

FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
January 23, 2013

Page 1 of 3

Meeting Date: January 23, 2013
Location: 1 Avenue A, Turners Falls MA

**Board of Selectmen Called to
Order:** 6:02 PM

Finance Committee Members Present: John Hanold, Michael Naughton, Lynn Reynolds and Greg Garrison. No quorum.

Board of Selectmen Members: Pat Allen, Chris Boutwell and Mark Fairbrother.

Others Present: Frank Abbondanzio (Town Administrator), Carolyn Olsen (Town Accountant), Sharon Kennaugh, and Walter Ramsey (Town Planner)

Mr. Boutwell announces remote participation by Pat Allen due to geographical distance.

Minutes

Selectmen Moved:

To approve the minutes of December 5, 2012.

Vote: Allen - Aye Boutwell – Aye Fairbrother - abstained

2013 Community Development Block Grant

Mr. Ramsey presented his request for a letter of support from Finance Committee members for the Fiscal Year 2013 Community Development Block Grant proposed activities. Since the town has financial problems, the letters show support for the project with a request for grant funding as the town is unable to fund the projects. The projects for Fiscal Year 2013 are a slum and blight designation for part of Millers Falls, the same designation for the historic and industrial portion of Turners Falls and a planning feasibility study for the Senior Center.

The Finance Committee members present signed the letter of support.

Selectmen Moved:

That they sign a letter supporting the three initiatives, specifically the downtown Millers Falls slum and blight designation, Turners Falls historic and the senior center planning study.

Vote: Allen - Aye Boutwell – Aye Fairbrother - Aye

Fiscal Year 2014 Schedules I & II

The changes in the Fiscal Year 2014 requests are:

- A \$500 annual increase for each elected board member (Selectmen, Assessors and Board of Health), previously supported by the Board of Selectmen and the members of the Finance Committee
- Step increases for full-time elected officials (Treasurer/Tax Collector and Town Clerk)
- An increase of \$47 from the Forest Warden for a total annual stipend of \$1,631.

- Mr. Naughton is uncomfortable with some positions being increased when others were told to level fund budgets. Mr. Naughton further suggested that the stipend be divisible by 100, and recommending \$1,600.
- Mr. Hanold's inclination is to not change this stipend and that if it's a general increase we should be looking at others as well.
- Ms. Allen agrees that she prefers to include percentage increases in total or not at all.
- An increase of \$193 from the Tree Warden for a total annual stipend of \$1,460. This amount was selected in order to have an annual stipend easily divisible by 365 days to have a daily rate. The Tree Warden is also a town employee and the stipend is included in his weekly paycheck.
- Ms. Reynolds likes the idea of consistency, but also thinks we need to actively look at everything sooner rather than later. Two people who have made requests. In the past we've had requests from various departments for whom many of the part time people work and Ms. Reynolds suggested that departments be asked for input.
- Ms. Allen suggested adding a 3% increase to stipends for the Moderator, Registrar's Clerk, Board of Registrars, Burial Agent, Tree Warden, Emergency Management Director, Forest Warden and part-time Inspectors. Ms. Allen excluded the Computer Administrator since it is a new item and the Barn and Animal Inspectors since they were just increased.
- Mr. Naughton is reluctant to move ahead. Not a fan of 3% raise issue for a lot of these since it winds up with odd numbers, in favor of making inspector rates an even dollar and occasionally adding a dollar.
- Mr. Hanold did a quick calculation and a 3% increase to would be about \$283. The biggest change would be to emergency management director.
- Mr. Naughton hasn't heard a good rationale for offering more, and since we're looking at another tight year, suggests level funding for Fiscal Year 2014 (excluding the previously agreed upon increases to the Boards of Selectmen, Assessors and Health), and allowing individuals to come in and make a case for their requested increase.
- Mr. Hanold will notify the appropriate individuals of the opportunity to request and justify an increase in the stipend. The computer coordinator, barn inspector and animal inspector amounts are recent and are not deemed to require a change.

Transfer Free Cash to Stabilization

There is currently \$559,289 of available Free Cash. Last week Mr. Naughton proposed submitting a special article request to transfer some of the available balance to Stabilization. Ms. Olsen provided a handout showing some likely activity from Free Cash and Stabilization.

Mr. Naughton noted that we're currently using \$150,000 from Stabilization, and feels that at a minimum we should be putting \$100,000 into Stabilization. Mr. Hanold and Ms.

Reynolds are comfortable with the \$100,000 amount. This will be requested for the upcoming Special Town Meeting.

Preliminary Discussion of Fiscal Year 2014 Use of Reserves

Ms. Reynolds mentioned that a threshold of \$800,000 or 5% of annual spending has been used in the past as an appropriate balance for the Stabilization Fund and noted that we appear to be above that amount. The current estimates would allow for using approximately \$200,000 of Stabilization (assuming approval of the transfer from Free Cash) for Fiscal Year 2014, of which at least \$75,000 has been identified.

Topics not Anticipated

Mr. Hanold stated that he had heard the Governor had released his budget. Mr. Abbondanzio said the budget, among other things, includes level funding unrestricted aid at the final FY12 level, plus a new type of local aid (annual formula local aid) that would add \$52,966 to the Cherry Sheet. Assuming the Governor's tax changes pass, there would also be good news for the school districts. It was suggested that we update the budget file by including the level funded unrestricted aid while not adding the new aid until we have more certainty. Mr. Abbondanzio suggested waiting until he returns from the MMA conference before changing the revenue forecast.

Add reconsideration of affordable assessment amount to next agenda.

Board of Selectmen Meeting Adjourned at 7:20 PM

Selectmen Moved:

To adjourn.

Vote: Allen - Aye Boutwell – Aye Fairbrother - Aye

List of Documents and Exhibits –

- Minutes of December 5, 2012
- Notes from January 16, 2013
- Memo from Mr. Ramsey requesting letters of support
- Draft Schedules I & II for Fiscal Year 2014
- Summary of possible Free Cash and Stabilization Fund activity

Next Meetings

- January 30, 2013- Meet with Airport, IT. Review budgets for Accountant, Treasurer, Debt, Clerk, Planning, Assessors (Chris Boutwell will be absent)
- February 6, 2013 - Review budgets for Police, Dispatch, GMRSD debrief
- February 13, 2013 - Review budgets for DPW, WPCF
- February 20, 2013 - CIC, Review budgets for Selectmen, Debt, Vets, Misc