

GREAT BARRINGTON FINANCE COMMITTEE
SELECTMEN'S MEETING ROOM
TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA
OCTOBER 18, 2012
5:30 P.M.

FINANCE COMMITTEE:
THOMAS BLAUVELT, CHAIRMAN
MARK LEFENFELD
SHARON GREGORY - ABSENT
WALTER ATWOOD
ANDREW MORO

1. **CALL TO ORDER**

The meeting was called to order at 5:30 P.M.

2. **APPROVAL OF MINUTES:**

A. **September 11, 2012 Finance Committee Minutes**

MOTION: Mr. Atwood to approve

SECOND: Mr. Lefenfeld

VOTE: 4-0

B. **September 19, 2012 Joint Board of Selectmen/Finance Committee Minutes**

MOTION: Mr. Atwood to approve

SECOND: Mr. Lefenfeld

VOTE: 4-0

3. **NEW BUSINESS:**

A. Recommendation/Discussion on the adoption of the 2014 Budget Policy.

MOTION: Mr. Atwood to recommend adoption of the 2014 Budget Policy and for the chairman to sign it on behalf of the Finance Committee.

SECOND: Mr.Moro

VOTE: 4-0

Mr. Atwood said he would like to see the figures in the budget rounded off to the nearest dollar and not the nearest hundred. It was noted the pennies have been dropped in the budget. Mr. Lefenfeld asked for clarification on the -5% - which dealt with the operating budget. Mr. O'Donnell said the two boards directed him to submit a level service budget which means there could be increases to maintain that particular service. They also wanted to see the implications of a 2% reduction in the general fund. The General Fund is approximately twelve million dollars so 2% will be around \$150,000.

Mr. O'Donnell said he is anticipating eliminating debt service and pensions from the 2% because we have no control on that. When the budget is submitted, you will see a level service budget and then a supplemental page that will say in order to do the 2% which will account for approximately \$150,000, deductions will occur.

The Select Board wanted to see more creative thinking and that will be presented at the strategic planning meeting on the FY13 budget which could carry into FY 14 as well.

Mr. Moro said we have no control over the school budget so it is strictly local Town that we have control over. Mr. O'Donnell said that is why we didn't get into dealing with the tax levy or our tax rate. What was specifically said in the policy is that the Manger is directed to submit a budget and shall not increase the tax levy by more than what is authorized by law. It basically says that a budget can be submitted for level services which are different than level funded. We are also applying it to the Waste Water Treatment Plant as well. We will be looking at the 5% over the 5 years in the CIP. It will probably be large pieces of equipment that will be postponed.

Mr. Moro asked where the \$17,000 is coming from for the search for the new Town Manager. Mr. O'Donnell said there are no appropriations for it. It was noted that for expenditures between \$5,000 to \$25,000 have to go through a competitive price proposal and over \$25,000 you have to do an R.F.P. The Collins Center is a state agency therefore it can be exempt from procurement although the best practices would be to go through competitive pricing. Mr. Moro asked where the expenses are coming from for the candidates who are applying. Mr. Moro also asked if free cash can be moved without the Finance Committee's approval. It was noted that no one can move free cash other than Town Meeting. Mr. O'Donnell said in order to meet the obligations of the contamination at the fire station and Searles/Bryant he is suggesting to the Board of Selectmen that we have a special town meeting to appropriate that. There is approximately \$70,000 that has already been expended on the Searles/Bryant piece that Iredale would like to be reimbursed for. He said O.T.O. is owed about \$25,000 of additional work to keep the monitoring going and they don't want to carry that until May for Town Meeting. There is \$100,000 contingency set aside for environmental contamination. Mr. O'Donnell said the remediation cost for the fire station is just under \$200,000. Under the term of the purchase and sales agreement, the purchaser is responsible for \$50,000. The agreement capped our remediation costs at \$200,000. We did the Phase 1 and Phase 2 environmental. Searles is about \$125,000. We are looking at taking approximately \$325,000 out of Free Cash. There was a question if the Selectmen/Town Manager can move money from one department to another? Mr. O'Donnell said that department heads or he can only transfer money within their department budgets. The Finance Committee has the authority to move money from department to department within the last three months of the fiscal year. He noted he is looking at a phase in program to bring the free cash down a little in order to give some tax relief in anticipation of the WWTP upgrade and High School renovations for 2017. The Aerial Truck is in the FY14 Budget and that is 1.2 million. It was noted that we received an excellent Phase 1 environmental report on the Housatonic School that states we do not have an environmental problem.

Mr. Moro noted that he sent a memo to Mr. Blauvelt regarding co-chairing the budget meetings. Mr. O'Donnell said the budget meeting will be at the Fire Station rather than Town Hall.

The Hours at the transfer station have increased and the money has come from within the DPW budget.

The new fire chief will be starting soon. Mr. O'Donnell said he looked at internal candidates first and put together a screening committee and came upon an internal candidate. The announcement will be made Monday.

Harry Jennings is still being paid by the Town because he has filed for medical disability pension and we will carry him until such time the pension board makes a decision.

Mr. O'Donnell said he was able to work with the unions saving \$107,000 because the unions voluntarily worked with him on implementing the health care plan design changes. We invoked sections 21 thru 23 which is a credit to the unions and we expended a premium savings of 25% which is about \$27,000 that employees would get. We are doing that as a premium holiday and employees are going to get a credit of 2.25 to 2.50 payroll periods.

Mr. O'Donnell advised that there will be a joint meeting at 6:30 p.m. on November 13th when the auditors will be submitting their report.

The meeting adjourned at 6:15 p.m.

Respectfully submitted,



Carolyn Wichmann
Secretary