

Finance Committee

June 1st, 2017

The meeting was called to order at 6:57PM. 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. Chuck Loring, Mrs. Michele Shalaby, Mr. and Mrs. John Phsenishny, and Ms. Tara White.

The Minutes for May 18th were accepted as amended, Mr. Carson 1st, Mr. Klein 2nd passed unanimously.

Mr. Carson and Mr. Klein reported on the school budget. Two towns had not passed it, and it had been returned to the school Finance Committee and the school committee who recertified it as originally proposed. There was some discussion about how the school would pay the lawyer needed to deal with the two towns suing the school district because of the closing of their two little schools. But apparently there were other sources of funds and the school budget as presented would not be raised or lowered. The sizeable increase in the cost of transportation continued to present a problem.

Mr. Chuck Loring, Highway Superintendent, came to request additional funds be transferred from the Reserve Fund to the Machinery Account [20428.00]. Mr. Loring had received \$10,000 to be transferred into that account at the meeting on May 18th, but he explained that there were other repairs and maintenance on other vehicles that would deplete the account which has a balance of \$36,944 and the motor on the 2009 Mack truck would cost about \$25,000 (with a three year guarantee). He stated that he had repairs on the back hoe that would cost about \$10,000 and \$15,000, and there were other repairs that he needed to do on other equipment. Leaving these other repairs undone would simply "kick the can down the road" and increase the cost when the repairs became crucial. After some discussion Mr. Carson made a motion to transfer \$10,000 from the Reserve Fund into the Machinery Account, seconded by Mr. Miller, but after further discussion in which Mrs. Shalaby stated that it was important that the highway machinery be kept in good working order, Mr. Carson amended his motion to \$14,000 which would with the \$10,000 transferred at the May 18th meeting cover the cost of the replacement motor in the 2009 Mack truck leaving the balance of money to be spent upon repairs of other machines. The amended motion was seconded by Mr. Miller and passed. Mr. Carson stated that he hoped that the truck would last the three years and then should be replaced. Mrs. Walker had stated that rather than spending about \$45,000 on repairs the

replacement of the truck might have been a better decision, however that would take over 18 months to get passed and purchased, and the truck is needed for summer work.

Mr. Carson suggested that a complete list of highway capital items be made prior to the next budget season, perhaps in September or October. Mr. Loring left the meeting.

Mr. Carson and Mr. Klein reported that they had attended the school meeting when the school bond on the roof and boilers was discussed. The result was the decision to level debt the bond which would result in a 15 year payment of about \$81,000 a year for our town.

This would be about \$9,000 less than was anticipated.

To date there has been only one applicant to fill the vacancy on the Finance Committee, however the final day for application was June 7th, so this will be discussed at the next Finance Committee meeting.

Mr. Carson expressed his concern about the number of delinquencies in the payment of real estate taxes. He stated that he felt that the Committee needed to keep this in mind when reviewing the town budgets. Mr. Klein stated that it was common to have about 3% of folks having difficulty paying their taxes, and that some waited until the last payment was due to pay. He wondered what the Tax Collector did to encourage payment. Mrs. Shalaby stated that information about the tax payments could be found on the Department of Revenue web site, and Mrs. Walker added that there was an excellent video about 2 ½ on this site.

The Committee then asked Ms. Shalaby what action the selectmen had decided to take regarding the failing over ride, and she stated that they were looking into perhaps increases in revenue (which often could not be definitively established until later in the year), and perhaps another override which would not involve a town meeting. The situation will be discussed at the next selectmen's meeting; however a recommendation is not needed from the Finance Committee.

Mr. Carson then stated that he had read an interesting article in the Berkshire Record about the Town of Sheffield asking the state if they could remove some of the land that was now defined as being non-taxable, i.e. land trusts, and recreational lands. New Marlborough has a fair number of such lands and as a result the tax payers carry the burden. In some towns in another state only very wealthy folks can afford to live there because of the sizeable quantity of untaxable lands. Mrs. Shalaby stated that the recreational land was open to the citizens of New Marlborough and there might be a law that made the land trusts to open the land once a year to the citizens. Mr. Klein stated that investigation into the laws of the state will be needed.

Mr. Carson then suggested that the building permits be examined and when the building was a large one the permit should be larger than that required for smaller buildings. There is a folder about the cost of our town's building permits which will become available, and perhaps there may be a different cost for permits depending upon the size of the building. Ms. White will set up a date for the building inspector to come to the Committee. Mrs. Pshenishny stated that the personal property taxes might be reevaluated. She felt that they could yield some added income to the town.

Mrs. Walker left the meeting at 8:00PM.

The next meeting of the Finance Committee will be on Thursday June 15th at 6:30PM. The agenda will include:-

- 1) Discuss possible over ride.
- 2) Select the applicant to fill the vacancy on the Finance Committee so that a recommendation can be made to the selectmen regarding this applicant.
- 3) Possible emergencies resulting in the transfer of funds from the Reserve Fund.

A motion was made to adjourn at 8:07PM Mr. Klein 1st, Mr. Miller 2nd passed unanimously.

Respectfully submitted,

Prudence Spaulding, Secretary.