

Minutes
Finance Committee
Monday, March 22, 2021
Via Zoom

Committee members present: Steve Klein, Chairman, Michele McAuley, Vice Chair, Doug Newman, Robert Miller, John Pshenishny, Sandra Walker and Barbara Marchione

Other attendees: Mari Enoch, Town Administrator and Tara White, Selectman and Town Accountant

Per the Agenda:

- I. Steve called the meeting to order at 7:02pm
- II. The Minutes of the last meeting, Thursday, March 11, were unanimously approved with a single correction of the spelling of John Pshenishny's name.
- III. Review of Budget Submissions

Steve presented, via screen sharing, the meeting attendees with a spreadsheet of the latest budget requests and highlighted a few aspects

- A small number of departments have yet to submit budget requests
- Mari and the Board of Selectmen continue to work on a few requests
- While a small number of budgets are outstanding, some are expected to request significant sums
- Union negotiations for Highway Department salaries are on-going. For the time being, Steve has included a 5% increase v FY21
- All other salary requests are as recommended by the Board of Selectmen

Steve presented a summary, a significant note and a suggestion:

- The total of current town operating funding requests is an increase of \$165,443 v FY21. This exceeds the Committee goal of limiting such increases to \$87,000 for the sake of controlled tax growth and controlled proportion of town operating expenses to school assessment
- Steve noted that New Marlborough's proposed school assessment is a reduction of about \$177,000 v. FY21. He noted that, since school assessment varies annually, that amount cannot be counted on as on-going capacity to take on additional, on-going town operating expenses. He suggested that the reduction can be used to fund one-time expenses in FY22. He noted two possibilities:
 - Regional School District Planning fees of \$7000
 - Fund a one-year revenue gap between the reduction in State aid for Broadband repayment (approximately \$65,000 per year to begin in FY22) and new revenue for a SOLAR field project (approximately \$45,000 per year to begin in FY23). It was also noted by members that the SOLAR project will not net the total loss of revenue due to broadband revenue reduction and that, if this strategy is employed, the Committee will have to remember that the additional revenue in FY23 cannot be counted in the new growth figure for budgeting purposes.
- Steve suggested that the tools the Committee can employ to close the gap between budget requests and the Committee's strategic goal are

- Identify requested budget items that are one-time expenses and fund them with the school assessment reduction
- reduce requested funding amounts

Some questions were posed by Committee members:

It was noted that the request for funding of membership in a purchasing group is significantly larger than FY21. Mari explained that the fees are to join an new purchasing group and, though the membership fees are higher, the savings will be significantly greater.

It was noted that the salaries proposed by the Board of Selectmen reflect a 4% increase v FY21 for most positions. An explanation of the increase is desires

It was questioned whether or not the Board of Assessors is accurately capturing all new growth. A meeting of the Board of Selectmen, Finance Committee and Board of Selectmen was recommended.

Clarification was requested regarding cemetery salaries: Is the increase due to hourly rate increase or other factors? It is due to a rate increase as suggested by the Board of Selectmen.

Steve then made a proposal to which all Committee members agreed:

All members will return to the next meeting with a total proposal for \$65,000 that will be a combination of identification of one-time expenses and reductions to budget requests.

- IV. Report of the Capital Planning Committee – not covered in this meeting
- V. Report of the Highway Planning Committee – not covered in this meeting
- VI. Other matters raised by members of the Committee

Updates: The Board of Selectmen have chosen the date of Saturday, May 22 for the Annual Town Meeting, as reported by Steve and confirmed by Tara.

Steve noted that the recission of reserve funding to the Town Hall account for funding the wi-fi-hot spots, made at the last meeting, was made for an incorrect amount of \$2900. He made a motion to correct the recission to an amount of \$2930. The motion was seconded and passed unanimously.

By unanimous vote, the meeting was adjourned at approximately 8:20pm.

Respectfully submitted,
Michele McAuley