

LANESBOROUGH FINANCE COMMITTEE
MINUTES MAY 24, 2016
Respectfully submitted by Sherri Thompson

Attendees: Al Terranova, Chair; Chris Galib; Stephen Wentworth; Ron Tinkham;
Paul Sieloff, Town Manager; Sherri Thompson

Absent: Ray Jones

Meeting called to order: 6:00p.m.

Motion to accept Minutes of April 26 meeting: Mr. Tinkham made a motion to approve the Minutes from April 26, 2016. Ms. Galib seconded. All in favor. Mr. Wentworth requested a change of the word 'of' to 'to' in the Line item 9, Mt. Greylock Regional paragraph, last sentence. All in favor. Motion passed.

Public Comment: None

Reserve Funds Transfers: Mr. Tinkham indicated that he did not receive the attachments in an email. Ms. Galib stated the attachments were for Ambulance and Sewer Enterprise funds and not for Reserve Funds. She also indicated that copies are also left in the box for Members to pick up.

Item 1: Mr. Terranova – the first item is regarding the Town Clerk request for \$900 to cover expenses for meetings and mileage. There is currently a negative \$77.85 in the account for reimbursement. Mr. Sieloff said the expenses are for trainings and conferences that are attended during the day. Mr. Galib asked if these expenses are 'unanticipated'. Mr. Sieloff acknowledged there are sometimes extra expenses vs. the previous year. Mr. Sieloff will relook for next year. Mr. Terranova said the costs seem expensive. Mr. Terranova asked if there is any more discussion. Mr. Tinkham said he looked through the documents for the status of the Reserve Funds. Mr. Terranova said there was \$22,000 left. Mr. Tinkham made a motion to approve the transfer of \$900 from the Reserve Funds to the Town Clerk account. Mr. Galib seconded. No discussion. All in favor. Motion passed.

Item 2: Legal Account transfer request of \$12,000. Mr. Terranova asked what Town Counsel does. Mr. Sieloff explained that much of the expense is as a result of the Berkshire Mall challenge of their assessment. Additionally, there were two special Town Meetings that Counsel was required at. The chicken regulations were an unexpected expense as well. Mr. Tinkham mentioned the Narragansett Bridge requiring Legal Counsel. Mr. Sieloff also indicated that the Ashuwillticook Rail Trail easements required Legal Counsel. Mr. Terranova asked about travel expenses for Counsel since they come from Boston, and Mr. Sieloff said they have an office in Pittsfield. Mr. Wentworth made a motion to accept the transfer of \$12,000 from the Reserve Funds to the Legal Account. Ms. Galib seconded. Mr. Terranova asked if there is any more discussion. Ms. Galib asked if the \$9,100 left in the Reserve Funds after the transfer of \$900 and \$12,000 would get us through the end of the year. Mr. Sieloff stated that he thought it would. All in favor. Motion passed.

Approval of Articles for Town Warrant ¹:

Article 2: Compensation of all elected Town Officers: Mr. Tinkham said he would like to reconsider recommendation on the budget; he feels it is important the Finance Committee and Select Board be in sync but they have not met to discuss differences in the budget – for example, the \$10,000 stipend for the Fire Department. It was pointed out that a separate meeting with the Select Board and the Fire Chief was held and it was agreed there would be an additional \$10,000 proposed of which \$250 would be paid to each of the 40 (forty) members of the Fire Department for miscellaneous expenses associated with being a volunteer. It was

asked where the \$10,000 would come from. Mr. Sieloff said the funding would come out of the Landfill Account. Mr. Sieloff said there were no other differences in the budget. Mr. Tinkham asked if the Finance Committee concurred with the small stipend for each of the 40 (forty) members since this was a change after the Finance Committee approved the budget. Mr. Sieloff said the budget approved by the Finance Committee would be the budget that is presented at the Town Meeting and a motion from the floor must be raised at the meeting for the additional funds to be approved. Mr. Tinkham made a motion to approve the action by the Select Board for \$10,000 Reserve Funds Transfer for the Fire Department stipends. Ms. Galib asked if taking \$10,000 from the Landfill Account would leave enough for the remainder of the year. Mr. Sieloff said it would be tight but workable. Ms. Galib asked how much has been spent to date and Mr. Sieloff said as of March 1 \$25,000 of the \$45,000 had been spent but some of that was from water testing. Mr. Sieloff said there is not more testing in FY 2016 so he believes there will be enough in the account. Mr. Terranova is concerned the Reserve Fund could take a big hit. Mr. Tinkham made a motion to accept the action of the Select Board for line items 439 and 224. No second. Motion failed.

Mr. Sieloff will get specific numbers on the estimate of the Landfill costs through FY 2016.

Mr. Tinkham suggested the Finance Committee and the Select Board meet to discuss their differences. Mr. Wentworth disagreed saying the Finance Committee and the Select board are independent of each other.

Mr. Tinkham brought up other issues of concern regarding the differences between the Finance Committee and the Select Board and Mr. Terranova stopped the discussion saying the issues are not the Finance Committee charge.

Mr. Sieloff will send the budget to the Finance Committee with hard copies left in the box.

Article 4 : to appropriate for the operation of the Ambulance Enterprise \$41,000.00 for salaries and expenses, to be raised as follows: Departmental Receipts - \$32,423.00; Retained Earnings - \$8,577.00; Article 5: to appropriate for the operation of the Sewer Enterprise \$34,805.00 for expenses and budgeted surplus and that 34,805.00 be raised from user fees. These funds are self-funded and have no impact on the Town Budget. Mr. Sieloff recommends concurrence. Mr. Tinkham made a motion to recommend Articles 4 and 5. Ms. Galib seconded. No discussion. All in favor. Motion passed.

Article 6: to appropriate and transfer from funds to be received from the Baker Hill Road District, the sum not to exceed \$230,826.00 to the Baker Hill Road District Police Salaries and Expenses Account for Fiscal Year 2017 pursuant to the provisions of M.G.L. Chapter 44, Section 53E. This is a self-funding account. Mr. Tinkham made a motion to accept Article 6. Mr. Wentworth seconded. No discussion. All in favor. Motion passed.

Article 7²: vote to re-authorize revolving fund accounts through the receipt of fees, fines, grants, gifts, donations, and other receipts in accordance with M.G.L. Chapter 44, Section 53 E 1/2 and to authorize expenditures as noted for each account. Mr. Sieloff gave Members an updated page with the information filled in. Mr. Tinkham made a motion to accept Article 7 as modified. Ms. Galib asked where funding for Special Education comes from. This is a revolving account and does not come from Free Cash. Mr. Wentworth seconded. No further discussion. All in favor. Motion passed.

Article 8: to transfer \$20,000.00 from Free Cash into the Stabilization Fund. Mr. Wentworth asked why \$20,000 and not \$30,000. Mr. Sieloff said the goal is \$20,000 or \$25,000 is just a matter of having funds available. Mr. Wentworth pointed out that \$30,000 is only 50% more than \$20,000. All agreed there should be more money in the Stabilization Fund. It was agreed the Finance Committee would vote in December to increase the fund. Mr.

Tinkham made a motion to approve Article 8 as written. Ms. Galib seconded. No discussion. All in favor. Motion passed.

Article 9: to appropriate and transfer from Free Cash the sum of \$20,000.00, or any other sum, to pay the Town's contribution to the Other Post-Employment Benefits Liability Trust Fund. Mr. Sieloff said this is a typical transfer and this is the third of three years at \$20,000. Mr. Sieloff indicated the amount would increase to \$30,000 next year. Mr. Tinkham made a motion to approve Article 9 as written. Ms. Galib seconded. No discussion. All in favor. Motion passed.

Article 10: to appropriate the sum of \$80,000.00 for the purchase of a highway truck, with or without a trade, and to authorize the Treasurer, with the approval of the Board of Selectmen, to borrow the sum of \$60,000.00 for said appropriation under applicable sections of Chapter 44 of the General Laws, and further to transfer from Free Cash \$20,000.00 for said appropriation. Mr. Wentworth asked why a new truck and Mr. Sieloff said the current truck is 8-10 years old and requires a lot of maintenance. Mr. Tinkham made a motion to approve Article 9 as written. Mr. Wentworth seconded. No discussion. All in favor. Motion passed.

Article 11: to appropriate the sum of \$44,000.00 for the purchase of a Police Vehicle, with or without a trade, and further to transfer from the Baker Hill Road District Fund the sum of \$22,000.00 and transfer from Free Cash \$22,000 for said appropriation. Every two (2) years the Town buys a new Police vehicle. The Baker Hill Road District pays half. Mr. Tinkham made a motion to approve Article 11 as written. Mr. Wentworth seconded. No discussion. All in favor. Motion passed.

Article 12: to transfer \$14,000.00 from Free Cash for the purchase of a snowmobile, with or without a trade, for the use of the Fire Department. This vehicle is used for snow rescues. Mr. Tinkham asked if other communities use this service. Mr. Tinkham asked how often the snowmobile is used in Lanesborough vs other communities. Ms. Galib said she believes this is a reasonable expense. Mr. Galib made a motion to approve Article 12. Mr. Wentworth seconded. No further discussion. All in favor. Motion passed.

Article 13: to appropriate and transfer from Free Cash the sum of \$8,000.00, to fund a study and grant application for a possible water system upgrade at Berkshire Village Water Cooperative. There are currently approximately 40 customers serviced by this system. The system is aged. Federal and State money could be accessed to replace the system. The process is that a study is done at an estimated cost of \$16,000 of which \$8,000 would be the responsibility of the co-op. There was much discussion on whether this would set a precedence in the Town (i.e. common wells; common springs, etc.) Mr. Tinkham asked why each person could not just get an individual well. Mr. Sieloff said it is because of lot sizes, water levels, etc. Mr. Sieloff stated this money would only be used to pay for the co-op's portion of the study, but not a new system. Mr. Tinkham asked why the \$8,000 could not be given as a loan. Mr. Sieloff said per Counsel, it cannot be a loan so it would have to be issued as a grant. Mr. Terranova suggested specific wording be added so this would not be seen as a precedent. Ms. Galib made a motion to approve Article 13. Mr. Tinkham opposed. Mr. Wentworth opposed. Mr. Wentworth then made a motion to grant Berkshire Village \$8,000. Mr. Tinkham – nay. Ms. Galib – nay. Mr. Terranova – nay. Motion failed. Article will be without recommendation by the Finance Committee.

Article 14: to authorize the Treasurer to make expenditures from the Transportation Bond Bill for the repair and maintenance of roadways in Lanesborough in anticipation of revenue and allow for the carryover of the funds from year to year until expended. Mr. Sieloff said this is a typical request. Mr. Tinkham made a motion to accept Article 14. Mr. Wentworth seconded. No discussion. All in favor. Motion passed.

Article 15: vote to appropriate and transfer from Free Cash \$200,000.00 to be used by the Assessor to reduce the tax rate for Fiscal Year 2017. Mr. Tinkham made a motion to approve Article 15 as presented. Ms. Galib seconded. No discussion. All in favor. Motion passed.

Article 16: Not applicable to Finance Committee.

Article 17: Not applicable to Finance Committee.

Article 18: Not applicable to Finance Committee.

Article 19: to become a member of the Berkshire County Mosquito Control Project for a five year period, pursuant to Massachusetts General Laws Chapter 252, Section 5A and other applicable sections of said law. This was added to the Town Warrant by the Select Board on May 23. This project would start July 1, 2016 with a survey of standing water within the Town of Lanesborough. This would be a five (5) year commitment at about \$15,000/year. This would not be an additional \$15,000 to the budget but rather \$15,000 less in State aid. Mr. Tinkham asked if the Board of Health should make the recommendation. Mr. Sieloff said he would ask the Board of Health for a recommendation. Article will be without recommendation by the Finance Committee.

Review Town Meeting Procedures: Mr. Terranova will introduce the Finance Committee. Mr. Terranova asked if the Committee would each read an Article. Ms. Galib said this was done last but was too confusing. Mr. Wentworth indicated that Article 1 is read by the Moderator and the Finance Committee begins on Article 2. Mr. Tinkham made a motion that Mr. Terranova read all the Articles. All in favor. Motion passed.

48 Hours of Unforeseen Matters: Mr. Terranova said he was approached by two (2) people asking who authorized the Town to use funds from the Regional fund to support the survey for the Mt. Greylock building project. Mr. Terranova said he does not believe the Town had the right to use these funds for this survey. Mr. Sieloff stated to the Committee that the Town Counsel said paying for the survey with these funds was legal.

Adjournment: Ms. Galib made a motion to adjourn at 8:06 p.m. Motion was seconded by Mr. Wentworth. All in favor. Motion passed.

Next Meeting: June 20 at 6:00 p.m. Mr. Sieloff will contact Mr. Terranova if this meeting is necessary if there are no transfers.

Footnotes:

[#1] WARRANT FOR ANNUAL TOWN MEETING, TOWN OF LANESBOROUGH, COMMONWEALTH OF MASSACHUSETTS, FISCAL YEAR 2017

[#2] Revised Article 7 chart