COMMONWEALTH OF MASSACHUSETTS
TOWN OF NEW MARLBOROUGH
OFFICE OF THE BOARD OF SELECTMEN
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Tara B. White, Chair
Michele Shalaby
Nathaniel H. Yohalem
Board of Selectmen

Minutes of Selectmen's Joint Meeting with Finance Committee Meeting
Thursday, April 9, 2015
7 p.m.

Board Members Present: Tara B. White, Chairman
Michele Shalaby
Nathaniel Yohalem

Others Present: Joseph Kellogg, Administrative Assistant
Prudence Spaulding
David Herrick
Burt Imberman
Mark Carson
Ira Yohalem
John Pshenishny
Tim Newman
Anne Sommers
Marsha Pshenishny
Elizabeth Rosenberg
Julie Ruth (Berkshire Record)

The meeting of the Board of Selectmen convened at 7:00 p.m.

A motion was made, seconded and so voted to level fund the salaries of the Treasurer, Assistant Treasurer and Tax Collector.

Selectman Shalaby discussed current budgets vs. goals. Also discussed was the capital needs of the Town over the next 21 years and the projected average was $260,000, not including debt service, in today's dollars. Debt service levels will rise in FY17-18 which will affect tax levels for those years, which does not include repairs needed for roads or bridges. Michele also reported that the Department of Revenue recommends that 5-10 per cent of the Town's annual revenue be kept in reserves. The Town's current revenue is approximately $5.29 MM. Between Stabilization ($410,000) and Free Cash ($397,000), it is estimated that the Town could use $277,000 of the reserves toward new capital. However, funds have been designated for a Highway Department Generator ($10,000), Stabilization ($90,000) and a Highway Mower

($60,000), totaling $160,000. The question then arises as to how to use the balance, i.e. decrease the debt service or build Stabilization. Michele's recommendations included paying cash instead of borrowing and reserve borrowing for extremely large projects. Michele further explained that by adding $100,000 to the Stabilization account, to which $100,000 has already been allocated, in July an influx of cash ($344,000) will be received from the auction of property which would then yield the Town approximately $950,000 in reserve funds. Michele would like to develop a 5-year capital plan that would include roads and bridges beyond Chapter 90 monies. Joe Kellogg recommended the Town hire an engineer to assess all of the Town-owned buildings in an effort to anticipate their capital needs. Michele also suggested that changes in the way capital monies are saved and spent be presented to the Town at the Annual Town Meeting. Michele recommended discussions take place with the Highway Superintendent regarding the report that was completed last year on the roads needing the most repair. Michele talked about the next steps necessary to achieve a 5-year plan, which includes the use of debt, level of reserves and the use of reserves. This plan would also include a capital plan for roads needing repair beyond the Chapter 90 monies and consider hiring an engineer to assess all Town buildings. It was suggested that this 5-year plan be presented to the residents at the Annual Town Hall Meeting. Prue Spaulding recommended that a policy be developed stating that monies received from future land auctions be put into Stabilization to fund the Town's debt service or fund capital projects. **A motion was made, seconded and so voted by the Selectmen and the Finance Committee to take $100,000 from the Stabilization Account and add it to Free Cash making that account's balance $190,000.**

A motion was made by the Selectboard, seconded and so voted to approve Article 28 (transferring $60,000 from Free Cash to fund the Highway Department Roadside Mower Account) and Articles 29 (transferring $10,000 from Free Cash to the Highway Garage Emergency Generator Account).

Wired West - A discussion ensued regarding broadband service vs. the debt the Town could have to incur on top of the school bond. Selectman Yohalem's concern is that the Town would have to incur $3+ million debt and the Town has until June 30, 2016 to decide whether or not Wired West is a viable option. In the meantime, unanswered questions can be asked and answered by Wired West/MBI. Burt Imberman stated his concern for the Town living with 19th Century communications and what will happen to property values if a broadband service is unavailable. **A motion was made, seconded and so voted by the Finance Committee not to make a recommendation to support Wired West.**

The Board of Selectmen decided to withhold a recommendation until after they attended a Wired West meeting the following evening.

Being that there was no further business to be brought before the Board, a motion was made, seconded and so voted by all members to adjourn the meeting at 8:37 p.m.

Respectfully submitted,

Sharon Fleck
Administrative Secretary