

JOINT MEETING
GREAT BARRINGTON BOARD OF SELECTMEN/FINANCE COMMITTEE
SELECTMEN'S MEETING ROOM
NOVEMBER 29, 2010
6:00 P.M.

BOARD OF SELECTMEN:
SEAN STANTON, CHAIRMAN
DEBORAH PHILIPS
STEPHEN BANNON
WALTER ATWOOD
ALANA CHERNILA

FINANCE COMMITTEE:
THOMAS BLAUVELT, CHAIRMAN
MARK LEFENFELD
NORMAN SIEGEL
LOUIS J. STARK
ALICE REILLY

The meeting was called to order at 6:00 p.m.

Mr. Stanton read aloud the information pertaining to the meetings of the Town of Great Barrington being regularly recorded and videotaped. This information is noted at the bottom of the agenda.

Review Proposed FY12 Budget Policy (Discussion/Vote)

Mr. O'Donnell noted that the Budget Policy was sent out to the Board of Selectmen and Finance Committee which conforms to what was done in the last few years. Section 7) Fiscal Management: Bullets 1-3 are the same as previous. Bullet #4 – Traditionally exempted from Prop 2 ½ requirements: Any long term capital debt for municipal buildings, WWTP improvements, Fire apparatus acquisition and school facilities renovations. That recognition was not formally included in the budget policy previously. The energy committee is working with staff on energy reductions.

Mr. O'Donnell said he spoke to the Superintendent of Schools of Berkshire Hills and the goal is to stay 3% below the total maximum tax levy. The Town and School District are not anticipating any over rides. Traditionally we have been anywhere from 3.5 to 4% under the levy capacity. The excess levy is a little over a million. Typically the budget is 60% for the school district and 40% for the Town. The budget is basically level funded with no new personnel beyond what was authorized this past year. Mr. O'Donnell noted that he is anticipating approximately a 5% cut in state aid for FY12. It was noted that 76% of the general fund comes from property taxes.

Bargaining dates are being set up with the unions in December. The health insurance increase will be approximately 8%. Berkshire Health Group anticipated using 2 million in reserves for this year's budget but it does not appear that will be necessary. It is still early for health insurance projections.

Mr. O'Donnell advised he will get the budget out to all boards by February 11, 2011.

CIP FY13 and FY14 and beyond – The Town will have to look at options for financing the Wastewater Treatment Plant upgrade. The Town may consider a roof top charge for storm water improvements. It is a residential equivalency charge. It is an average residential discharge rate applied to all structures.

6) Non-property Tax Revenue Sources: The second sentence was changed as follow: The Town Manager in preparation of the budget shall review current department fee structures and charges for services and make increases and changes – changed to: **and recommend increases and changes** as deemed necessary and appropriate.

VOTE ON THE BUDGET POLICY FISCAL 2012

BOARD OF SELECTMEN:

MOTION: Mr. Atwood to adopt the Fiscal 2012 Budget Policy with the amendment.

SECOND: Ms. Phillips

VOTE: 5-0

FINANCE COMMITTEE:

MOTION: Ms. Reilly

SECOND: Mr. Lefenfeld

VOTE: 5-0

Presentation of FY10 Audit Report by Melanson Heath & Company, PC

(Discussion/Vote)

Pat Squillante from Melanson Heath & Company was present to explain the audit for FY2010. She explained that the General Fund is approximately 3 million. The Town took in \$800,000 in revenue, spent less than anticipated by 1.5 million and used 2 million of Free Cash was used to balance the budget. 1.3 million from Pension Reserves was used to supplement the retirement. She noted that there is \$700,000 for liability for nongovernmental health insurance for 2010 and \$143,000 in sewer.

Management letter – recommended improvements and decencies.

Cross training should be considered and built into policy and procedures.

Improve time schedule for alarm billing.

Date customer payments in Collector's Office.

Formalize into actual policy – tax payers status when issuing permits.

Improve controls of petty cash.

Increase collection processes for taxes.

Work on Policy and Procedure.

VOTE ON THE FINANCIAL MANAGEMENT LETTER:

BOARD OF SELECTMEN:

MOTION: Ms. Phillips to accept the Annual Financial Statement Management Letter for FY 10.

SECOND: Mr. Atwood

VOTE: 5-0

FINANCE COMMITTEE:

MOTION: Dr. Siegel

SECOND: Mr. Lefenfeld

VOTE: 5-0

There was a brief discussion about forming a separate tax assessment for businesses, possibly establishing a split rate.

The meeting adjourned at 7:00 p.m.

Respectfully submitted,



Carolyn Wichmann
Secretary