

Town of Ashby Massachusetts

Finance Committee Meeting

January 10, 2012

Regular meeting called to order: 7:47 pm by Chris Haynes, Chair
Kathy Panagiotes will take minutes

Present: John Margosiak, Chris Haynes, Kevin Stetson, Kathy Panagiotes, Sue Caron,
Absent: Joe Armstong-Champ

Minutes: last meeting reviewed.

Old Business:

Lease for Ashby Elementary School reviewed. FinCom members question why lease is for 10 years instead of 20 years. This is regard to a comment by Dr. Marshall (?) at the special town meeting re: voting on the renovations/cost for the school. Heard by those FinCom members present at that meeting we would have the school for 20 years.

New Business:

Overview and discussion of last Selectman's Meeting. (One FinCom member at that meeting). RE: funding priority, school building, public works trucks; \$700,000 cash reserve, meaning of free cash, overlay; with a draft total of \$634,000.

Mr. Hayes gave overview of administrator's capital plan.

FinCom discussed the budget. Key points from our discussion:

+ The three main funding initiatives this year are: Town Budget, Capitol Plan, and School Roof

+ The FinCom is strongly against any levy override or debt exclusion to pay for these items

+ We agree that some level of debt may be needed to pay for the school roof (CHAIRMANS NOTE: We did not discuss how much debt payments would be and how these payments would fit into the overall budget)

+ There is agreement that some portion of the school roof should be paid out of surplus in order to reduce interest/debt payments

+ The FinCom is strongly in support of a formal capital spending plan and would like to eliminate the practice of spending free cash on capital equipment

+ There is agreement that the capital plan should be funded with

approximately \$100,000 subject to discussion with the BOS

+ The FinCom is strongly in favor of limiting the growth of the town budget to 2.5% or less and is suggesting that non-school expenditures not exceed a 1% increase on the next budget...subject to discussion with the BOS

Concerns of FinCom members:

- Do bylaws concur that this committee be more involved in budget process with administrator, selectman, treasurer and other elected officials.
- Interest paid at 2.5% on any borrowing could be substantial loss to taxpayers
- This committee recommends funding capital plan at 100,000. (1% above cap of 2.5%)
- Borrow approx. 600,000 for school roof suggested
- Recommend providing supplies for new flooring for school provided that reserve funds budget supports this. (An employee of NMR School District wants to offer service of laying down floor).

Meeting Adjourned: 9:10 pm.

Next Meeting: January 24 at 7:30 in the Town Hall

Secretary pro tem:
Kathleen Panagiotes