

## BUDGET ADVISORY COMMITTEE MEETING

Wednesday March 1, 2023 – 3:00 PM

Richmond Town Hall, 1529 State Rd., Richmond, MA 01254

**PRESENT:** Bob Gniadek, Chair; Bob Youdelman, Finance Cte.; Steve Patterson, Finance Cte.; Eileen Martin, Finance Cte; Pat Callahan, Finance Cte. (Via zoom); Roger Manzolini, Chair, Board of Selectmen; Al Hanson, Selectman; Neal Pilson, Selectman (via zoom); Danielle Fillio, Town Admin.; Angela Garrity, Town Clerk/Accountant (Via zoom); Jay Phelps (via zoom); Pete Beckwith, Highway Super.

Bob G. called the meeting to order at 3:00 PM.

**Review and Approval of the Minutes of the Previous Meeting of the Budget Advisory Cte.:** Bob G. thanked Danielle for her clarification of the minutes and noted some typos that needed to be corrected and some additional minor corrections. Bob moved to approve the Minutes of the previous minutes as amended. He was seconded by Steve and the motion was carried by unanimous vote.

**Highway Operating Budget:** There was a discussion of the escalating cost of gasoline and diesel and that most of Peter's use of fuel occurs in the winter. Peter said he did not think that adding one more truck for the anticipated new full-time employee would make a big difference in fuel usage. The cost of salt and gravel has also escalated recently. Discussion continued on such issues as the overgrowth of weeds along roadsides and in the Pond and the poor quality of the road line painting (Pete will use a different company next year), the need for geo-grid projects on several roads. Pete has accounted for the increase in the cost of gravel in his budget.

The new Full-Time Employee – the full cost of that new FTE will be under Highway. He will be expected to spend a percentage of his time at the Town Hall and the Library, which should constitute approximately 30% of his commitment.

Discussion of coverage of the Boat Monitor responsibilities.

**Highway Capital Budget:** Peter provided a list of the various pieces of equipment, the life expectancy for each and the estimated cost of replacement. The Committee then began a question-and-answer session in which Peter was given the opportunity to explain his regular expenses, his anticipated new or increased expenses, the status of equipment now and anticipated replacement needs. A final discussion covered State Aid (Chapter 90). The amount remaining in the account at this time and plans for dispersal of some of those funds to pay existing invoices. Peter noted that he is comfortable going forward with the funds remaining in his budget. Peter was congratulated on the excellent job he did with presenting his budget and on the conditions of the roads.

**Ambulance Budget Review:** Austin White presented his FY24 adjusted budget: Increases are for Austin's salary and the addition of two firefighters. Richmond pays all costs up front and then bills West Stockbridge for their half. West Stockbridge puts half of the expenses into Richmond's Reserves and we take it out as they are needed.

Jay Phelps asked about how increased costs will be accounted for. Danielle responded that if there is a substantial increase, West Stockbridge will give us the additional amount.

Receipts: Austin clarified the budget in detail: Insurance Costs – Since no one has taken a family plan, the insurance costs are lower than they might have been. Estimated vehicle maintenance and other normal costs associated with operating the system were explained.

The ambulance Richmond owns is a year 2020 model. Most ambulances have an anticipated lifespan of approximately 10 years or so. A new ambulance will probably run about \$500,000 and will need to be ordered ahead.

Austin requested a Stabilization Fund to be set up and earmarked for a new ambulance using \$10,000 from Austin's Reserve, \$5,000 from Richmond and \$5,000 from West Stockbridge. That will require discussions with West Stockbridge as a Stabilization Fund was not included in the original agreement.

**Fire Department Budget:** Fire Chief Steve Traver advised the Committee that there have been problems with equipment for three years now and he felt if it continued there would not be much of a fire department left in Richmond.

**Capital Budget:** Fire Engine #2 is a 1998 model. New, it cost \$600,000 – today it is likely to be more like \$850,000 and grants have dried up. Neal noted that fire companies in many towns are a financial burden on their residents. How long, he wondered, can we continue to have all local towns, each with a small fire company with outdated equipment? Bob G. noted that districting is a possible solution. A discussion followed that questioned the longevity of the Fire equipment and resulted in the suggestion to create a Stabilization Fund to address this issue.

Steve offered to contact a professional Grant Writer to see if there is any grant money available, despite rumors to the contrary.

Neal wondered how long Richmond would be able to sustain an independent Fire Dept. He said they have to explore possible options, including a cooperative agreement with West Stockbridge. Bob G. said he liked the idea of creating a small sub-committee to look into possible options.

Danielle suggested that they designate the different types of Stabilization Funds so that monies from a fund earmarked for a specific purpose cannot be used for something else. Bob G. raised the issue of a possible emergency that would require using funds from a Stabilization Fund.

**Operating Budget:** Shows a 3.8% increase due in part to the increased cost of fuel and helmets that are now ten years old and are required to be replaced. That increase will create a 5.7% increase in the tax rate.

Bob G. summarized as follows: A 5.7% increase in the tax rate and Excess Levy Capacity down to \$76,000 and the proposal for the use of Free Cash, which brings that down to \$3,500 – That’s what he characterized as a “triple whammy.”

Bob Y. Said the only thing going in the other direction is the School’s Cherry Sheet numbers (the Governor’s Proposal). Whether that will go through or not and how much money it represents is an open question.

The School Budget next week will be a major factor in balancing the budget.

There being nothing further before the Committee, Bob Y. moved that the meeting be adjourned at 5:52 PM. He was seconded by Al and the motion was adopted by unanimous vote.