

Town of Great Barrington, MA Finance Committee Meeting via Zoom

**Minutes**

Monday October 16th, 2023

1. **Call to Order and roll call vote** - P. Orenstein opened the meeting via Zoom at 6:30pm with a roll call: Milena Cerna, “aye,” Richard Geiler, “aye,” Anne O’Dwyer, “aye,” Philip Orenstein, “aye.”

Absent: Madonna Meagher

Also in attendance: Town Manager Mark Pruhenski, Financial Coordinator Allison Crespo

2. **Committee Member announcements or statements** – There were none.

3. **Approval of minutes:** Selectboard and Finance Committee Joint FY24 Budget Meetings of March 1, 8 and March 14, 2023

R. Geiler made a motion to approve the March 1, 8 and 14, 2023 Selectboard and Finance Committee Joint FY24 budget meeting minutes; A. O’Dwyer seconded. P. Orenstein asked for any discussion – there was none. Roll call vote: M. Cerna, “aye,” R. Geiler, “aye,” A. O’Dwyer, “aye,” P. Orenstein, “aye.” All in favor: 4-0.

4. **Town Manager/Accountant Update** –

M. Pruhenski stated there are no updates other than the Reserve Fund request.

- a. A. O’Dwyer asked about budget reports – P. Orenstein stated the budget report was sent, though not in time to include in the packet and he added it would be discussed at the next meeting. A. Crespo stated there are no meaningful budget matters to discuss. A. O’Dwyer confirmed MTD means month to date and it is included in year-to-date numbers.

5. **Reserve Fund Request- Human Resources Director Salary and Benefits for balance of fiscal year 2024.**

M. Pruhenski stated the request is for \$25,000 to transition the part-time shared HR Director role to a full-time dedicated position in Great Barrington. He noted a mid-year request is not ideal, but staffing needs are growing and the hiring climate is very challenging so a more expedited process would be beneficial – and he added it would also help in addressing personnel matters earlier before incurring legal costs. He noted there is a description of the Director’s responsibilities in the packet.

- a. It was confirmed that this would add another headcount and be part of next year’s budget for salary and benefits. The board discussed the evolution of the shared arrangement with the other towns and how salary/benefits were funded, as well as how the HR role/responsibilities may expand to include larger projects. It was confirmed that the Munis system is being used for employees, but could be more functional/useful. P. Orenstein confirmed there is \$100,000 in the Reserve and it has not been used to date.

- b. James Garzon, 84 North Plain Road, suggested tracking the time spent on each HR duty.

A. O’Dwyer made a motion to approve the Reserve Fund transfer request for \$25,000 towards funding the HR position for the current fiscal year; R. Geiler seconded. P. Orenstein asked for any discussion – there was none. Roll call vote: M. Cerna, “aye,” R. Geiler, “aye,” A. O’Dwyer, “aye,” P. Orenstein, “aye.” All in favor: 4-0.

6. **Continued discussion of proposed school district merger, review of draft recommendation and possible vote**

P. Orenstein stated the Town Meeting scheduled for October 23 will include a vote on the proposed school district merger and the Finance Committee can make a statement regarding the financial aspects. He stated that he had included a draft letter in the packet which the Committee could discuss and edit, or decide to not submit a letter. P. Orenstein made an edit to the letter adding the formal name of the school district planning

board whose recommendation the letter supports. It was noted that A. O'Dwyer had already provided input on the drafted letter.

- a. M. Cerna suggested adding clarification that there are financial aspects and non-tangible benefits of the merger, but the Finance Committee is only weighing in on the financial – and that for the capital expenditure there are specific savings to Great Barrington.

P. Orenstein stated on the last point - the letter states the merger does not address whether or not to build a new school and he added the budget for the high school is an open question. The Committee discussed and agreed to change the reference to “non-financial impacts” of the merger to “benefits and challenges” and to add clarifying language that addresses that the percentage cost of a new high school to Great Barrington will be less under a merger scenario due to other towns sharing the expense. P. Orenstein confirmed the capital costs on the 8 Towns website and that the concept was reflected correctly in the letter.

It was agreed the Finance Committee would attend the Town Meeting and the letter is a good record of the Committee's position. R. Geiler stated he spoke with M. Meagher (who was absent from the meeting) and she agreed with the letter.

A. O'Dwyer made a motion to accept the letter as drafted; R. Geiler seconded. P. Orenstein asked for any discussion – there was none. Roll call vote: M. Cerna, “aye,” R. Geiler, “aye,” A. O'Dwyer, “aye,” P. Orenstein, “aye.” All in favor: 4-0.

P. Orenstein stated he would make the edits as discussed and send the letter to the Committee and M. Pruhenski.

#### **7. Community Preservation Committee update – (Richard Geiler)**

R. Geiler stated three new proposals have been funded – Community Land Trust project to preserve farmland on North Plain Road; Ramsdell Library to develop a report required to apply for grants; and Construct for a pilot to help families in transition from homelessness to permanent housing. He noted \$450,000 out of \$600,000 available was approved. He added one application for Marble Block was denied. as it was deemed by the CPC to be more appropriate for the regular funding process. The Committee discussed specifics of the projects and it was noted that the CPC generally provides only a portion of project costs expecting applicants to have broader/diversified support in place as well.

#### **8. Citizen Speak Time – No citizens asked to speak**

#### **9. Media Time – No media asked to speak**

#### **10. Adjournment - The meeting was adjourned by unanimous consent at 7:38pm.**

Respectfully submitted,

Stacy Ostrow, Recording Clerk

Approved on December 19, 2023

October 16, 2023

We, the members of the Great Barrington Finance Committee, believe it is appropriate for the Committee to express its views regarding the potential financial impact of the proposed eight-town regional school district, to be known as the Southern Berkshire Hills Regional School District.

First of all, we want to thank the consulting team led by Jake Eberwin and Lucy Prashker and the volunteers from all of the 8 participating towns for all of their dedication and hard work over the past 3.5 years – it has been a hugely complex and challenging project. We also want to thank our Town representatives during this process – Peter Taylor, Deb Phillips, and Steve Bannon.

Based solely on our review of the financial ramifications of the proposed merger, we vote to support the recommendation of the 8 Town Regional School District Planning Board to proceed with the merger, especially in light of what the team noted: the “fiscal challenges of declining enrollment, rising operating costs, relatively flat state aid, and the increasing needs of our students.”

Our opinion is based on what we see as the financial and budgetary implications of the proposed merger for Great Barrington. It also does not address the long list of non-financial benefits and challenges of the proposal, such as expanded educational choice, the difficulty of this transition, differing educational philosophies, and potential transportation-related issues – these matters are better addressed by others, including those involved in this process.

Each year during our budget process, this Committee is reminded of the magnitude of our Town’s investment in education. For FY24 our school budget assessment was just under \$20 million and more than half of the Town’s total budget. This budget is separately determined by the current Berkshire Hill School District and not subject to a line-by-line review by the GB Finance Committee.

We want to be clear that GB taxpayers should not expect either the Town’s school budget assessment or property tax rates to decline as a result of this merger. However, under the merger scenario, the percentage cost of the potential new high school attributable to Great Barrington will be less than it would be in the non-merger scenario, because of the sharing arrangements with the other participating towns.

Our hope and expectation is that the merger will cause our assessment to increase at a lower annual rate relative to what would occur without the merger. The ability to actually achieve these cost

savings is subject to many factors, some of which can be controlled locally and others out of our control. In particular, we will be relying on the new district-wide school committee to make tough decisions in future years on how to pool resources and realize economies of scale and cost efficiencies. In addition, if the future enrollments differ dramatically from projections, the various town assessments will be affected.

While the proposed new or renovated High School project is *not* being voted upon at this special town meeting, it is important to note that updated projected costs and interest rates will have an effect on our budget.