

**TOWN OF GREAT BARRINGTON
SELECTBOARD AND FINANCE COMMITTEE
JOINT MEETING MINUTES
FIRE STATION, 37 STATE ROAD
March 11, 2015**

PRESENT:

SELECTBOARD

DEBORAH PHILLIPS
SEAN STANTON
STEPHEN C. BANNON
DANIEL BAILLY
ED ABRAHAMS

TOWN MANAGER JENNIFER TABAKIN
TOWN ACCOUNTANT LAUREN SARTORI

FINANCE COMMITTEE

SHARON GREGORY
MICHAEL WISE
LEIGH DAVIS
WALTER F. ATWOOD III
THOMAS BLAUVET

1. CALL TO ORDER:

Ms. Phillips called the meeting to order at 6:02 p.m.

2. PUBLIC HEARING PROCEDURES

The Selectboard will meet March 25 at 6 p.m., location to be determined, to vote on its budget recommendation, Ms. Phillips said. This is the day after the March 24 public hearing. The Finance Committee will meet the same night for the same purpose. Ms. Tabakin said she will review procedures for the public hearing at a Town Hall meeting March 17 at 9 a.m.

3. INSURANCE, RETIREMENT & DEBT SERVICE BUDGETS

Completing the review of the proposed FY 2016 Great Barrington budget, Ms. Tabakin said the town's general insurance and workmen's compensation coverage are with MIIA Property & Casualty. The public safety insurance covers special risk for police and fire. The health and life insurance account is higher than anticipated cost, because of rising health-care costs. The insurance expense is related to 76 percent for active employees, 24 percent for retirees. Michael Wise stated that in reviewing the expense, the Town has done a good job containing costs. Lauren Sartori said that the expense actually increased 9.5% in 2015 and 15% in 2016, but that Berkshire Health had kept our charge low by funding the increase through their reserves, but they could no longer do so. After April 1st, 2012, new hires need to put in 20 years in order to obtain retirement at age 65; for those hired before 2012, it is 10 years and 55 years of age, DPW Superintendent, Joe Sokul said.

Retirement is through the Berkshire County Retirement System and some increases are expected in Other Post-Employment Benefits (OPEB). Ms. Gregory shared information she had gleaned regarding other towns and school systems. There is an existing trust fund for certain a retirement liability, Ms. Sartori said. Mr. Stanton said he preferred the pay-as-you-go approach, rather than having another bank account. Others pointed to credit rating and other benefits to having such an account. After discussion, Mr. Blauvelt moved to establish a new unfunded employee benefit fund starting with the \$30,000 designated for the benefits trust fund account (an existing account to cover unpaid sick days and vacations for retirees). Mr. Wise seconded. Ms. Gregory offered an amendment that \$20,000 also be added from free cash. Mr. Atwood seconded. The Finance Committee voted unanimously on the amendment itself and on the amended motion. Ms. Sartori said the benefit account was not funded last year, but is sufficient to cover anticipated FY16 expenditures.

Regarding debt service, Ms. Tabakin and Ms. Sartori noted 10-year-old library loans are retiring, and borrowing interest rates are low enough that it makes sense for the town to undertake new borrowing and debt service.

4. INSURANCE, RETIREMENT & DEBT SERVICE BUDGETS

Responding to a question from Ms. Gregory about contracting services to save money, Ms. Tabakin and Mr. Sokul said the town has two 15-hour-a-week employees, one at the Senior Center and one at the transfer station. They are non-union. To replace any employee with a contracted provider, the contract would have to be opened and the union would have to agree.

Great Barrington had \$9 million in unfunded OPEB liabilities as of June 30, 2012. Lauren Sartori added that the Fiscal 2014 actuarial study to determine our updated liability would not be completed until the fall of 2015. Questions were asked as to whether the Town would need to continue to fund OPEB and how the reserve would be used. Lauren Sartori replied "no", to the first question, but did suggest a subsequent meeting that would establish how the OPEB trust would be used.

Regarding the Castle Street fire station, Ms. Tabakin said the second year of its lease arrangement begins this June. She read portions of a letter from Tom Borshoff indicating he has an interest in doing work on the building this year and anticipates it could generate interest, in which case he would give 120-day notice of the town to vacate some or all of the premises. After discussion, the Selectboard decided that at town meeting they will ask for \$210,000 for a new pole barn to store equipment, to be expended only when it is certain it will lose the fire station space.

Regarding the Mahaiwe Cemetery mausoleum that needs repairs, it was said the structure is privately owned but the town feels obliged to repair it for safety and historic reasons, and will use cemetery funds. Sharon Gregory asked that we rent or sell space in the vault to offset the costs of the Town taking financial responsibility for it.

Ms. Tabakin gave an overview of a new budget handout, which now reflects the anticipated Berkshire Hills Regional School District budget. The town is not near its levy limit, she noted. She said little if any increase is expected in state funding in FY16.

5. ADJOURNMENT:

The meeting adjourned at 8:15 p.m.

Bernard A. Drew
Recording Secretary

