

FINANCE COMMITTEE

Date & Time: Monday October 1st , 2018 7:00 PM
Location : 1910 Building 2nd Floor Hearing Room
Roberts, Durey, Beaudoin, Kelly, Knezek in attendance

AGENDA

1. Call to Order
2. Public Comment
No Public comment
3. Approval of Minutes from 9/17 and 9/24 meetings.
Minutes approved 5-0. It is noted that Selectmen votes from the joint FinCom Selectmen meeting on 9/24/18 added in parenthesis.
4. Discuss and vote on the 2 Articles added to the warrant at the 9/24
 - a. Carr Post Easement Article . To see if the Town will vote to authorize the Board of Selectmen to accept by gift, donation or otherwise an easement for access and parking purposes and for the installation of utilities to be appurtenant to the land commonly referred to as "The Carr Post" as described in deed recorded with the Essex South District Registry of Deed in Book 35514 Page 162 from Cottage Advisors MA, LLC and to take any other action in furtherance thereof.

FinCom Vote 5-0; to approve. In discussion it was noted that this is a procedural article whereby the townspeople need to approve the agreement made in good faith between the developer of the Drakes Landing Development and The Town's Council. As the fundamental nature of the original agreement has not been changed FinCom had no specific objections to the article.

- b. ARTICLE TBA. To see if the town will vote to transfer from Free Cash the sum of up to \$400,000 to reduce the current year tax rate.

FinCom vote 5-0 to approve. Discussion; Based on the relatively large FY2019 budget increase(5.15%) along with discrepancies between the estimated tax revenue projections has created a situation where it is not possible to meet the target tax rate without a transfer from free cash. Based on the most recent calculations the shortfall is roughly \$220,000. It was noted by Durey that in prior years there had always been transfers from free cash to buy down the tax rate and while this is not a recommended practice, it would make sense in this context as otherwise the town will have to cut the FY2019 budget. There was a general consensus that this is NOT an appropriate use of free cash, but pragmatically, it makes the most sense given the unique set to circumstances the Town is in.

5. Review of narratives for the booklet
Minor grammatical changes made

6. Late file items
None.

7. Review timeline for booklet
Beaudoin is to provide rationals for the two articles voted tonight.

8. Adjournment