

TOWN OF GREAT BARRINGTON
BOARD OF SELECTMEN/FINANCE COMMITTEE
TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA
MINUTES
MARCH 12, 2014
6:20 P.M.

PRESENT:

BOARD OF SELECTMEN:

SEAN STANTON, CHAIR

DEBORAH PHILLIPS - ABSENT

STEPHEN BANNON

DANIEL BAILLY

ANDREW BLECHMAN

FINANCE COMMITTEE:

SHARON GREGORY, CHAIR

WALTER ATWOOD

MARK LEFENFELD

LEIGH DAVIS

THOMAS BLAUVELT

TOWN MANAGER: JENNIFER TABAKIN

I. The meeting was called to order at 6:20 p.m.

II. **APPROVAL OF JOINT MEETINGS OF FINANCE AND BOARD OF
SELECTMEN**

MINUTES OF JANUARY 6, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 12, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 25, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF FEBRUARY 26, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

MINUTES OF MARCH 3, 2014

MOTION: Stephen Bannon to approve.

SECOND: Daniel Bailly

VOTE: 4-0

III. BOS – TO SIGN TEMPORARY BOND ANTICIPATION NOTE (BAN) FOR THE DEWEY COURT HOUSE CAPITAL PROJECT:

It was noted that a total of \$800,000 was authorized for improvements to the Dewey Court House at the last town meeting. A new lease has been negotiated with the state and the \$150,000 of temporary borrowing will be used for a design contract that Joe Sokul has put together.

IV. DISCUSSION RE: OUTSTANDING BUDGET MATTERS

Outstanding categories – Waste Water Treatment Plant capital program and reduction of the recommended budget.

Waste Water Enterprise Fund Capital – The first phase has been put out to bid and awarded. DEP has to approve all the contract documents. The contracts will come back for signatures from the contractors. The second phase – the design has not started yet. We want to look at the second phase and break it into packages so it is done over a four year period of time. The authorization for the next 4 years for the construction project is \$12,580,000. With engineering and some contingency costs the project will be approximately \$13,650,000. We want to minimize the sewer rate increase. The design work will not begin until July 1 if the authorization is approved. Joe, Tim and Jennifer put together a grant application for the SRF loan and that means we are guaranteed a 2% interest rate. In order to do that, we need to apply by a certain time period. That is why we are going to town meeting this year. The application deadline for the SRF funding is at the end of August. The difference in the original 4% interest rate and the 2% interest rate will be a difference of \$55 per year on the sewer rate. It was noted there will be no impact in the sewer rate fee this fiscal year. The borrowing authorization done a couple of years ago is already built into the rates. There is currently 2.7 million of free cash in the sewer and we are asking that \$450,000 of free cash be used to reduce the rates. It was noted that we are not borrowing the 12.58 million we are just locking in on the 2% interest rate. We would borrow as we need to pay the vendors. It is from the state revolving fund which helps municipalities.

Sewer Rate Study – Joe noted we were requested to obtain sewer rate studies. One to review the existing rate structure, equivalent dwelling unit or (EDU) and a flow based rate structure to be worked with the Great Barrington Fire District and the Housatonic Water Company. The study for the EDU is \$16,300 and a full base study is \$30,300.00. In our design process in phase II we are requesting that the designers look at the full phase of the scope and package the work in a sequence that works and also have available a peer review with another engineering firm to make sure we are doing it in a proper way. In addition to the rate studies we can build in for a second opinion. The rate study would come out of the Enterprise Fund.

Tim Drumm explained that he is requesting \$80,000 for a Mobile CTV Unit which would allow for a pipe line assessment, \$50,000 for Alford Road sewer main and Town Hall - \$50,000 to reline it the Alford road Sewer main and behind Town Hall at Giggle Park – Taconic Avenue and that area is pretty much in disrepair. Grit Classifier - \$60,000 which takes the grit out so it does not get into the pumps.

Jennifer noted that the Board of Selectmen and Finance committee requested a revised plan to reflect \$330,595 in savings with the goal of reducing the proposed tax rate by 25¢. After working with department heads and the finance director, we came up with the following:

- 1) \$6,000 reduction in the training budget for all town employees – this will be achieved by setting a policy that prohibits travel outside of New England or New York area.
- 2) \$4,400 in the technology budget – we kept contractual obligations but made reductions in the IT consultant and remote disaster storage.
- 3) \$5,512 reduction to the assistant building inspector – an increase in hours was requested.
- 4) \$14,149 (\$13,709 plus \$440) reduction by not adding a part-time cemetery and park staff for this year.
- 5) \$20,000 reduction in budget for the electricity to the buildings to reflect actual costs in prior years.
- 6) \$20,000 reduction in the budget for electricity to street lights to reflect the actual cost for the prior years.
- 7) \$13,000 reduction by not purchasing a new copier at Town Hall and to postpone the resurfacing of the parking lot at the senior center for \$29,000. (Cut capital - \$42,000.00)
- 8) Capital in the borrowing category - \$15,120.00 reduction in debt service by cutting the purchase of the F350 cemetery truck which costs \$63,000.
- 9) \$30,500.00 eliminated to fund OPEB.
- 10) Increase in town fees and pilots by \$25,000. Set a 4% increase in town fees and the remainder is a goal to get a formalized way to get payment in lieu of taxes. Our assessor is working on a system where we provide a form letter for a request for payment in lieu of taxes. As far as fees, we looked at our total bottom line of how we are collecting fees and there was discussion about increasing fees in a variety of areas.
- 11) Using the additional rooms and meals tax - \$200,000. That is how we generate free cash. It is the amount of cash that you use to reduce the tax rate or provide other ways of mitigating the cash flow that is needed. This is using the revenues that are coming in and not using the \$200,000 that you would use to generate free cash for the following year. Over the last 3 years we have generated about \$640,000 in rooms and meals tax and in our budgeting we used only \$270,000 and the difference between the two of those goes to free cash and each year you use that amount to reduce the tax rate. Each year we will maintain the \$200,000 as an estimate in that revenue.

Sharon noted on Page: B-12 of the budget it shows local receipts at 1.3 million in 2013 and we actually generated 2 million. Sharon felt it should be actual. Also she asked the possibility of collecting taxes quarterly instead of twice a year and the explanation was that it would be very costly.

The meeting adjourned at 7:10 p.m.

Carolyn Wichmann
Secretary