

Finance Committee Minutes

April 5th 2018

The meeting was called to order at 5:40PM. Present were Mr. Mark Carson, Mrs. Marilyn Fracasso, Mr. John Pshenishny, Mr. Robert Miller and Mrs. Prudence Spaulding. Mrs. Marsha Pshenishny was a guest.

The minutes for March 22nd were accepted as read, Mr. Carson 1st, Mr. Pshenishny 2nd passed unanimously.

This meeting had been arranged because there had been some budgets that had come in late. The Committee tried to review them but had to leave a few for later. Mr. Carson did report that he had been up with Berkshire Regional Planning and had heard that should the town have a marijuana farm 3 % of their income should be given to the town and other income such as police increases and money donated to drug abuse programs would be received.

Review of the remaining budgets began.

Board of Health Software [70510.10] (\$2,370) less 2/3 grant funds, now requesting {\$1600} this was put on HOLD until we find out why the amount is so high and what does the software do?

SBRSD Capital including the roof and boiler bond [30001.00] (\$187,190) now requesting {\$132,151} this total is made up of the original capital \$75,016 plus the bond payment of \$57,135 supporting the roof and boiler charges which will go outside 2 ½ . The Finance Committee had voted not to recommend the original capital budget on March 22nd of \$ 75,016 but will recommend the payment of the bond on the roof and boiler of \$57,135 Mr. Carson 1st with Mr. Pshenishny 2nd passed unanimously.

SBRSD Operating and Transportation [30000.01] (\$2,822,330) now requesting {\$2,709,304} This budget had been presented at the last meeting March 22nd and the vote was not to recommend it, with Mrs. Walker 1st, Mr. Carson and Mr. Pshenishny 2nd passed with one undecided vote.

Household Hazardous Waste [70439.00] now requesting {\$1400}. This account had been presented to the Committee on January 25th with the request for \$1200. It had been passed for that amount. It was presented again on February when the January 25th amount had to be rescinded and the new request for \$1325 was accepted. Now the February 8th amount of

Prudence Spaulding
April 6th 2018

\$1325 had to be rescinded, Mrs. Spaulding 1st, Mr. Pshenishny 2nd passed unanimously. A motion to accept the amount of \$1400 for this account was made by Mr. Miller 1st, Mrs. Fracasso 2nd passed unanimously.

Insurance Expense [90914.11] (\$78,000) level funded {\$78,000} this sum may change depending upon what new equipment is put on the warrant. Mrs. Spaulding 1st, Mr. Miller 2nd passed unanimously.

Insurance Reimbursement [90920.00] (\$5000) level funded {\$5,000} There are five employees who currently do not use the Town's health insurance, though they are entitled to it. Section IV G of the Towns' Personnel Policy stated that such employees be paid \$1,000 per employee at the close of the fiscal year. Mr. Miller 1st, Mr. Pshenishny 2nd passed unanimously.

Stabilization Fund [90100.00] (\$50,000) level funded {\$50,000} there was some discussion about how this should be raised, perhaps out of Free Cash or raised and appropriated. It was decided to take it from Free Cash, Mrs. Spaulding 1st, Mr. Miller 2nd passed unanimously.

Though there were more budgets to review the Finance committee had to close this part of their meeting and join the selectmen to discuss some items that required further study.

Joint meeting with the Select board:-

The meeting was called to order at 6:00PM. In attendance now was Select Chair Tara White, Mr. Nathaniel Yohalem, Mrs. Michele Shalaby, Mrs. Mari Enoch the Town Administrator, Mr. Steven Klein (member of the Finance Committee), Guests were Mr. Chuck Loring, Highway Superintendent, Police Chief Graham Frank, Mrs. Marsha Pshenishny and Mr. Doug Newman.

A motion was made to allow Mrs. Sandy Walker to participate via the telephone. Mrs. Spaulding 1st, Mr. Klein 2nd passed unanimously.

Chairman White stated that there were two budgets that needed discussion, namely the Highway Capital budget and the Police Salaries and Expenses.

The Highway is requesting the purchase of a **Highway Truck** {\$115,000} to replace a 2011 Ford 550 with 74 thousand miles, which at present although it had had a new engine and some other repairs is in good condition. Mr. Loring stated that this truck because it has plowed has had to "work hard" and although in fairly good condition could break down during the winter months. He doesn't want to take a chance on this. The truck is a diesel truck and when its replacement comes in might be resold for about \$13-15000! Some Highway inspectors state that the mileage on these trucks should be considered tripled (222 miles) because of the stress they carry when doing plowing. The new truck can be repaired at Sarat Ford in Agawam, and

the payment would probably come out of Free Cash. Mr. Klein stated that he would like to keep this truck for another year and put off the purchase for its replacement for another year.

The next request is the **Road Grader** {\$325,000} to replace the present grader that was purchased in 1992. This grader has 12,500 hours on it. Because of the age of the present grader parts are getting difficult to obtain. The resale amount would be about \$15,000. Mrs. Walker asked if there was someone in the Highway Department who could drive the grader. Mr. Loring stated that Larry Davis usually drove the grader and was an excellent operator. Since this is his only job the grader operation does not take one of the regular highway workers from other tasks, however Mr. Davis is not a young man (he has been retired for some years from the Highway Department), and will need to be replaced one day. Because the Town of New Marlborough has over 40 miles of dirt roads the grader is a necessary piece of equipment. It is important that the grader has a four wheel drive and only two companies make these, John Deere and Caterpillar. The Caterpillar comes with a 7 year warranty which Mr. Loring states is necessary. He did add that if he had to choose between the truck and the grader he would choose the grader since the warranty might not be available in the future! With the warranty the grader would be fixed "in house" rather than trying to take it to a shop for repair. The John Deere salesman has not responded to his calls for more information.

The next item on the Capital Budget was the **paving of the highway parking lot**. Mr. Loring stated that this lot has a lot of holes in it and the road in front of the garage was paved about 10 years ago, but with the salt etc. it has disintegrated.

The Capital budget had included d\$186,000 to do some **road work**. Mr. Loring stated that this work might take place on Norfolk Road, Hatchery Road or Hadsell Street all of which were in poor condition. There was some discussion about using Chapter 90 to cover the surfaces of existing roads so that they are maintained. With the Chapter 90 money this sum would be about \$260,000.

If the highway requests were approved the money would use up the available money in Free Cash and Stabilization. Both Mr. Klein and Mrs. Spaulding suggested that the grader, if purchased, be paid with borrowed funds, and Mrs. Spaulding added that the period of borrowing should be an extended loan like that of the Fire Truck. Mrs. Shalaby stated that the method of payment had not been decided as yet.

Mr. Loring was asked if he had tried to subcontract the plowing of some of the roads out, he stated that he had only been able to secure one independent plower when the bids were offered, and that was Keith Wilkinson who had been plowing this year. He stated that Sheffield had had no interest in getting independent operator's to do any of their plowing.

Fire District concerns:

Since Mr. Loring is also the Fire Chief this was an opportunity to ask him any questions regarding that department. The Fire Company has requested the purchase of a washing machine which would remove the carcinogenic substances from their uniforms. The questions was would this substance remain in the wash water and end up in the aquafers? Mr. Loring stated that he did not see that as a problem. However it is hoped that he will look into this further. Mr. Loring left the meeting.

Police Department Concerns:

Chief Frank was here to present his modified budget. Chief Frank had come before both the select board and the Finance Committee in the recent past. He would like to see the town have coverage 8AM to 12 midnight every day and he would like to see one of his dedicated officers go to the police academy (for 18 weeks) to become certified. To date there are four days that do not have coverage from 4PM to midnight, namely Sunday through Thursday. He presented a sheet showing that during that period of time there were a substantial number of calls received. If there is a call on the uncovered afternoon-evenings and Chief Frank is available he will respond, otherwise the State Police handles the calls. The response time is much longer if the State Police has to respond. To provide the extra four "evening" coverage the amount would result in the Police Salary budget [60210.04] being {\$148,168.80} and increase of \$42,807. The chief also stated that while the officer was released to go to the academy he would cover that officer's shifts.

The Police Expenses [60210.99] was quoted as \$24,450 with the Police Rental [60210.67] being {\$9,000}.

If the total desired package which included Police Salaries, Expenses and Rental was approved the amount would be {\$181,618.80}. While everyone appreciated the concerns and the plans that Chief Frank had shared, the amount of increase was daunting. Mr. Yohalem suggested that rather than increase the night coverage for four evenings perhaps two evenings might be possible, with the promise of adding the other two positions next year. And the town and both committees need to review their priorities.

Transfer Station Discrepany;

In the past the town had paid for a second person to be present at the Transfer station. When that second person had been only able to cover two of the three operating days the budget had been cut and the amount that had been included was only to cover the second person only two of the three days of service. Lately that third day of coverage had been provided by the Senior Tax Work Off people. There was some question about their reliability since they were

Prudence Spaulding

April 6th 2018

not "Officially hired" by the town. Yet the seniors who have been providing the coverage for the extra day have been very successful and very dependable. The question remains whether to provide that extra person and allow the seniors to come for specific duties such as organizing the exchange hut at the transfer station.

General Financial Information;

Ms. Enoch then reviewed the financial situation facing the town. The FY19 Levey limit with the FY2018 Levy limit of \$4,797,459, the added 2 ½ \$119,936 plus the estimated new growth \$25,000 yielded the new Levy Limit of \$4,942,395.

The actual FY 2018 Levy Limit was \$5,091,709, with the debt exclusion of \$315,296.

The FY 2019 Levy Limit \$4,942,395 less the FY 2018 budget of \$4,776,413 left an allowable increase of \$165,982. One must remember that the school takes up about 50% of our budget and the increase in that budget must be considered.

Originally it was hope that the amount of increases in the approved budget would be about 50% of the allowable amount namely about \$83,500. If this could be achieved the remaining 50% or about \$83,500 could be used to pay onetime expenses. These were listed as **Stabilization** \$50,000; **Voting Machine** \$5,700; **Fire Department washing machine** \$4,000; **Broadband Procurement** \$20,000; **Unpachene Falls Bridge ROW** \$8,000; **Library Electronic Door Opener** \$5,800; and **Town Records Preservation** \$1,000; with a total of \$94,500. Some of these amounts are estimates. Mrs. Spaulding stated that the Finance Committee had not recommended the purchasing of the voting machine since it was not mandated by the state and might be cheaper at a later date. If the voting machine was taken from this list and since the amount included for the Unpachene Falls Bridge was only an estimate as was the Broadband Procurement the total of that amount was somewhat near the hoped for \$83,500.

The budget presentation to the town voters will take place on May 1st at 6:00PM with Mrs. Walker and Ms. Shalaby presenting.

The Finance Committee will meet on Tuesday April 10th at 4:00 to complete their budget reviews. A list of upcoming meetings was circulated to the Finance Committee members.

A motion to adjourn the Finance Committee Meeting took place at 8:40PM Mr. Carson 1st, Mr. Pshenishny 2nd passed unanimously.

Respectfully submitted,

Prudence Spaulding, Secretary.

Prudence Spaulding
April 6th 2018