

CHARLEMONT TOWN HALL

Minutes of the Finance Committee and SelectBoard Joint Meeting

April 4, 2020

Present: Amy Wales, Rich Filoramo, Lynn Hathaway, Ron Smith, Marguerite Willis, Jay Healy and Sarah Reynolds.

1. The meeting was called to order at 8:16 a.m. by Rich Filoramo.
2. The minutes of the March 7, 2020 meeting were reviewed and approved.
3. Bob Handsaker gave an update on the Broadband project: they expect to begin hooking up customers in the spring of 2021. It will take about 12 months. Make Ready is expected to be complete by the end of this calendar year. The construction budget is on track, expecting to have a balance of \$28,000 at the end of the year. They are trying to not borrow on the FY 2020 budget. Will need to borrow from 2021 budget. He estimates \$100,000 will be needed for the Hut expenses. Lynn asked about the \$185,000 grant. Will it be used before June 30? Bob said they've received bids for the distribution network, and are waiting for WG&E to certify the low bidder. He feels all paperwork, including the contracts, can be completed in time. Lynn was concerned that the \$150,000 needs to be put back in the Stabilization Account. He figures they are \$192,000 under the borrowing authorization, based on a customer take rate of 70%. Lynn will set up a meeting with the Financial Advisor to discuss borrowing strategies. They would like a member from the SelectBoard, Broadband, and Finance Committee to meet with the Financial Advisor. Jay Healy volunteered to represent the SelectBoard, and Amy and Lynn will represent the Finance Committee.

Bob mentioned that at some point, next year, there will be a need to set up an "Operational Accounting" process. If an enterprise is proposed, it will have to be approved at a Town Meeting. There was discussion if we should stick with MLP accounting, as the 2011 ATM approved the creation of an MLP. Bob and Amy will be looking into this.

For FY 2021, Bob is trying to figure out the best way to get operating capital for start up costs, without having to use funds from the Town Omnibus budget. Different towns are doing this differently. It's a matter of staying within accounting rules, also. They will continue to look into this.

4. Omnibus Budget discussion: After Amy's review, she said "we can't afford this!" The budget is up 10% before capital items and special articles are added. School costs are up, especially transportation. Rich expressed a concern that because of the Corona virus, there might be a need to increase the budgets of Fire and Ambulance. However, Marguerite has discussed that issue with Dennis and Dana, and they are not feeling that an increase is needed.
5. Clerical Assistance for the Town: the SelectBoard wants to hire a Grant Writer, for up to 15hours/week at \$35/hour, and a Clerical Secretary to assist the Boards with minutes, etc., up to 20 hours/week at \$17/hour. Kathy Reynold's hours have been increased to 40 hours/week. The total for these three positions is less than the amount currently budgeted for the Town Administrator position, which remains vacant. They have a couple of applicants, and are waiting for warmer weather so they can do parking lot interviews.

6. The next meeting was scheduled for April 25, at 8:15 a.m.
7. The meeting was adjourned at 9:30 a.m.

Respectfully submitted,

Ronald Smith

Documents viewed:

FY 2021 Omnibus Budget, 3rd draft