

TOWN OF GILL

M A S S A C H U S E T T S



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SELECTBOARD & FINANCE COMMITTEE MEETING MINUTES May 4, 2016

Call to Order: The Selectboard and Finance Committee meetings were called to order at 6:05 PM.

Selectboard Members Present: John Ward, Greg Snedeker, Randy Crochier

Selectboard Members Absent: None

Finance Committee Members Present: Timmie Smith, Jacob Rau, Claire Chang, Nancy Griswold, Ronnie LaChance, Tupper Brown (6:35 PM)

Finance Committee Members Absent: Fred Chase

Others Present: None

The Selectboard and Finance Committee continued their review of departmental budget requests for FY17.

Treasurer Budget Request (1.07): Ronnie LaChance, in her role as Town Treasurer, presented and explained her budget request for FY17. There is an increase of \$1,000 so that the Town can comply with new federal regulations (Affordable Care Act) to supply an IRS Form 1095-C to all employees. While it is hoped that compliance can be achieved for much less than \$1,000, this will be the first year, and there are many unknowns. The request for tax title expenses has increased by \$443 as there are several properties that need to have tax taking procedures initiated against them.

Tax Collector Budget Request (1.08): In her other role as Tax Collector, Ronnie presented her budget request for FY17. There is an overall decrease of \$236 in the request.

Information Technology Budget Update (1.10): An updated budget request for Information Technology was distributed that reflects the additional \$2,000 for a new website from Montague Webworks and annual hosting fees. The need to invest in and update the Town's website was discussed at the 4/27 joint budget meeting.

Tupper Brown joined the meeting at 6:35 PM.

Town Hall/Riverside Building Expenses Budget Request (1.18): The expenses for fire extinguisher testing has increased due to a new company buying out the previous vendor. Testing of the fire alarm system at the Riverside Building seems to have become an annual requirement, so that expense has increased as well. There is a \$500 increase to servicing the heating systems at both buildings, to cover the unknown costs of servicing or maintaining the new heat pumps at the Riverside Building.

Although a \$3,428 reduction was proposed for heating costs, it was recommended to decrease by only \$2,800, as the very low price for heating oil should not be counted on for future budget years. The more that a budget is reduced now, the harder it will be to replace that money in the future when oil prices climb again.

Sewer Budget Request (3.6): The request reflects a \$4,720 increase (5.4%) to \$92,585. The primary reason for the increase is a projected 7% increase to the sewer rates charged by Montague. Montague generally does not decide on its rates for the coming year until early October, more than 3 months after the start of the fiscal year. It was noted that if Montague increases its rates, Gill will need to follow suit. Sewer operations are 100% funded by fees charged to sewer users, and any balance left in the annual Sewer budget is automatically returned to the Sewer Fund.

Council on Aging Budget Update (4.2): A corrected budget request from the Council on Aging was distributed. Due to confusion about the spreadsheet headings, incorrect figures were used in the “(G) FY17 Request – Level Services” column. The updated budget sheet shows the desired request from the C.O.A., \$7,904, an increase of \$297.80 (3.9%).

Library Budget Request (5.1): Step increases for the Library staff account for \$671 of the \$812 increase that was requested. The \$141 increase for expenses is budgeted for books and magazine subscriptions. In general, to qualify for state aid for libraries, spending on circulation materials must be at least 20% of total spending, so the \$141 and \$671 split is roughly in line with that. There was a concern that the building’s electric bill will increase after the basement project is completed and there is a sump pump and dehumidifier/air purifier running.

Revenue Projections for FY17: A handout showing projected revenues for FY17 was distributed and discussed. Tax receipts from debt exclusions are down from FY16 (\$60,701 to \$32,558), but the FY17 amount does not yet include the principal and interest for the loan for the Public Safety Complex roof, as that loan amount has not been finalized. It was recommended that this omission be somehow explained to voters at Town Meeting, so they will be aware that the expense will need to be approved at a subsequent Special Town Meeting.

The estimated state aid, \$281,952, is from the Senate Ways & Means budget, and is consistent with amounts proposed by the House and by the Governor.

There was discussion about increasing the estimate for local receipts from Motor Vehicle Excise taxes, but it was decided to leave it at \$147,000. Motor Vehicle Excise can be highly variable, and it is better to estimate low and generate Free Cash, than to estimate high and be caught in a revenue deficit.

“Big Picture” Budget: A handout dated 5/4/16 was distributed showing all expenses and revenues for FY17, including all departmental request and special article requests.

The Selectboard discussed the Personnel Committee’s recommendation of a 1% COLA for employees for FY17, and how that relates to the Town’s recent past practice of following the Social Security COLA. Social Security has zero COLA increase in 2016. John suggested that tying the Town’s COLA to Social Security is fairer to our elders’ finances. Randy noted that over time, Social Security and the CPI (Consumer Price Index, the other index considered yearly by the Personnel Committee) balance out and stay in line with one another. He also commented that there doesn’t seem to be enough research or basis to justify the recommended 1%, or any amount.

John made a motion, seconded by Randy, to adopt the 1% COLA for FY17 as recommended by the Personnel Committee. The vote was 0 in favor, 3 opposed, and the motion was defeated. No other motions were put forward, and there will be no COLA included in the budget for FY17.

With a \$2,800 decrease in the amount requested for Street Lights for FY17, Claire suggested that the reduction be put toward the Energy Stabilization Fund. There was discussion, and by consensus there will be \$2,000 allocated to Energy Stabilization.

Adjournment: The Selectboard and Finance Committee meetings adjourned at 8:40 PM.

Minutes respectfully submitted by Ray Purington.

Approved on 04/19/2017. Signed copy on file.

John Ward, Selectboard Clerk

Adopted by the Finance Committee in lieu of separate Finance Committee minutes on 04/19/2017.