

ASHLAND BUDGET COMMITTEE

November 26, 2013

DRAFT MINUTES

MEMBERS PRESENT: C. Cilley, S. Coleman, I. Heidenreich, F. Newton, D. Ruell, M. Scarano, J. Stewart (BOS), D. Toth, M. Badger

ALTERNATE MEMBERS PRESENT: Renee Liebert (Alternate school board), N. DeWolfe (BOS)

Others Present: E. Badger, S. Felton

Meeting was called to order at 6:04 P.M. in the Ashland Elementary School Library and a quorum was present.

Review of Minutes:

Minutes of November 19, 2013 were reviewed. A motion to approve the minutes was made by F. Newton and seconded by M. Badger. The minutes were approved 8-0 with one abstention (I. Heidenreich).

Revenues

Projected 2014 revenues are to be provided by the next meeting. P. Branscombe has provided revenues to date. J. Stewart provided copies of the MS-4 (as adjusted), 2013 Revenue Estimates required by the state. It was uncertain as to the exact dates that the form was sent in to the state and adjusted. J. Stewart explained that the form showed the unassigned fund balance was \$701,502 and the Select Board used \$227,688 of that balance to reduce property taxes.

To prepare the budget, the Budget Committee needs to consider property taxes, debt service, warrant articles, operating expenses, school revenues/expenses, etc.

M. Scarano provided copies of the MS-7 form and budgeted revenues for 2013. The CIP committee will be projecting revenues for future years and looking at past revenues. S. Felton provided spreadsheets showing the actual revenues for 2009-2012, structured like the MS-7. The 2013(B) column reflects budgeted revenues from last year. Figures in red represent anomalies, e.g., River Street Bridge state reimbursement. S. Felton also provided a spreadsheet showing the budget history (2009-2012), budgeted 2013 and budget projections for 2014-2023, estimated at 3.2% annual increase, which was based on historical trends. The spreadsheet also shows the budget combined with CIP additions. Net of long-term debt is also shown. The CIP budget line represents what capital expenses actually were from 2009-2012. For 2014 forward, numbers are based on CIP committee projections. Report also shows school budget (with amount needed to be raised from property tax), state, and county taxes. D. Ruell asked for a projection of debt. S. Felton explained that he used the projection for the next 10 years, took current long-term debt, subtracted the Fire Department debt to be paid off in 2014, and used some "what if" scenarios. He explained that decisions made today affect the picture for the future. We therefore need to think about spreading out costs, e.g., with capital reserves, and increasing revenues, e.g., through grants, economic development, etc. S. Coleman suggested decreasing the proposed budget and passing warrant articles to ensure fiscal responsibility. D. Toth suggested that we, as a Budget Committee, need to look at the budget projections over the next few years as well. We also need to consider the risks, known (e.g., capital needs) and unknown, (e.g., water and sewer needs).

M. Scarano suggested that we include school numbers in our deliberations to ensure that we look at the big picture. State and federal funds are decreasing. We have no control over county taxes, etc.

J. Stewart suggested that we ask P. Tucker to come in and explain financial statements (state forms).

M. Scarano suggested that new director of Lakes Regional Economic Development might come at some point to do a presentation about grant possibilities.

Next Meeting

F. Newton suggested that we discuss the Financial Forum scheduled for December 9. The committee should be prepared to present our plan/philosophy for budgeting this year, e.g., our revenue projections and town budget/warrant articles. M. scarano suggested forming a subcommittee to put together a draft presentation to present to the larger committee. D. Toth, F. Newton, M. Scarano, S. Felton agreed to form this subcommittee and report back to the entire budget committee at the next meeting (December 10). The subcommittee will meet on Saturday, Dec. 30 at a time and place to be provided.

The next meeting will be held on December 10 for review of revenues and financial forum. P. Branscombe will send any updates in advance of that meeting. S. Felton will send out a 1-page recap of CIP recommendations for upcoming budget season including budget vs. warrant articles suggestion.

M. Badger will take minutes at the next meeting.

I. Heidenreich moved to adjourn, seconded by C. Cilley. The motion passed unanimously and the meeting was adjourned at 7:25.

Respectfully submitted

Fran Newton