

# Finance Committee Minutes

## February 18<sup>th</sup> 2016

The meeting was called to order at 6:33PM. Present were Mr. John Pshenishny, Mr. David Herrick, Mr. Thomas Stalker, Mr. Mark Carson, Mr. Ira Yohalem, Mrs. Prudence Spaulding and Ms. Mari Enoch. Guests were Mr. Robert Miller, Mr. Nathaniel Yohalem, and Mrs. Tara White.

Minutes for the meeting of February 4<sup>th</sup> 2016 were accepted as read, Mr. Pshenishny 1<sup>st</sup>, Mr. Stalker 2<sup>nd</sup> passed unanimously.

Mr. Herrick shared with the committee the resignation of Mr. Burt Imberman and stated that this would allow the selectmen to appoint Mr. Robert Miller to fill out his term.

The budget review process then began.

**Selectmen's Expenses** [10122.01] (\$4,000) now requesting {\$3,000}. Ms. Enoch stated that she had reduced this figure since they had not used all of the allotment of \$4,000 in the past years. Mrs. Spaulding 1<sup>st</sup>, Mr. Carson 2<sup>nd</sup> passed unanimously.

**Contingency Fund** [10122.02] (\$3,000) level funded {\$3,000}, Mr. Carson 1<sup>st</sup>, Mr. Yohalem 2<sup>nd</sup> passed unanimously.

**Town Hall Account** [10192.70] (\$39,000) level funded {\$39,000}. Ms. Enoch stated that the budget for this fiscal year has about 50% left in it. Mr. Carson 1<sup>st</sup>, Mr. Yohalem 2<sup>nd</sup> passed unanimously.

**Longevity Stipend** [new account no number ] this account is designed to reward those staff members that have spent over 10 years as either a part time staff(20 hours) {\$250per year} or full time (40 hours) {\$500 per year}. This program was designed and placed in the Town's personnel policy. Some members of the Committee had some questions about the program, Mr. Pshenishny stated that this was not fair to the staff members that had been working albeit ½ time for over ten years. Other members were concerned on how the appropriate amount would be designated should the staff worker work for a few years only as a half time job, and then that job became full time.... Mrs. Spaulding stated that since these questions should be given to the selectmen, the policy was in effect and the money should be allocated. Mr. Yohalem 1<sup>st</sup>, Mr. Carson 2<sup>nd</sup> passed unanimously.

**Umpachene Falls** [50650.00] (\$4,000) now requesting {\$3,500} Mrs. Spaulding 1<sup>st</sup>, Mr. Carson 2<sup>nd</sup> passed unanimously.

**Animal Control Officer** [60293.00] (\$2,100) now requesting {\$3,711}, this is a stipend for the work that the Control Officer performs for the town. Mr. Carson 1<sup>st</sup>, Mr. Pshenishny 2<sup>nd</sup> passed unanimously.

**Animal Control Officer Insurance** [{60293.78}] (\$3,411) now requesting {\$4833}. Our Animal Control Officer works as an Animal Control Officer for a total of 7 neighboring towns. His medical insurance is divided amongst the towns so that he has a family plan medical insurance. The calculation in the past years was not exact, and this reflects the increase in the increase cost of medical insurance along with the right assessment of our town's payment. Mrs. Spaulding 1<sup>st</sup>, Mr. Carson 2<sup>nd</sup> passed unanimously.

**Insurance Reimbursement** [no number available as this is a new account] {\$6,000}. This account generated a lot of discussion. Within the new personnel policy workers will be allowed to receive \$1,000 per year if they choose not to take medical insurance from the town. The cost per family of 75% of the medical insurance to our town is over \$18,000 per year, and should the worker be able to obtain medical insurance some other way he can claim the \$1,000. Ms. Enoch stated that there were about 9 employees receiving medical insurance through the town. And she believed that most of those using town's medical insurance were on the family plan. Mr. Miller reminded the group that some companies gave a reduced rate should the staff member claim to be a "couple". But again Ms. Enoch stated that she thinks that most of those on medical insurance were on the family plan. She is still exploring the possibilities of finding a company with lower rates. Mrs. Spaulding 1<sup>st</sup>, Mr. Pshenishny 2<sup>nd</sup> passed unanimously.

**Berkshire Regional Group Purchasing** [70524.00] (\$ 600) level funded {\$600}. This account pays for the membership in the group that arranges the purchasing of things like sand and salt etc. Mr. Yohalem 1<sup>st</sup>, Mr. Pshenishny 2<sup>nd</sup> passed unanimously.

**Loader Loan** [80750.20] this account had already been voted on, however the amount was incorrect, this amount {\$18,409} is the correct amount (and less) Mrs. Spaulding 1<sup>st</sup>, Mr. Yohalem 2<sup>nd</sup> passed unanimously.

**2014 Highway Truck Loan** [80750.10] again this account had already been voted on, however the amount was incorrect, the amount now requested is correct (and less!) {\$25,260} Mr. Yohalem 1<sup>st</sup>, Mr. Carson 2<sup>nd</sup> passed unanimously.

**Workmen's Compensation Insurance** [90912] (\$23,000) now requesting {\$11,200} the amount requested was greatly decreased as the town has just paid off a rather large claim, however

there has been another accident which may result in another claim for the next fiscal year. Mr. Carson 1<sup>st</sup>, Mr. Yohalem 2<sup>nd</sup> passed unanimously.

**Reserve Fund [95781] (\$50,000) level funded {\$50,000}** Mr. Stalker asked what this fund covers. The Reserve Fund is set up to cover unexpected expenses. Mrs. Spaulding reminded the committee that the Library had to have made a special wooden passageway so that the water would not gather in front of the doors and go into the Library. They used their Library Expense account to pay for this construction, but at the end of the year may have to come before the committee and obtain money from the Reserve Fund to cover other expenses. When asked Mrs. Enoch stated the Reserve fund had been used to cover over \$32,000 in expenses last year. Mr. Carson 1<sup>st</sup>, Mr. Yohalem 2<sup>nd</sup> passed unanimously.

The tree warden has asked for a sizeable increase in his budget and will come before the committee at the next meeting to explain it. Ms. Enoch will have further information on the Berkshire County Retirement request. And hopefully have more information on the provider of the medical insurances.

Prior to the adjournment Mr. Nathaniel Yohalem asked to speak to the Committee. He expressed concern about this year's budget and gave us four topics of concern. First he stated that the School has put in their budget the amount of \$90,000, which they designate as interest on the loan that they obtained to do the furnaces and heating units. Mr. Yohalem would like to learn specifically on how much of the loan this covers. And then how much will the town be required to pay next year when interest is added to the principal.

In their budget they have placed \$400,000 for capital expenses; however when he saw the original list the amount was only \$118,000! What capital expenses have been added to account for this increase?

The school population has declined 200 students over the past 5 or 6 years. The administration needs to reorganize their classrooms, and, unpleasant as it may sound, consider closing the small outlying schools to save the tax payers money. The Regional campus in Sheffield has adequate room for the students from the outlying schools, and the savings would be substantial.

Regarding our budget process, the tremendous increase in the medical insurance places the town in a precarious position. Just to pay the medical insurance would mean an increase in the salary accounts of the staff of over 3%, and the staff although only being responsible for 25% of the medical cost will see an impact on their salary. Of course we want to give the staff an increase, but the cost will be substantial.

Prudence Spaulding  
February 19<sup>th</sup> 2016

There was a question about the new boiler scheduled for the Mill River School, money had been put aside to cover these expenses, however the old boiler is still functioning.

Mr. Herrick asked for volunteers to attend the school financial budget hearing to be held on Thursday February 25<sup>th</sup> at 5:00PM. Mr. Carson volunteered to go. Mr. Nathaniel Yohalem will, of course, go and probably the other two selectmen, prepared to ask questions.

The next meeting of the Finance Committee will take place at 6:30PM on Thursday, February 25<sup>th</sup> 2016

The meeting was adjourned, Mr. Carson 1<sup>st</sup>, Mr. Herrick 2<sup>nd</sup> passed unanimously.

Respectfully submitted,

Prudence Spaulding, Secreatry.

Prudence Spaulding  
February 19<sup>th</sup> 2016