

January 8 Finance Committee Meeting

The meeting was called to order at 6:31 p.m.

In attendance were committee members: D. Drugmand, L. Levernoch, D. Megas and S. Thomas.

The minutes of the December 4 meeting were approved unanimously as amended. Motion D. Drugmand, seconded by S. Thomas.

Members of the Finance Committee discussed funding for unanticipated fiscal year 2024 (FY24) costs associated with primary ambulance coverage for the town and repairs to the highway garage's heating systems.

Financing Becket Ambulance Coverage in FY24

County Ambulance recently informed town officials that they no longer wish to provide primary ambulance service to the Town of Washington. However, they stated that they are willing to continue to provide primary service until the town can make arrangements with another provider.

Anticipating that County Ambulance might wish to amend its agreement with the Town of Washington, Town Administrator Sean Curran had already begun discussions with Becket's Town Administrator Katherine Warden and Becket Ambulance co-director Max Kiovisto about the possibility of Becket providing primary ambulance service for the Town of Washington. It was proposed that Becket would provide this service for an estimated annual fee of \$12,000. Based on the fact that the Town of Washington averages 30 ambulance calls a year, the Town of Washington would be billed \$400 for each call Becket Ambulance responded to whether or not the patient was actually transported to the hospital. Washington would be billed quarterly, based solely on the number of calls responded to during each quarter. As a result, the actual cost per quarter could vary.

Currently, Sean Curran is working with Town of Becket officials to craft a formal agreement for primary ambulance service. Until this agreement is finalized, County Ambulance will continue to provide primary ambulance service to the Town of Washington.

The necessity of changing ambulance providers in the middle of the current fiscal year presents a funding issue as County Ambulance has provided this service at no cost to the town, and so no funds had been appropriated for FY24 ambulance service. Based on an average of 30 ambulance calls per year and a fee of \$400 per call, it is estimated that ambulance service provided by Becket, for the remainder of this fiscal year, would cost in the neighborhood of \$5000-\$6000.

Various funding sources such as stabilization funds, ARPA money and free cash were discussed. This topic and recommendations regarding funding for the highway garage heating repairs were continued with the Select Board later in the evening.

Financing DPW Heating Repairs in FY24

The furnace at the highway garage is not working. Because parts could not be found to repair it, a new furnace has been ordered. The cost for the furnace and installation is \$8500.

In addition, three of the four overhead propane heaters in the highway garage's bays are not working. Parts are available and, although we haven't received a price as yet, repairs are estimated to be in the range of \$1500-\$2000.

Thus, the cost for these unanticipated repairs is likely to be in the neighborhood of \$10,000-\$12,000.

The Committee discussed various funding sources. The preference is to see what the highway budget can cover and supplement this with money from the reserve account, free cash and/or ARPA funds.

The meeting went into recess at 7:08 pm so that members could join the Select Board meeting to discuss these funding issues.

At the conclusion of the joint meeting, no final decision was made regarding funding for either the ambulance service or DPW repairs. Further discussion was tabled until: the DPW superintendent could weigh in on the issue, second quarter account balances could be verified, free cash for fiscal year 2023 is certified and a review of the remaining unspent ARPA funds is undertaken at a meeting of the Select Board and Finance Committee scheduled for January 16.

The Finance Committee resumed its meeting at 8:07p.m.

Finalization of Budget Request Forms

After reviewing and updating last year's budget request forms, D. Megas sent a copy of the revised forms to committee members so they could examine them before the meeting. During the meeting, she explained the few changes that she had made. Her recommendations were approved, and she planned to forward the budget request forms to committee heads by the end of the week with the expectation that completed forms would be returned before the Finance Committee's March 11 meeting.

Finance Committee Budget request for FY25

Finance Committee Expense - The Committee decided to level fund its expense budget at \$150.

Reserve Account - Ideally, the Committee would like to see funding for the Reserve Account increase from \$20,000 to \$25,000 but this would depend on how things develop during the budgeting process.

Audit Expense - The town undergoes an audit every three years; and, based on the cost of the most recent audit, \$6,000 had been appropriated each of the last three fiscal years to cover this expense. Thus, a total of \$18,000 is available to cover the cost of this spring's audit. It was decided to keep the auditing expense level funded for the time being. The final figure requested will depend on the charge for the upcoming audit. D. Megas will start a line of communication with the auditor. Once the audit is completed and we are invoiced, we'll know whether our FY25 request will need to be adjusted.

In conjunction with the audit, by late March we hope the Select Board can review and approve the revised fiscal policies we've forwarded to them.

Cost of Living Increase

Next, there was a discussion regarding employee Cost of Living (COLA) Increases for FY25. Based on a 3.2% increase in Social Security benefits and an increase in the Consumer Price Index (CPI) of 3-3.1%, D. Drugmand made a motion to adopt a 3% COLA for FY25. The motion was seconded by D. Megas and passed unanimously.

However, since the town administrator's salary is evenly divided between the towns of Middlefield and Washington, this salary would be determined by the outcome of negotiations between the Select Boards of the two towns.

Forecasting Tool

D. Megas has been updating information contained in the Forecasting Tool. She stated that this process is very time consuming and that she's not convinced it is worth all the effort required. She felt that the budget work sheets, which have been used in the past, were easier to work with because they model how our warrant is set up, whereas the Forecasting Tool does not. However, she will continue to update the Forecasting Tool so it can be utilized in determining our budget for FY25. She did feel that the Forecasting Tool would be helpful in regard to capital planning, reviewing past revenue and past COLA's.

Future Meetings

The Finance Committee will meet next on February 12 and March 11, 2024.

In conjunction with its February 12 meeting, the Finance Committee will meet with the Select Board concerning budget priorities.

At 8:27pm D. Drugmand made the motion to adjourn, seconded by S. Thomas. Motion passed unanimously.

Respectfully submitted,

Linda Levernoch, Clerk