

**Joint FY21 Budget Meeting of the
Great Barrington Selectboard
& Great Barrington Finance Committee**

Town Hall
Great Barrington, MA 01230

Minutes of **February 18, 2020**, meeting

Attending were Selectboard Chair Steve Bannon, Vice-Chair Ed Abrahams and members Bill Cooke, Kate Burke and Leigh Davis; Finance Committee members: Chair Anne O'Dwyer, Vice Chair Michelle Loubert, Thomas Blauvelt Meredith O'Connor (by phone), Eugene Curletti; Town Manager Mark Pruhenski; and Town Finance Director Susan Carmel.

1. Call to Order.

The meeting opened at 6:00 p.m. in the Conference Room, Town Hall.

2. <u>Continued. Southern Berkshire Ambulance Squad (SBAS).</u>
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The SBAS is asking the Town of Great Barrington to contribute just over \$132,000 in the coming fiscal year, and more in the years to come.

Bill Hathaway gave a lengthy and detailed overview (by using slide presentation, and handouts to Committees members) of the SBAS, its history, tasks, and financial needs. The SBAS has been in operation in the S. Berkshires since 1968. Historically it was volunteer organization, and there were often delays in service and arrival times. This continued until 2014, when the service was transformed to a full-time paramedic-level services, 24/7, 365.

Currently, the SBAS has 15 full-time and 24 part-time and volunteer paramedics and EMTs, and are still recruiting for even more. The SBAS has an EMT class to train even more and have a grant from a local organization to support the EMT class. The SBAS responds to 911 calls, medical transports and emergency response, first responder calls, mutual aid with local surrounding towns, law-enforcement assist, citizen assists (e.g., if someone has fallen), disaster planning, search and rescues, education (CPR / First Aid), and paramedic intercept.

He discussed the challenges of raising funds to support these services. He indicated that the SBAS bills for services (insurance, Medicare, Medicaid), private insurers, citizens who do not have insurance. He reported that they also do fundraising – recently raised \$37,000. He noted that this was one of the first times they done fundraising in “quite a while.” Also seek grants, but don’t qualify for many federal grants (but only little funds are available to private ambulance services). Other municipalities and taxes, he suggested, support non-profit ambulance services. Challenges SBAS is facing, Hathaway reported, include lower volunteerism (due to different service demands), higher median age in South County (48 years old), the “cost of readiness”,

equipment costs for State-mandated items on trucks, the lower amount of monies received back from each Medicaid / Medicare call, and truck maintenance and replacement is costly.

He said SBAS has 3 crews on during the day, and 2 at night, but sometimes need more to support other ambulance squads. He noted that SBAS funds the “cost of readiness” by doing more transports to/from Fairview Hospital, but the nearest staffed crew to help out SBAS is in Lee – otherwise other services are out-of-state. He then outlined the cost of equipment and for staffing—as well as fuel costs, medications and related supplies (e.g., IV pumps). He cited a recent study that suggested a switch to a Fire-Station based EMT service for South County would cost upward of \$8 million.

Mr. Hathaway compared other towns’ number of calls and the cost of each. In 2019, there were 947, 911 calls, 729 transports, 561 home/ resident calls, 146 auto accidents, 240 schools, farms, etc. calls. The average response time was 5 minutes and 17 seconds, national average is 8 minutes.

Revenue for SBAS has been problematic, he reported, as there are limits on how much SBAS can charge, and also the reimbursements differ by insurance—and Medicare and Medicaid payments are locked in. Medicare reimbursement is less than the cost to do business. Medicaid pays even less per call and increases not all or very little, and insurance companies are following suit. – SBAS also has more Medicare calls than the national average (and, again, this reimburses at a below-cost rate). Thus, SBAS has been dealing with and is projecting for future years, considerable deficits. And are looking for help to manage those services while keeping services at the highest level.

Lee Ambulance, which also supports surrounding towns of Stockbridge and Tyringham, reports a cost per call in Lee only became paramedic-level last year. Otis, in 2018, was funded by the town. One thing he stressed, was the SBAS, shows up per call not knowing if or how much they will be compensated for, though they do the same work regardless of this fact. The surrounding towns in the area do subsidize their ambulance for the use of the service. Mr. Hathaway noted that nursing home numbers are not included in his report of rates of calls in towns, but this does not include the nursing homes, which was confusing to members of both committees, as this is where most of the revenue is. There was some general confusion as to what numbers—number of all calls, or emergency calls, and if revenue from the Town is factored into their request. He noted that the billing is very complicated.

M. Loubert asked about the timing of the SBAS request for municipal funds. She wondered why SBAS didn’t take action sooner – e.g., by doing more fundraising sooner and implement a plan? But, looking at the report, in 2013, 2014 etc., there have been shortfalls, with 2019 the shortfalls escalating. Wondered if the board of directors had instituted a plan and what explains the shortfalls. SBAS said they had not come to the Town sooner because they wanted to try to bail themselves out—and could draw on reserve funds. We will still be able to make ends meet, but it’s not as easy as it used to be—we now realize we need help.

E. Abrahams thanked SBAS for their service, but concurred with M. Loubert regarding concerns of the last-minuteness of this request. Indicated that the Selectboard and Finance Committee needs to be confident that the SBAS is a financially well-run organization and the formula for the funding request is the right one, or will GB be supporting other towns. If it’s so expensive to GB, should we be running this and

charging other towns. B. Cooke asked a similar question: isn't GB a profit-driving for SBAS, versus a cost? Asked if the Town's staff could review the SBAS financials and the formula for the request before voting on this request. T. Blauvelt had a question re: accounting—the allowance for bad debts in 2017 and 2018, but these don't appear in other statements, and why the increase in bad debts between the two years. Indicated that he could not follow the SBAS's financial numbers from the reports provided. Mr. Hathaway indicated that SBAS is in the process of writing off their bad debt.

L. Davis asked about the “in kind” contribution by the GB Fire Department, and Chief Burger had indicated that the Fire Dept has services available at certain times in the day/night, and this would offset some of SBAS costs, so reduced the ask to GB by \$15,000, based on how he felt this SBFD assistance would offset expenses. The GBFD also allows SBAS to store a 4th truck at the SBFD at no charge. Ms. Davis indicated that she was also not sure about the basis for the request and putting this expense on the taxpayers is a big ask, and more details on what SBAS has been doing to manage costs and how the town would have more oversight if these funds are given. A. O'Dwyer asked if fundraising had really only begun in 2018-19, and had questions on the basis on which the contributions for towns was based. Mr. Hathaway confirmed that fundraising is a new initiative for SBAS—indicated the focus prior has been solely on providing services and revenue from services.

The board chair of the SBAS (Dennis Hogan) spoke on the behalf of the SBAS, he has been working for over 40 years with Ambulance Companies. He spoke to the national issue that one ambulance squad closes every two weeks due to lack of revenues and sustainable funding. He reassured that the SBAS has changed billing, and started fundraising to offset the costs. He did indicate that the SBAS has reserve funds that they can draw on, but that these funds “are dwindling”. And, stressed that these town contributions can be reviewed each year.

Mr. Robert Holdsworth, President of Holdsworth Group, advising EMS boards and boards of selectman and finance, as more and more ambulance services are struggling financially. An ambulance service closes every two weeks in the US – because can't find people to work and because of bad debt. We have advised the SBAS board to change billing, to do a fund-raiser, do more training with personnel. Currently, EMS is the only medical specialty that does not know how much they will get paid when they provide a service. The reason SBAS, he suggested, has not needed to come to the town before, the nursing home and hospital services are drying up and the payments for service are getting cut. B. Cooke asked if the 80% loss cited is true for nursing homes and hospitals—Mr. Holdsworth suggested that the % loss is more, but the business is more frequent. But, the revenue helps to offset the EMT/Emergency losses. Noted that most business people ask ambulance squads why they are in business if the losses are so striking.

M. Loubert agreed with prior comments that SBAS ought to also look for shared services with the local hospital, and wondered if SBAS was putting the cart before the horse, by asking for municipal funds when they have only begun fundraising. Also wondering about the recommendations of the Southern Berkshires Emergency Medical Services study in or around 2018. As a taxpayer and finance committee member, she is still concerned that this is the first time that SBAS board of directors has taken a proactive step toward addressing the budget issues. L. Davis said she is concerned about

the "3 year plan" that SBAS is proposing. Citizen E. Mooney asked about the dispatch provided for by the GBPD, and if any in-kind credit regarding funding was given for that service. Outlying towns pay SBAS for dispatch, it appears. Mr. Holdsworth also shared that "balance billing" is requirement that is coming that also leads to SBAS coming to the town at this time, and had hoped to have more info from State legislatures re; these new billing requirements.

It was agreed that more information and time would be needed before the committees could vote on this Special Article.

3. Operating Budgets Wrap-ups. (Discussion/Vote)

A revised budget sheet was distributed including changes from prior meetings and new requests. (note: FC votes were by roll-call, as M. O'Connor was attending by phone).

- **Council of Aging Budget**
SB: Motion made by E. Abrahams to accept the recommendation, B. Cooke seconded, All in Favor 5 - 0.
FC: T. Blauvelt made motion to accept the recommendation, W. Curletti, seconded, All in Favor 5 - 0.
- **Libraries**
SB: E. Abrahams made motion to accept the Library budget as presented, B. Cooke seconded, All in Favor 5 - 0.
FC: W. Curletti made a motion to accept the recommendation, M. Loubert seconded, All in Favor, 4- 0- with 1 abstention (T. Blauvelt).
- **Parks & Recreation.**
SB: E. Abrahams made motion to approve as recommended, B. Cooke, seconded, All in Favor, 5 - 0;
FC: T. Blauvelt, made motion to accept the recommendation, M. Loubert seconded, All in Favor, 5- 0.
- **Boards and Committees.** S. Carmel reminded that the Transportation Committee was requesting a \$500 increase for printed fliers for the new bus routes and times.
SB: E. Abrahams made motion to recommend the Boards & Committees budget as presented with the \$ 500.00 increase, B. Cooke, All in Favor; 5-0.
FC: W. Curletti made a motion to approve the same recommendation, T Blauvelt, seconded, All in Favor, 5 -0.
- **Celebrations.** The committees were reminded that the proposed budget included a \$1000 increase from the first proposal, due to a late request from L. Rodgers asked for more funds to support the Bandstand—to pay performers--which has not increased since 2010 and the hope from L. Rodgers that this will be increased/.

SB: Abrahams made motion to accept as written, L. Davis seconded, All in Favor, 5 - 0.

FC: W. Curletti, make the same motion, T. Blauvelt seconded. Discussion centered around the last-minuteness of the new request and M. Loubert asked why no rationale was provided (other than it's been a while). T. Blauvelt wondered if it was because of more shows or a raise for the vendors. M. Pruhenski suggested this increase was a starting point, and there may be a park-opening event in the spring. A. O'Dwyer suggested that a 25% increase is not a small % increase. Are musicians turning us down? Votes: 2 yes - 3 no, Motion failed. T. Blauvelt made another motion to keep the budget recommendation at the original amount; W. Curletti, seconded, All in Favor, 5-0.

- **Debt Service.**

SB: E. Abrahams, made motion to accept the recommendation, B. Cooke, seconded, All in Favor, 5 - 0; Finance Committee, T. Blauvelt made motion to accept the recommendation, W. Curletti seconded, All in Favor, 5 - 0.

- **Retirement.** M. Pruhenski reported that the Town is expecting two high-level retirements in the coming year, and he is requesting because we are aware of these, we need to put it into the budget. The amended amount includes funds for hiring a recruiting firm to assist in at least one of the searches. The increase in request is by \$25,000. This amount also includes buyouts of sick and vacation time.

FC: T. Blauvelt made motion to approved the request as amended, W. Curletti, seconded, Vote, 4 -1 (M. Loubert voted no).

SB, E. Abrahams made same motion, B. Cooke, seconded. All in favor, 5 - 0.

- **Insurance.** S. Carmel explained an increased in this budget request (from original request) of \$10,500; this is to account for increases in workers compensation audit expenses which can and should be anticipated and was not factored into the original budget proposal; also want to break out other costs – e.g., medical exams – and runners fees of \$500 for vehicle registration).

FC: T. Blauvelt made motion to approve the budget as revised, W. Curletti seconded. M. Loubert wondered why this did not come to the committees sooner. The audit came in just recently. T. Blauvelt asked about the workers comp findings and if the Committees could at some point see these. M. O'Connor left meeting (7:41pm.); Vote 4-0;

SB: E. Abrahams made the same motion, B. Cooke, seconded, All in Favor, 5- 0.

- **Wastewater.** K. Burke asked if this is another area where we should anticipate some retirements and recruiting. C. Rembold indicated he did not have concerns re: funding re: these.

FC: T. Blauvelt made motion to approve Wastewater budget as submitted, W. Curletti, seconded, All in Favor, 4-0;

SB: E. Abrahams made same motion, B. Cooke, seconded, All in Favor, 5-0.

4. Capital Review. (Discussion/Vote) by Department:
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- **Police.** \$186,000. Increase.
FC: A. O’Dwyer made motion to approve, T. Blauvelt seconded. A. O’Dwyer questioned the necessity of the second vehicle purchase in light of the 5-year capital expenditures plan, which had the canine unit scheduled for FY2022, not 2021 (from the 2019 Capital Budget Plan), and her concerns regarding the extent to which debt payments are a substantial proportion of tax increases that are accounted for by increased debt payments for the coming year. Chief Walsh indicated that it is needed now. L. Davis indicated that she felt we should go with the Chief’s recommendation. M. Loubert asked if this was a 2nd Speed Trailer in the FY 21 budget or a new one. Chief Walsh indicated it was a new Speed Trailer
Vote, 3-1, A. O’Dwyer voted no.
SB, E. Abrahams made motion to accept recommendation, B. Cooke seconded, All in Favor, 5-0.
- **Parks.** M. Pruhenski reported on the withdrawal of \$100,000 for park improvements at Memorial Field is no longer needed. That request is withdrawn. An agreement with Benchmark Developers has been signed. The committees thanked the Town Manager for this news.
- **Fire.**
FC: T. Blauvelt motioned to approve the Fire Department Budget, M. Loubert seconded, All in Favor, 4-0.
SB: E. Abrahams made motion to approve, B. Cooke, seconded, All in Favor, 5-0.
- **DPW. (Truck/ Sanders/ mowers)**
FC: W. Curletti made motion to accept budget recommendations for vehicles and equipment, T. Blauvelt, seconded, All in Favor, 4-0;
SB: E. Abrahams made motion, B. Cooke seconded, All in Favor, 5-0.
- **DPW. (Building & Grounds --Town Hall elevator and meeting room improvements).**
FC: T. Blauvelt made a motion to approve the recommendations, W. Curletti, seconded. All in Favor, 4-0.
SB, E. Abrahams made same motion, B. Cooke, seconded, All in Favor, 5-0.
- **DPW. (Building & Grounds -- Mason Library exterior steps).** Members of both committees asked why the cost of the repair of the stairs is so high (\$600,000). S. VanDeusen indicated the historic nature of the steps. He indicated that CPC funds may be available to help offset this expense.
FC: A. O’Dwyer made motion to **not** fund the steps this year, M. Loubert, seconded, All in Favor, 4-0;
SB: E. Abrahams made same motion, B. Cooke seconded, All in Favor, 5-0. E. Abrahams noted that if the CPC funding does not come through, we may need to fund this next year.

- **DPW. (Meeting Room improvements)**

M. Pruhenski hoped that some of the current Meeting Room furniture could be used for a meeting place in Housatonic. A. O'Dwyer spoke of her concern regarding if this the year to make these repairs; M. Loubert said she did feel that the improvements were important for Open Meeting Law compliance. L. Davis agreed.

FC: T. Blauvelt, made motion to accept the improvements, M. Loubert, seconded, All in Favor, 4-0;

SB: E. Abrahams, made same motion, B. Cooke, made seconded, All in Favor, 5-0.

- **DPW. (Carpet/ Office improvement in Town Hall)**

FC: M. Loubert asked how necessary this improvement is; S. Bannon indicated the old carpeting is a trip hazard. M. Loubert said this was the information she needed. A. O' Dwyer made motion to accept recommendation, T. Blauvelt, seconded. All in Favor, 4-0.

SB: E. Abrahams made the same motion. B. Cooke, seconded, All in Favor, 5-0.

- **DPW. (Streets and Bridge improvements - Engineering)**

FC: S. VanDeusen shared that this \$300,000 request is to deal with emergencies as they emerge during the year – so that we can repair problems; also for applying for grants—e.g., a \$100,000 investment now can put us in the running for \$8 million in grants; some pre-engineering may help with the Mason Library steps repair). K. Burke asked if we should ask for more money to support applying for grants. M. Loubert indicated that this is really not the year. A. O' Dwyer, made motion, to accept engineering at \$300,000; M. Loubert, seconded, All in Favor 4-0;

SB, E. Abrahams made same motion, B. Cooke, second, K. Burke made an amendment to raise to it to \$400,000., E. Abrahams seconded the amendment; the vote, 2 yes, 3 no (L. Davis, B. Cooke, S. Bannon). SB voted on the original motion, of \$ 300,000., All in Favor, 5-0.

- **DPW. (Streets and Bridge improvements - Old Route 7 Greenway Path).** C.

Rembold said this is a “high priority” project, as is part of the Town’s Complete Streets recommendation, and it is so much money that it can’t be funded by the CPC or other sources, as it would drain the source. He indicated that the Town is applying for a Mass Trail grant, to help reduce cost. K. Burke who indicated that there are many families who walk along the road from CHP to the PriceChopper area. M. Loubert wondered if this is really the year to invest these funds, given the budget situation we are facing this year. A. O'Dwyer wondered about the rationale for approving funds that we expect we will not need. L. Davis worried that there will be crosswalks, and is that safe to encourage more pedestrian traffic.

FC: T. Blauvelt made a motion to accept recommendation, W. Curletti, seconded, All in Favor, 3-1; M. Loubert, no;

SB: E. Abrahams made same motion to accept the recommendation, B. Cooke, seconded, All in Favor, 5-0.

- **DPW. (Streets and Bridge improvements - Lake Mansfield Engineering)**
FC: W. Curletti made motion to accept the recommendation for Lake Mansfield Road engineering, M. Loubert, seconded, All in Favor, 4-0.
SB: E. Abrahams made the same motion, B. Cooke, seconded, All in Favor, 5-0.
- **DPW. (Bridge engineering & street improvements)**
FC:, W. Curletti made motion to accept the recommendation, M. Loubert seconded, All in Favor, 4-0;
SB: E. Abrahams made the same motion, B. Cooke seconded, All in Favor, 5-0.
- **Parks**
FC: T. Blauvelt made motion to accept the recommendation, M. Loubert seconded, All in Favor, 4-0;
SB: E. Abrahams made the same motion, B.Cooke seconded, All in Favor, 5-0.
- **Smart Boards for Town Offices.** M. Pruhenski said the new technologies funded by this are not necessarily for Smartboards, but projection improvements or TVs. A. O'Dwyer shared that TVs are rarely large enough for people to see what is projected. L. Davis agreed.
FC: T. Blauvelt made a motion to accept the recommendation as written, W. Curletti seconded; 1- 3 (no, A. O'Dwyer, M. Loubert, W. Curletti);
SB: E. Abrahams made same motion, B. Cooke, seconded, 2 - 3 (no, B. Cooke, L. Davis, K. Burke); motion failed.
- **Wastewater Capital Requests**
FC: T. Blauvelt made a motion to accept the recommendation, W. Curletti, seconded, All in Favor, 4 - 0;
SB: E. Abrahams made the same motion, B. Cooke seconded, All in Favor, 5 - 0.

S. Bannon asked that before moving on to the Special Article requests, the committees might review the amount of money taken out of Free Cash to help the budget. S. Carmel directed members to the Budget Projection. We are using \$2,529,000 from Free Cash. This will leave us with \$402,000 in Free Cash. S. Bannon indicated that we may have more funds to put into Free Cash for next year, and do we want to use any of the remaining Free Cash to help the budget. S. Carmel noted that we may need to use some of the Free Cash to cover the Vocational Transportation costs.

5. Special Articles Review. (Discussion/Vote)
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- **Community Impact Funding.** (\$185,000). M. Loubert asked re: CCC guidelines for CIF expenses. Wondered if there was any further information from the CCC or other communities. M. Pruhenski indicated that other towns are in much the same situation as GB, and as long as we can tie expenditures back to Marijuana

sales, it will be approved and appropriate. He hopes there will be help from health care professionals from the area to evaluate the six proposals in front of the town. A. O'Dwyer indicated that this vote is to use the funds, not a vote as to how it is used. Discussion ensued how these funds can be allocated and used.

FC: W. Curletti made motion to accept recommendation, T. Blauvelt seconded, All in Favor 4- 0:

SB: E. Abrahams made motion, B. Cooke, seconded, All in Favor, 5-0.

- **Emergency Medical Services (SBAS).** Discussion ensued regarding concerns about the SBAS presentation, the lack of basis for the amount of their request. A. O'Dwyer indicated that she appreciated B. Cooke's observation that GB is most of their service is to GB, so why should GB pay the lion's share of their shortfalls. It was recalled that no one is doubting the quality of the service, but the concern is what is the Town committing itself to. S. Bannon asked if the FC and SB both don't recommend a Special Article, then it won't go on the warrant; that was confirmed.
FC: W. Curletti made motion to accept the SBAS recommendation, A. O'Dwyer, seconded, All opposed, 0-4;
SB: E. Abrahams, made same motion, B. Cooke, seconded, (L. Davis, recused herself as family member is involved with EMS); 1 yes (K. Burke) 3 no. Failed.

S. Bannon then made a motion that the town staff set up a team to examine the SBAS request further and come to the committees next year with a recommendation for moving forward re: the SBAS request. E. Abrahams seconded. All voted in favor of the recommendation; FC: all voted in favor.

- **Vocational/Trades Scholarship Fund.** A O'Dwyer indicated that this is a wonderful idea, but noted since we are struggling to afford HS students to get the vocation education they want, should we be giving a scholarship to do vocational studies after HS. K. Burke felt that we need to provide this as it is clear that our young people in the community are interested in vocational education. E. Abrahams said that economic development comes with a cost, and every year is a tough budget year, and helps young people stay in the community.
FC: T. Blauvelt made motion to accept the recommendation for South Country Vocational Scholarship., W. Curletti seconded; vote was 2 yes and 2 no (M. Loubert & A. O'Dwyer);
SB: B. Cooke wondered how we would afford 10 high school students wanting vocational education. E. Abrahams made same motion, B. Cooke seconded, 4-1 (L. Davis).
- **BHRSD Vocational Tuition and Transportation**
Transportations for two students from Great Barrington to attend vocational school at Taconic High School. M. Loubert raised concerns; wondered if this is a mandate, and if so, was really the first time that we've had students to out of district for vocational education. Wondered if this is a "you have no choice" vote. L. Davis wondered if the town should have plan for how to manage this potential

expense moving forward. T. Blauvelt wondered if the number is correct; M. Pruhenski indicated that a new number had just come in today (\$100,000 for FY 2020; FY 21 is \$122,066). S. Bannon indicated that if we don't approve it, we'll need to find the funds from another budget to pay it. Due to all the complications and questions, tabled to the Public Hearing.

- **Capital Stabilization**

(W. Curletti left 9 pm.)

FC: T. Blauvelt made motion to put in \$100, 000 in Stabilization Fund, W.

Curletti seconded. Vote was not in favor (0 -3)– all opposed.

SB: E. Abrahams, made same motion, B. Cooke seconded; All opposed (0 – 5).

<u>6. Continuation of Reserve Fund Transfer – to Legal. (Discussion/Vote)</u>
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M. Loubert raised concerns about using the entire reserve fund balance so early in the year. Suggested approving \$50,000 now (thus leaving \$20,000 in the reserve fund);

FC: . A O' Dwyer, made a motion to amended the transfer to \$50,000. M. Loubert seconded, All in Favor, 3-0. A. O'Dwyer then made the motion to make a transfer of \$50,000 from the reserve fund to the legal budget line, M. Loubert, seconded (3-0 voted in favor).

7. Citizen Speak Time

8. Adjournment

FC: A. O'Dwyer made a motion, M. Loubert seconded; vote all in favor to adjourn;

SB: E. Abrahams made a motion and B. Cooke seconded. All voted to adjourn

The meeting adjourned at 9: 05pm.

Respectfully submitted,

Anne O'Dwyer

Amended per requests at SB/FC Joint Meeting May 5, 2020

Approved as amended by SB & FC (at FC Mtg May 20, 2020)