

## Minutes Holden Finance Committee, October 2, 2019 HMLD

Members Present: Paul Challenger, Dave White, Joe Dolak, Chris Lucchesi, Jane Titcomb, Marilynn Foley

Members Absent: John Lambert, Don Graves, Stephanie Adams

The meeting was called to order at 7:05 P.M.

The Committee met to review the Cost of Service Study presented by the HMLD. The Selectmen would like the Finance Committee's recommendation as they want to vote at their October 7, 2019 meeting. Paul had discussed the proposal with the Chair of the Selectboard and the head of the HMLD, so he presented it in the absence of a Town official or professional at the meeting. The Committee reviewed the documentation provided, but did not think we had enough information to vote. There were still unanswered questions and concerns including:

- The new rates will break out fixed (system) expenses from power charges, which is good. However, both fixed and power revenue will be from volume-based charges on the invoice. It seems prudent to recover the fixed expenses through a fixed charge to customers, as we do with the water rates.
- By setting up to recover fixed expenses with volume-based rates the HMLD put itself in the position to have to charge solar customers an additional fee to ensure that they paid their fair share of the system expenses. This fee is controversial and may deter people from adopting solar. Having a fixed customer charge for every account would solve this problem more cleanly.
- The change in prompt payment discounts made sense.
- The plan is to bring Light Department reserves up to 28% of annual revenue, which is far higher than the goal of 15% the rest of the Town aims for.

Paul will attend the Selectmen's meeting on October 7 to report on our discussion.

A motion by Dave 2<sup>nd</sup> by Chris to accept the minutes of April 22, 2019 was voted unanimously (abstained John, Jane).

A motion by Dave 2<sup>nd</sup> by Joe to accept the minutes of May 20 2019 was voted unanimously (abstained, Jane).

A motion by Joe 2<sup>nd</sup> by Chris to accept the minutes of September 10, 2019 was voted unanimously (abstained, Jane).

A meeting will be held on November 7, 2019 with representatives from each of the five district towns FinComs, Select Boards and School Committee members to discuss the WRSD 2021 Budget. A motion by Dave 2<sup>nd</sup> by Marilynn to advise a budget increase of 3% for F/Y 2021 was voted unanimously.

The meeting adjourned at 9:00 P.M.

Respectfully Submitted,

Marilynn Foley, Clerk