

JOINT FINANCE COMMITTEE AND BOARD OF SELECTMEN MEETING
September 3, 2014

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Meeting Date: September 3, 2014

Called to Order: 6:00 PM

Location: 1 Avenue A, Turners Falls MA

Finance Committee Members Present: John Harold, Michael Naughton, Lisa Adams, and Greg Garrison. Lynn Reynolds and Sharon Kennaugh were absent.

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

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

Mr. Hanold recognized the passing of Tim Lindop, who frequently filmed the Finance Committee meetings for MCTV.

Minutes

Finance Committee Moved:

To approve the minutes of August 6, 2014.

Vote: 3 In Favor 0 Opposed 1 Abstained

Gill-Montague Regional School District Affordable Assessment

Mr. Hanold had received an e-mail from Ms. Kennaugh saying she was comfortable with the current method. Mr. Hanold asked if anyone had a proposal for a new methodology of determining the Town's Affordable Assessment to the GMRSD aside from the percentage amount.

Mr. Hanold noted, regarding the previously proposed change of reducing the "available revenue" by the Town's appropriations to various stabilization funds, that these appropriations are part of the Town's operating budget and he doesn't feel the available revenues should be reduced by those amounts. Mr. Hanold also noted that if the town begins changing how we calculate available revenue it could be perceived that the town was arbitrarily reducing the amount available for the GMRSD by increasing the appropriations to stabilization funds.

Mr. Hanold asked if anyone had a recommendation to change the percentage used in the Affordable Assessment. Half a percentage point currently equals about \$88,000. Alternatives are to keep the current percentage or change it using a rationale.

Mr. Garrison asked for an explanation of the rationale of the current method. Mr. Naughton said that the current percentage was decided during FY 2010, and it was then seen as being fairly close to the actual percentage used in recent years, which had been rising. He said that originally the committee had opted on 49%, as there was a desire to avoid fractions, but given the amount of money represented they ultimately settled on 48.5%.

Mr. Naughton recommended not making any changes for the Fiscal Year 2016 budget cycle. He is not comfortable with the boards making unilateral changes that are contrary to the method described in the Compact. If changes are desired, Mr. Naughton thinks they should be discussed among all parties involved in the Compact.

Mr. Harold feels that increases in state aid for regional transportation and surpluses in the GMRSD Excess & Deficiency account justify a discussion with all parties about revisiting the percentage agreed to in the Compact. Mr. Naughton noted that changes in Chapter 70 and changing demographics and school enrollment also indicate there should be discussion about how the affordable assessment is determined. Mr. Naughton will try to set up a public meeting including all of the involved groups to discuss the various components of school funding and whether any changes in the Compact are warranted.

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

Next Meeting

- The next meeting will be on September 24th.

Meeting Adjourned at 6:45 PM

List of Documents and Exhibits

- Minutes August 6, 2014