

Town of Merrimac
Finance Committee Meeting
NOVEMBER 8, 2018

- I. Call to Order
 - 1. Roll Call
- II. Sewer Budget

The Sewer Budget included projects for I & I for \$135K - unfortunately the DOR holds the I & I Funds in the Retained Earnings, which are only certified for use in the spring - we did not appropriate funds to cover this cost, usually there are enough collections of I & I to cover the current projects, however this year there wasn't, there are Reserves of approx. \$500,000.

Going forward to prevent this from happening again, we will appropriate the available I & I every Spring Town Meeting as a Special Article for all I and I repairs. This article will be available without additional appropriation until exhausted.

At Town Meeting we will be asking to reduce the Sewer Budget by \$105,000, this will allow the tax rate to be set. If we do not get a quorum, we will need to raise the Sewer Rates by 25% for the last two quarters of Fiscal Year 2019, to meet the current deficits - see attached breakdown. This will be a temporary increase, however based upon the rate study just completed and the actual revenues, we will need to evaluate what the increase will need to be permanently, we are estimating 10-15%.

- 1. Reduce Sewer Budget by \$105,000.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Marcia Zosack
SECONDER:	Mike Marden
AYES:	Zosack, Grazio, Bowie, Marden
ABSENT:	Archibald, Berube