

Accepted: 1/8/2015

Voted: 5-0-0

MEETING MINUTES OF ASHFIELD FINANCE COMMITTEE

November 19th, 2014

Members Present: Ted Murray (Chair), Ricki Carroll, David Newell, Tom Schreiber (late), Janet Rogers

Ted called the meeting to order at approximately 7:05 PM

1. Appointment, Mary Ellen Abbatiello

Mary Ellen brought in a request for \$900.00 from the Mary Priscilla Howes Fund (MPH Fund) to help with a field trip to Colonial Williamsburg for the World Strides Heritage Festival Competition for Mohawk High School Music Students. There was app. 20 minutes of discussion on this topic. A concern was raised about the MPH Fund being designated to using only the interest and not the principal. With not enough income earned through interest on this account some concern was raised about approving this and other similar requests. Although all present wanted to help with this request, to justify it would mean going against the charge of the Town “Income therefrom shall be used...” David moved to authorize \$450.00 to the Mohawk Music Association from the MPH Fund. The motion was seconded and more discussion followed. The motion passed 3(Dave, Ted, Janet)-0-1(Ricki). Tom was not here when this vote was taken. It was then decided to add this topic to the agenda at our next meeting to discuss the dilemma we face in regards to these types of requests and what we could possibly do about it for the future, i.e.: help to find other sources of funding in town, bring it up again at Town Meeting, look at the original documents and perhaps look for another way to interpret the original intent, etc. (see Docs 2a &2b)

2. Appointment, David Kulp of Wired West (See Doc 3a – 3g for further information)

Ted introduced this topic speaking about the meeting that took place at Berkshire East which not all members of the Fin Com could attend. He spoke about the initiative that Massachusetts Broadband Institute (MBI) and Wired West were putting forth to the town, citing the town's needs and encouraging the Select Board to pass a non-binding resolution by the end of the year, which would show support of the plan to bring Broadband to all homes in Ashfield. There will be a meeting on December 10th in Greenfield where Joe Markarian, working for FRCOG, will address any questions or concerns of the Finance Committee.

David Kulp followed, further addressing our questions and concerns. He gave a bit of background, and there was app. 45 minutes of discussion on this topic. David explained that the Town established a Municipal Light Plant entity app. 2 or 3 years ago, and then joined a regional coalition of such entities to form Wired West, all for the purpose of providing telecommunication services to the town. The intention of the organization is to establish broadband services for the entire town. Fiber optics was brought to 153 towns in Western MA and MBI now has another \$50M to finish. \$40M would go to 44 towns in W. MA who do not have cable and the rest would go to towns having cable. MBI is willing to partner with Wired West and find solutions.

There are many questions, Ashfield's cost of building this out would be based on the amount of road miles and the number of connections. The town would have to take out a bond to cover the cost of this multi million-dollar project (\$2.6-\$3.1M projected.) At a 50% or greater "take rate" virtually all of the principal and interest for the bond issue would be recouped; however, if lower the operation could still be successful but the town would have to pay all of the bond issue not recouped through system operations.

The question was raised if there was anything built into the plan to return any of the monies to the town once the project was completed. There would most likely be a 3-4 year build out and priority would be given to towns with the highest signup first.

Risks to the town in this project:

- a-subscribers "take rate" not meeting expectations (i.e. well below 50%)
- b-cost overruns
- c-competition from other technologies
- d-income from the project does not meet expectations

e-running network turns out much more expensive than anticipated

Issues to investigate:

a-look at market surveys

b-further competitive analysis - we do not know what is coming down the road

c-the glass fibers can be built so the system would be able to change and grow with new technology in the future and last a longer time.

No matter what happens with the project, the Town of Ashfield would be responsible for net operation costs. (“Town...may ultimately be responsible for its share of network operating costs.”) A change in this wording in the resolution was advised.

David brought in a chart to visually summarize what the costs might look like to the town (see Doc 3g)

It was noted that on December 8th Chris Lynch from Matrix Design Group, will be at the Select Board meeting to talk about building a network for Ashfield.

3. Minutes:

The minutes of September 15th were read, a motion was made, seconded and passed unanimously to accept the amended version. 5-0-0 (see Doc 4)

It was moved, seconded, and voted unanimously to amend the minutes of June 18th 2014 to correct the date for which Ms. Nicholson requested a copy of the FinCom minutes: from “11/2103” to “4/29/14.” 5-0-0 (see Doc 5)

4. Financial Policies Manual

Ted reported the Assessors made a change on page 5 and the Select Board accepted the amended version at their meeting November 17th. Mary was requested by Ted to put the final version in a PDF onto the Town’s website.

5. Transportation Reimbursement

We lost the case for the 2014 returned state monies. 2015 would not be available until June 2015. A Chapter 71 Transportation Reimbursement revolving fund was established by vote of the MTRSD School Committee, on November 12th. Funding for this new account will not occur until June 2015 when such reimbursement, if any, will be distributed by the state.

6. Handicap Lift Inspection

Ted reported the company Garaventa was expected to inspect the 4 lifts in town in January, which would leave us free from fines and/or risks. The town is responsible for 3 of these (2 at Town Hall and 1 at the library). Each lift will cost \$280.00, which is a considerable savings over the last inspection. He also reported he expected this to go even further down when we join FRCOG's group bid on inspecting lifts.

7. Town Audit: Ted received information back from 3 auditing firms; they were all comparable companies. Roselli, Clark and Associates from Woburn was decided on by the Select Board at their meeting on November 17th.

8. Division of Local Services (DLS)

We are in the midst of a financial management review for the Town. We will receive a comprehensive report when it is finished with comments and suggestions.

9. Post Employment Benefit (OPEB) issues

We have \$2000.00 in the Stabilization Fund, but it may need to be transferred into an irrevocable trust or another type of fund. Tom will look into this and report his finding.

10. Vocational Education Transportation update

David reported everything is going fine. The chairman of the Voc Advisory Committee moved to Rowe and resigned his position. He has been asked to stay on as an ad-hoc member, there has been no answer regarding this commitment yet.

11. Pre-School

It was reported that, the request from the Pre-School for money has not yet been acted on by the Select Board. Arguably, one or more trusts in town could be used to provide financial support for students or families of students attending Pre-School

but there are no funds set up to be used directly to support the Pre-School because it is a private entity.

Some statistics on area Pre schools were brought up by David: Only half the students going to Sanderson's Kindergarten attended the Ashfield Pre School. While 100% of students in Kindergarten from Heath, Hawlemont, and 99% of Colrain students went to their respective pre schools. The assumption being, Ashfield's Pre-School is a private enterprise with higher costs and not everyone can afford to send their children to it. The other 4 towns have public Pre-Schools.

12. Pending Public Information Requests and related Communications

Because the FinCom has no "Custodian of Records", Ted, as chair, will respond to all communications regarding public information requests.

13. Future Meetings

A short discussion was held on availability during the budget schedule with the Select Board. Ricki could not meet on Mondays, Tom could not meet on Wednesdays, Janet and David were flexible, Ted could not meet on Tuesdays. There will be a meeting on December 10th in Greenfield on Q&A for Broadband.

14. There being no other business before the board, a motion to adjourn was made, seconded and passed unanimously 5-0-0. The meeting was adjourned at 9:42pm

DOCUMENT LIST

1-Agenda

2-Information Packet Includes the Following:

- a. Application for Mary Priscilla Howes Fund Grant
- b. Mary Priscilla Howes Fund Summary

3- Information from Wired West

- a. Observations and Questions on Broadband
- b. Distributions for Town Debt
- c. MBI Last Mile Allocation

d. Last Mile Finance Plan Summary Outline

e. Draft Resolution for Select Board

f. Contact Information

g. Putting Debts into Perspective

4- Minutes from September 15th, 2014

5- Minutes from June 18th, 2014

6- Public Body Checklist for Creating and Approving Meeting Minutes

Submitted by,

Ricki Carroll

11/29/2014