

MEETING MINUTES-WEST NEWBURY
FINANCE COMMITTEE

Date & Time: Wednesday January 23, 2019 7pm

Location : 1910 Building 1st Floor Hearing Room

Attendees: Gary Roberts, Forbes Durey, Brad Beaudoin, Jessica Knezek, Angus Jennings, Laurie Zywiak,

AGENDA

1. Call to Order
2. Public Comment, Public comment is limited to 2 minutes per resident for items on the agenda. The chair may allow for more time depending on number of residents seeking to participate.

No public comment.

3. Late File Items

None.

4. Approval of minutes

Minor typographic corrections recommended.

Approved minutes from 1/8/2019

5. Review and Update of Finance Committee budget priorities

Durey raised concern that the funding of the school stabilization account could crowd out the funding of capital stabilization account.

6. Receive updates from Town Manager.

Budgets have been received from all departments and nearly all committees, excepting water.

Funding of capital stabilization accounts was reviewed. Jennings notes that the town's stabilization account has not been funded to match anticipated capital needs for any given year(the funding for capital items instead coming from Free Cash). He also notes that the Capital Improvement Committee has been making recommendations for yearly amounts needed to sustain the stabilization account which has also not been followed. Jennings

would like to see the creation of a dedicated capital stabilization account with sub-accounts that track moneys reserved for specific purposes to make the savings account more transparent.

Recycling update. Jennings met with BoH. Due to contract obligations there is likely not to be any change to current rates of recycling pickup. As of today, the future decision will be whether to continue paying the higher rate for single stream curbside pickup vs moving to centralized resident drop off of separated recycling materials.

Water tank and chemical building updates. Both projects came in significantly over budget due to fluctuations in the steel prices. The water dept will likely come back and ask for additional borrowing. The projected funding shortfall for both projects is \$1,095,406.88.

On the assessors office and the increase in property taxes. Jennings recommends that a message come directly from the assessors office to explain this to the towns people or perhaps consider a flier with tax bills to pre-empt questions that may come up regarding tax increases. Knezek expressed concerns that this issue would be confused with the proposed new high school/middle school project. Jennings does note that the increase in assessment helped cover the larger then average increase in the town's budget for FY2019. Zywiak notes that this was not a "re-eval" year. Durey and Roberts expressed concern that their tax bills increased so dramatically.

With regard to the new school project, Jennings reviewed the assumptions made in the calculating the school building costs and potential impacts on future tax rates. The current model assumes all retired debt service from FY2016-2023 will be appropriated each year to the school debt service until FY2051, which is significant(\$684,000 per year). On 2/12/19 there will be an update for the school building cost and in 4/2019 there will be an update for the MSBA share.

7. Review and discuss the status of Articles previously approved by voters.

Line by line all articles with outstanding balances were reviewed. Knezek asked if the DPW money articles for road and building repair could have sunset dates to better track how the money is spent.

8. Communications

Next meeting scheduled for Monday 1/28/19 7PM.

9. Adjournment