

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
August 28, 2013

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Meeting Date: August 28, 2013

Called to Order: 6:05 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Hanold, Sharon Kennaugh, Michael Naughton, Greg Garrison and Lisa Adams. Lynn Reynolds arrived at 6:15 PM.

Selectmen Present: Michael Nelson and Mark Fairbrother. Christopher Boutwell was absent.

Others Present: Town Administrator Frank Abbondanzio and Town Accountant Carolyn Olsen

Minutes

Finance Committee Moved:

To approve the minutes of August 7, 2013.

Vote: 4 In Favor 0 Opposed 1 Abstained

Selectmen Moved:

To approve the minutes of August 7, 2013.

Vote: 2 In Favor 0 Opposed 0 Abstained

Special Town Meeting – Another article was added after the last Finance Committee Meeting.

ARTICLE 23. To see if the Town will vote to raise and appropriate, transfer from available funds, borrow or otherwise provide the sum of \$110,000, or any other amount, for the purpose of repairing or replacing a boiler at the Sheffield School, or to pass any vote or votes in relation thereto.

(GMRSD Request)

Sheffield Boiler. One of the boilers at the Sheffield School is in need of repair or replacement. The town paid almost \$22,000 to repair another boiler at Sheffield in 2011. The Capital Improvements Committee and representatives from the Energy Committee collaborated with the GMRSD Facilities Manager to determine the best long-term fix. The cost to fix the 20 year old boiler is almost \$40,000. The CIC looked at the costs/benefits of repairing the boiler, replacing it with a new oil boiler, or replacing it with a new gas boiler. Replacement costs, estimated operating costs, and fuel efficiency were all considered. The final recommendation is to replace the boiler. Although the town has not as yet obtained a bid for this project, the Capital Improvements Committee estimates that the cost may be up to \$110,000. This is considered a conservative estimate. We are asking to appropriate this amount with the understanding that when it is bid the actual cost may be less.

Mr. Garrison provided a more detailed description of the problem with the boiler and the options. At this point the remaining questions have to do with the cost of removal and the connection. Mr. Naughton asked if the old boiler had any value for scrap. Mr. Garrison said there is scrap value.

FCMoved: To recommend Article 23, to be funded from Stabilization.
Vote: 6 In Favor 0 Opposed 0 Abstained

BOSMoved: To recommend Article 23, to be funded from Stabilization.
Vote: 2 In Favor 0 Opposed 0 Abstained

Information Technology

Mr. Naughton would like a sense from the Finance Committee on where to go from here. He has contacted almost all town departments. The original question was whether town wide coordination would be good. All departments other than police, libraries, and sewer are at least mostly under the oversight of Ms. Miller (IT Coordinator for the town). The WPCF has its own network of 3 computers plus 2 other computers for process control. The libraries have two systems in each branch, one for employees and a CWMARS system for the library catalog/item checkout/interlibrary loans. The Police department has both regular PCs and specific systems for dispatch and law enforcement. All departments use Microsoft Office, so there is consistently there. Ms. Miller is working on going to a wireless system for the town network once broad band is available, which all departments could connect to. Mr. Naughton feels that the current level of connectivity, plans for the future, and oversight is appropriate. Mr. Naughton would still like to see a network diagram. Mr. Hanold expressed the committee's appreciation to Mr. Naughton for his work on this project. Mr. Naughton will continue to look into other computer issues as his time permits.

Sewer Emergency Issue

Mr. Abbondanzio reported that the second part of the emergency repair has been done. The bids came in lower than originally expected. Total capital costs for articles #14 & 15 should be around \$1.533 million. The debt cost to borrow \$1.6 million for 20 years at 4% interest and declining principal payments, will range from \$134,000 in the first year to \$83,000 in the last year. Each \$10,000 of cost is roughly a 4.5 cent increase in the sewer rates. The average user (using 64,000 gallons per year) would be paying \$43 more per year for the debt for the first year.

Gill-Montague Regional School District Budget

Mr. Naughton reported results of requests for information to request from Gill-Montague Regional School District for Fiscal Year 2015 budget. The District will be requested to provide the following for Fiscal Year 2015:

- A line-item "All Funds" budget for Fiscal Year 2015 with funding sources.
- A line-item "All Funds" budget for Fiscal Year 2014 with funding sources.
- A final line-item "All Funds" expense report for Fiscal Year 2013 showing actual revenues and expenditures.

- Mr. Naughton would prefer getting the budget information in an Excel format. Having a budget request showing multiple columns with FY13 Actual Expenditures, FY14 Budget and FY15 Request would be both very useful and similar to the town budget.
- A document showing the calculation of the town's assessments.
- A document detailing budget assumptions for Fiscal Year 2015 for both revenues and expenditures. Mr. Hanold feels the last bullet on Mr. Naughton's memo requesting this and the causes of significant budget changes is the most important.
- Mr. Hanold is less interested in the line item detail than the summary by function and asked for other opinions.
- Ms. Reynolds really appreciates seeing the line item detail and thinks that this lends to transparency and trust. She likes the comparison of the function summaries but feels it would be very helpful to get descriptions of what produces major increases and decreases to function budget amounts.
- Mr. Fairbrother agrees that the detail is interesting but thinks we have to be careful about talking to school representatives about individual line items as that could be viewed as micro-managing.
- Ms. Adams said that town meeting really wants to know how many students are being choiced out of the district and thinks that the number of students choicing out and in should be made available. There was strong agreement about getting this information. Others requested student counts for total enrollment, transportation, SPED, Choice In, Choice Out, Charter, and staffing numbers. Other non-financial drivers such as enrollment, enrollment trends, and the numbers of choice and charter students, as well as the costs involved, should be provided in advance.
- Ms. Reynolds noted that the District's per pupil expenditures are high in comparison to other schools and districts and it would be helpful to have an analysis of why that number is so high. Mr. Naughton added a request for the per-pupil cost.
- Mr. Abbondanzio said that the budget packet we receive from the Franklin County Tech School should be a model for what we get from the GMRSD.
- Mr. Garrison noted that pupil numbers are a significant driver in various budget accounts, including transportation.
- At the September 11th meeting with Superintendent Sullivan we will have a general discussion of what information we would like in budget presentations and what the district can provide.
- Ms. Olsen will provide a template of a sample budget form showing both revenue categories and function subtotals for FY2013 Actual, FY2014 Budget and FY15 Requests.

Topics not anticipated within in the 48 hour posting requirements - none

Next Meetings:

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September 10, 2013 Pre-Town Meeting at 7 PM in the upstairs meeting room at Town Hall.

September 11, 2013 (meet with GMRSD Superintendent Michael Sullivan and Gill representatives)

September 12, 2013 Special Town Meeting

September 18, 2013

Future Items

- Update on WPCF future capital costs and proposed funding (Mr. Abbondanzio)
- Interpret sections of the Compact that currently have different interpretations.(Mr. Naughton)

Meeting Adjourned at 8:00 PM

List of Documents and Exhibits

- Minutes August 7, 2013
- Mr. Naughton's letter proposing information to request from GMRSD
- FY14 GMRSD line item budget
- FY14 GMRSD Summary Budget with FY13 comparison
- GMRSD FY14 Assessment Sheet
- Ms. Olsen's version of the GMRSD FY14 Assessment Sheet