

## Finance Committee Meeting Minutes

Town of Heath

March 26, 2019

Meeting called to order 6:32 PM.

In Attendance: Ned, Jen, Ken, Paul. Kathy arrived during meeting with BOS.

Reviewed minutes of the 2-19-19 meeting. Paul made a motion to approve minutes. Jan seconded and minutes were accepted. Minutes from the 3-12-19 meeting and the 3-19-19 meeting were also reviewed. Ken made a motion to approve, Paul seconded and the minutes of both meetings were unanimously accepted.

Ned briefly brought up the topic of Flagg Hill road. The Town's responsibilities and implications to town finances need further investigation.

Ned indicated he attended the Emergency Operations Meeting.

Ned also informed the committee that Kristi Nartwoticz requested that \$800 be transferred to unemployment expense from reserve fund 1216 to cover expenses. Paul made a motion to approve, Jan seconded and the transfer was approved by the committee.

There was a discussion concerning FY2020 salary budget requests by some departments for increases to positions that will put them into a higher position grade. Jan read and subsequently distributed to the members of the committee an e-mail from Sheila Litchfield describing

the process established for salary increases for Town employees. This will be used to help provide the committee with guidance in making decisions regarding those departments whose requests impact potential changes to their employee position grades.

In preparation for meeting with the BOS and review of the Town Accountants budget, the committee discussed her request for an increase in her salary of 5%. Part of her rationale is related to implementation of Broadband in Heath and how the Town will account for and manage the project. There are two models for doing this. The Town can use an Enterprise Fund or manage it using a Municipal Power and Light Board. No decision has been made as of yet as to which model Heath will use.

Ned adjourned the FinCom Meeting at 7:15pm to meet with the BOS to review the Town Accountant FY2020 budget.

Gloria of the Select Board asked Tracy (Town Accountant) her rationale for the increase in her salary line of 5% which amounts to \$658. Part of the increase is necessary to remain competitive. Tracy made the assumption that the Town will choose to use the Enterprise Fund model to implement broadband and will be up and running in FY20. She will have additional responsibilities in accounting for this. It will also require the Town to develop an indirect expense policy related to the project.

The FinCom listened to a presentation made by the Mahican-Mohawk Trail Woodlands Partnership to the BOS. After some discussion the BOS approved Heath joining the Woodland Partnership and sending a representative.

Ned addressed the BOS regarding the salaries of departments whose requests resulted in positions exceeding their grade levels. The Town Clerk, Tax Collector and Asst Assessor's positions are affected. Ned also gave an update on Free Cash which currently has a balance of \$146,000 and a recommendation of what it could possibly be used for. He indicated that the Town could pay off the 3-Town Landfill Note balance of \$23,000, put \$1000 into Software Stabilization and \$1000 for Audit Stabilization, \$30,000 to reduce taxes, and \$50,000 TBD. This would leave a balance of \$41,000. There was a discussion with the BOS regarding the Irene Bonds and using the remaining monies to pay this off.

Before making any decisions regarding Free Cash distribution the BOS asked Kara to populate the Budget for FY2020 with all current information so as to give as complete a picture of the budget to the BOS and FinCom so they can assess its implications for raises, salary adjustments, and uses of Free Cash. Ned asked that a strategy be developed for meeting new OSHA requirements in FY2020 and in future years. Robyn indicated on March 29 OSHA Inspectors would be visiting the Town to review what needs to be done. This will give us a foundation for a plan and how to deal with the fiscal impact of the new regulations.

There was discussion regarding the informational meetings on the sale of the former school. Decisions on the building will have an impact on the tax rate and the probable need for a Debt Exclusion in FY2020 for the implementation of broadband. A Debt Exclusion will require a ballot vote by the Town. Because of the required ballot vote there was discussion on how to educate the voters as to what a debt exclusion is and what the implications are. Further discussion was tabled until the

first week in April to consult with the Town financial advisor on how a debt exclusion could be described in "layman terms" to attendees at the informational meetings in April. It was decided that there should be a facilitator at the informational meetings and it was suggested that the BOS reach out to either Eric Sumner or Doug Wilkins as possibilities. The two study groups evaluating the former school building are to have the information that is to be presented at the informational meetings reviewed by the BOS at their regularly scheduled meeting on April 9th.

FinCom reconvened at 9:00 PM in the Assessor's Office to discuss the Town Clerk salary and have a further discussion on what information should be presented at the informational meetings.

The meeting was adjourned at 9:50 PM

Respectfully Submitted,

Paul Dabrody