

Minutes of the Meeting of the Heath Finance Committee
March 18, 2014

Time: 7:03 pm

Place: Community Hall

Present: Gloria Fisher, Ned Wolf, Don Freeman (chair), Kathy Inman, and at 8:00 Kara Leistyna,
Sheila Litchfield, Brian DeVriese, and Bill Lattrell

Absent: Jeff Simmons

Don made available copies of the following:

- Minutes of the March 4 meeting (Ned)
- Agenda (Don)
- May 10 ATM Warrant Articles (Kara)
- Completed wording of Article 22 and Article 24 (Don)

Members reviewed the minutes of the March 4th meeting. Don made a motion seconded by Gloria to approve the minutes with corrections. The motion passed unanimously.

Don reported on the Selectmen's meeting that he and Jeff attended March 13th in Whately. He spoke of a consensus that the most helpful thing for boosting the local economy and stemming the decline in population would be to complete a fiber optic broadband network serving 28,000 households in western Massachusetts. Another issue discussed was the use of all or part of a school for different purposes. If Heath were to decide to do that, taxpayers would have to pay a huge amount. In coming years there's a possibility that Boston will become more tuned-in to the problem and negotiate in such a way that the tax burden would be reduced.

Committee members discussed the proposed increase in the Town Coordinator's salary. There was a consensus that the grade should be raised. There were suggestions that a salary increase be done over 2 or 3 years. Members looked at salary data for town coordinators in Leyden and Warwick.

Members reviewed the Warrant Articles for the May 10 ATM. Don suggested that we check as to whether the amount in Article 6 for the Franklin County Technical School (FCTS) Operating Assessment is \$41,533. Regarding Article 19 and the part-time assistant position for the Board of Assessors, members asked about the \$800 increase reportedly for the tri-annual revaluation. In Article 27 the \$35,805 for a new police vehicle prompted a question as to whether a new non-police vehicle could be outfitted with the necessary equipment for \$30,000. The question asked about Article 29 concerned the amount being taken from the Recycling Fund for the Compactor Replacement Project.

Don's suggested words stating the reason in Article 22 for establishing a "Highway Large Equipment/Vehicle Replacement Stabilization Account" are "to reduce the amount the Town might otherwise be required to borrow to fund Highway Large Equipment/Vehicle purchases in a given fiscal year. Don's suggested words stating the reason in Article 24 for establishing a "School and Town

Buildings Capital Improvement Stabilization Account” are “to even out over the long term the effects on the Town’s budgets each Fiscal Year of the capital improvement program for Heath Elementary School”. After some discussion Ned made a motion seconded by Gloria that the Finance Committee approves Don’s suggested wording in Article 22 and Article 24.

In Article 28, \$10,000 is to be appropriated for the purchase of a highway crew service vehicle and highway superintendent vehicle. There was a question as to whether or not the \$10,000 should be taken from Free Cash.

Members discussed the estimate of the FY2015 tax rate. Don, who said he will do the levy worksheet calculation for the March 25th meeting, said he thinks it will be close to \$19.60. Members noted that the committee can take at least 2 approaches to the tax rate. One is to target a tax rate and then make the budget changes necessary. The other is to include all that’s wanted in the budget and then see what the rate is.

The discussion shifted to the amounts of Free Cash that the committee recommends be put into lowering the tax rate and be put into the stabilization funds. Don made a motion seconded by Ned that \$50,000 of Free Cash be put into buying down the tax rate. The motion passed unanimously. Don made a motion seconded by Ned that \$70,000 of Free Cash be put into the Highway Large Equipment/Vehicle Replacement Stabilization Fund. The motion passed unanimously. Don made a motion seconded by Gloria that \$30,000 of Free Cash be put into the School and Town Buildings Capital Improvement Stabilization account. The motion passed unanimously.

At 8 members adjourned to go upstairs and join the Selectboard meeting in progress. Kara informed Don that she has inquired about the Regional Dog Kennel Assessment. Don reported the recommendations of the Finance Committee regarding the amounts of Free Cash to be used to reduce taxes in Article 17, go into Large Equipment Stabilization in Article 22, and go into School and Town Buildings Stabilization in Article 24: fifty thousand, seventy thousand, and thirty thousand respectively. There was a consensus that in Articles 23 and 25 the wording “transfer from available funds” be replaced by “transfer from Free Cash”. There was a consensus that Article 18 be deleted because the \$193,000 in Stabilization is sufficient.

The Selectboard confirmed Don’s figure of \$41,543 for the FCTS Operating Assessment in Article 6. In Article 19 Kara said that the \$5,792 includes an \$800 increase for the tri-annual revaluation but that it is not subject to a COLA.

Kara provided Don with a detailed quote for the \$35,805 in Article 27 for a new police cruiser. She explained that in Article 29 the amount was bumped up from \$7000 to \$8000. It had been thought that \$10,000 would be available from the Recycling Fund to cover the estimated \$17,000 cost of the Compactor Replacement Project, but \$1,000 was needed for the recycling roll-off.

Kara said that the \$21,000 in Overlay Surplus and the \$10,000 unused feasibility study money would go into Free Cash.

Sheila said that there is a consensus on the Selectboard for a COLA of 1.5%. Salaries to be discussed at the meeting March 25th include those of the town coordinator, the town accountant, the building maintenance coordinator, and the town nurse. The Selectboard recommends COLA's for these positions. Sheila said that the salary of the Town Accountant has been frozen for a number of years because she has been paid over grade. Bill has talked with Tracey about whether the job description should be changed. The Selectboard thinks that the grade should not be changed.

Members reviewed Article 3. There was a consensus not to increase the Tax Collector Expense Account by the \$1360 needed for a new computer and software. Instead, the Tax Collector will buy these items out of her current expense account, and the \$1,360 will be taken out of the Selectboard's budget. To be prepared in explaining the \$3,000 increase in the Winter Equipment Maintenance/Repair Fund, Sheila asked Kara to gather data over the past several years on votes at STM's to increase that fund. Members questioned the \$930 increase in the Health Agent Services Fund. Kara read from Phoebe Walker's letter that refers to reductions in state funding and greater services. Kara will ask the Board of Health what the greater services are.

There was some discussion of Special Projects. There is a proposal for \$750 for Knox-Boxes for Sawyer Hall and the Community Hall for fire emergencies. The estimate for Crocker equipment for the new fiber optic system is \$1,364.68. Other proposed projects include ice guards, cement steps of the Community Hall, Sawyer Hall foyer carpet, and Sawyer Hall heating zones. It is estimated that \$15,000 will be sufficient to cover all Special Projects.

The meeting adjourned at 9:55 pm.

Respectfully submitted,
Ned Wolf, Secretary