

**MINUTES  
FINANCE COMMITTEE  
TOWN HALL  
344 MAIN STREET  
GREAT BARRINGTON MA 01230  
SEPTEMBER 22, 2015  
6:30 PM**

The chair called the meeting to order at 6:31 PM. Present: chair Michael Wise and members Walter Atwood, Thomas Blauvelt, Will Curletti, and Leigh Davis. Also participating in the meeting were town manager Jennifer Tabakin and financial coordinator Lauren Sartori.

Minutes of the Committee's meeting of August 20, 2015 were approved, without objection.

Committee business: The chair encouraged members to attend the conference of the Association of Town Finance Committees on Saturday, October 17 in Sturbridge. A picture for the town web page will be taken at the next meeting, because not all the members came prepared to do that this time.

Reports & statements: Blauvelt reported about the Community Preservation Committee. All 16 step one applications will be going to step two, for which the paperwork is due by October 1. The CPC will hold five meetings in October to review them.. The applications seek a total of \$1.7 million, which is twice the available funds.

Housing trust fund: The town manager reported that the town submitted a first step application to the Community Preservation Committee for \$20,000 to pay for planning and preparation, pending approval of an affordable housing trust fund at a town meeting. A wide range of tools could be considered for such a fund.

Quarterly review of town spending vs. budget: FY15: The town manager reviewed the results for FY15. There was a general fund cash basis loss of \$150,000 due to snow expenses; the finance committee approved over-spending on this item, which was funded in the 2016 recap. The relative proportions from different revenue sources were about as expected. The results include proceeds of \$40,000 from foreclosure auctions. The town's willingness to take that step probably prompted payments of tax title accounts, which were \$158,000.

Reviewing the first part of the year-end report, the chair noted that the town's legal expenses were lower than the year before (and much lower than two years ago). The financial coordinator confirmed that the two line items for custodial services for town buildings represent two individuals, amounting to a total of about \$80,000. The high free cash balance in the sewer enterprise fund accounts anticipates the upcoming debt service for the improvement projects. In response to questions about several items for which budgeted funds for consultants or studies had not been spent during the year, such as economic development, bike paths and Ramsdell library, the town manager noted that for each there was work in progress and it would show up in the current year.

Blauvelt asked about the overtime in the police department. The town manager described the new "officer in charge" system of assignments, which permits shifts to be covered with less need to rely on overtime if someone is out sick. Funds for officers who are detailed for the Main Street and other construction projects come from the state through the construction contract. Blauvelt asked about the difference between two lines in the fire department budget about "inspectors".

The financial coordinator clarified that one “inspector” line represents salary (for several people), while the other is about repair of equipment. Fees from inspections exceed the salary of the building inspector, but inspections may not be generating a profit, because there are other costs to consider. Two unnamed line items under “community service” are recipients whose names were not in the system; those names will be added.

Budget policy considerations for FY17: The town manager described the overall purpose of the budget planning process and gave an overview of the planning for next year’s budget, which is just getting underway. She is seeking to increase the amount of information in the budget and get it out earlier in the season. Some aspects are policy decisions, such as tax classification, debt management thresholds, and the preparation process. Town management is working on a longer-term three-year perspective report, which would include such topics as what could be expected from different revenue sources. The town has made progress about capital budget and planning, and for this management will be looking at ways to even out debt payments.

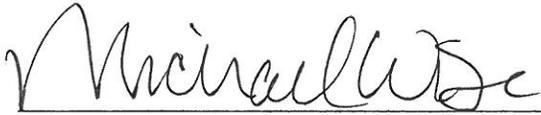
The chair asked whether the members had issues they wanted to be included in budget planning. Davis asked about the status of the labor agreements; the town manager said FY17 would be under the current contracts. Blauvelt asked about the Housatonic school; the town manager said that a consultant is doing a market study, while Kopelman & Page will deal with the legal issues. Blauvelt suggested there should be a line item for Main Street maintenance; Atwood thought it would be more important to identify the likely costs and where they would be incurred. Davis was concerned about lack of movement about the leased offices in the fire station.

Property tax exemptions for seniors: The chair outlined the two personal exemption issues that had not been addressed at the August 20 meeting, namely potentially more generous terms for senior exemptions under Clause 41C and Clause 41C ½ and tax deferral for seniors under Clause 41A. He observed that the town offers a Clause 41C exemption of \$750, which is lower than the statutory maximum of \$1000. The state will reimburse up to 39 of these exemptions (up to \$500 each), but the town now has only 27; it is not clear whether there is a demand for more. A new program, Clause 41C½, could offer a reimbursable exemption tied to property value in town (by exempting from tax up to 20 percent of average assessed value); few towns have adopted this yet. He reported that deferral is available under state law without the need for local action; however, the statute’s default terms are not very generous, and many towns do not call attention to this possibility. A town could decide to increase the income threshold (from \$20,000 up to the “circuit breaker” single-taxpayer limit, which is now \$56,000) and reduce the interest rate on the amount deferred (below the statutory 8 percent). That would make the program more attractive. There would be administrative costs. The chair will consult with the town assessor about making a presentation on the subject to the next meeting.

Health care & insurance costs and options: The town staff will brief the committee at its next meeting about the town’s current arrangements with Berkshire Health Group.

Citizens speak time: Nick Stanton asked about the definition and treatment of “free cash” and the timeline for paying off town debt. Michelle Loubert observed that the town still has communication problems such as getting the word out through e-mail distribution, and suggested that it may be necessary to appoint an employee to be responsible for communications. Vivian Orłowski asked whether the proposed housing trust fund would address other Master Plan recommendations about incentives for affordable housing.

The meeting was adjourned, without objection, at 7:45. The next regular meeting would be October 27, at 6:30; the chair advised the members that a joint meeting with the Selectboard about budget policy could be scheduled around that same time.

A handwritten signature in cursive script, appearing to read "Michael Wise". The signature is written in dark ink and is positioned above a horizontal line.

Michael Wise, Chair