

MEETING MINUTES

Town of Heath
Finance Committee
April 3, 2018

Called to order at 7:01 p.m. by Chair Ned Wolf with Gloria Fisher, Jan Carr, Kathy Inman and Jeff Simmons (7:25) present.

Agenda – The agenda was reviewed with no changes.

Minutes – Minutes of February 13 were reviewed. Jan moved to accept the minutes as presented with Gloria seconding. The motion was approved. The minutes of March 8 were reviewed. Jan moved to accept the minutes as presented with Gloria seconding. The motion was approved.

Request for Transfer from Reserve Fund – The BOS requested a transfer of \$3,000 to the Legal Fees account. Discussed the request. This would leave the reserve fund at \$1,185. Gloria moved, with a second from Jan, to approve the request. The document was signed.

Article 3 - Gloria attempted to get at the worst case scenario by plugging in the blanks in Article 3. She included a 2% COLA for employees and stipends as recommended to the BOS. Her calculations amounted to a \$71,066.95 increase. Ned explained his version and suggested paying the TS Irene loan installment from free cash: \$34,000 principal and \$3,400 interest. There is approximately \$148,000 in free cash after the STM. Discussed other uses for free cash and the stabilization accounts. Ned asked that we each bring in our suggestions for use of free cash at the next meeting.

Warrant – Next week the FinCom will meet with the BOS to discuss warrant articles. Discussed the utilities \$3.5 million decrease in their assessment. This would mean \$76,000 in lost revenue, adding \$.85 to the tax rate. Jeff noted that Rowe is hiring someone to assess their utilities. Ned explained the history of Rowe's appraising. They paid \$7,000 for the first year of a three-year contract. Discussed the e-mail from National Grid "explaining" the decrease in assessment. All agreed it did not make sense. Ned will research the possibility of Heath hiring an assessor for the utilities.

Discussed purchasing a new truck. The FinCom needs more information, i.e., we would like 3 choices of costs based on how many years each truck would be in service. Also, we would like to see bids for rebuilding, purchasing used, and lease. Discussed that the town can't afford to replace a truck every 10-15 years; perhaps purchasing a more expensive vehicle that would last for 25 years would be a better use of our funds. On a motion by Jeff, seconded by Kathy, the FinCom voted unanimously to recommend that no new truck be purchased in FY 19, but that more research be done so we can discuss this next year.

Discussed transfer station transportation and tipping charges. They are going up substantially next year due to a closed landfill.

Discussed stipends. Next week the FinCom will revisit these as well as discuss COLAS.

Police Dept. Budget – Discussed the requested new line for education/training (\$1,591). It was noted that in previous years, the cost for training came out of police salary line. Jeff moved, with Kathy seconding, that the FinCom not recommend the new training line item. Motion passed unanimously. Discussed the police expense line. Jeff moved, with Kathy seconding, to recommend that the expense line stay at \$2500, the same as last year. The motion passed unanimously. Discussed the police vehicle expense. Jeff moved, with Kathy seconding, to recommend the increase. The motion passed unanimously.

Discussed how to predict the FY 19 tax rate in light of the reduction in taxes paid by the utilities.

On a motion by Gloria and seconded by Jan, the FinCom meeting was adjourned at 8:30 p.m.

Respectfully submitted,
Gloria Fisher