

Accepted: 12/7/2015

Voted: 3-0-0

**MEETING MINUTES OF ASHFIELD FINANCE COMMITTEE
6:00 PM, November 18, 2015 at Ashfield Town Hall**

Members Present: Ted Murray (Chair), David Newell, Tom Schreiber, and Carol Lebold. Also in attendance: Tom Carter, Buz Eisenberg, and Susan Stark

Absent: Janet Rogers

Ted called the meeting to order at 6:13 PM.

For information, Ted circulated Ricki Carroll's letter of resignation and his letter of acceptance. (See Doc 2) He then welcomed Carol Lebold to the committee as Ricki's replacement.

Minutes

It was moved, seconded, and voted unanimously to accept the minutes of August 27, 2015 (3-0-0). It was moved, seconded, and voted unanimously to accept the minutes of September 8, 2015 (3-0-0). (See Docs 3 & 4) [Carol Lebold joined us following her swearing in by Town Clerk.]

STM Warrant

There was discussion about the using excess levy capacity prior to raise and appropriate \$65,000 for the stabilization fund. The following information from Joe Markarian describes the issue:

“Once money is appropriated to a Stabilization Fund, by 2/3s town meeting vote, it remains in the account and is available from year-to-year until it is expended again by a 2/3s town meeting vote. In subsequent years, additional money can be appropriated to build-up the fund. And, of course, stabilization should only be used for one-time expenditures.

“Re: Excess levy capacity results when a decision is made to not raise all the tax revenue allowed under Prop 2 1/2. The town can change its mind, but only before the Tax Recap is submitted and approved by DOR. Once the tax levy and tax rate are certified by DOR, the tax revenue "left on the table" (excess levy capacity) is not available. In subsequent years, the town cannot go back and recapture prior years' excess levy capacity. It's gone forever. The only way to "build-up a reserve" using excess levy capacity is to create more and more excess levy capacity each year - which means less operating revenue in a given year. When the town decides it needs to use that tax revenue, it does so through a majority appropriation vote at town meeting, but the result is likely to be a major property tax increase above and beyond the normal Prop 2 1/2 increase.”

Because Ashfield was just about to submit its Tax Recap, it was moved, seconded and voted unanimously in favor of recommending FOR approval of Article 1 of the STM warrant (4-0-0). (See Doc 5)

VEAC Update

David reviewed recent meetings of VEAC, and described MTRSD's increasingly supportive role. As an example, MTRSD will coordinate and handle the billing for

VocEd transportation on a trial basis. This could simplify the current system in which the VEAC towns are issuing approximately 114 checks back and forth each year. It was also noted that 3 students have either moved or withdrawn from VocEd, thus creating a positive variance in tuition expenses.

Broadband Update

Ted described the November 6 meeting at which WiredWest reviewed their latest draft of a governance/local agreement document. He also distributed WiredWest's projections of financing options. (See Doc 6) Future meeting dates were discussed.

Audit Update

Audit documents from Roselli & Clark were distributed (see Town Office for copies), and it was noted that the Management Letter contained a number of issues that would need to be followed up over time.

Financial Management Review

This document from December 2014 also featured a number of recommendations, a few of which have been implemented. However, like the Management Letter from the audit, several items will require follow up.

Status of Public Information Requests

Ted reviewed the history and resolution of the public information request dating from 2014.

Upcoming Meetings

Mon, 11/23, 7 PM Broadband issues, with Select Board and Technology Committee
Mon, 12/7, 7 PM Broadband issues, with Select Board and Technology Committee
Thur, 12/10, 6:30 PM School Finance Issues (Min Contribution) with Roger Hatch (in Greenfield)
Wed, 12/16, 7 PM Budget meeting with School Committee at MTR High School

[Also, Ted will schedule a regular monthly meeting of the FinCom via email.]

The meeting was adjourned at 7:01 PM when we joined the Select Board for Special Town Meeting.

Documents

Doc 1 Agenda for 11/18/15
Doc 2 Letter of resignation from Ricki Carroll and Ted Murray's letter of acceptance
Doc 3 Minutes from August 27, 2015
Doc 4 Minutes from September 8, 2015
Doc 5 STM Warrant for 11/18/15
Doc 6 Spreadsheet of Broadband Financing Options for Ashfield

Respectfully submitted,
Ted Murray