

Finance Committee convened a meeting by phone at 6:04pm on July 16, 2020. Present on the call were Chair Steve Klein, Vice-Chair Michele Shalaby and members Sandra Fusco-Walker, Robert Miller, Barbara Marchione, Doug Newman and John Pshenishny. Also present on the call were Selectmen White, Carson and Long along with Town Administrator Mari Enoch and resident Tom Stalker.

Mr. Klein began the meeting by reviewing the FY 2021 excel sheets with details of the budget. The committee had already discussed much of it, but there were still some items to address. First Mr. Klein asked Ms. White if the numbers under the Board of Selectmen's column had been approved by the Board yet, to which Ms. White responded the Board was still working and hadn't voted on the budget yet.

Mr. Klein then went through scenarios presented on the spreadsheet noting there was a \$300,000.00 increase in budget requests over last year's approved budget.

Mr. Klein pointed out the Selectmen are considering a higher budget than the finance committee and stated tonight's goal was to first, approve all items on the budget everyone agreed with and second, to hold any items to be discussed to the end for a separate vote.

Mr. Klein shared that all cuts discussed as a result of the previous week's meeting were done but everyone needed to be aware these cuts are one time cuts and they will come back for discussion at next year's budget session.

He continued that the Town operating budget has grown \$90,000.00 or 3.5% growth, not counting the addition to the Stabilization Fund. Mr. Klein said this is down considerably from where the budget requests started and we've almost met the committee's goal of limiting growth to about \$88,000.00.

Ms. Shalaby stated the fact that these cuts are going to come back into the budget next year means it will use up the Town's excess capacity right away before any additions to the budget next year. Discussion ensued regarding when and if travel and in person classes may come back, if ever, and what the potential growth might be due to the numbers of people moving to the area as a result of the pandemic. Mr. Newman stated with broadband coming to town over the next year, it will be easier for people to live in New Marlborough and telecommute.

Mr. Klein stated the committee has done their best with what we know and moved to formally approve items on the budget. Ms. Marchione asked whether cuts to travel budgets affected the ability to take required courses and Mr. Klein responded the cuts were costs incurred only from travel such as hotel and some, but not all mileage. Ms. Enoch concurred the budgets still included costs for certification courses and some mileage.

GENERAL GOVERNMENT

Ms. Walker made a motion to approve \$370,253.00 for General Government and Mr. Newman seconded it.

Motion was unanimously approved.

Mr. Klein then moved onto the Highways Public Works category of the budget starting with the Propane and Diesel Fuel budgets. He said the reduction in these budgets would still leave funds

well in excess of what was spent this year on fuel. He went on to explain that Machinery Expenses were slightly below last year's budget and the amount requested for FY2021 so a \$2000.00 reduction was made there. Next was the Roads and Bridges budget which is a reduction of \$50,000.00 from the request. Mr. Klein said the Select Board has recommended a \$20,000.00 reduction and everyone needed to be aware there is a \$30,000.00 difference between the Selectmen's recommendation and the finance committee. Ms. Walker clarified that the finance committee's figure of \$303,000.00 for FY2021 is still a \$20,000.00 increase over last year's Roads and Bridges budget which was \$183,000.00.

HIGHWAYS PUBLIC WORKS

Mr. Newman made a motion to approve \$1,024,539.00 for Roads and Bridges which was seconded by Mr. Miller.

Motion passed 6-0-1 Abstention.

Steve Klein - Yes

Barbara Marchione - Abstained

Robert Miller - Yes

Doug Newman - Yes

John Pshenishny - Yes

Michele Shalaby - Yes

Sandra Walker - Yes

SCHOOLS

Ms. Marchione made a motion to approve the Schools budget (submitted prior to Covid-19) in the amount of \$2,965.252.00 which was seconded by Mr. Newman.

Motion passed unanimously.

CULTURE AND RECREATION

Motion to approve Culture & Recreation budget in the amount of \$123,279.00 was made by Ms. Walker and seconded by Mr. Klein. Mr. Miller questioned why the Selectmen's number is a bit different from the finance committee. Mr. Klein advised it is a nominal error and the committee will take a vote at the end allowing the Chair and Town Administrator to fix any clerical errors which are minimal.

Motion passed unanimously.

PROTECTION, PERSONS & PROPERTY

Motion to approve Police Dept. Salaries at \$460,757.00 minus the line items of NM Rescue Clerical and Police Dept. Expenses was made by Ms. Walker and seconded by Mr. Miller.

Motion passed unanimously.

The committee then discussed Police Department Salaries. Mr. Klein stated the reductions is the elimination of hours for a new clerical position at the police department. Ms. Enoch asked if the committee could move on while she looked up to see if police overtime hours were also included in the cut so the committee moved on.

Mr. Klein clarified that Police Department Expense reduction is a result of cutting travel expenses. Mr. Newman asked if with more officers than last year on duty, would the increase in expenses be considered reasonable. Mr. Klein explained that the expenses aren't unit expenses related to the number of officers, but are total numbers related to items like

maintenance and repair, computer replacement and fuel costs which the committee did not cut though we know that fuel costs are now much less than when this budget was submitted. Mr. Newman asked if anyone agreed with him that the cut was too much to which Ms. Walker and Mr. Miller replied they felt the committee needed to be conservative and agreed with the cuts, as is.

POLICE DEPT. EXPENSES ^^^^^NO MOTION MADE^^^^^

Although there is no record of a motion being made, the Committee voted to approve this Police Dept. Expenses.

Motion passed 6-1.

Steve Klein - Yes

Barbara Marchione - Yes

Robert Miller - Yes

Doug Newman - No

John Pshenishny - Yes

Michele Shalaby - Yes

Sandra Walker - Yes

The committee then moved to the item, NM Rescue Clerical \$7072.00 request, an increase of \$2500.00 more than last year. This increase is for additional hours and a raise in the hourly rate. Ms. Marchione stated she supported the request for another two hours per week as the Town has been selected to participate in a Medicare study which requires an extra two hours week of data entry. Ms. Enoch explained the committee can approve the additional hours or not or approve a rate increase or not and she would figure the correct amount they decided.

Ms. Walker was concerned that adding the hours would affect the bottom line and suggested that the Diesel Fuel budget could be reduced more to cover the addition to the Rescue Clerical. Mr. Klein stated the Diesel Fuel budget could be revisited.

NM RESCUE CLERICAL

Ms. Walker made a motion to approve the amount of \$6656.00 for NM Rescue Clerical to cover additional hours for Medicare study at rate of \$16.00.

Motion passed unanimously.

The Committee then returned to the Police Dept. Salaries as Ms. Enoch stated the cuts represented removing the clerical salary for about \$4700.00 and the added overtime hours totaling about \$2000.00.

POLICE DEPT. SALARIES

Mr. Miller made a motion to approve the full reduction in the Police Dept. Salaries and Ms. Walker seconded.

Motion passed 6-1.

Steve Klein - Yes

Barbara Marchione - Yes

Robert Miller - Yes

Doug Newman - No

John Pshenishny - Yes

Michele Shalaby - Yes

Sandra Walker - Yes

Total Protection, Persons & Property approved for \$460,757.00.

HEALTH/HUMAN SERVICES

Motion to approve Health & Human Services Category in the amount of \$135,843.00 was made by Mr. Miller and seconded by Mr. Newman.

Motion passed unanimously.

DEBT & INTEREST

Ms. Walker made a motion to approve Fire Truck and Grader Debt in the amount of \$112,400.00 and Mr. Newman seconded.

Motion passed unanimously.

UNCLASSIFIED EXPENSES

Ms. Walker motioned to approve the Unclassified Expenses category in the amount of \$533,624.00 which was seconded by Robert Miller.

Motion was unanimously approved.

The Committee revisited the Diesel Fuel budget. Mr. Miller made a motion to reduce the Diesel Fuel budget by \$1100.00 approving the amount of \$36,400.00 which was seconded by Ms. Walker.

Motion passed unanimously.

Total highway budget approved for \$1,024,539.00.

Discussion then ensued regarding the finance committee's recommendation to raise and appropriate \$112,500.00 for the Stabilization Fund. Ms. Marchione requested the item be held until after the committee reviewed the capital expenditures to which the committee agreed.

The committee then proceeded to agree to the following items to be paid out of Free Cash:

Ms. Walker motioned to approve the fire hose replacement request at \$7,000.00 and Mr. Newman seconded. Committee determined Fire Hose is a capital item based on the length of time it lasts and a large section of the fire hose failed testing and needs to be replaced.

Motion passed unanimously.

Mr. Newman motioned to approve \$51,000.00 for a new police cruiser and Mr. Pshenishny seconded it. Ms. Walker questioned why we need two police cars in town when we only have one officer on duty at a time. Mr. Pshenishny stated Chief can take the second cruiser home in case he has a call at night and has to help the on duty officer and if he used his own car he would charge the town for mileage and gas.

Motion passed 6-1.

Steve Klein - Yes

Barbara Marchione - Yes

Robert Miller - Yes

Doug Newman - Yes

John Pshenishny - Yes

Michele Shalaby - Yes

Sandra Walker - No

Mr. Miller made a motion to approve \$75,000.00 for the purchase of a used roller at \$75,000.00 which was seconded by Mr. Klein. Discussion ensued about the options of renting or buying. Ms. Marchione stated renting a roller the month that the Town needs it would make more sense at this time. Mr. Klein responded that renting isn't easy as the Town is always repairing the dirt roads all throughout the year, not just one month. Ms. Marchione stated she thought it would be better to be conservative with expenditures this year and renting the roller would be appropriate this year.

Motion passed 5-2.

Steve Klein - Yes

Barbara Marchione - No

Robert Miller - Yes

Doug Newman - Yes

John Pshenishny - No

Michele Shalaby - Yes

Sandra Walker - Yes

Ms. Walker make motion to approve \$8200.00 for the repeater to enhance emergency communication system which was seconded by Mr. Miller.

Motion passed unanimously.

Mr. Newman motioned to eliminate \$8000.00 for a fuel monitor which Ms. Walker seconded.

Motion passed unanimously.

Mr. Newman motioned to approve \$3240.00 for security cameras at the Highway Department which was seconded by Ms. Marchione. Discussion ensued regarding the necessity and whether a less expensive option was available. Mr. Newman said that we have to have confidence the Selectman and the Highway Department will choose the best system and spend appropriately. Ms. Walker stated there are several options available today that cost much less and Ms. Shalaby reminded everyone the Highway Department was broken into a few years ago.

Motion passed 4-3.

Steve Klein - No

Barbara Marchione - Yes

Robert Miller - No

Doug Newman - Yes

John Pshenishny - Yes

Michele Shalaby - Yes

Sandra Walker - No

Motion was made by Mr. Newman to eliminate the Umpachene Falls Park Erosion request in the amount of \$7,500.00 and Ms. Walker seconded it. The committee determined there was no paperwork submitted to support this request nor has the Committee seen any information as to where prior already approved funds were spent.

Motion passed 5-0-1 abstention.

Steve Klein - Yes

Barbara Marchione - No
Robert Miller - Abstained
Doug Newman - Yes
John Pshenishny - Yes
Michele Shalaby - Yes
Sandra Walker - Yes

Ms. Walker made a motion to approve the total of \$198,000.00 dollars to cover several small road projects in town which was seconded by Mr. Miller. Ms. Marchione asked Ms. Enoch whether there would be Chapter 90 money this year for roads. Ms. Enoch responded Chapter 90 is not forthcoming right now and we don't know when that will occur. This request from Free Cash would allow for the roads that need work to be done.

Motion passed unanimously.

The committee discussed whether to pay the amount of \$198,000.00 approved for Road Work projects from Stabilization Fund or Free Cash. Ms. Shalaby clarified that our policy based on best practices is to maintain 5% of our annual budget in each of these funds, however 10% combined would meet our goals to maintain adequate reserves. In response to a question, she also clarified there is no town policy requiring funds from the stabilization account be spent only on projects with a long life.

Mr. Miller made a motion to approve \$342,440.00 be expended from Free Cash for six items, covering all requests except for the funds requested for Umpachene Falls Park Erosion and the gas monitor which was seconded by Mr. Klein.

Motion passed unanimously.

The Committee then discussed the reasoning behind raising and appropriating \$112,500.00 to add to the Stabilization Fund. Ms. Shalaby explained that we just approved \$350,000.00 for capital projects that doesn't include any large items. She continued that when the town is generating about \$150,000.00 each year in free cash and we only deposit \$112,000.00 to the Stabilization Fund which will need to be made up in debt outside of 2.5% which makes tax bills go up. She stated it is important to keep funding capital investments through our Stabilization Fund.

Mr. Miller made a motion to raise and appropriate \$112,500.00 for the Stabilization Fund which Ms. Walker seconded.

Motion passed 6-1.

Steve Klein - Yes
Barbara Marchione - No
Robert Miller - Yes
Doug Newman - Yes
John Pshenishny - Yes
Michele Shalaby - Yes
Sandra Walker - Yes

Ms. Marchione made a motion to approve Mr. Klein and the Town Administrator for rounding out small errors on the budget which Mr. Newman seconded.

Motion passed unanimously.

With the budget approved, Mr. Klein thanked everyone for their time and patience stating it was the longest budget season ever in New Marlborough during unprecedented times. Mr. Klein will let everyone know if there is a need for a joint meeting with the BOS and he requested someone to volunteer to do the minutes for the meeting. Ms. Walker volunteered to do the minutes.

Ms. Shalaby asked a procedural question regarding any differences between recommendations of the Selectman and the Finance Committee at Town Meeting. She offered to compose a document if needed for Town Meeting. Ms. Enoch reminded everyone that the Finance Committee presentation also needed to be presented to the Town perhaps on a Zoom call but at least posted on the town website.

Mr. Newman made a motion to adjourn and Ms. Walker seconded.

Motion passed unanimously.

The meeting adjourned at 8:38PM.

Respectfully submitted,

Sandra J. Fusco-Walker