



BOARD OF SELECTMEN

**TOWN HALL BUILDING
8 PARK STREET**

Thursday, March 31, 2022, 6:00 p.m.

**FINANCE COMMITTEE
MEETING MINUTES**

CALL TO ORDER: On the above date the Board of Selectmen and Finance Committee held a joint workshop at the Visitors Center first floor meeting room. The Board of Selectmen workshop was called to order at 6:00 p.m. by Chairman Duval. Present from the Board of Selectmen were Chairman Duval, Vice Chair Hoyt, Members Blanchard, and Nowak. *Member Rosenberg was absent.* The Finance Committee Workshop was called to order at 6:00 p.m. by Finance Committee Chair Cushenette. Present from the Finance Committee were Chair Cushenette, Vice Chair Burdick, Members Duval, Mucci, Tomkowicz, Johnson, Melito, Murray, Butler, Kline, Burnett, and Nocher. *Members Foster, Kupiec and Meczywor were absent.* Also present were Town Administrator Green, Finance Director Wojcik, Town Assessor Wheeler, Town Treasurer/Tax Collector Rice, Administrative Assistant Dunlap, Brian Rhodes from iBerkshires, and Dan Jin from the Berkshire Eagle.

FY2023 BUDGET OVERVIEW: *Town Administrator Green* read his letter to the Board of Selectmen and Finance Committee giving a budget overview. He outlined Personal Services, Operating Expenses, Capital Outlay, and the Capital Outlay from Free Cash. He explained Free Cash and how it is used. He outlined the budget lines for Public Buildings / Facilities Management, the Greylock Glen furniture, fixtures and equipment, and an intrusion alarm and access control system for a town building. He noted the need for a Facilities Management vehicle to carry equipment from building to building. He explained the final paving and striping costs for 26 Commercial Street, small equipment for the Cemetery, Parks and Grounds, and a shed replacement at Valley Street Field. He reviewed estimated expenditures by category, and revenue sources that fund the budget. *Finance Director Wojcik* explained the Cherry Sheet. Local receipts were reviewed, and it was explained that supply chain issues are affecting the excise tax revenues. *Vice Chair Hoyt* inquired whether there was an estimate for the current fiscal year, and whether it can be estimated high for FY2023. It was explained that the trending is currently low and it cannot be estimated currently due to varying factors. *Tax Collector / Treasurer Rice* explained that the tax bills were sent out in March and are due in April. She explained that the second half of the fiscal year is what brings in the revenue. *Finance Committee Member Kline* clarified that excise tax is from vehicles people actually own as of January 1st. It was explained that 70% of the revenue is based on Real Estate Tax. The Stabilization Fund was reviewed, and it was explained that the target is to be 10% of the Annual Budget. *Town Administrator Green* advised the Town can lawfully appropriate it for what is needed, and the balance of the Reserve Fund is put into it. Council on Aging receipts were reviewed, and come from van rides and other services. It was explained that the Town entered into a shared services contract with Savoy, which increased it. \$35,000 was appropriated from Savoy to offset expenses. The \$10,000 Parking Meter Fund was explained, and it was noted that on average \$275 comes in per month from meters. The Quaker Meeting Trust was acknowledged and it was noted that a meeting with the Trustees will determine what they would like to do with the building.

Revenue Sources and Estimated Free Cash is money left over from Fiscal Year 2021, not Fiscal Year 2022. The balance was noted as being \$504,720, and it was explained that Town Meeting has to appropriate these funds. Levy Ceiling and Levy Limit were explained. It was pointed out that the Town is nowhere near the Levy Limit, and is living within its means. Estimated new growth was outlined, and it was pointed out that it cannot be predicted as it varies from year to year. The Estimated Tax Rate was reviewed, and new growth estimates are in the budget as \$25,000, but are usually higher than that. It was pointed out that the new growth amount used annually in the budget is \$25,000 but last year new growth was over \$5 Million. It was explained that these are estimated numbers, and it will not be this amount next year. *Board of Selectmen Member Nowak* expressed concern that putting in \$25,000 every year skews the budget if it is a significantly different number. *Town Administrator Green* noted this figure has been used historically every year because of the need to be conservative when budgeting. *Town Assessor Wheeler* explained that as an example, Cumberland Farms is expecting to be ready to open in the summer, but may not be open until September. The end date of new growth is June 30th, so this may factor into an estimate variable. She noted that inspections are done in April, May and June, and there are 170 accounts being done right now. New growth was described as being new homes, sheds, garages and other similar items. *Finance Committee Member Johnson* inquired about the status of the Rochester Paper and W.R. Grace Companies and it was explained that Rochester Paper is in Tax Title, and W.R. Grace is owned by John Duquette. *Tax Collector / Treasurer Rice* reported that tax collections have been excellent, and well over 98%. The first half of the taxes were over 48% collected, and the second bill is due to go out tomorrow. *Board of Selectmen Member Nowak* inquired if the Council on Aging is down to one van to serve all of the people including Savoy, or whether it comes from federal funds. It was explained that the Council on Aging is maintaining two vehicles for now, and one is for Savoy. The biggest issue is getting Van Drivers. *Board of Selectmen Member Nowak* inquired where the parking meter funds go, and it was explained they go into Parking Fees, under Receipts. *Finance Committee Member Murray* inquired whether the Council on Aging alternates the vehicles, and it was explained that is currently the practice. He also inquired whether going to quarterly tax payments rather than twice per year would lessen the impact on the tax payer. It was explained that the intent would be to level out the income, but the Town has to first make sure costs are offset as it is more work to go to quarterly billing. It was explained that Lisa Blackmer has had experience with this strategy and will review it with Town staff.

FY2023 BUDGET REVIEW: The General Government budgets were reviewed.

General Government

Town Assessor: *Town Assessor Wheeler* explained that a 60% decrease in health insurance costs were because a staff member that left had a full family plan and it is now filled with a staff member on a single plan. Other staff are part time, with no benefits, but receive a 2% cost of living adjustment increase. Two part-time Board of Assessors Members are elected. It was explained that recently the stipends for these Board of Assessors Members was decreased from \$1,900 to \$300, and a request was made to have them reinstated due to the knowledge and skill required of them and how much they are relied upon. Their commitment to the Town was also noted. *Town Administrator Green* explained that Williamstown did a study and every community is currently assessing this. He noted that people do the work with the intent to serve, but it is time consuming. *Board of Selectmen Member Nowak* concurred with the request. It was explained that rarely during elections is there a full ballot, and people don't run for the position for the stipend. Operating Expenses were noted as level-funded except for the Management / Consulting line, which is for assessing larger town business. A recent legislative change for utilities was noted and reporting for tax statements are required. It was pointed out that many communities use consultants for this purpose. *Board of Selectmen Chair Duval* asked for additional

details on the Board of Assessors duties, and it was explained that they do assessment inspections with the Town Assessor so nobody ever goes into a house alone. In addition to providing guidance and information, they also worked on the Town Report submission. *Board of Selectmen Member Nowak* inquired if a consultant with the group is able to go into businesses to assess personal property. It was explained that every five years the Town needs to recertify with the state and be reassessed. Roy Bishop from Bishop and Associates has been working with the town on this. It was noted that for personal property, certain items can be taxed and others are not taxable.

Tax Collector / Treasurer: *Tax Collector/Treasurer Rice* noted that the cost of living adjustment for staff and insurance were the only changes in the personal services budget. The two staff are the Tax/Collector and Financial Assistant. She noted the Operating Budget has been level funded, and the services include tax takings, auctions and tax liens. She explained that back taxes unpaid go into tax title. She sends it to land court, and then it becomes the Town's property. She noted she did a tax lien and in a month \$50,000 was collected. She pointed out she puts names in the newspaper. Payment plans are worked out and those that have them are all coming in to pay. After 15 days, a lien is placed on the property, and after 60 days it is recorded at the Registry of Deeds. She advised that the Town gets the money first. Once the Town owns the property, she waits six months to a year to put it out to auction. She explained that a buyer cannot get a loan until it has been cleared for a year. An auction will take place in May for 8 properties and some buildable land. *Finance Committee Member Johnson* inquired what happens if the Town gets a property with a hazardous condition such as asbestos. It was explained that the Town is not responsible, and the house is sold as-is. It was clarified that a house may be in land court for six months to six years. *Board of Selectmen Member Blanchard* inquired about posting the names on the Town website, and it was explained that they are currently posted at the Town Hall, Library, Police Department, and the newspaper, as well as the Town website. It was pointed out that 3 years of owed taxes were done, and there were only 24 names in the paper. *Finance Committee Member Murray* pointed out that for Fiscal Year 21, if 98% were collected and basing it on 100% collection, the final 2% of taxes would be approximately \$250,000. It was noted that in the last three to four years collections have increased significantly. *Town Administrator Green* explained that he will be putting the Auditor in front of the Finance Committee to show how this impacts Free Cash.

Debt Service: *Tax Collector / Treasurer Rice* explained that one debt is paid off in 2025, then the next one in 2028. The final one is in Fiscal Year 2039. It was pointed out that the Debt Service does not include the Hoosac Valley building. *Board of Selectmen Member Nowak* inquired what the Bond Rating is, and it was explained through Standard & Poor, the last time it was assessed the Town was AA-, which is only one or two from the top rating. It was explained that this drives the interest rate, if the Town were to bond.

Town Clerk: *Town Administrator Green* advised Town Clerk Meczywor was not able to be in attendance, but the biggest increase in the Personal Services budget was the insurance family plan. *Operating Expenses* were level-funded. Repairs and maintenance are for the typewriters, copier, stamp machine and other equipment. \$800 is included for travel and Dues are for the Town Clerk Association. *Election* costs are driven by the number of elections that the Town has to have, and it is for September and November this year, as well as Poll Workers. Registrations are for the Board of Registrars of Voters. *Codification* includes the annual maintenance of the Town Code.

Executive

Selectmen: It was explained that the stipends are the same, with no change. The Operating Expenses are for postage, advertising, and other necessary items.

Town Administrator: It was outlined that the Temporary line of \$7,500 is for management and consulting to cover a part time employee who is doing training. The Town Administrator and Administrative Assistant are the only two positions in this budget. It was explained that the Operating Expenses have gone up 14.53%. BRPC is to pay for the membership, and that cost has increased. The Legal Services line item has increased for labor legal expenses. Advertising is for legal ads for alcohol licensing. Engineering has been put into Management and Consulting, and funds will be put forth to a hire a human resource professional. Education/Travel/Conferences and Meals are for the annual conference for Massachusetts Municipal Association and other training and conference events.

Town Counsel: It was noted that Attorney St. John III has provided these services for an annual stipend and otherwise the services would be hired out and on the clock. *Finance Committee Member Nocher* inquired how many hours legal counsel provides. It was explained that when Attorney St. John III retires it will be looked at more in depth.

Moderator: It was explained that this is the stipend for Myra Wilk.

Town Report: The Town Report budget is for printing and binding.

Motion made by Board of Selectmen Member Blanchard to adjourn the Board of Selectmen Workshop, second by Vice Chair Hoyt. Vote: unanimous. Motion passed. The Board of Selectmen Workshop adjourned at 7:40 p.m.

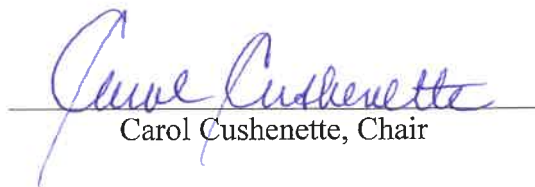
APPROVAL OF MINUTES: The Finance Committee Meeting Minutes for March 17, 2022 were presented for approval. **Motion made by Member Tomkowicz to approve the minutes for March 17, 2022, second by Member Mucci. Vote: unanimous. Motion passed.**

ADJOURNMENT: Motion made by Vice Chair Burdick to adjourn, second by Member Tomkowicz. Vote: unanimous. Motion passed.

The Finance Committee Workshop adjourned at 7:46 p.m.

Respectfully Submitted,

Deborah J. Dunlap, Recording Secretary


Carol Cushenette, Chair