sure we are doing it in a proper way. In addition to the rate studies we can build in for a second opinion. The rate study would come out of the Enterprise Fund.

Tim Drumm explained that he is requesting \$80,000 for a Mobile CTV Unit which would allow for a pipe line assessment, \$50,000 for Alford Road sewer main and Town Hall - \$50,000 to reline it the Alford road Sewer main and behind Town Hall at Giggle Park – Taconic Avenue and that area is pretty much in disrepair. Grit Classifier - \$60,000 which takes the grit out so it does not get into the pumps.

Jennifer noted that the Board of Selectmen and Finance committee requested a revised plan to reflect \$330,595 in savings with the goal of reducing the proposed tax rate by 25¢. After working with department heads and the finance director, we came up with the following:

- 1) \$6,000 reduction in the training budget for all town employees – this will be achieved by setting a policy that prohibits travel outside of New England or New York area.
- 2) \$4,400 in the technology budget – we kept contractual obligations but made reductions in the IT consultant and remote disaster storage.
- 3) \$5,512 reduction to the assistant building inspector – an increase in hours was requested.
- 4) \$14,149 (\$13,709 plus \$440) reduction by not adding a part-time cemetery and park staff for this year.
- 5) \$20,000 reduction in budget for the electricity to the buildings to reflect actual costs in prior years.
- 6) \$20,000 reduction in the budget for electricity to street lights to reflect the actual cost for the prior years.
- 7) \$13,000 reduction by not purchasing a new copier at Town Hall and to postpone the resurfacing of the parking lot at the senior center for \$29,000. (Cut capital - \$42,000.00)
- 8) Capital in the borrowing category - \$15,120.00 reduction in debt service by cutting the purchase of the F350 cemetery truck which costs \$63,000.
- 9) \$30,500.00 eliminated to fund OPEB.
- 10) Increase in town fees and pilots by \$25,000. Set a 4% increase in town fees and the remainder is a goal to get a formalized way to get payment in lieu of taxes. Our assessor is working on a system where we provide a form letter for a request for payment in lieu of taxes. As far as fees, we looked at our total bottom line of how we are collecting fees and there was discussion about increasing fees in a variety of areas.
- 11) Using the additional rooms and meals tax - \$200,000. That is how we generate free cash. It is the amount of cash that you use to reduce the tax rate or provide other ways of mitigating the cash flow that is needed. This is using the revenues that are coming in and not using the \$200,000 that you would use to generate free cash for the following year. Over the last 3 years we have generated about \$640,000 in rooms and meals tax and in our budgeting we used only \$270,000 and the difference between the two of those goes to free cash and each year you use that amount to reduce the tax rate. Each year we will maintain the \$200,000 as an estimate in that revenue.

Sharon noted on Page: B-12 of the budget it shows local receipts at 1.3 million in 2013 and we actually generated 2 million. Sharon felt it should be actual. Also she asked the possibility of collecting taxes quarterly instead of twice a year and the explanation was that it would be very costly.

The meeting adjourned at 7:10 p.m.


Carolyn Wichmann
Secretary

TOWN OF GREAT BARRINGTON
FINANCE COMMITTEE
PUBLIC HEARING
TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA
MINUTES
MARCH 12, 2014
7:10 P.M.

PRESENT:

FINANCE COMMITTEE:

SHARON GREGORY, CHAIR

WALTER ATWOOD

MARK LEFENFELD

LEIGH DAVIS

THOMAS BLAUVELT

BOARD OF SELECTMEN:

SEAN STANTON, CHAIR

DEBORAH PHILLIPS - ABSENT

STEPHEN BANNON

DANIEL BAILLY

ANDREW BLECHMAN

TOWN MANAGER: JENNIFER TABAKIN

I. The meeting was called to order at 7:10 p.m.

Sharon Gregory noted the Town Manager and staff have put in a tremendous amount of time on the proposed town budget. She has been responsive in reducing the budget. With the town budget and the school committee budget the increase in the potential average tax load would be tremendous. The budget has been reduced by \$330,000. We still have the increase in the school budget to deal with. Sharon noted that she downloaded data on Berkshire County towns to compare our previous budget with other town's similar or adjacent towns. The data is from the Mass DOR and from the DLS community comparison data base. Sharon noted she split it up to revenue comparisons where we get our monies and where we spend monies. State aid is much lower for Great Barrington at 4%. than other towns. Williamstown is 10%, Lee, 16%, Lenox, 16%, Stockbridge 14%., and Richmond 14%. When you look at local receipts as a percentage of our budget, Great Barrington was lower than elsewhere. It showed our average tax bill at \$4,870. Our tax levy is 73% relatively higher than other towns except for Dalton. (The comparison is attached to these minutes).

PUBLIC COMMENTS:

Eileen Mooney – Increase of Town fees and payments in lieu of taxes - \$25,000 – is this looking forward to revenue that is to come in. Jennifer noted it would be a commitment to look at fees that are charged through the town and try to make that level. It would be a policy commitment.

Patricia Ryan – 14 Oak Street – re: vote supported on rate study on establishing a flat billing system. It was noted that the Board of Selectmen will have a hearing on the rates. The cost of

the rate study billing is \$30,300. Jennifer noted the study is recommended in the budget. It would be supported by the Enterprise Fund.

Michelle Loubert, 386 Park Street, North – she just wanted to clarify that the reduction in the taxes of 25 cents would bring the town rate to \$13.80.

Jenny Clark – 10 Oak Street – we should take the comparative of Berkshire towns seriously that Sharon compiled.

John Breasted – Bernard Gibbons Drive – verification of voting – it was clarified that only the Finance committee would be voting tonight and the Select Board would be voting at the end of March or beginning of April.

Lauren Sartori noted that the BHRSD Budget increase is .42 on the tax rate and the levy before the school is .24 making the new tax rate \$14.23 for 2015.

FISCAL YEAR 2015 ANNUAL BUDGET:

GENERAL GOVERNMENT:

Lines 1-79

Dan Bailly noted the proposed budget item in line 58 (Historic District Commission repairs/maintenance) was \$8,000. They are trying to start a historic marker program as well as repairs to the wing victory statue base. He noted he proposed reducing that by \$3,000 in hopes that next year when the CPA is up and running that we could gain some of that back.

MOTION: Tom to reduce line 58 by \$3,000 and approve the General Government amount at \$1,317,442.00

SECOND: Mark Lefenfeld

VOTE: 5-0

Mr. Stark asked the assessor about a new survey that was to include personal property that was under assessed or not recorded. Chris Lamarre said for FY 14 we obtained RRC to audit personal property in town and for that year the total number of accounts increased by 137 from 757 FY13 to 894 in FY14 which represents an increase of 18%. Total personal property value increase is 7.3% or \$2.7 million dollars over last year's valuation of \$36,937,000.

PUBLIC SAFETY – LINE ITEMS 80-135:

This includes the new pay proposal for the Volunteer Fire Department.

MOTION: Mark Lefenfeld to recommend \$2,036,943 for Public Safety.

SECOND: Tom Blauvelt

VOTE: 5-0

TOTAL PUBLIC WORKS:

LINE ITEMS 136-181

Buddy Atwood said he did not agree with the money the Town is paying for the Castle Street rent. Sharon noted that the Board of Selectmen and Finance Committee discussed the various parts of the rent which includes the storage of vehicles. It is a 6 year contract and we are going to

be renting the space or if we find something else, we can sublet it. The first year is rent free. The price we are paying based on square footage is under market rate.

MOTION: Mark Lefenfeld to recommend \$1,967,957.00 for Public Safety.

SECOND: Leigh Davis

VOTE: 4-1 – Buddy Atwood opposed.

PUBLIC HEALTH:

LINE ITEMS 182-190

MOTION: Mark Lefenfeld to recommend \$75,513.00 for Total Public Health.

SECOND: Leigh Davis

VOTE: 5-0

COMMUNITY SERVICES:

LINE ITEMS – 191 - 206

There is a \$68,000 increase in Veteran's Benefits and there is a \$5,314 increase in the Blue Hill Commons receipts. The veteran's services are mandated by state law and 75% of that gets reimbursed. The \$5,314.00 is a result of an agreement with Blue Hill Commons that was part of their special permit process that when they would build the higher priced units, they were required to give the town a portion of that sale. This money represents one sale this year and it is to be used for affordable housing purposes.

The additional staff person at the Council of Aging will meet the standards of service that is needed there. We currently have one full time director for the increased amount of people and the standards require two people to be there. Sharon asked if other Towns would be willing to make a contribution on behalf of people from their town using our facility. Dan Bailly said he heard that the Council on Aging may not want an additional staff person so his proposal was to eliminate that position. Mr. Richard Needleman, who is on the board of the Council on Aging, and he noted the initial situation was that they were concerned about the tax rate of the town. He noted that the director is very busy and really could use the additional help. Dan advised he is withdrawing the proposal.

Line 205 – Grant and Aid – Dan noted every year we fund many organizations through the grants and aid and he asked to reduce that number by \$10,000. It was noted that the organizations can use that money to obtain grants. It was advised that this was created so organizations had to fill in an application and apply for the aid.

Michael Wise of the Cultural Council said that \$20,000 is the minimum that we should be offering.

MOTION: Buddy Atwood to recommend \$374,207.00 for Community Services

SECOND: Tom Blauvelt

VOTE: 5-0

CULTURAL/RECREATION:

LINE ITEMS 207 -227

Sharon said that the Library and the Parks and Recreation – we are encouraging recovery of fees and revenues that help to fund the increase in cost of providing the infrastructure for both Great Barrington residents and those who chose to use the infrastructure.

MOTION: Tom Blauvelt to recommend \$570,585.00 for Cultural/Recreation.

SECOND: Mark Lefenfeld

VOTE: 5-0

INSURANCE

LINE ITEMS 228 – 233

Sharon noted that the health and life insurance budget goes up because we use that line to reflect available cash.

MOTION: Mark Lefenfeld to recommend total insurance at \$1,825,369

SECOND: Tom Blauvelt

VOTE: 5-0

RETIREMENT

LINE ITEMS 235-236

MOTION: Tom Blauvelt to recommend \$743,658 for total retirement.

SECOND: Mark Lefenfeld

VOTE: 5-0

MISCELLANEOUS/FUNDS TRANSFER

LINE ITEMS 237 TO 240

\$7,433.00 recommended by the Town Manager for 2015.

Line – 240 Unfunded Employee Benefits/OPEB – Sharon advised that it has been recommended by our auditors that we begin to provide for other post-employment benefits. Sean noted that we fund our retired employee's health care out of the general fund every year. It is suggested that government fund that for the future instead of paying as you go. Lauren noted that there is currently \$480,000 in a fund for sick or vacation when people leave. Lauren advised her proposal was to take \$30,000 from the fund for sick and vacation and \$500.00 that was going into a trust fund for Conservation to purchase open space and put the \$30,500 in the OPEB Trust. The conservation land money could possibly come out of the CPA. Lauren said when she went through the bond rating with Standard and Poor's this year she was questioned what Great Barrington's approach is to the unfunded liability. She said she went through the reserves that we have and told them there is an unfunded employee trust that is at \$480,000 that could fund the current liability and they were comfortable with that. Lauren advised that we should set up a trust and fund it. Currently it is a disclosure in the financial statement. The \$30,500 is not funded in the 2015 Budget.

MOTION: Tom Blauvelt to recommend \$7,433 for Miscellaneous/Funds Transfer.

SECOND: Mark Lefenfeld

VOTE: 5-0

WASTEWATER TREATMENT PLANT

LINE ITEMS 241-273

MOTION: Tom Blauvelt to recommend \$1,845,055 for Total Wastewater Treatment Plant.

SECOND: Buddy Atwood

VOTE: 5-0

CAPITAL:

Lauren noted the parking lot at the Senior Center for \$29,000 and the Copier for \$13,000 was deferred out of the tax levy capital. In the borrowing category, a truck was reduced for \$67,000 from the cemetery. That reduction in the borrowing translated into a deduction in the debt service of \$15,120.00.

MOTION: Tom Blauvelt that we recommend \$1,509,280 for Total Capital General Fund and that we approve the borrowing amount of \$857,280.

SECOND: Mark Lefenfeld

VOTE: 5-0

DEBT SERVICE:

LINE 234

MOTION: Mark Lefenfeld to recommend \$1,767,380 for Total Debt Service.

SECOND: Tom Blauvelt

VOTE: 5-0

WASTEWATER CAPITAL:

MOTION: Mark to recommend \$13,650,000 in the Enterprise Capital Fund and \$13, 200, 00 of borrowing which includes \$450,000 in Free Cash from the Enterprise Fund.

SECOND: Tom Blauvelt

VOTE: 5-0

WARRANT ARTICLES:

1) Revolving Fund/Inspectional Fees, etc. The electrical inspector fees were increased because of an increase in volume.

Plumbing - \$15,000

Wire - \$40,000

Gas - \$15,000

Town Code Printing – \$10,000

Parks – \$5,000

Recycling/Green products Sales - \$5,000

Cemetery - \$5,000

Fire Inspector – \$5,000

Total - \$100,000.

MOTION: Buddy Atwood to recommend \$100,000 for the Revolving Fund.

SECOND: Tom Blauvelt

VOTE: 5-0

CHAPTER 90 MONIES:

MOTION: Mark Lefenfeld to accept Chapter 90 Monies and any such funds from the state.

SECOND: Tom Blauvelt

VOTE: 5-0

Use \$100,000 from the Pension Trust to pay towards the Pension at Berkshire Regional Retirement to reduce the Tax Rate.

MOTION: Tom Blauvelt to recommend.

SECOND: Mark Lefenfeld

VOTE: 5-0

CPA

Lauren said the Finance Committee and the Board of Selectmen have indicated that they wish to recommend what the CPA is going to be approving. The minimum they can do is to allocate the required 10% of estimated receipts and then establish the minimum amount they can establish for administrative costs of 5% so they can do their advertisements.

To see if the Town will vote to appropriate annual revenues in the amounts amended by the Community Preservation Committee for expenses, community preservation projects and other expenses in FY15.

\$21,875 for Administration Costs (Minimum 5% that they can appropriate)

Minimum 10% - Historic Reserve - \$43,750, Community Housing Reserve \$43,750 and Open Space Reserve for \$43,750. Estimates Revenues for budget reserve \$284,375. The last item is one that the DOR recommends so they can go back to town meeting if they want to do a project. It is 10% of the estimated receipts which is a combination of what the surcharge will be billed out and what the state receipts will be. We are only allowed by the state to estimate that it will be 25% of the total of our receipts. The total is \$437,500 and the total for the state is 25% of the \$350,000 so the state receipts are estimated at \$87,500. There is nothing in the budget funded by CPA this year.

MOTION: Mark Lefenfeld that we make a recommendation the minimum amount for CPA.

SECOND: Tom Blauvelt

VOTE: 5-0

FREE CASH:

MOTION: Tom Blauvelt to approve \$2,225,314 of Free Cash to reduce the tax rate.

SECOND: Leigh Davis

VOTE: 5-0

BERKSHIRE REGIONAL SCHOOL DISTRICT:

The amount is: \$12,613,163 for the 2014 – 2015 School Budget – it shows an increase of \$560,123. The school committee reduced the budget by \$200,000. It will be .42 on the tax rate, with the town's tax rate of .24 (\$13.80) the total increase would be .66 or \$14.23 per thousand. Sharon noted that the school committee for last year had an overall budget of \$18,121,623 with Great Barrington's portion \$12,053,039.

MOTION: Buddy Atwood that both the Finance Committee and the Board of Selectmen send a letter to the Town of Stockbridge and West Stockbridge to pay the \$206,000 within 6 months that is owed to the Town of Great Barrington for the minimum contribution from last year.

It was explained that the minimum local contribution is set by the state after town meeting and the amount that was approved as the minimum contribution at last year's town meeting ended up being \$200,000 more than Great Barrington should have paid. Jennifer said she met with the

other towns and options were discussed of how to repay this. It was determined that it will have to be paid over time because the towns did not budget for this. It was noted that it was the state and not the school committee.

SECOND: Tom Blauvelt

VOTE: 5-0

MOTION: Stephen Bannon (amended by Sharon Gregory) that both the Finance Committee and the Board of Selectmen send a letter to the Town of Stockbridge and West Stockbridge to pay the \$206,000 within 6 months that is owed to the Town of Great Barrington for the minimum contribution from last year.

SECOND: Andrew Blechmann

VOTE: 4-0

Sharon stated that she is proposing that the board reject the proposed BHRSD budget. Stephen Bannon noted that there is a \$390,000 increase in health insurance and a \$60,000 increase in the electricity contract. He noted he thought the school committee should reduce the budget by an additional \$100,000. If the budget does not pass in Great Barrington but passes in the other two towns that would mean that Great Barrington would have to have a special town meeting. The superintendent made it clear that if we continue to make cuts, it will be in the realm of education. The school district has now borrowed for a truck and other capital equipment which the district has always paid for. It was suggested that the three towns discuss plowing and regionalization and consolidation. It was noted that Southern Berkshire School district has no interest in regionalization.

Stephen Bannon said there will be a school committee meeting in Stockbridge on April 10th and there will be a debriefing on this year's budget process. The other two meetings have not been scheduled which is a wrap up meeting on the forms that we have and the other is a school choice meeting. Mark said the rejection of the renovation vote gives new urgency to tuition and choice. Stephen Bannon said there is a 1 year agreement with Richmond with a 6% increase. The district is in the middle of negotiations with Farmington River. School choice is a state wide issue.

MOTION: Sharon to forward an unfavorable recommendation to town meeting on the school budget.

SECOND: Tom Blauvelt

VOTE: 3-2

Sharon Gregory, Tom Blauvelt and Buddy Atwood voted in favor of the motion. Leigh Davis and Mark Lefenfeld voted against the motion.

The meeting adjourned at 9:45 p.m.

Respectfully submitted,



Carolyn Wichmann
Secretary