

FINANCE COMMITTEE MEETING

February 15, 2012

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Meeting Date: February 15, 2012

Called to Order: 6:00 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Michael Naughton, Andrew Killeen, Lynn Reynolds and Roy Rosenblatt

Board of Selectmen Members Present: Mark Fairbrother

Others Present: Frank Abbondanzio (Town Administrator), Carolyn Olsen (Town Accountant), and Barbara Miller, Director of Assessing

Minutes

Finance Committee Moved:

To approve the minutes of February 8, 2012.

Vote: 3 In Favor 0 Opposed 1 Abstained

Fiscal Year 2013 Budget Discussions

Board of Assessors, Information Technology

- Ms. Miller gave a brief overview of the role of the assessors' office. The main goal is fair and equitable valuations. The office also handles all abatement and exemption requests and prepares, with the input from other departments, the tax rate documentation for the Department of Revenue.
- The things that have changed since Ms. Miller was hired:
 - A part time clerk has been replaced with a full time clerk. This clerk does a lot more work on property inspections, getting details of the property at the moment of sale. This provides current and accurate data to compare to the sale price. The same clerk is also inspecting properties with building permits, which also provides excellent public relations.
 - Staff is also doing cyclical inspections rather than hiring it out.
 - Ms. Miller is doing in house residential values instead of hiring it out. This has had two benefits. First, by doing valuations in house, Ms. Miller can give detailed explanations of each property valuation to taxpayers, which is very valuable. This has also allowed her to purchase GIS software within the existing budget. The Building Inspector will also soon have GIS software allowing them to easily get an abutters list.
 - There is not a definitive list of roads in Montague. The Director of Planning and Community Development, Building Inspector, Town Clerk, DPW Superintendent, Assessing Technician and the Director of Assessing are meeting monthly to clarify the status of roads and develop layers to add to the GIS system.
 - The department is creating an inspection manual to provide consistency as we do cyclical inspections and to provide training to future staff. This manual will also assist in appellate tax board cases since it proves consistency.

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- New growth values for the utilities has increased in recent years due to corrections in the calculation.
- Mr. Killeen asked, given deteriorating housing values, how aggressively Ms. Miller is pursuing current information. For the Fiscal Year 2012 tax bills, assessors are required to use values as of January 1st. Ms. Miller went forward 6 months in time to capture as much of the changes as possible. Ms. Miller does not use foreclosure sales because there are enough arms length transactions to justify that foreclosure values are not market sales in Montague.
- Ms. Reynolds asked the percentage of foreclosure sales. Ms. Miller doesn't have the amount with her, but it is a low percentage.
- Valuation provides fairness for what a taxpayer pays in taxes. If all values go down, tax rate will go up because the total levy does not decrease. But if a correction in value is made to one parcel, that taxpayer's tax bill is changed appropriately.
- Mr. Killeen asks if there is a conflict of interest in the assessors setting the value and that driving the town's revenue. Ms. Miller responded that his statement that the values drive the revenue was incorrect. The tax revenue is based on the 2.5% increase allowed by law plus new growth. The only part that affects the value of that revenue is new growth. The change in property values has no impact on revenue. Without Proposition 2 1/2, there still would not be a direct correlation because the amount of revenue is based on the budget which is approved by town meeting and is separate from valuations.
- Mr. Naughton commented that looking at a tax rate to compare between towns is pretty useless. Comparing average tax bills is much more valuable.
- Assessors use median when looking at sales, but use the average for the average home value.

Ms. Miller presented information on the supplemental requests for the Board of Assessors and Information Technology

The Board of Assessors requested \$1,100 for a property record card system.

- Ms. Miller stated that for one year, her predecessor went with saving the property records card as a digital file. As much as Ms. Miller likes technology, she would prefer having a folder with the prior years' property record cards to help explain changes in value to the taxpayers. The paper file is also used to contain zoning information and changes. In terms of overlap with the building department, there isn't a lot of redundancy other than copies of the actual building department decisions.
- Databases for every year are within the mass appraisal system, which has a direct link to GIS.
- The budget item for Cyclical Interim Revaluation has not been used for interims because Ms. Miller has done them herself, but a time may come when assistance

is needed. That appropriation in part has been used for other purposes such as the GIS system.

Annual appropriation of \$8,200 for Information Technology

- Mr. Hanold noted that last year Ms. Miller asked for supplemental funding for information technology beyond the annual \$8,200 special article, and asked if \$8,200 was sufficient for Fiscal Year 2013. Ms. Miller noted that the additional funding last year not only allowed some catching up with the replacement schedule, it allowed for the purchase of a terminal server. A terminal server allows for less expensive individual workstations that do not have their own CPU. Consequently, Ms. Miller considers \$8,200 per year adequate at this time.

Supplemental request for IT Administrator with a \$5,000 stipend

- Ms. Miller clarified that the proposal for an IT Administrator with a separate stipend was not intended to replace the work of the outside consultant.
 - Ms. Miller noted that she was hired as Director of Assessing and the computer work was simply thrown into the mix because her predecessor had done it, but that she was not hired to be a technology go to person.
 - Because Ms. Miller does more in-house assessing work than previous employees and also spends a lot of time on computer issues, she is simply requesting formal recognition for what she is doing and some compensation for the extra technology work she does.
 - The proposal was to create a title for the information technology work that she does so that she can present herself as an IT person when dealing with vendors.
 - Ms. Miller created a draft job description based on what she currently does. If that draft were used to create a position to replace both her as coordinator and the consultant, the position would cost at least \$29,000 annually for 10 hours a week. Ms. Miller gave some consideration as to whether the town needs a full time support person. She thinks it could if all town departments and districts were involved (less school district which has network manager and 3 employees). A full time position goes for \$50,000-\$150,000 per year. The current consultant works specifically with towns, many of whom use the same programs for things like assessing and tax collecting.
 - Ms. Miller made the point that she wants whoever does the work to have a job description because when she leaves it is unlikely the town will be able to higher a joint Assessor/IT person, and if someone else takes over the responsibilities they should know they will be compensated for the additional work.
- Mr. Rosenblatt asked if the Finance Committee has the authority to create a position. It does not, which is why Ms. Miller sent the request to both the Selectmen (who act as the Personnel Board) and Finance Committee (because it has a financial impact).
- Mr. Killeen asked about how much time Ms. Miller spends on computer issues and whether the additional responsibility requires her to be here longer than

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normal. Ms. Miller did have to work longer than normal during some preliminary work but that is not longer an issue. Ms. Miller stated the computer responsibilities average 10-15 percent of her time.

Mr. Abbondanzio answered a variety of questions about various budgets.

The Board of Selectmen's first supplemental request is for \$9,000 for a part-time clerk at 10 hours per week.

- This position existed until 2008, and would primarily be responsible for minutes, filing, special projects, and covering the office in the absence of the Secretary.
- Mr. Hanold asked if the current 25 hour per week secretary was interested in taking the additional hours, but she is not.
- Mr. Naughton asked if the current secretary were to leave tomorrow, would we consider replacing her with the two positions or with one full time position. Mr. Abbondanzio said we would likely look for a single full time position.

The Board of Selectmen's second supplemental request is for \$3,000 for travel and professional development.

- The Town Administrator's contract includes attendance and ICMA and other conferences and workshops. The request also includes some funding for the secretary to attend workshops and meetings relative to her work like liquor licenses and civil service workshops.

The Board of Selectmen's third supplemental request is for \$5,000 for streetscape maintenance and other professional services.

- This request breaks down into \$2,000 for streetscape maintenance and \$3,000 for technical assistance and consulting.
- Ms. Olsen recommended a separate budget category under the direction of the board of selectmen for streetscape maintenance. Mr. Naughton asked why it couldn't be incorporated in the highway budget and whether it was a management issue if the work is not done. Mr. Bergeron had noted that the town liked to do great projects without providing for future maintenance and expecting his department to incorporate the work without additional resources.
- The streetscape maintenance would include items like compost, mulch and plants for the volunteers who maintain the planters.
- Mr. Abbondanzio would like the \$3,000 for technical assistance and consulting to go into the Selectmen's budget.

Mr. Abbondanzio suggested that the request for the Fiscal Year 2013 legal budget be increased to \$50,000 or \$55,000. Mr. Naughton asked for a list of issues the town is dealing with and what the costs are to date.

Utilities Budget

Mr. Hanold questioned whether town hall natural gas budget was too high for next year. Is there a better way of estimating? Mr. Naughton said if we're expecting savings, we

should be reducing the budget request and requested a new budget estimate for this line item.

Historical Commission

This organization has not been funded for several years but has requested that \$500 be budgeted for Fiscal Year 2013. There is a statutory responsibility for a Historical Commission, but the demands for services vary. The commission has difficulty attracting members.

General Insurance

The 10% increase for Fiscal Year 2013 is an estimate, and may be on the high side. Mr. Abbondanzio is currently in the process of soliciting bids. It looks like MIIA will be willing to bid on it which will provide competition and hopefully reduce the cost for next year. The advantage to MIIA is they offer many workshops and are more proactive in preventing injuries.

Mr. Naughton asked about follow up on police insurance. Mr. Abbondanzio has not had a chance to do that but will try to have it soon.

Mr. Naughton is not sure how he feels about the 10 hour week position for the Board of Selectmen. He understands the willingness to work around a valued employee, but sometimes the effort in accommodation can exceed the benefits and he would like to hear from personnel board why this is a better idea than a full time secretary. A transcriptionist will not have the other skills when covering the office. Mr. Rosenblatt wanted to echo that for the IT coordinator position. The Personnel Board will be asked for recommendations on both of these items.

Topics not anticipated within the 48 hour posting requirement None

List of Documents and Exhibits –

- Minutes of February 8, 2012
- Printout from Mr. Abbondanzio with questions and answers on various budget items.

Next Meetings

- 6:00 PM February 22, 2012 Franklin County Technical School, Library
Council on Aging, Parks and Recreation
Supplemental Budget Requests – all departments
- 6:00 PM February 29, 2012 Final Votes Schedules I and II
- 6:00 PM March 7, 2012 Gill-Montague Regional School District

Adjourned 7:57 PM