

BUDGET ADVISORY COMMITTEE / SELECTMEN VIRTUAL MEETING

Thursday March 19, 2020 – 4:00 PM – Via Zoom

PRESENT: Patricia Callahan, Budget Advisory Cte; Neal Pilson, Selectman; Danielle Fillio, Town Administrator; Alan Hanson, Selectman; John Mason, Budget Advisory; Steve Patterson, Budget Advisory; David Eisenthal, Unibank; Roger Manzolini, Selectman; Bob Youdelman, Budget Advisory (left and returned to the meeting on two occasions); Bob Gniadek, Budget Advisory; Angela Garrity, Town Accountant

Bob Gniadek called the meeting to order and welcomed David Eisenthal, Fiscal Advisor from Unibank who will be advising the Town on funding options for the new Municipal Building. Pat Callahan reported that the Building Cte. met on Tuesday evening and has put together a plan that they believe will be good for the Town. They are working on completing their presentation for a potential Special Town Meeting in August or September of this year.

David began his explanation with a caution that the municipal market right now is chaotic and no long-term bond issues would be hard to predict at this time.

Potential of Short term financing to get through the bidding and full construction document phase to have a better picture of the eventual total cost. The danger in that scenario is that if the Town eventually votes no to completing the project, the Town is left with a debt amount to be paid off on a project not moving forward.

Short-Term and permanent borrowing which would include partial permanent financing early and then full permanent financing later. The interest rates at the later time are likely to be significantly higher.

Full financing up front would provide good interest rates but carries the possibility of over-borrowing. Any additional funds would need to be reallocated by a Town Vote to another capital project.

David discussed the pros and cons of the above scenarios, including the differences between a 30-year and a 20-year bond, especially in terms of marketability. He also clarified the differences in bond coupon rates.

Continued discussion of the relative merits of the two options created a consensus that since the project will not be able to move forward in less than 6 months, better calculations can be done at that time and David would be more than willing to create some revised analyses with that new information.

Bob Gniadek thanked David for his help and noted that the Town will look forward to working with him.

Updates and Handouts:

There was a discussion of the line item Assistant Treasurer/Collector, which was increased from \$6,500 to \$10,000. Danielle noted that the \$6,500 will cover the hours planned for that position and no increase will be necessary at this time.

Animal Control Officer/Inspector line item – it was suggested that this position be a shared one with West Stockbridge and in order to engage applicants it was advised to increase the salary in both Towns budgets

Rubbish Disposal there is an \$18,000 increase– A Reserve Fund transfer will be required to cover the shortfall of this fiscal year.

Veteran's Aide line item – Set at \$7,500 but expenditures closer to \$8,700 and it was decided prudent to increase it to \$9,000.

There were no further questions on the line items, but Roger asked about possible reimbursement of COVID-19 deficit spending. He was assured that the Fire Dept., Ambulance and Highway departments were already aware of keeping track of those funds and the issue will be an ongoing agenda item for the Board of Selectmen to be sure those monies are captured.

In response to a mention of discretionary funds for emergencies, Danielle reported that she is working on applying for funds being made available for food and for masks and equipment for the Fire Department.

Review of Articles: The Board reviewed Special the articles; Sewer Expense Shortfall - \$9,600; Conservation Land Fund - \$9,500; Fuel & Emergency Assistance - \$5,000; School Bond - \$150,800; Sewer Enterprise - \$225,000; Ambulance - \$65,000; Pond Weed Treatment - \$15,000; Pond Goose Mgt - \$600; New Grader for Highway - \$150,000; Playground at the Beach - \$35,000; Repair School Parking Lot - \$100,000; OPEB Fund - \$100,000

It was School Heating articles from last year- \$60,000 and \$32,100 –need to be reworded the to allow for expenditure for repairs and maintenance

Neal asked Danielle to advise the school of the possibility of having to level spend all budgets if there is no Town Vote possible before June 30th. He asked that she also advise them that we need to know what plans they have in place if we are caught in a level-spend scenario. How do they intend to react to contractual obligations for increases if the requirement for level funding occurs?

Danielle began a discussion of how to increase the Town's receipts and income. She pointed out that the Town has not been receiving the monies it should from room taxes and enforcement of non-criminal fines. She noted some places where the amount of the fines is currently extremely low and should be increased and that an Enforcement Agent be employed to be sure that the many B&B's in Town are registered and paying taxes to the State. Danielle suggested that the Town use the offices of the Alliance for that purpose. Neal noted that this

would also be an excellent use of Shared Services with West Stockbridge and Danielle will propose that to Marie Ryan, the West Stockbridge Town Administrator.

Unanticipated Items: It was suggested that the proposed Insurance discussions be deferred for the time being and can be looked at again in the Fall.

Danielle distributed a Valuation and Tax Summary form prepared by the Tax Assessors and revised by herself to provide greater detail. She asked that the committee review and send her their comments.

There being no further business before the committee, a motion was made to adjourn the meeting. Motion was seconded and carried by unanimous vote.