

TOWN OF BERKLEY MASSACHUETTES

FINANCE COMMITTEE

MEETING OF NOVEMBER 2, 2021

IN ATTENDANCE:

CHAIRMAN, JOSEPH FREITAS, MICHELE HAMILTON, NANCY GAJOLI, MATTHEW CHABOT, TABITHA MCCROHAN

MEETING CALLED TO ORDER AT 6:00 PM. BY CHAIRMAN JOE FREITAS.

Chairman, Joseph Freitas, called for a motion to accept the minutes of October 6, 2021 meeting. Motion was made by Nancy Gajoli and seconded by Michele Hamilton. A roll call vote was taken and the committee members in attendance unanimously voted to approve the minutes as written. (Tabitha was not in attendance for the October 6, 2021 meeting and abstained from voting).

Discussion on the special Town Meeting warrants for November 29, 2021 and the impact of uncommitted monies and possible expenditures the Finance Committee will support.

The issue that was brought to our attention on October 6, 2021 meeting, regarding Bristol Agriculture High School assessment that came in higher than expected. It was decided to reach out to the Town Administrator and to go back to the 2022 financial report and see if there were any monies that could be utilized to pay this bill.

On October 26, 2021, Finance Committee Chairman, Joseph Freitas received an email from the Town Administrator Heather Martin-Sterling stating that with the vacant positions within the town she would like to withdraw the request for the reserve transfer until further internal discussions as I may be able to fund the additional assessment with a different source. Also the Finance Committee was advised that the actual assessment was reduced to \$6,718.94.

Chairman Joseph Freitas called for a motion to table the request of \$6,718.94 from the reserve funds. A motion was made by Tabitha Mccrohan and seconded by Michele Hamilton. . A roll call vote was taken and the committee members in attendance unanimously voted to table the transfer.

Chairman Joseph Freitas brought into discussion the remaining balance of our bleak uncommitted funds and the fact that the Financial Advisory Committee voted to approve additional hours for the Council on Aging at a cost of \$5,320.00, leaving a balance of \$1,319.00. Mr. Freitas indicated that after a brief discussion with the Town Administrator, the Financial Advisory Committee voted to approve the remaining balance to the Town Clerk for additional unexpected elections and funds are needed. Our bleak balance has been reduced to zero

Funds dealing with	Fees required	Balance
Uncommitted funds		\$214,175.00
MSBA	\$200,836.00	\$ 13,339.00
Assistant ACO	\$ 5,700.00	\$ 7,639.00
Tax Collector Bonus	\$ 1,000.00	\$ 6,639.00
Council on Aging	\$ 5,320.0	\$ 1,319.0
Town Clerk	\$ 1,319.0	000

Chairman Joseph Freitas requested a motion to approve the additional two items recommended for the warrant. Motion made by Michele Hamilton and seconded by Nancy Gajoli. A verbal vote was taken and the Finance Committee voted attendance unanimously voted to approve the additional funds/transfers.

Chairman Joseph Freitas had requested the Town of Berkley Treasure and Tax Collector Wendy Cochran to attend our meeting and discuss the budget process.

In past budget years we've always done one budget with the exception of one year (possibly budget fiscal year 2020). Because a split attacks overrides we asked and received the warrants from the Town administrator of July, August and September. (Warrants are a part of our packets).

There's always been an uneasiness of money and what advantages occurred and once all the departments received the allocated funds for their budget, sometimes when we look at this general budget it shows that money is leaving a lot of taxation and if you keep going you can see some of these totals and what we receive for taxation we just don't know how the town's bills are being paid.

Wendy, it would be helpful for the committee if you could help us understand the flow of the bills and how they get paid.

Wendy discussed the funds from taxes coming in, our bills run approximately \$300,000 every two weeks; roughly 76% of our funds come directly from escrow accounts; private members pay a small portion of the funds needed and we also have the revolving accounts and grant monies.

Grant monies are usually applied to specific bills. Wendy indicated that the escrow accounts are watched on a daily bases, primarily to make sure that the funds are growing and will transfer funds from one account to another to get the best percentage. Then she will transfer the amount back to its original account.

In addition to the above we do get a percentage of funds through the state. For example, we get state funds from Chapter 90 and Chapter 70. Both of the funds are formula regulated and the Chapter 90 goes to the Highway Department to assist in the expenditures. Chapter 70 funds go directly to the school.

The whole process is complicated and we look at the number of parcels (2777) and the tax revenue generated (tax rate of 14.28) take a look at the needs of the community, we wonder how we are going to meet our bills and provide stability for the community.

The information provided by our Treasure and Collector Wendy was eye opening for all the finance committee members that it will be a challenge to meet the bills.

As we are fixing to move forward on the fiscal year 2023 budget, the committee discussed options for tackling this coming budget but also for future needs.

We need to look at the budget, possibly put together a spread sheet breaking things down. The cash flow on a constant basis. Possibly creating some form of graft or spread sheet. Another option that was brought up that could assist in creating the flow, would be having the split budget option. (Every 6 months, starting with July through November then December through June). This was something that the Treasurer /Collector Wendy and the Finance Committee members also express approval.

We need to access our Capital Improvement funds. Go over the previous year's budgets and see where the funds have been applied and create a spread sheet showing the monies and what was purchased by year.

Some of the issues we will be dealing with as we begin the process:

We have to deal with OPED; we are currently behind on the amount that is required by the state. Funds are definitely going to be taken out at the beginning of the budget process.

If the MSBA does not approve the funding of the Community School for the repairs and we are in need of a new elementary school. (We are getting 52% reimbursement from the state on fixing costs).

The Clerks are up for raises and are negotiating their contracts. Currently none of the major department's personal is going through contract renewal.


The town has a ceiling, the growth of construction within the community will generate additional revenue but not at the pace to keep up with the cost of living. The average assessment for the town property is \$421,000 and currently the tax rate is 14.28. With the debt exclusion dropping off, the tax rate may come down by 9 cents.

The discussion regarding growth brought up the question regarding land acquisitions. The Transfer of Deeds is delayed due to corvid. A percentage of these funds go towards municipal land, building maintenance and capital funding.

The Town Administrator will take the budgets from the Department Heads and supply them to the Finance Committee. Once we have had an opportunity to review and discuss them, if we should have any questions we will call in the department's head and the Town Administrator to help clear things up.

The 2023 budget is going to be slick, a lot of request for additional funds from various departments; we are going to have to work towards bargaining and let people known the funds are not available for dreams. Families can't afford additional increases in their tax base.

Chairman Joseph Freitas called for a motion to adjourn the meeting at 8:10 pm. A motion was made by Tabitha Mccrohan and seconded by Nancy Gajoli. The members of the Finance Committee unanimously voted to adjourn at 8:10 pm.

 1.18.2022

01-18-2022

Michele Hamilton 01-18-2022