

Finance Committee Minutes

May24th 2018

Mrs. Fracasso called the meeting to order at 6:00PM. Present were Mr. Steve Klein, Mrs. Sandra Walker, Mrs. Marilyn Fracasso, Mr. John Pshenishny and Mrs. Prudence Spaulding. Mr. Douglas Newman came late to the meeting at 6:35PM. Guests included Mrs. Marsha Pshenishny and Ms. Tara White.

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

The reorganization of the committee began with Mrs. Spaulding nominating Mr. Klein to serve as Chairman, Mr. Pshenishny 2nd passed unanimously. Mr. Klein made a motion to have Mrs. Walker serve as the vice-chairman, with Mrs. Spaulding 2nd passed unanimously. Mr. Phsenishny made a motion to have Mrs. Spaulding serve as the secretary with Mrs. Walker 2nd passed unanimously.

The Finance Committee had been asked to appoint an alternate member to serve on the SBRSD Regional Assessment Committee. Ms. Shalaby will be the representative from the select board. Ms. White was asked to describe what the goals of this committee would be. The assessment formula which is part of the method by which the different towns were assessed the amount they would pay each year had in the past incorporated a "rolling" attendance formula. However, this had been changed to reflect the actual number and percentage of the total students' population in each town each year. This resulted in making the yearly payment fluctuate dramatically and making it difficult for each town to project its share of the school budget. Mrs. Walker asked why it had been changed, however Ms. White did not know why. All five towns in the SBRSD have expressed support to change the calculations back to a rolling average. Mr. Klein made a motion to have Mrs. Walker serve in this capacity with Mrs. Spaulding 2nd passed unanimously. Since the member from the Finance Committee would be an alternate member it would not be necessary for her to attend each meeting. Mrs. Walker stated that she was concerned that she might not always agree with Ms. Shalaby's point of view. Ms. White stated that she would expect that the two members to communicate after each meeting. Mrs. Spaulding stated that she thought that the first meeting would be on May 29th and Ms. White stated that it would probably be at 6:00PM. The SBRSD Regional Assessment Committee will be an advisory one and their recommendations will be forwarded to the SBRSD's Committee.

The Committee had received a request from the Highway Department to transfer from the Reserve Fund into the Highway Propane Account [20422.18] the sum of {\$1062.73} to cover the current bill. This had been approved by the selectmen and the balance in that account was \$.43! Mrs. Spaulding 1st, Mrs. Fracasso 2nd passed unanimously.

Plans for the coming year

Mr. Klein stated that he had thought about how the committee might work more effectively.

- 1). While the different departmental budgets are expected to be submitted by January 1st, this is not always possible. Budgets that are submitted early should be reviewed leaving later times to review more complex budgets for instance, Highway, Police, Fire, Emergency Services and general administration budgets.
- 2) He expects that the department heads of these budgets would be expected to come in and discuss their budgetary requests and their rationale for them allowing the members of the Committee to listen and understand their situation more fully.
- 3) The town's "Financial Policies" statement states that there is supposed to be a joint meeting with the Select Board and the Finance Committee March 1st to review the town's budgetary process. Ms. White stated that the final budget needs to be done 45 days before the first town meeting of the SBRSD's towns.
- 4) Mr. Klein suggested that a Finance Committee meeting be held mid-November to review the preliminary estimates or revenues and allowable proposition 2 ½. He noted that it was unlikely that New Marlborough's share of the school budget would decrease again.
- 5) Those submitting budgets then should be asked to provide more back-up for their requests. Mr. Klein would like to use as much electronic way of communication as possible and suggested that there be a master electronic budget which could be up-dated as the various departmental budgets were passed by the Finance Committee. Mrs. Walker offered to set this up on an Excel program.
- 6) He also suggested that minutes be circulated ahead of the committee meeting so that they could be passed quickly leaving more time for other activities.
- 7) He did not see the need to meet between now and mid-November except when a joint meeting may be held at the end of June to transfer funds from accounts that have run-over their allotment of money into some accounts that still have money within them.

Issues for Committee Research

Stipends

Mr. Klein stated that some review on the whole subject of stipends should be planned. Mrs. Fracasso stated that Ms. Enoch has a formula upon which she decides the stipends, Mrs. Fracasso stated that stipends had to have OBRA deducted, however when that person retired and was no longer receiving the stipend they could get the money back! No Social Security was deducted from stipends. Mr. Klein questioned whether people doing similar jobs were receiving similar amounts. For instance Firemen receive a stipend for performing a specific job, and the EMT's get something for going out on calls. Is

there a consistency in this method of granting stipends? Mrs. Fracasso and Mrs. Walker will do some research on this subject with the target date to report on this being September or October.

Possible Additional Sources of Revenue

A large percentage of land in New Marlborough does not pay real estate taxes i.e. land trusts. Yet the town provides services i.e. police, fire prevention and highway for this land. Some towns are looking into this situation to see if there is some way to receive some sort of financial support from this land.

Restaurants and home rentals might provide some tax money for the town. (via meal and/or lodging tax) for the town. New Marlborough has visitors that could be helpful in this regard. Mrs. Walker offered to look into this.

Website Renovation and Upgrade

The web-site has many problems, and the discussion resulted in encouraging those submitting material to be put on the web and Ms. Chretien who does this to do this as promptly as possible. Mrs. Walker volunteered to look into the cost of making the current site more user friendly.

Next Meeting

As a result of the continuing discussion it was suggested that a meeting of the Finance Committee be scheduled for mid-September at 6:00PM. The meetings will continue to be held on Thursdays.

Miscellaneous

Mr. Newman suggested that the Finance Committee undertake a study relating to the result of cannabis activities in small towns such as New Marlborough both financially and socially. Mrs. Walker read from the state book on Finance Committees the role of the Committee being an advisory one relating to the town's financial situation and the control of the Reserve Fund. This would not lend itself to what Mr. Newman was suggesting. Mr. Klein stated that Mr. Newman's proposal was not in the purview of the Finance Committee at this time. This suggestion was tabled.

Mrs. Walker did suggest that Mr. Newman attend a training program offered by MMA, It lasts about 6 hours and is generally held in the eastern part of the state. She went last year and found it very helpful.

In closing Mr. Klein stated that he hoped that the meetings would only last an hour.

Mrs. Spaulding made a motion to adjourn at 7:24PM, Mr. Pshenishny 2nd unanimously passed.

Respectfully submitted,

Prudence Spaulding

Prudence Spaulding
May 26th 2018