

TOWN OF GREAT BARRINGTON
FINANCE COMMITTEE
TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA
MINUTES
October 29, 2013
5:30 P.M.

PRESENT:

SHARON GREGORY, CHAIR

WALTER ATWOOD

MARK LEFENFELD

LEIGH DAVIS

THOMAS BLAUVELT

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

I. APPROVAL OF MINUTES

MOTION: Buddy Atwood to approve the minutes of October 9, 2013

SECOND: Tom Blauvelt

VOTE: 5-0

The School Committee Members Present:

Richard Dohoney

Stephen Bannon

Superintendent Peter Dillon

2. COMMITTEE REPORTS:

A. Planning and Budgeting

1. Long Range Capital Planning (Tom and Sharon)

Sharon advised that the Board needs to focus on long range capital planning. One way is to consolidate all of the capital plans, including the school, Wastewater Treatment Plant, and the Town Capital so we can see the retirement of debt over time. Sharon said she and the Town Manager, Sean Stanton, Tom Blauvelt, and Debbie Phillips had a meeting to get an understanding of what we are trying to achieve. The Town Manager is trying to come up with a good way to present the information as it comes.

2. Financial Policy Requests for the upcoming budget cycle.

Sharon advised that each year in November a budget policy is developed to begin the planning process with. Last year we had asked for a level budget as well as a 5% reduction in operating expenses. In our meeting with the Select Board we agreed on a 2% alternative so the staff could be prepared to give a level set budget as well. The Committee also requested that the departments submit a reduced budget for Capital expenditures. Formatting issues, projected out capital expenditures, a breakout of the town's benefits, health insurance costs, and allocation of overhead expenses like technology and benefits by major departments were requested. For this year we need requests with the Select Board's so that the Town Manager can get this information to the departments. Sharon said she forwarded a list and would appreciate contributions as soon as possible.

3. Budget Schedule/Strategic Planning.

Jennifer presented the draft 2015 Budget Schedule to the Board. A copy is attached to these minutes. It was noted that some towns have a capital expenditure bylaw and process. The end of January might be the time to evaluate one when all the budgets are reviewed. Regarding the February schedule, the problem is that in March when we officially know what the preliminary school budget is, it is not orderly as far as cutting and amending the budget. Sharon said if it is possible she would like a preliminary budget summary in February for planning purposes prior to the School Committee voting on the budget. The proposed school committee vote is set for March 6, 2014.

B. Tax Delinquency Report – Sharon said the board had requested a year-end tax delinquency report with more detail than was at the annual meeting. The Finance Committee has previously asked for a quarterly report. Jennifer noted that Great Barrington's collection rate is consistently high.

FY09 - 98.5% was collected.

FY 10 – 97.6%

FY 11 – 98.1%

FY 12 – 99.2%

FY 13 – 96.11% - as of June 30, 2013.

The accumulated amount of uncollected taxes over the years is \$709,000 in personal property and real estate from 2012 to 2013 and includes real estate that does not have a lien on it yet. There is \$110,000 in tax foreclosures, \$517,000 in tax title and \$154,000 in outstanding motor vehicle. This is over a 10-15 year span. Jennifer noted that taking a tax title is one strategy for collecting taxes. She also noted that \$260,000 of the prior total of \$632,000 in tax title accounts was received. This was a result of advertising last year that a tax title would be an option but we didn't go through with that option because it was at the time the former town manager was leaving. Another strategy would be to foreclose on properties. That is where a town does a taking which gives them the title to the property via land court. We could hire a collection agency. For motor vehicle it is marked at the registry for nonrenewal of the registration and is a major obstacle.

OLD BUSINESS:

A. Wastewater Project: The Finance Committee at the early October meeting made two recommendations: Both were read into the record at the last Select Board Meeting. A citizens group came to the meeting and asked to have a study done of the wastewater usage to change the method of billing. We wrote a letter to the Select Board with our recommendation to support this. The Town Manager reported that she had begun a process to issue an RFP for the rate study.

B. Housatonic School - (2) we wrote a report and made some recommendations on forming a decision making task force because of concerns of having moth balled the school in July that it would deteriorate quickly so as soon as we could make a decision the better it would be for the building. We have a two page recommendation that includes doing a marketing RFP so that people who might bid on the property will understand the attractiveness of the Housatonic complex for business opportunities, development and employment. As there was only a partial

board present at the last meeting, the Select Board wanted to wait for a full five member board before discussing the Housatonic issue.

4. **NEW BUSINESS:**

A. Discussion with School Committee Members

1. **Role of Finance Committee** – Sharon noted research was done and in the Mass D.O.R. Guidelines it notes that the Finance committee is the official “fiscal watch dog for the town”. Mark said the issue came up in the board’s discussion of the financial impact of the special resource officer. Mark said prior to that we received an e-mail from David Adler of the school committee asking that school board members be present at school discussions. He noted we welcome any school board members to be present at any discussion, however, in our advisory role, to the Select Board, that we have the authority to discuss any matter that results in any financial impact on the town. Sharon sent a letter to the School Committee to that effect. Steve Bannon said that if the committee is going to discuss school finances the Finance Committee should be present so the whole picture is met. Steve also advised that the School Committee does have joint meetings with the Finance Committee.

2. **Future Joint Meetings** – Sharon asked if the Finance Committee could have notification of meetings. It was suggested having a joint meeting with the three towns finance committees.

Request for State Filed Report – Sharon said that a report is usually filed by the School District on October 1 on District Students, Tuitioned In and Choice Students. Peter Dillion said that the report will be shared with the school committee on the 7th or 8th.

Presentation on the High School Renovation Project by Peter Dillon:

Peter began by stating the school is 50 years old. The HVAC, Roof, plumbing, electrical and windows, security and fire suppression need to be updated. The school does not meet the energy standards. It would be too costly to tear down. The design work will be done in the summer of 2014. It will be a phased construction until 2017. The Commonwealth will be reimbursing 48.52 % or \$25 Million. The member towns will be responsible for \$31 Million and this is guaranteed through December 31, 2013. The assessed valuation on an average home will be between \$109.00 to \$118.00 per thousand. The 2014 assessment for Great Barrington is 69.877%. He noted that option no. 2 would be piece meal – the duration would be 10 plus years. The state may reimburse 25% but this is not guaranteed. He noted they are trying to avoid renting classroom trailers. An existing layout of the building and a proposed layout of the building were presented to the Finance Committee. (A copy is attached to these minutes). The will be a ballot question on November 5th to approve. He noted we will need a majority vote.

Tom noted he didn’t see how the town can sustain the level of debt. Mark said he thinks school consolidation is one path to reduce net costs and tax relief. Choice and tuition relief is a second path. The current allocations among the communities could be changed. We need to look at reducing the net costs to us by the consolidated school district, choice and tuition and the basis of allocation. He noted we should vote “yes” on this project and focus our energies on reducing the net costs which will result in tax relief to us. Sharon noted she agreed with Mark. She noted at

this late date it is not possible to deter from the project. Leigh said she supports the renovation project and was attracted to the area because of the education aspect.

CITIZENS SPEAK:

Andy Moro – Housatonic – he said we are building the new school to bring more school choice and tuition students in. He asked how many negotiation meetings the district has had on tuition in with Richmond since the last budget. Peter Dillion noted just two.

Michelle Loubert said that it will be difficult for her and her family to continue to live in the area with the additional taxes, etc. There will be very real collateral damage with a “yes” vote. She also requested to see the choice and tuition figures that are filed with the State. Peter Dillion said that he would be able to supply the figures.

John Breasted – He said it is not too soon to see how education will be in 30 years. He noted he is going to vote no on the school. The sustainability issue has not been addressed. There is a possible alternative economic scenario where we would be paying off the bond for 20 years and the conditions which we can affordably deliver will change and we would have to moth ball the school. We may even have to have local schools again.

Paul Gibbons – he said 48 years ago we voted at a town meeting to start the regional school. Paul said the cost is extremely high and will cost the tax payers a lot of money. He said when we formed the regional school district, each of the 3 communities had an equal say because each town voted separately. Why did the school committee decide to do an aggregate vote instead of having each town have its individual vote? Steve Bannon noted that the vote for the new schools was done in the same fashion so it is consistent with what we have done in the past.

A NON-BINDING VOTE ON THE SCHOOL RENOVATION:

MOTION: Mark Lefenfeld – the Finance Committee recommends a “yes” vote on the two ballot questions being voted upon on November 5, 2013 in relation to the high school.

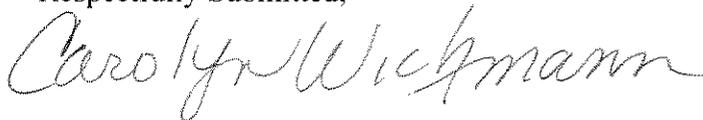
SECOND: Leigh Davis

VOTE: 3-2 with Sharon joining the “yes” vote.

The next meeting was set for November 14, 2013 at 5:30 p.m.

The meeting adjourned at 7:20 p.m.

Respectfully Submitted,



Carolyn Wichmann
Secretary