

**West Newbury Finance Committee
Minutes of the Meeting
Monday, October 23, 2017**

Finance Committee Meeting

Vice Chairman Ellis called the Finance Committee meeting to order at 6:00 p.m. in the Annex of the 1910 Building with Ms. Grammer, Dr. Beaudoin, Mr. Durey, and Mr. McGrath in attendance. Finance Director Gould also attended.

There being no public comment, the Committee considered its agenda.

Transfer request

None.

Preparation of the Finance Committee for Fall Town Meeting

As Chairman DeLena was unable to attend, the first order of business was to determine substitutes to present his rationales. Ms. Grammer offered to present the rationale for the deposit of \$500,000.00 to the School Stabilization Fund. Mr. Durey agreed to present the \$114,000.00 tax buy down.

Mr. Ellis further requested some assistance fielding questions. McGrath suggested deferring to the author of the rationale, the Finance Director, or the Article initiator.

Mr. Durey inquired if any members had received feedback regarding the $\frac{2}{3}$ vote needed to remove funds from stabilization. Finance Director stated it is his understanding the town could transfer of funds to any other capital stabilization fund.

Previously, Ms. Grammer had initiated a series of topics or questions to address regarding the issue of Free Cash and stabilization. Ms. Grammer queried if Finance Committee members have developed further questions. If so she requested forwarding them to her in order for them to be placed on next week's meeting agenda.

Ms. Grammer questioned as to why the Other Post-Employment Benefits (OPEB) information is not in the FinCom Town Booklet. Finance Director Gould explained OPEB is a trust fund and therefore there is no vote. He continued by stating the Treasurer is in charge of OPEB.

Ms. Grammer asked if there were other trust funds. Mr. McGrath answered the Elliott Fund was set up over a century ago. The Fund offers both grants and loans to indigent and homeless people in West Newbury. Mr. McGrath stated distribution of funds is under the sole discretion of the Board of Selectmen (BOS) and is often determined in executive session. Ms. Grammer stated a complete list of funds would be desirable for Fin Com to view.

Mr. McGrath added there are both hospital and agricultural trust funds. He stated it would be good to have the inventory but it is important to focus on the big picture.

Discussion of Pertinent issues regarding the balance of Free Cash and Stabilization

Previously, Ms. Grammer had prepared an initial list of questions in need of addressing, as Fin Com moves forward. She asked if finance committee members could add to the list. Mr. Ellis stated he would construct a visualization depicting where funds come from and where they go. Ms. Grammer volunteered to conduct research on the town's stabilization funds. Currently, the use of Free Cash covers Department of Public Works (DPW) and Fire Department capital improvements, among other things. She queried if there is a more efficient approach. Finance Director Gould remarked philosophically the practice is acceptable. Mr. McGrath added there is a link between Free Cash and Stabilization. He continued more meetings of the finance committee are necessary to prepare a proposal addressing Free Cash and Stabilization by mid-January.

Upcoming Meeting

Monday, October 30, 2017: Discuss FinCom calendar for budget season, develop task assignments, and continue composing questions for DLS.

The meeting adjourned at 6:30 p.m.

Respectfully submitted,

Elisa Grammer
Secretary