

WASHINGTON FINANCE COMMITTEE Minutes

August 18, 2014

Meeting was called to order at 7:01 p.m.

In attendance: Dick Spencer, Kent Lew, and Dave Weissbrod

NOTE: Clerk did not have minutes of June 16, 2014 meeting.

Business

1. Highway Department Inventory

Reviewed Highway Department inventory. This inventory would help with town's long-range planning and would be an excellent candidate for a future Stabilization Fund. An estimated replacement year for each item should be added to the Highway Department Inventory.

2. Stabilization Fund Policy

Discussed limits on a stabilization fund that is drawn from available free cash (up to 50% of current, certified free cash), keeping tax rate increases to no more than 3% from previous year. Of note, the Stabilization Fund is a separate account that the treasurer can transfer as needed (replacing it within FY). The committee agrees that more discussion is needed before we are comfortable proposing it to the selectmen.

Meeting temporarily adjourned at 7:40 p.m. to join selectmen's meeting.

Meeting resumed at 8:30 p.m. with the addition of Sean Connors.

2. Stabilization Fund Policy (Continued)

Discussed whether we wanted two components (stabilization fund) similar to Becket's proposed plan. Agreed that the second component (general component) if adopted, would need to be administered prudently so as not to become burdensome to current taxpayers. As long as interest rates remain low, it might make more sense to borrow funds.

Meeting adjourned at approximately 9:05 p.m.

Respectfully,
David Weissbrod, Secretary