Rowe Finance Committee
June 4, 2018
6:30 P.M.
Rowe Town Hall

Finance Committee: Chair Wayne Zavotka, Loretta Dionne, Paul McLatchy III
Audience of Citizens: Christopher Hyytinen, Laurie Pike

Call to Order: The meeting was called to order by Chair Zavotka at 6:32 P.M., a quorum of the committee present.

Agenda: The agenda was reviewed, and the items "correspondence" and "health insurance" were added. The agenda was then approved.

Minutes: The minutes of April 4th and April 18th had already been approved, they just needed to be signed as a typographical change needed to be made. The minutes of April 25th and May 14th were presented, and they were both approved as presented.

Letter: Mr. McLatchy presented a draft letter to the Board of Selectmen (attached) requesting a joint meeting of the two boards to fill the two vacancies on the committee. In order for the Finance Committee to have voting power, it was required to notify the Board of Selectmen within thirty days of the vacancies being created- in this case, the failure to elect at the annual elections. A motion was made by Ms. Dionne and seconded by Mr. McLatchy to sign the letter and send it to the Selectmen. The vote was 3-0-0 in favor.

Election of Officers: Mr. McLatchy nominated Chair Zavotka for the position of chairman, and the nomination was seconded by Ms. Dionne. The vote was 3-0-0 in favor. Chair Zavotka nominated Mr. McLatchy to be the secretary, and was seconded by Ms. Dionne. The vote was 3-0-0 in favor.

Reserve Fund Transfer: A request for a reserve fund transfer (FY18-RFT-05) was presented to the Finance Committee. The amount being requested is $470 to the Emergency Management Operations line (Account 01-5-220-430). The line was cut from $2,000 to $1,000 last year. There is not enough left to cover the emergency generator maintenance at the school. As of June 1st, there is only $433 left in the line. There is $16,300 left in the reserve fund. A motion was made by Chair Zavotka to accept the request, which was seconded by Ms. Dionne. The vote was 3-0-0 in favor.

Audience of Citizens: Chair Zavotka welcomed Ms. Pike and Mr. Hyytinen. Both individuals received the most votes for the two open seats at the annual election, but are currently ineligible as they both work for the town. If the bylaw that was passed at the annual meeting is approved by the Attorney General's office, they would then be eligible. While they cannot vote or count towards quorum, they were invited to join all meetings and would be considered actively involved in all discussions until a determination is made.

Highway Plan: Mr. McLatchy explained that he would like to pursue a highway funding plan in the coming year. Such a plan would function much the same way as the Capital Stabilization Fund and Capital Improvement Plan (CSF/CIP), where the voters approve a permanent override to fund a separate account year after year. This fund would then be used to help pay for road work, large equipment replacement, and special projects.

Chair Zavotka noted that Chapter 90 money can be used to help pay for many different projects and supplies. There is currently $661,906 in our Chapter 90 reserves, though Superintendent Larned has indicated he intends to use a lot of that this summer for road work. This also represents four or five years of unspent funds that have been carried over, which has resulted in little to no major work being done on the roads.

Mr. Hyytinen asked if there is a list of roads by their importance to emergency services and evacuation use. I.e. Which roads are the most important to make sure they're passible in case the town needs to evacuate? It was agreed that a plan would be needed from Superintendent Larned before moving forward.

Chair Zavotka raised a concern that other departments might take issue with the highway having its own fund, whereas all other departments would be covered by the Capital Stabilization Fund. Mr. McLatchy said that the highway's costs are quite high compared to other departments, and Ms. Dionne noted that if equipment is moved from the CIP to the new highway fund, it would free up funds for those other departments for their replacements.

It was agreed that perhaps a meeting with Superintendent Larned might be useful, and that we would need to first contact the Board of Selectmen, as the Finance Committee has no authority over the Highway Department.

Capital Improvement Plan (CIP): The CIP has not been updated or thoroughly reviewed in the last few years. Previous chair Raymond Wilson tried to get departments to submit a list of items that will need replacing, but nothing was ever followed up on. There was discussion about whether the town would be best served by a detailed plan or a 5-10 year plan.

Mr. Hyytinen asked about differentiating between items that have an absolute life expectancy- that will <u>need</u> to be replaced after a certain time, and items that have a <u>projected</u> life expectancy. For example- bulletproof vests must be replaced every so many years by state law, and once their expiration date has passed, cannot be used. This point was well received.

The definition of a capital expense was also raised. Per Mr. McLatchy's recollection, the previous definition was adopted as an item that has a predictable useful life and costs over $5,000. This could be changed to better fit the town's needs.

Lastly, the question of who is ultimately responsible for the CIP was raised. Originally there was a committee with representatives of each department serving as the stewards of this plan, but it eventually fell to the Board of Selectmen and Finance Committee before being taken over solely by the Board of Selectmen. Ms. Dionne will follow up with the Selectboard on this.

Neighboring Communities Projects: Chair Zavotka would like to see how other towns handle their project planning, to see if they might have some ideas that could benefit Rowe. The item will be discussed at a future meeting.

Health Insurance: Ms. Dionne attended the Selectmen's meeting last week, where a letter from a resident challenged the composition of their recently-appointed advisory board. The resident claimed that 60% of the committee received benefits from the town. The resident said that she would rather not have to make a complaint to the Attorney General's office about the matter. Ms. Dionne stated that this is an information-finding group,

and not a policy-making body. Mr. McLatchy noted that when the Finance Committee was asked to send a representative, it made sure to make clear that personal feelings were to be left out final recommendations.

Franklin County Association: Mr. McLatchy noted that Franklin County has a number of regional associations for various officials: Board of Selectmen, Assessors, Fire Chiefs, Police Chiefs, etc… He asked the members how they felt about the possibility of exploring the creation of a Finance Committee Association. This would be helpful in providing local resources and discussing region-specific issues that may not occur in the eastern part of the state. Chair Zavotka suggested Mr. McLatchy get in touch with Bob Dean at FRCOG, and Joe Markarian at the Division of Local Services. It seemed that the idea of getting in touch with other towns was positive.

Fire Department: Mr. Hyytinen asked if Rowe has ever voted to formally establish a fire department. Charlemont recently discovered that they never had, and when they voted to at their annual town meeting, they suddenly became eligible for grants. This is something that could be researched.

Appointments: Though the committee has already given notice to the Selectboard, a motion was made by Chair Zavotka and seconded by Ms. Dionne to recommend that Christopher Hyytinen and Laurie Pike be appointed to the Finance Committee for one-year terms, pending approval of the bylaw by the Attorney General's office. The vote was 3-0-0 in favor.

Next Meeting: The next meeting will take place on July 9th at 6:30.

Adjourn: A motion was made by Mr. McLatchy and seconded by Ms. Dionne to adjourn the meeting, which carried unanimously. The meeting was closed at 8:12.

Respectfully Submitted,
Paul McLatchy III, Secretary

Approved on: June 27, 2018

Wayne A Zavotka
Wayne Zavotka, Chairman

Paul McLatchy III, Secretary

Loretta Dionne
Loretta Dionne, Member