

Selectboard and Finance Committee Joint Budget Meeting
Wednesday, February 2, 2021 at 6:00pm

1. CALL TO ORDER – L. Davis opened the meeting at 6:00pm; those present via zoom: Selectboard: Ed Abrahams, Leigh Davis, Eric Gabriel, Garfield Reed. Finance Committee: Tom Blauvelt, Michelle Loubert, Meredith O'Connor, Anne O'Dwyer, Philip Orenstein. Town Manager Mark Pruhenski. Assistant Town Manager Chris Rembold, Finance Director Sue Carmel and other department heads as noted below.

2. Department

a. Conservation Commission

Presenter Shep Evans stated the budget reflects the standard increase in salary - and is otherwise flat except for land maintenance/trails which is reduced. P. Orenstein asked about time allocated to animal control – S. Evans replied it is primarily an on-call/as needed role to handle lost/found dogs and dog licensing enforcement.

b. Planning Board

Presenter Chris Rembold stated the majority of budget is for the clerk, some training and office supplies. He noted the Planning Board minutes are especially helpful, and asked for a small increase for the board clerk. M. Loubert asked if raising the salary impacts retirement benefits? C. Rembold stated it is a part-time position at approximately 250 hours/year. M. Pruhenski confirmed it position is not benefits eligible.

c. Zoning Board of Appeals

Presenter C. Rembold stated there is no change from last year's budget. The board meets as needed so the clerk's time varies and is a small expense. Other budget items include training, professional publications and office supplies.

d. Planning/Community Development

Presenter C. Rembold stated there is a change in the salary line for the Assistant Town Manager/Planning and Community Development Director. It reflects a midyear adjustment and the standard 2% increase in salary – but previously the salary was split among various departments - it is now consolidated here. The Affordable Housing Trust stipend is for Shep Evans as he provides minutes and administrative help. Contracted services are for Berkshire Regional Planning Council to fund program administration. Under Economic Development is BRPC regional planner support and he noted economic development last year included downtown rapid recovery and Cultural District activities.

e. Buildings and Grounds

Presenter Sean Van Deusen highlighted in the budget - an increase in staff for labor/operators, specifically staff for maintenance of downtown landscaping, parks, gardens – and off season for plowing and other maintenance tasks. The position would start midway in the year. S. Van Deusen stated he regularly hears concerns from residents about care/maintenance of gardens and memorials in downtown. Other budget increases are due to rising costs overall for labor, materials, energy and increases in power, gas/oil, water/sewer, building and grounds repair expenses. In contracted services is elevator repair, electrical issues, equipment and HVAC which requires costly specialized repairs. He noted in addition, there are increases in trash removal, parks/cemetery supplies and small equipment repairs as well as custodial supplies including protections due to COVID. T. Blauvelt asked about overtime expenses – S. Van Deusen replied overtime is needed for parks garbage removal after hours/weekends. A. O'Dwyer confirmed new staff is budgeted for a partial year, but it is a year-round position. S. Van Deusen stated work would include gardens/parks upkeep such as landscaping for town hall, gazebo, war memorial, newsboy statue, senior center, libraries, courthouse,

Housatonic Dome and off season – overall maintenance, building care, cleaning and transfer station help. He noted the department has been short staffed for a long time. G. Reed asked if volunteers can do landscaping maintenance – S. Van Deusen replied volunteers are used, but it is too much ongoing responsibility for volunteers. P. Orenstein asked if other towns contribute for courthouse maintenance as it is a district court – S. Van Deusen replied it is our building - there is a lease/rent paid and we have a contract to maintain the property. S. Bannon commented the new position is needed to upkeep the war memorial, libraries, etc. and we have beautiful buildings/land that need to be maintained. P. Orenstein asked if Town business owners can contribute for landscaping costs. S. Bannon stated the Town had tried to get buy-in, but there was no interest.

f. Highway

Presenter Sean Van Deusen stated budget increases are due to electricity for streetlights, sewer/water, equipment maintenance/repairs for large equipment – and noted specialized repairs are costly. Additionally, street maintenance/repair costs have increased due to asphalt prices and the need for significant patching work. Contracted services increases include labor/material to fix streetlights and warning lights. Tree service is for hazardous trees threaten property/people. Gas/diesel and snow/ice supplies is an increased expense due to higher salt prices. P. Orenstein asked about tracking fee revenue for the transfer station – S. Van Deusen stated the Town takes a loss, but he has asked for a full analysis. It was also clarified that tree service is for town-owned property. A question was raised about the police detail - which is generally covered in construction contracts, though Sue Carmel clarified those costs are accounted for starting in 2021. L. Davis clarified S. Van Deusen is satisfied with the final budget even though the original budget request had been reduced.

g. Council on Aging

Presenter Polly Mann stated the budget is mostly flat, but with the standard salary increase and a slight additional increase for the Coordinator position. T. Blauvelt asked about DPW covering custodial costs – P. Mann replied the position is shared with the transfer station. A. O'Dwyer asked about the decrease in the transportation budget – P. Mann replied it is new, so more time is needed to determine exact budget. She also noted there is grant money to supplement expenses. S. Carmel stated there is a revolving fund for transportation and the hope is it will be self-supporting at some point.

h. Libraries

Presenter Amanda DeGiorgis stated that budgeted salary increases of 2% are determined by the union contract and other costs are flat. E. Abrahams clarified Friends of GB Library supplements the budget by \$6,000-8000/year. P. Orenstein asked about tracking changes in utilization of library resources to modify services – A. DeGiorgis stated they have statistics on all activity and the use of digital resources which is reported monthly to the board and State of MA. She stated resources are shifted as appropriate – i.e., currently more to digital.

i. Parks and Recreation

Presenter Sean Van Deusen stated the budget reflected increases in costs for youth program management/ Railroad Street Youth Project as well as lakes, lifeguards and the skate park. Additional salary costs will be incurred if open more and more porta potty in parks may also increase this year due to additional usage.

j. Debt Service

Presenter Sue Carmel stated this is a fixed cost for the Town consisting mostly of long-term bonds. The budget reflects a 11.4% increase which is lower than last year due to lower interest rates. S. Carmel provided background/detail on increased long-term principal, interest increases, short-term interest and debt issuance cost. P. Orenstein noted debt service practices are in accordance with state requirements, but pointed out that by nature of how the calculation works, it excludes the principal payments for debt to be issued in the spring - so the entire cost is not reflected. S. Carmel stated that the budget can only account for payments due in FY23 and the payment referred to would occur in FY24. A. O'Dwyer expressed overall concern about debt being such a sizable portion of the total budget, and incurring more debt is not as apparent since it is paid over time.

k. Retirement

Presenter Alicia Dulin stated this is not a cost that can be adjusted as the retirement assessment is calculated for us.

l. Insurance

Presenters Alicia Dulin and Sue Carmel stated the health insurance budget had been flat for the last few years. This year it was budgeted for a 4% (\$67,000) increase to cover new hires, increase in family plans, etc. She also noted Berkshire Health Group rates have increased. She stated another \$10,000-20,000 may be needed to support the new/family additions to insurance. A. Dunn confirmed a few employees have asked about enrolling in the plan.

S. Carmel covered the Wastewater Department allocation – stating it is an enterprise fund and there are related costs on the general fund side for indirect costs, i.e., staff salaries, gas/diesel, supplies, for which the enterprise fund reimburses the general fund. Budget covers standard salary increase and mid-year adjustments.

P. Orenstein asked for clarification on the health and life insurance line item – S. Carmel stated historically, this has been a cushion for the Town that can generate surplus funds/free cash. She noted Town auditors and the state are aware of it. She also stated due to level funding over the last few years, the cushion has been depleted. P. Orenstein stated, it is understood that the practice is allowed, but it is not as clear. S. Carmel stated there has been discussion about the option of creating a contingency line item to create a reserve. A. O'Dwyer asked for clarification on increased insurance costs – A. Carmel replied, this line item is to generate free cash, so putting that aside, new/family insurance additions to the health insurance plan are expected. P. Orenstein asked if the reserve impacts rating agency review - S. Carmel replied we provide the budget report and all financial and have had the highest rating. P. Orenstein stated alternatives should be considered.

m. Wastewater

Presenter Sean Van Deusen stated the budget reflects increases across the board especially for electricity to run aeration tanks, clarifiers and other large equipment and how the costs can vary depending on rain amounts. He also noted increased costs for gas/oil for generators; water to flood equipment; repairs/maintenance; and uniform rentals, vehicle supplies, gasoline and chemicals. He noted contracted services are for work on pumps and computer systems. T. Blauvelt asked if the Enterprise Fund can be used to offset increases - S. Van Deusen replied, there is a large expense this year to replace two pump stations costing \$4m plus an aeration tank for \$10m. Pipe replacements are also needed in Town. P. Orenstein asked about 2021-22 increase in health and life insurance. S. Van Deusen stated it was perhaps for additional employees, but will check into.

n. Capital

Presenter C. Rembold stated that every year the Town looks at the fleet, roads, stormwater, town buildings, and equipment that will be needed and get quotes for equipment, motor pool, special projects, cruisers and roads to use for budgeting capital requests. He proceeded to cover capital expenses by area.

- Police Department – C. Rembold stated \$173,000 is budgeted for equipment. The two cruisers are on tax levy. He explained cruisers typically last two years, to borrow long term is not appropriate so it is put on tax levy. S. Carmel stated that something like this could be a contingency line item in the future. T. Blauvelt asked Chief Sorti if there are hybrid cruisers - Chief Sorti stated currently, there is nothing that is tested and found to be reliable.
- DPW vehicles and equipment – C. Rembold stated there is equipment slated for replacement, but the Town could not get quotes in time for the final budget. S. Van Deusen stated he just got price quotes and the cost of a guardrail mower and truck with plow totals \$152,000. He emphasized the importance of a replacement schedule to keep fleet in good working order.
- Building and Grounds – C. Rembold stated there are two large projects. One is making the Ramsdel Library entrance ADA compliant. He stated most of the previously allocated funds have been used and will need the remainder plus what is requested to finish the work. The second

- project is for the redesign of the Town Hall building campus – including lawn, sidewalks, parking lot, lighting, sewer line and redesign of the front driveway to make a pedestrian area. The Town is also seeking a grant to help cover costs.
- Street/bridge improvements – C. Rembold stated this is mostly for design and engineering; sidewalks grants will also be pursued to supplement. The bridge engineering and repair is for several smaller bridges. He noted the Castle Street tunnel is covered under CPA funding for design and engineering. Several other projects were noted - the senior center parking lot; street improvements in the Berkshire Heights area, improvements for Main Street crossings, replacement of guardrails, sealing cracks and cemetery road repairs. G. Reed asked about cracked sidewalks and funding for the rotary – C. Rembold stated sidewalks are fixed through the street repairs budget and the rotary is funded through MassDOT. P. Orenstein asked about the street improvement other line item and confirmed it is funded by the state based on an allocation formula. L. Davis asked for historical trends on borrowing for capital requests and was pointed to slides presented by M. Pruhenski.
 - Parks – C. Rembold stated the budget for Memorial Field totals \$500,000 – proposed as a split between CPA and Town borrowing, but the CPC recommended the \$500,000 be bonded through CPA so it would not be under the Town’s general funding. S. Van Deusen stated parks improvement are a standard request every year consisting mostly of basic maintenance and some improvements. E. Gabriel asked for clarification on CPA taking over funding for Memorial Field. – C. Rembold stated CPA collects funds annually, CPC is recommending using those funds for the bond; and S. Carmel clarified -it is still part of borrowing column, but the debt payment would be shown in a CPA fund not on the operating budget. A. O’Dwyer asked if the \$50,000 for park improvements should be put into the operating budget? S. Carmel clarified special articles appropriate the funds and was changed to borrowing in the capital budget four years ago. S. Bannon stated a piece of equipment can be \$20,000 so it is appropriate to borrow for it and it is not a reoccurring expense. P. Orenstein asked about criteria for sidewalk and street improvements – S. Van Deusen stated that only essential repairs are made. S. Bannon stated the Town was falling further and further behind every year in repairs and now we are seeing some catch up. C. Rembold stated for sidewalks, a priority is to make connections between segments as one of the Master Plan priorities is pedestrian and bike accessibility. A. O’Dwyer asked if infrastructure funds could be used to offset some expenses – C. Rembold replied ARPA funds are for sewer and stormwater issues only, though he expressed hope that stimulus infrastructure funds will be allocated by the state to towns. L. Davis asked if the Town could delay repairs until costs come down – S. Van Deusen replied that costs will likely increase, especially labor and noted that the longer repairs are delayed, the more costly it gets. He continued to explain the Town will get reimbursed under existing contracts if prices decrease significantly, i.e., gas.
 - Wastewater – S. Van Deusen stated there are increases in the budget for internal mechanism equipment replacement; service pick-up truck replacement; and a high pressure sewer jetter/line clearer, In addition, engineering is a standalone line as there are grant funds can become available.

3. Citizen Speak Time

4. Media Time

5. Adjournment – Chairman Bannon adjourned the meeting by unanimous consent at 8:04pm.

Respectfully submitted,

Stacy Ostrow, Recording Clerk