

MEETING MINUTES

Town of Heath Finance Committee March 4, 2020

MET WITH SB, 6:02, Ned and Jan present. Alice joined at 6:10. and Ken absent.

DOR/DLS Meeting with Debbie Wagner and Matt Andre

Discussed broadband project cost. Discussed allocation of funds from General Stabilization to Drop Subsidy Account.

5% of budget should be retained, include all stabilization accounts in calculating. No problem in doing this.

How to fund OPEB? Issuing a bond may pose a problem. Tuition arrangement of \$11,000 per student ends next year.

Ned called meeting because of Heath's rising tax rate and debt. FY'21 could be at least \$24.00 and FY'22 could exceed \$25.00. Debbie's method is to focus on excess capacity, a different way a of reaching the same conclusion.

The powerpoint from 2017 was shown – then \$350,000 excess capacity and now, \$230,000.

Debbie will arrange a budget workshop for us.

DOR is not in favor of using free cash to lower our tax rate as we have done in the past. Last year, our free cash was

\$340,000, high due to real estate sales. This year was low at approximately \$70,000. It usually averages \$150,000.

We will be receiving \$170,000 State reimbursement for Hurricane Irene. Can pay off balance of loan (\$68,000) and put remaining into free cash.

Ed brought the 2014 Potomac study, Grans' excels and Ken Gilbert's excel on the school to the meeting.

Debbie was interested in our debt schedule which is not high.

Met for 1½ hours. Advice was Heath needs some kind of commercial tax base.

Discussed the three buildings. Majority of FinCom does not believe we are bringing in enough revenue to sustain.

Mohawk Trail Woodlands Grant

Park and Rec filled out paperwork. Need gravel for parking area, signage. Hilma referred Kate and Mike to Jeff Johnston for recommendations on vendors. This is a \$20,000 grant and the funds must be spent by 7/1/2020.

Unlike the Green Communities Grant, this is a reimbursement - need to transfer funds at ATM to set up a revolving account.

Went over Draft STM Warrant articles

The MLP articles were discussed. The \$200,000 amount can be reduced on the floor. The timing for the MLP elections will not work for May 2020 elections.

RECONVENED AS FINCOM MEETING, 7:20

Free cash use in warrant totals \$33,733.57, leaving a balance of \$36,804.43 from previous \$70,538.

Draft STM Warrant Articles

Reviewed IT Support. Presently, do not have a reliable back-up system. Could be a \$30,000 - \$40,000 future expense.

Missed this year's Community Compact Grant – look for new application date in fall. Also, there may be possible funding in Local Technology Grant or assistance through FRCOG regionalization of software.

Alice made motion to remove article #6 and article #14. Jan seconded. Unanimously approved.

Alice made motion to reduce article #10 from \$1,000 to \$500 and to make transfer from 'Heath School Maintenance and Utilities' (01-5-193-013) rather than Free Cash. Jan seconded. Unanimously approved.

Jan made motion to change article #2 from transferring \$7,114.84 from Free Cash to \$6,000 from 'Sale of Lots' (27-5-491-000) and \$1,114.84 from Free Cash. Ned seconded. Unanimously approved.

Jan made a motion that article # 12 is not in FinCom's purview. Alice seconded. Unanimous approval.

Alice made a motion to adjourn at 8:43. Jan seconded. Unanimously approved.

Respectfully submitted, Jan Carr