

TOWN OF GREAT BARRINGTON
FINANCE COMMITTEE
GREAT BARRINGTON TOWN HALL
334 MAIN STREET, GREAT BARRINGTON, MA

MINUTES
MAY 22, 2014
12:00 P.M.

PRESENT:

SHARON GREGORY, CHAIR

WALTER ATWOOD – Arrived at 12:30

MICHAEL WISE

LEIGH DAVIS

THOMAS BLAUVELT

1. **CALL TO ORDER:**

Sharon said the minutes are not going to be reviewed because she has not had a chance to revise them yet.

2. **NEW BUSINESS:**

Sharon said she wanted to reorganize the assignment of special areas last year and the role of the Finance Committee as far as charter, procedures, etc. so that in a month or so we can make some recommendations of how to smooth out the process in terms of how the Finance Committee interfaces with other meetings and organizations namely town meeting, Select Board and School committee.

A. **Reorganization:**

CHAIR:

MOTION: Tom Blauvelt to nominate Sharon Gregory as Chair.

SECOND: Leigh Davis

VOTE: 4-0 – Sharon accepted the nomination.

VICE CHAIR:

MOTION: Tom Blauvelt to nominate Michael Wise as Vice Chair.

SECOND: Leigh Davis

VOTE: 4-0 – Michael accepted the nomination

Sharon reminded everyone that there is an Association of Finance Committee meeting usually in September in Franklin County. Last year the Board visited all the town buildings. It was requested that Buddy guide Michael through that process.

B. Sharon suggested that Michael, Leigh and Buddy rotate in attending the school committee meetings. Sharon said she would like more standard reporting. The district agreement should be reviewed as well as the MA studies on regionalization.

Tom noted he wants to be informed of the past due taxes paid and stay on the CPA Committee. Sharon asked Tom to put in writing his request for the Town Manager to report specifically how often the Finance Committee would like to receive a report on the payment of back taxes.

Sharon said she did a comparison of towns last fiscal year and that should be incorporated as part of the budget discussions. We can then schedule a joint meeting of the Board of Selectmen and the Finance Committee. It was suggested to draft up a letter requesting an intern from the high school or BCC to create a spread sheet to compare budgets with other towns. Sharon, Mike and Tom can work on that plus an intern.

Michael Wise said he would like to put on the agenda his revenue ideas about the tax structure – residential exemption and payment in lieu of taxes. – Mike and Sharon will work on that.

C. Role of the Finance Committee – Charter, Processes and Procedures - Sharon asked Michael Wise to review it. Sharon advised she made copies of the Massachusetts Finance Committee handbook on the Role of the Finance Committee – 1992 edition. Sharon noted at Town Meetings we need to have a formal time to state why we may disagree on a motion. Michael said he would review the bylaw and draft up a process.

D. Review of Finance Committee last FY & Objectives for this year (Part 1) Sharon said she wanted to review what we had accomplished last year and see if these are the items we would like to carry forward next year. Last year we requested information on large items that were being deliberated upon with the Select board. We wanted an opportunity to give advice and often we did not hear about it until after it was voted on. We will remind them that this is what we want to continue to be an advisor and know about the issues that we can advise on. We deliberated on the school resource officer and the financial implications. We collaborated on the Waste Water Study, looked at the rates, etc. We approached the Select board on the status of the Housatonic School and they were not able to move on it quickly because of other priorities. That needs to be a priority moving forward now. Sharon noted she would include it on an agenda for further discussion.

Sharon spoke on the comparative town analysis presented at the end of the Fiscal year and suggested that we have a full allocation of costs by function with notations of revenue sources. We don't have a clear picture of our costs for services. Retirement and Health Care costs are not allocated by department. We also need a school committee analysis so we can have a better basis for approving/rejecting the proposed annual budget with consistent comparative data from year-to-year. We would like a summary of enrollment costs, etc. While we are able to request data, it would be more efficient to agree on the standard annual information that is needed. It would be helpful if the school committee met with finance chairs to create that dialogue.

The CPA Update will be at a meeting in the summer and September.

Report on ADHOC School Committee – met Tuesday to discuss the pending proposal. A copy of Sharon's notes was given to the Board. The first option the School Board developed is to move forward with the reduced scope of the renovation. The reduced scope changes the overall expense of the project from \$56 million to \$51.6 million. The district net costs from the state financing is down from \$31.5 million to \$28 million. We had discussions as to what the impact would be for each of the towns. They presented an interest rate of 3.5%. For Great Barrington it would be \$337.67 for the average home value.

Option 2 – Do repairs only and not move forward with the revised project and go back to the MSBA with a repair upgrade project only (“up to code” project). The members of the school committee said that if we get off the pipeline and it would probably be closer to 5-10 years before we can get back into the pipeline. They noted that the repairs would be approximately \$44 million and for them to put together a repairs-only project to be considered by MSBA, because they of the negative impact of our rejecting their funding.

Thus, Sharon Harrison said it would probably be closer to 10 years. At a 5% inflation rate and an assumed higher interest rate (which was questioned), the cost projected would be identical to the renovation proposed. There was some question as to whether these assumptions were created in a way as to make the comparison of each alternative the same.

Sharon noted that she sent out an e-mail to the board members from Vivian Orlowski who advised she would like to participate in the ADHOC Committee. Vivian worked on the Master Plan Committee. She noted that we don’t know what schools are going to look like in 5 to 10 years. We are going ahead as if nothing is changing. Sharon said there is concern on her part because we have been talking about downsizing the school or increasing the size of the school district and in 5 years we may have a different scenario. Of the \$23 million operating capital budget combined we pay \$12 million which is more than half of the total cost of having fewer than half the kids. We are paying approximately 55% and we have 48 to 49% of the kids. Perhaps we can approach Richmond or Farmington River and ask them to join the district instead of being “Tuition-In” schools. Leigh questioned what is our alternative? We still have a high school that needs to be updated. Either way we are going to be paying for this, and are we able to deal with the emergency needs?

Sharon asked the committee members to e-mail her dates that are convenient to meet in July.

The meeting adjourned at 1:05 p.m.

Respectfully submitted,



Carolyn Wichmann
Secretary