

Minutes of the Meeting of the Heath Finance Committee
September 27, 2016

Time: 7:02 pm

Place: The Assessors' Office, Sawyer Hall

Present: Gloria Fisher, Ned Wolf, Don Freeman (chair), Jan Carr, Bob Viarengo (guest), and at 7:30 Kara Leistyna, Sheila Litchfield, Brian DeVriese, Robyn Provost-Carlson, Mike Shattuck, Gary and Kathy Inman, and at 7:55 Ken Gilbert

Absent: Jeff Simmons

Members read the minutes of the August 9th meeting. Gloria made a motion seconded by Jan to approve the minutes. The motion passed unanimously.

Bob Viarengo explained that he was filling in for Ken Gilbert and Betsy Kovacs neither of whom could be present to speak about their plan to fund a replacement for the broken rescue truck. Bob said that Fire Department Association is willing to contribute \$25000. Of the additional \$25000 that is needed approximately \$4500 has already been raised privately. The plan would call for raising the balance privately. Members discussed the plan raising questions about how critically the rescue truck is needed. Jan said that for an item such as a rescue truck she favors using taxes. Members noted that to take money from the Equipment/Vehicle Stabilization Fund would require a Special Town Meeting (STM) and a time delay of 5 to 6 weeks.

Don reported having received an e-mail from Ken Gilbert stating that \$3000 is needed to repair the brakes of Fire Engine #2. The current balance in the Emergency Vehicles Repair Account is \$747.13. Although the Fire Department Supplies and Training Account has \$13,800, a transfer from this account would require the vote of an STM. After some discussion Gloria made a motion seconded by Jan that the Finance Committee approves the transfer of \$3000 from the Reserve Fund to the Emergency Vehicles Repair Fund. The motion passed unanimously. The four Finance Committee members present signed the Request for Transfer form.

At 7:28 Don made a motion seconded by Ned that the committee join the Selectboard meeting in progress and later adjourn after completing its business. The motion passed unanimously.

Don reported the Finance Committee's approval of a transfer of \$3000 from the Reserve Fund to finance the repair of the brakes of Engine #2. He said that just \$1200 will remain in the Reserve Fund which will need to be replenished at an STM.

Mike Shattuck reported that his mechanic has told him that the rear end/transmission of the grader is on borrowed time. The estimated cost of the repairs is \$32000 while a new grader would cost about \$300000. Members agreed that a possible source of the \$32000 is the Equipment/Vehicle Stabilization Fund with a required vote of approval at an STM.

Gary Inman, who was filling in for Ken Gilbert, spoke of the importance of having a functioning rescue truck. The rescue truck is driven to at least 60 events per year. The current truck is 30 years old and frequently breaks down. Gary said that the Fire Department Association has the funds to pay the \$27000 for which Dillon Chevrolet has offered to sell a new cab and chassis. It will, however, donate the \$27000 only if it knows that the Town will provide the remainder of the funding. It would be necessary for the Town to get 3 quotes. Among the additional costs would be \$12000 for a box behind the cab and \$5000 for radios. There was a discussion about raising funds for the vehicle privately versus using taxes. Sheila said that if citizens were to come forward to donate during the STM, the amount to be taken from the Equipment /Vehicle Stabilization Fund could be lowered.

Sheila and Kara announced that the Warrant for the 7 pm STM on October 25th would be ready on October 4th. The Finance Committee will meet to review the Warrant on October 4th. The Selectboard will meet to review and sign the Warrant on October 5th. Immediately following the STM on October 25th Joe Markarian will come at 8 pm to discuss Capital Planning.

The Finance Committee and the Selectboard reviewed the 'Capital Improvement Program' provided by Joe Markarian. There was a consensus that Heath's Capital Improvement Committee consist of just the Selectboard and the Finance Committee and that it should give guidance to the department heads in parallel with the budget process. Don and Sheila agreed to edit the Budget Calendar at a mutually convenient time. In defining a "capital expense" the consensus was that it be "more than \$10000" In order that the number of meetings not be excessive. Members agreed that the number of letters sent to department heads at the beginning of the budget process should stay at one. Sheila said that we need to request from Joe the form for prioritizing equipment.

The Finance Committee and the Selectboard reviewed the 'List of Town Finance-Related Policies' provided by Joe Markarian. Members agreed that the sections headed 'Town Financial Policies', 'Budget Guidelines', and 'Free Cash Policy' are not needed. As for the 'Stabilization Fund Policy', members agreed that Joe's computer program to project the Town's finances for particular amounts put into each of the stabilization funds could be helpful in managing those funds. Regarding the 'Finance Committee Reserve Policy', members of the Finance Committee favored changing the \$5K presently dedicated to the Reserve Fund to a new amount determined after a study of the past three years' demands on that account. Turning to 'Departmental Transfer Requests', members recommended that Tracey be asked to draft policy guidelines to be given to each of the department heads. As for the Town's 'Audit Policy' it was agreed that an Audit should occur every three years using Audit Stabilization funds. It was acknowledged that we do not have Tracey's policy written down for either 'Department Receipts' or 'Department Turnovers'. Finally, members agreed that a 'User Fee Policy' needs to be fixed and put on the Town website.

The meeting adjourned at 9:23 pm.

Respectfully submitted,
Ned Wolf, Secretary