

Shutesbury Select Board Meeting Minutes
February 21, 2017 Shutesbury Town Hall

Select Board members present: Mike Vinskey/Chair, Michael DeChiara, and Melissa Makepeace-O'Neil

Staff present: Becky Torres/Town Administrator; Linda Avis Scott/Administrative Secretary

Guests: Broadband Committee members: Gayle Huntress, Craig Martin, Steve Schmidt/Assessor and Graeme Sephton; Susan Rice and Rita Farrell/Positive Presence; Gabe Voelker/Treasurer, Gail Weiss/Accountant, Ellen McKay/Tax Collector and Capital Planning; Finance Committee members: Bob Groves, Jim Walton, Elaine Puleo, Eric Stocker, George Arvanitis, Weezie Houle and Jim Hemingway; Jeff Lacy/resident.

Vinskey calls the meeting to order at 6:04pm.

Agenda Review is completed.

Public Comment: DeChiara, referring to national developments in immigration policy, suggests a Select Board discussion regarding town policy/immigration enforcement matters in advance of annual town meeting. This topic will be added to a future Select Board meeting agenda.

Discussion Topics:

1. Broadband Committee (BBC) Private Provider Recommendations: Huntress: the BBC's goal is to obtain Select Board signatures on a letter that includes three resolutions: 1. Reject private provider offers because they do not provide 100% coverage. The BBC is committed to 100% premise coverage. Even though they would use cable technology, Charter Communications was asked if 100% coverage is possible, however, they will only meet the minimum 96% coverage required by MBI and will have discretion over which households will not be covered. 2. Confirms Shutesbury's preference for a municipally owned "fiber to the premises" broadband network managed and operated on a regional basis. 3. Confirms that the Town would be interested in working with Westfield Gas & Electric MLP (WG&E) to provide design and engineering services and construction project management. The letter also requests MBI provide Shutesbury with its full professional services allocation. In order for the MBI Board to receive the letter in advance of their 2.27.17 meeting, it needs to be finalized tonight. Vinskey agrees with including statements reserving the option to join a regional MLP operation such as WiredWest and confirming the town's interest in WG&E. The letter is edited and prepared for signatures. Makepeace-O'Neil moves to approve and sign the letter to MBI dated 2.21.17; DeChiara seconds the motion that passes unanimously.
2. Treasurer's Review: Vinskey explains the purpose of department head reviews and affirms that the Tax Collector, Accountant, and Treasurer work closely

together. Voelker: the Accountant and Treasurer each keep a set of records that are reconciled monthly thereby checking/balancing each other. Voelker also performs Human Resource functions for the Town. Vinskey asks if Voelker's input regarding the financial condition of the town is being heard. Voelker: Shutesbury's financial structure is different from that of the other towns she works with; in the other towns, the treasurer's financial advising role is stronger. Voelker: in other towns, Select Boards regularly participate in FinCom meetings. Torres: in the past, a Select Board member acted as a liaison to the FinCom and reported back to the full Board. Voelker: in the past, she attended FinCom meetings more frequently; Shutesbury has a strong FinCom. Vinskey: it is important that the Select Board continue to dialog about financial matters; it is the role of the Select Board to set the direction for the town's finances – the Board has not had the opportunity to perform this role. DeChiara suggests regular financial meetings be included on the Select Board perpetual calendar. Voelker explains that she is changing her view of the Town's debt/cash status, i.e. if capital items are needed, she recommends buying them with free cash rather than borrowing; larger items, such as the school roof, could be borrowed for; debt exclusion for Broadband will impact taxes, however, free cash could be used instead; safety issues need to be prioritized; in her financial opinion, the town has too much free cash; Shutesbury has very little trust fund money – OPEB (Other Post Employment Benefits), trust funds, and some stabilization are invested to earn interest income; the treasurer's job is financial management. The process for establishing trusts is discussed. DeChiara asks if Voelker has any needs from the Board. Voelker: we have a very good financial team; if the Treasurer were indisposed, the Town Clerk would have custody of the accounts and the banks and the payroll company would provide guidance.

3. Joint Meeting with Treasurer, Accountant, FinCom, and Assessors: Vinskey: goals for this meeting include establishing the minimum funding level for free cash and stabilization, establishing the amount to contribute to OPEB and determine the effects of not increasing the levy 2.5% for FY 18; these questions require consensus before the FY18 budget can be established. McKay/Capital Improvement Planning Committee provides an estimate of current and near future capital improvements requests: Building Committee: \$25,000; new library building fund: \$25,000; the elementary school has three large requests: \$40,000/boiler, ongoing carpet replacement: \$25,000-100,000 depending on how many classrooms and the replacement material, and paving the driveway and walkway to the school – work required by the insurance company: \$150,000; paving the Fire Department driveway: \$25,000 and repaving the front of the Highway Department: \$25,000; a new plow for the new Highway Dept. truck: \$5,000; also new roofing will be needed on the elementary school and town hall. McKay, referring to Town Clerk Susie Mosher's 11.16.16 letter about the need for climate controlled record storage, notes this as a pending project. Voelker: a capital improvement priority plan is needed. Total cost of proposed capital improvement projects is ~\$300,000 not including roofs and record storage. Voelker recommends the town not go below \$600,000 in free cash - keep at least

10% in free cash and stabilization; stabilization is a “rainy day” fund; capital stabilization is used for capital building projects over \$10,000 (the Capital Planning Improvement Committee charge generally indicates that capital stabilization be used for projects over \$5,000). Groves: an estimate for the school roof is being obtained; grant funding may be obtained for this project. Voelker: before decisions can be made about how to allocate funds, all the facts are needed. Torres: authorization for funding the full Broadband project will be needed. Arvanitis: the operating budget, as it is, has no capacity for further debt therefore cash or debt exclusion overrides will need to be used for the next few years. Voelker advises not leaving debt capacity in the budget. Schmidt: it is suitable to incur debt for the cost of a new roof. Vinskey: we have been increasing our levy 2.5% annually and if we continue to do so, we will reach the limit in 2-3 years. Puleo: we are not the only town coming close to the levy cap put on the towns by the state in 1979; the state is going to have to discuss this situation. Lacy: the Department of Local Services web site lists the towns that have already reached the \$25/1,000 valuation cap; once reached, overrides are needed. Vinskey: perhaps the time has come to not increase the tax levy by 2.5%. Weiss: the Department of Revenue does not recommend not increasing the levy by 2.5%; not keeping a steady increase may result in a more substantial increase the next year. Groves: the impact of a steady increase in taxes on property owners whose incomes are not increasing needs to be considered; it is not all about how much the levy can be legally increased. Lacy: increasing 2.5% every year is not necessarily a recommended municipal policy; Broadband will increase property values. Schmidt: Leverett house sale prices have increased some, not the 20% increase predicted subsequent to Broadband installation; the volume of sales, however, has increased; Shutesbury could be looking at decreased values without Broadband. Arvanitis: Groves wants the continued increase in tax bills to be addressed. DeChiara: the cost of living continues to rise; the goal is for Shutesbury to be an attractive place where people want to live. Vinskey: unused funds from the operating budget go into free cash. Voelker: the school is one of the first things that new people look at; do not be afraid to spend funds – prioritize – extra cash is being invested in the town; there are needs to be fulfilled. Voelker recommends allocating \$100,000-150,000 to OPEB, however, the school boiler and school paving are more important. Arvanitis: the OPEB goal could be achieved by transferring \$126,000. Voelker: it is important to demonstrate the commitment to paying OPEB. McKay: there are “one shot deals” that go into free cash, i.e. the sale of town property. Vinskey: we have been able to put a significant amount of money into free cash over the last few years; do we deal with the levy cap now or wait to do so? DeChiara: there are year-to-year fluid costs, i.e. cost of snow removal; there is guess work with increasing less than 2.5%. Groves: we deliberately created reserves by having surplus in accounts. Stocker: the surplus is created by over-estimates. Arvanitis: being on the plus side is preferred to being under budget; capacity builds over the years and can be accessed with a majority vote; without a 2.5% increase, stability is lost. Groves and Vinskey: should we be “saving” in the operating budget, i.e. the new library-building fund? Torres: the new library building committee was criticized for not

saving toward a new building. Makepeace-O'Neil asks how the custodial wage line is determined as it is double what is actually used. Torres: some subcontracting, i.e. washing the upper windows of town hall, may come from this line; also, a former custodian required more hours to do the work. DeChiara: the expense line title needs to be clarified, i.e. custodial wages versus custodial contracting. Makepeace-O'Neil reaffirms the need for more appropriate labels. Vinskey reviews what has been discussed: \$600,000 is a reasonable amount of free cash; OPEB: \$126,000 minimum. Voelker: capital plan priorities need to be established before deciding on an amount to allocate to OPEB. Vinskey: it appears the feeling is the room is that reaching the \$25/1,000 valuation cap is not a priority concern at this time. Arvanitis: the focus is on budget planning and fiscal priorities. Vinskey: the need for increasing the levy by 2.5% is debatable. Arvanitis: the FinCom will be carefully reviewing the budget. Torres: the trash hauling and disposal contracts are to be renewed this year and will most likely increase. DeChiara: the cost of services continues to rise and the costs of employees continue to rise. Lacy appreciates Vinskey's draft budget and recommends it be reviewed carefully. Arvanitis: the State is putting the towns in a very difficult position. Groves: growth in tax revenue has ended; we have to adjust – increased in the budget are paid by property owners not from growth. Next steps: the Select Board, FinCom, and Personnel Board will meet on 3.9.17 to discuss salaries; on 3.25.17, the FinCom will meet with Capital Planning followed by the Personnel Board so that by the end of March to early April, the FinCom will have all necessary budgetary information. Torres: excess levy capacity means that property owners are not being taxed at the full 2.5%. After the guests leave, the Select Board and Torres discuss ways to obtain additional budgetary information.

4. Digital Communications Working Group Charge: This topic is carried over to a future meeting.
5. Select Board Reports on Meetings Attended:
 1. Four Town Meeting: DeChiara: Leverett came forward and agreed to change the formulation to include income (ability to pay), agreed to an amount essentially the same as the 15%, and committed to signing the “Statement of Principle” to continue work toward a method to be implemented in FY19. The next Assessment Working Group meeting is scheduled for 3.9.17. DeChiara moves to approve the “Statement of Principle and Agreement Among Amherst, Leverett, Pelham and Shutesbury Regarding Amendment of Regional Assessment ”; motion is seconded by Makepeace-O'Neil and is passed unanimously. DeChiara will inform the Working Group of this action.
 2. Council on Aging: Makepeace-O'Neil: plans for the Select Board/COA Soup/Bingo Night are proceeding; the next issue of the COA newsletter is in process; the Aging in Place Task Force is continuing their work.
 3. Lake Wyola Advisory Committee (LWAC): Vinskey moves the LWAC membership list be amended to include the Lake Wyola Dam Keeper and the Shutesbury Emergency Management Director; Makepeace-O'Neil seconds the

motion. DeChiara recommends amending the list from “Additional property owners” to “Additional individuals who might lend technical expertise”; Makepeace-O’Neil seconds the motion that passes unanimously. Torres raises the question of whether the LWAC and Lake Wyola Dam Committee need to be merged. Upon further discussion, DeChiara moves to rescind the vote to add the Lake Wyola Dam Keeper and the Shutesbury Emergency Management Director to the membership list; Makepeace-O’Neil seconds the motion that is approved unanimously. Vinskey will bring the matter back to the LWAC. During the meeting, two Lake Wyola Association (LWA) members proposed a citizen petition to change the wording of the Zoning Bylaw relative to Lake District roof alterations; the petition has yet to receive support from the LWA. The LWA is proposing “safety” signs for the Randall Road boat launch and LWA beaches; the Conservation Commission must approve signs at the boat launch.

4. Emergency Management Team (EMT): Vinskey summarizes his 2.20.17 EMT meeting notes.

6. Town Administrator Updates: The dog hearing for Saleem/323 Locks Pond Road is planned for 3.7.17. Vinskey received an email from Ron Meck/neighbor about the dog barking; Meck also notified dispatch. Vinskey, based on the outcome of the 10.18.16 dog hearing and 10.19.16 follow-up letter, the dog may need to be removed from town. DeChiara affirms the need for clarity on procedural steps in advance of the dog hearing.

7. Future Agenda Items: Reviewed as per Vinskey’s “Pre-meeting notes for February 21, 2017”; the Digital Communications Working Group charge and the Accountant’s review are added to 3.7.17 agenda.

Administrative Actions:

1. The Select Board will sign Vendor Warrants totaling \$110,726.97.
2. The Select Board will sign Payroll Warrants totaling \$99,795.10.
3. 2.7.17 Select Board Minutes: Makepeace-O’Neil moves to approve the 2.7.17 meeting minutes; motion is seconded by DeChiara; DeChiara and Makepeace-O’Neil approve 2.7.17 minutes as presented; Vinskey, absent from the 2.7.17 meeting, abstains.

Issues Not Reasonable Anticipated by the Chair:

1. Fire Department Personnel Action Form (PAF): DeChiara moves to approve the Personnel Action Form for Firefighter Eric McDonough; Makepeace-O’Neil seconds the motion that passes unanimously.
2. Pioneer Valley Chinese Immersion Charter School (PVCIC) Expansion: Referencing the 2.17.17 email “Information about Proposed Charter School Expansion” from Michael Morris/Interim Superintendent Amherst-Pelham Regional School Districts, DeChiara moves that the Shutesbury Select Board oppose the expansion to enrollment of the PVCIC; Makepeace-O’Neil seconds the motion that is passed unanimously.

At 10:12pm, a motion is made by Vinskey and seconded by Makepeace-O'Neil to adjourn the meeting; the motion is passed unanimously.

Documents and Other Items Used at the Meeting:

1. Vinskey's "Pre-meeting notes for February 21, 2017"
2. 2.21.17 Select Board letter to Peter Larkin and Ed Donnelly/MBI
3. Vinskey's 2.4.17 email: "Finance Considerations"
4. Vinskey's 2.21.7 "Capital Wish List" and "Draft FY18 Budgets"
5. "Statement of Principle and Agreement Among Amherst, Leverett, Pelham and Shutesbury Regarding Amendment of Regional Assessment Method"
6. Vinskey's 2.18.17 LWAC meeting notes and "Amended Membership for the Lake Wyola Advisory Committee"
7. Vinskey's 2.20.17 EMT meeting notes
8. Personnel Action Form for Firefighter Eric McDonough
9. 2.17.17 email from Michael Morris: "Information about Proposed Charter School Expansion"

Respectfully submitted,
Linda Avis Scott
Administrative Secretary