

GREAT BARRINGTON FINANCE COMMITTEE MEETING
April 19, 2022

1. Call to Order – P. Orenstein opened the meeting at 6:30pm; those present via zoom: Tom Blauvelt, Meredith O'Connor, Anne O'Dwyer, Philip Orenstein. Town Manager Mark Pruhenski, Finance Director Sue Carmel. Absent: Michelle Loubert
Roll Call – T. Blauvelt, "aye," M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye."
2. Approval of Minutes for meetings of 11/16/21, 12/13/21, 2/7/22 and 3/15/22
P. Orenstein made a motion to approve the November 16, 2021 minutes; A. O'Dwyer seconded. P. Orenstein asked if any discussion – it was noted T. Blauvelt did not attend the meeting. Roll call vote: M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 3-0.

A. O'Dwyer made a motion to approve the December 13, 2021 minutes; T. Blauvelt seconded. P. Orenstein asked if any discussion – there was none. Roll call vote: T. Blauvelt, "aye," M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 4-0.
 - a. For the November 7, 2022 minutes A. O'Dwyer stated on p. 2 item 10. Add to the end "as those in Housatonic pay Housatonic Water Works for their water."A. O'Dwyer made a motion to approve the November 7, 2022 minutes as amended; P. Orenstein seconded. P. Orenstein asked if any discussion – it was noted T. Blauvelt did not attend the meeting. Roll call vote: M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 3-0.
 - b. For the March 15, 2022 minutes, P. Orenstein stated he would provide corrected content for page 1, item #2 regarding the open meeting violation. A. O'Dwyer asked for item 7, iii to strike the word speculated and replace it with "need to be prepared" and for item 7, v. be added to the last sentence of item ii.A. O'Dwyer made a motion to approve the March 15, 2022 minutes with edits by P. Orenstein to item #2 and A. O'Dwyer's edits for item #7; P. Orenstein seconded. P. Orenstein asked if any discussion – it was noted T. Blauvelt did not attend the meeting. Roll call vote: M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 3-0.
3. Recognition of Departing Committee Members – P. Orenstein and A. O'Dwyer thanked T. Blauvelt, M. Loubert and M. O'Connor for their dedication and years of service to the Committee and the community.
4. Finance Committee Member committee reports – T. Blauvelt, Finance Committee representative to the Community Preservation Committee, reported that CPA applications will be submitted for approval at Town Meeting. He also noted it is a great Committee to be involved with.
5. Discussion of replacement of Finance Committee representative on Community Preservation Committee - P. Orenstein stated the Finance Committee will need a new representative on the Community Preservation Committee and that it would be taken up after the election with the new Finance Committee once there is a replacement for M. Loubert.

6. Updated income criteria for senior tax-exemption – P. Orenstein reported that income criteria has been updated from \$20,000 to \$23,000 for an individual and from \$30,000 to \$32,000 for a couple - due to a cost of living adjustment. Information is in the packet and updated on the Town website.
7. Brief status update on study relating to an OPEB funding trust (postretirement medical benefits) – P. Orenstein stated he is working with staff to assemble information/data to understand the scope of the program and pay-as-you-go cost to the Town historically and into the future. M. Pruhenski added the plan was to establish the trust on the Town warrant this year, but will wait pending additional research/discussion. P. Orenstein noted perhaps the new Finance Committee member could work move it forward.
8. Town Manager –
 - a. Update on process to appoint replacement for resigning Finance Committee member – M. Pruhenski reported a replacement for Michelle Loubert on the Finance Committee has been advertised on the Town website and has/will be promoted on social media. The objective is to fill the position until the next election and if the individual chooses to run, it would be to fill out the balance of M. Loubert's term. M. Pruhenski also stated the joint Selectboard - Finance Committee meeting is currently scheduled for May 11 and 23 – taking place after the election.
 - b. Status update on legal review of Town's discretion over Unused Free Cash related to Cannabis tax revenue – M. Pruhenski stated we are awaiting response/perspective from Town counsel on how to use the cannabis funds go forward considering CCC guidelines, DOR advice and host agreements. Information should be available for the next Finance Committee meeting.
9. Presentation by Peter Dillon, Superintendent of Schools, Berkshire Hills Regional School District, regarding proposed \$1.5 million borrowing for the feasibility study regarding a new or renovated high school.
 - a. P. Orenstein opened the discussion making a statement: This is the first in likely a series of discussions over months and perhaps years regarding this latest effort to address the deteriorating condition of Monument Mountain High School – what is envisioned is a very large and significant investment in our young people and the community. The task of the Finance Committee is to focus on the financial aspects of the proposed project – the cost, where the money will come from and are funds properly spent – in other words, to ensure taxpayer funds are used efficiently and productively. It is not just about yes or no, support or not support; it is about specific financial details of each alternative – cost, allocated member town according to prevailing agreements and net cost to GB taxpayers in the current year and in the future. Therefore, it is my hope that our diligent and detailed financial questions should not be overly interpreted as support or not support of a particular proposal – it is simply this Committee doing its job.
 - b. Peter Dillon, Superintendent, Berkshire Hills Regional School District, provided an overview/update on the Monument Mountain Regional High School project noting the two previous failed votes for school renovation, He noted that since that time, there has been a revised regional agreement regarding the capital assessment formula that has reduced GB's portion of the total from 74% to 53%. Additional highlights included the expansion of vocational program offerings; the retirement of debt for the elementary and middle schools; changes in the make-up of the Town and numbers of voters; community outreach and MMRHS eligibility for Massachusetts School Building Authority (MSBA) funding.

P. Dillon presented a request for the Finance Committee to recommend and add to the Town Meeting warrant, the authorization to borrow \$1.5m for a feasibility study for Monument Mountain High School. The recommended approach, including guidance from the MSBA, is to evaluate and select one of the following options - new building construction; renovation and addition; or renovation - with the goal of identifying a preferred option – which would be costed out and sent to the voters for approval. He noted next steps would include appointing a building committee and community outreach/feedback. He noted MSBA funds are only available once for a feasibility study, which was done previously, so it is up to the towns to fund the new study – though some of the previous information is still relevant and can be used.

He also stated the Regional School District Planning Board is still considering consolidation/ collaboration of the two high schools with one campus at Monument – the feasibility study would consider one district or two and enrollment for a single or combined high school - looking at the implications for both. Enrollment is important in the MSBA process because of the differences in the size of the building.

- i. P. Orenstein asked about timing for doing a full study on the preferred option – P. Dillon replied under the MSBA, the initial study will evaluate all three options starting August 1 for 270 days to determine the preferred option. P. Orenstein also asked about the accuracy of estimates in the local press for the new school. P. Dillon stated the very rough estimate is \$80m-\$100m, but it is very premature at this point – the study will determine.
- ii. A. O'Dwyer asked if MSBA was aware of the options being assessed and the possibility of a merger – P. Dillon replied they are amenable to looking at a merger, or not. In addition, she asked if there was an estimate of how the \$1.5m would impact the annual budget – P. Dillon replied there would be no impact next FY – it would impact the following year, but would be folded into the larger project. He noted the cost would be allocated among the three towns according to the formula – GB's share to be approximately \$800,000. The first year would be a short-term note, with just the payment of interest, and then folding it into the larger project. A. O'Dwyer asked about MSBA's commitment – P. Dillon replied the state is committing to us and the expectation is that we will be successful and continue to move along in the process. A. O'Dwyer confirmed in the new Monument Mountain school there will be many more vocational offerings.

A. O'Dwyer made a motion that the Finance Committee recommend the warrant article authorizing borrowing for Monument Mountain Regional High School for a feasibility study for \$1.5m; T. Blauvelt seconded. P. Orenstein asked if any discussion – P. Orenstein stated it should be made clear that GB is covering its assessed portion of the debt. Roll call vote: T. Blauvelt, "aye," M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 4-0.

10. Proposed Amendment to Fiscal Year 2023 Budget

- a. Additional funding for students attending Taconic High School Vocational Program.
 - i. M. Pruhenski stated there are details in the packet and noted additional funding covers the increased number of students who were just accepted into the vocational program in April. He confirmed staff would work with Berkshire Hills and the bus company to organize the transport.
 - ii. P. Orenstein noted the number of students could increase next year and that timing was not aligned with the budget process. M. Pruhenski stated the issue is the same in other towns - they automatically budget for this at budget time.

- iii. T. Blauvelt asked if the School District had any E&D funds to help subsidize transportation costs
 - iv. A. O'Dwyer noted that other towns that have been doing this for a longer time have a revolving fund for this kind of situation.
 - v. S. Bannon stated Taconic High School does not accept students outside of its district until their students decide to attend. He also noted unfortunately, the E&D budget is fully expended. He agreed that timing is difficult and suggested budgeting for a certain number of students next year – and noted if Monument Mountain plans proceed, there would be a local vocational program for students which would resolve this issue.
 - vi. S. Carmel noted the transportation expense is estimated based on past cost, plus inflation.
- b. Great Barrington Fire Department – additional funding for water and hydrant rental.
- i. Chief Berger presented stating The GB Fire District initially did not expect a rate increase, but following its meeting, rates are increasing – hydrant 10% and water 5% for a total \$6,500 increase.
 - ii. A. O'Dwyer noted we were misinformed, and rates were decided after budgeting season – but there is no choice but to fund it. Chief Berger stated usually we are advised in advance of a rate increase. A. O'Dwyer suggested perhaps the Fire District should attend budget meetings.
 - iii. P. Orenstein stated he would reach out to the Fire District to better understand the process.
- c. Department of Public Works – request for additional \$70,000 in Capital Budget
- i. P. Orenstein stated this is regarding an oversight in the Capital Budget – the request for a highway truck did not include the snowplow package which is a necessity.
- d. Sue Carmel stated in the Wastewater Capital Budget there was a request for both a high pressure sewer jetter and cleaner - which is a duplicate request. The jetter for \$102,000 will be removed from the budget. The new Wastewater Capital Budget is \$405,251.
- e. P. Orenstein and S. Carmel clarified that the previous tax levy increase was 2.4% and is now 3.2% – reflecting a 1.2% increase. The aggregate budget was 3.6% and is now 4.1%. It was noted that the bulk of that is vocational program transportation, and the total operating budget increase is \$186,500.
- A. O'Dwyer made a motion to recommend an increase to the Town Operating Budget for FY23 of \$186,500 to support vocational transportation and the Great Barrington Fire Department; T. Blauvelt seconded. P. Orenstein asked if any additional discussion – there was none. Roll call vote: T. Blauvelt, “aye,” M. O'Connor, “aye,” A. O'Dwyer, “aye,” P. Orenstein, “aye.” All in favor, 4-0.
- A. O'Dwyer made a motion to revise the FY23 capital budget to \$5,705,279; T. Blauvelt seconded. P. Orenstein asked if any additional discussion – T. Blauvelt asked if the property tax rate would be impacted by the change in the Capital Budget – S. Carmel replied the property tax rate is not impacted because of the Wastewater is solely funded through the Enterprise Fund - the Wastewater budget does not affect property taxes. Roll call vote: T. Blauvelt, “aye,” M. O'Connor, “aye,” A. O'Dwyer, “aye,” P. Orenstein, “aye.” All in favor, 4-0.

11. Fiscal Year 2022 Reserve Fund requests

- a. A. Department of Public Works - \$50,000 for fuel and utility costs –
 - i. It was stated that the additional costs are in the lines Public Buildings for electricity and Highway for street lights and gas/diesel. S. Carmel noted once the \$50,000 is transferred to the three line items, if the funds are not entirely used, the remainder will go to free cash/reserve account at year-end.
 - ii. A O'Dwyer noted snow/ice budget would be over, but it was clarified that it can be covered/raised in the tax rate next year.
 - iii. P. Orenstein asked about DPW oversight in S. Van Deusen's absence – M. Pruhenski stated Lisa the administrative assistant for the Department will continue to manage bills.
- b. Great Barrington Fire Department - \$25,000 for equipment repair and maintenance
 - i. Chief Berger stated the Fire Department is budgeted for regular repair/maintenance, but there was recently two unexpected expenses - \$22,000 for a major repair and a \$3,000 for SCBA bottles that was not included in the budget. He noted budget is very tight so these expenses cannot be absorbed in the maintenance budget due to overall cost increases. He stated he is \$20,000 over budget and is making a request for a transfer of \$25,000 including an additional \$5,000 for the remainder of the year.

A. O'Dwyer made a motion to approve the reserve fund transfer request for the GB Fire Department for \$25,000 for equipment repair and maintenance; T. Blauvelt seconded. P. Orenstein asked if any additional discussion – there was none. Roll call vote: T. Blauvelt, "aye," M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 4-0.

A. O'Dwyer made a motion to approve the reserve fund transfer request for the Department of Public Works for \$50,000 for fuel and utility costs; T. Blauvelt seconded. P. Orenstein asked if any additional discussion – P. Orenstein stated that overages for snow/ice, overtime and supplies do not need to be addressed by the reserve account. Roll call vote: T. Blauvelt, "aye," M. O'Connor, "aye," A. O'Dwyer, "aye," P. Orenstein, "aye." All in favor, 4-0.

P. Orenstein stated there is \$25,000 remaining in the reserve account.

12. Update from Finance Director – Budget Report as of March 31.

- a. S. Carmel reported that at 9 months into the fiscal year, the budget is 67% expended, but noted that debt payments do not show until April. She stated Police Department overtime is 85% expended, but the bottom line is under 75% spent, so no issues are anticipated. She also noted snow/ice is at a \$72,000 deficit, but there is \$37,000 in purchase orders outstanding so that may reduce the deficit.
- b. P. Orenstein asked what happens when the reserve fund is expended – S. Carmel stated there is a six-week period at year-end in May-June where budget funds can be transferred between departments with Selectboard and Finance Committee approval. Also, within the same timeframe, the Selectboard and Finance Committee can approve moving funds between salary and non-salary items.

13. Future Meeting Schedule – Committee reorganization Tuesday May 17 at 6:30pm - P. Orenstein stated he would reach out to the two individuals running for Finance Committee asking if they can make the date. T. Blauvelt noted members must be sworn in before participating in a meeting. Milena Cerna stated she could attend a May 17 meeting.

14. Citizen Speak Time

- a. James Garzon, 84 North Plain Road thanked the Finance Committee members whose terms are ending for their service. He also stated for the warrant article for the High School, he objected to viewing the new debt as just replacing the one being retired. He also encouraged the two high schools to come together. He also expressed thanks for focusing on the cannabis funds and its allocation.

15. Media Time

16. Adjournment – P. Orenstein adjourned the meeting by unanimous consent at 8:15pm.

Respectfully submitted,

Stacy Ostrow
Recording Clerk