

Finance Committee

June 15th 2017

The meeting was called to order at 6:30PM when the minutes for June 1st were distributed. In attendance were Mr. Mark Carson, Mrs. Marilyn Fracasso, Mrs. Sandra Walker, Mr. Robert Miller, Mr. Steve Klein and Mrs. Prudence Spaulding. Guests included Mr. and Mrs. John Phsenishny, Ms. Tara White, Mr. Richard Long, Mr. Thomas Stalker and Mr. Nathaniel Yohalem.

The minutes for June 1st were accepted as read, Mr. Miller 1st, Mrs. Walker 2nd passed unanimously.

The first item on the agenda was to discuss the override which the selectmen had decided would be for \$95,000. There was some discussion about whether the SBRSD's involvement with South Egremont concerning the closing of their little school would result in a budget increase. However Mrs. Walker stated that she had seen in one of the papers that the town and the school district were negotiating and that should not impinge upon the total school budget requests. Thus this should not affect our budget. Mr. Klein asked about the amount of new growth there was in the town to which Mrs. Pshenishny replied that this was not decided until fall, however a very rough estimate might be \$30,000 in tax dollars. Since the committee had been told that there was no need for a recommendation of the override the committee went on to the next item on the agenda.

The police department was requesting a transfer of \$1000 from the Reserve Fund to the Police Expense Account [60210.99] to partially cover the cost of the repairs to the old cruiser which had been on a narrow dirt road and suffered rear damage including the police lights. Attached was an estimate from Precision Autocraft totaling \$1995.38! When asked about the insurance it was noted that there was a \$1000 deductible on the policy. And Mr. Klein stated that if the insurance was involved the rates for the other vehicles would increase since the vehicles are lumped together under one policy. There remained about \$5685.67 in the Police Expense Account, and the committee decided that the money should be spent out of the existing funds of the Police Expense Account and then if more money was needed the Police Chief could come back to the Finance Committee and request funds from the Reserve Fund Account. The Committee realized that there might be other bills pending that might use up the money left in the Police Expense Account. Mr. Klein stated that he thought that two estimates would have been helpful, and the Committee decided to discuss this further at another time and then let the department heads know that two estimates were needed!

Prudence Spaulding
June 16th 2017

Mrs. Fracasso stated that the keeping of the second vehicle had proved helpful for the new police vehicle had been bought through the special police vehicles program and had had to go to Boston for some modification which had there not been the old cruiser the police would have been without a vehicle. Mr. Carson made a motion to transfer thee \$1000 from the reserve fund to the Police Expense Account, however this motion was not supported by the other four members on the Committee and the request was returned to the Police Chief with the suggestion that should he go over his Expense Account he should return to the Committee. It was noted that there is only 15 more days in the fiscal year and that there might indeed be enough money to cover the cost of the repairs to the old cruiser.

The next item on the agenda was to recommend to the selectmen someone to fill the vacancy on the Finance Committee. A letter of request for volunteers was sent out by the town administrator's assistant asking the applicants to submit their interest by June 7th. The only applicant that had done so was John Pshenishny who had served on the Committee before but had not received enough votes to be elected in the last election. Mr. Long had submitted his name to be considered on June 15th at 3:53PM. While all the members were pleased that he had shown an interest in serving, he had not met the time deadline. Mr. Klein asked to see Mr. Pshenishny's written application which was available. Mr. Klein made a motion to change the deadline for application seconded by Mrs. Walker however the motion was denied. Mr. Klein suggested that in the future requests etc. should be send by e-mail as soon as they were received so that the various members could have the time to review them. Mrs. Fracasso circulated a paper on which the members listed their e-mail addresses to be shared with Mrs. Sharon Fleck the Administrative Assistant. Mr. Carson made a motion to support Mr. Pshenishny's application to join the Finance Committee with Mrs. Fracasso 2nd. The motion passed unanimously. Mrs. Walker offered to write the letter to the selectmen telling them of the Committee suggestion to have them appoint Mr. John Pshenishny to fill the vacancy.

The Committee did appreciate Mr. Long's application and regretted that there were so few volunteers for the other vacant positions on other committees.

Mr. Carson and Mrs. Walker had attended a meeting with a representative from the Division of Local Services (e-mail- blake@DOR.state.ma.us) Mrs. Walker reported that he stated that he was unfamiliar with the changes that had taken place since he had worked with the town in 2014. There was some discussion about the use of free cash which should not be used to support the next year's budget. He stated that the town should not expect an increase of state funds in the coming year, and that the state was still working on its budget. He discussed "residential exemption" which would grant those permanent residents in the town being charge less taxes. However New Marlborough had decided to offer only one tax rate for all and Mr. Klein wondered whether offering such a reduction for permanent residents might cause

friction within the town residents. The taxes paid by second home owners support the schools and other town services while they are not able to vote in the town.

A capital policy might prove helpful, one in which money was put aside yearly to pay for a specific vehicle or other piece of equipment. The town has established the stabilization fund, but funds put with in it have not been ear-marked for a specific item. This is something that might be established in FY2019. Discussion took place about "recreational" land owned but taxed at a lower rate. Recreational land has a deed restriction on it but it should be open for one day a year to the public. This would mean that the owners would need to purchase insurance for that day. Mrs. Pshenishny stated that the taxes on recreational land were reduced by 75%. Land owned by the Federal government used to yield some income however that has been reduced. Mr. Klein reminded the group that Sheffield was trying to get the state to allow taxation upon their land in land trust. Getting several small towns to work together to get better taxation on land trusts changed might be something to consider.

Before the close of the meeting some plans for future meeting were set in place. Beginning in September the Committee will discuss:-

- 1) Restructuring of the fund applications made for the next year's budget.
- 2) Discuss insurance claims procedures.
- 3) Establish the amount of money that should remain in the various accounts towards the end of the fiscal year.
- 4) Requests for capital items require adequate supporting material.

The request for the override will occur on July 31, it will not involve a town meeting, but just a ballot question. Absentee ballots should be available.

The next Finance Committee Meeting will be held on Thursday June 29 at 6:30PM to "tie up" any loose ends before the fiscal year ends. This meeting will not be scheduled and posted until June 26th and should there be no looks loose ends it will not be posted, and thus canceled.

Mr. Klein made a motion to adjourn with Mr. Miller 2nd passed unanimously.

Respectfully submitted,

Prudence Spaulding, Secretary.

Prudence Spaulding
June 16th 2017