

Finance Committee Minutes  
April 22, 2003  
DRAFT

In attendance are Steve Dungan, Patti Heron, Charlie Kern, Tom Ryan, Pam Glauner, David Walrath, Jason Robart, and Laura Rome

Steve calls the meeting to order at 7:00 p.m.

Approval of the minutes: deferred until the next meeting

**NRSD Budget**

Adam Tocci and Carol Makary from the School Committee describe the revised budget request voted by the School Committee on Monday. This new budget is approximately \$502,813 less than the level services budget previously approved by the School Committee. The lower figure results from the elimination of thirteen budget items; the School Committee has determined that cutting these items will not affect core educational services. Jason asked whether additional items could be removed from the budget without impacts to core services; Carol answers that, without a thorough zero-based budgeting process, the School Committee cannot find additional ones, and the School Committee does not have time to undertake such a process prior to Town Meeting. Charlie asks whether the proposed changes pose a risk to the accreditation review currently underway; Carol answers that only matters unrelated to the accreditation process are affected. Carol emphasizes that the School Committee's zero-based budgeting process would begin immediately after Town Meeting. Carol also mentions that the School Committee will hold a forum on May 7 at 7:30 p.m.

**Previous Action Items**

1. Legal expenses:
  - In FY03, legal expenses averaged approximately \$5300 per month and were spent on counsel fees, three Zoning Board of Appeals cases relating to cell towers and support for town departments including on issues such as zoning, subdivision review, and wetlands;
  - Legal expenses are expected to be lower in FY04 as cell tower cases are coming to a close;
  - In FY03, approximately half of the money spent on legal expenses was paid to Jake; and
  - Bill Wrigley thinks that the Trust for Public Lands' work with the Community Preservation Committee has saved the town money by limiting Jake's role in developing the warrant article to review of drafts by others.
2. Reserve fund: Steve was informed that there were no disability insurance payments made to offset the cost of hiring a temporary replacement for Newell, so the FinCom approved the reserve fund transfer request.
3. Availability of documents: After Town Meeting, Patti will invite Bill Wrigley to a FinCom meeting to discuss the schedule for making budget documents available for public review.

4. Board of Assessors warrant articles: Jason learned that articles #39 and #40 will not be on the warrant. Article #38, which changes the age of eligibility and income limits for property tax exemptions will be on the warrant. FY03 participants will have an estimated cost to the town of \$6800 in FY04; the Board is not able to project a number of new participants in FY04.
5. Additional information on warrant articles: Mitch emailed the Conservation Commission and Malcolm Fitzpatrick asking them to meet with the FinCom regarding their warrant articles (#44 and #45). Neither had replied as of meeting time.
6. Citizens petitions: Steve reports that the two citizens petitions have passed legal muster and will be on the warrant.

**Speaking assignments and presentation topics:**

- NRSD budget – Tom will work with Jason
- Kunelius property – David
- School Building Committee request – Pam (tentatively)
- Eminent domain – Janet (tentatively)
- Zoning bylaw – hold
- Regional agreement – hold

The FinCom will review presentations prior to Town Meeting.

**Stabilization Fund Policy:**

The FinCom reviews Greg Jones' proposed policy on use of the Stabilization Fund and appropriate levels of savings. It will discuss the proposal further at its next meeting (April 29).

**Return of the School Committee:**

Carol Makary returns to the FinCom meeting to say that the Selectmen will put the revised level services NRSD budget in the warrant, not the original one. As noted above, this change is a decrease of approximately \$502,000.

**Reserve Fund Request – Interim Inspector:**

The FinCom reviews a Reserve Fund transfer request from the building inspector to cover the costs of employing an interim inspector. It determines that the building inspector should be asked to resolve an apparent discrepancy between the amount of money requested from the Reserve Fund and the amount of money available in the building inspector's budget.

**Discussion and voting on warrant articles:**

**NRSD Budget.** Steve reviews his analysis of the impact of the two previously proposed school budgets (the original level services budget and the 3% increase supported by the FinCom and Selectmen) and of the portion of the deficit attributable to NRSD.

**Article 5 – General Budget.** Steve will write the FinCom's recommendation for the warrant. Dave will let Bill know that the FinCom voted to recommend Article 5, but with a decrease of \$10,000 in the CPC administration budget.

## **NRSD BUDGET WARRANT ARTICLES**

### **Article 5.3 -- NRSD Level Services Budget.** – several motions, fewer votes:

Jason moves that the FinCom reconsider its vote on the NRSD level services budget in light of the new information (regarding a reduction of \$502,813) received tonight from Carol and Adam. David seconds the motion. Discussion includes interest in knowing how the Selectmen will act on the new budget figure. FinCom votes 3-2 to reconsider its vote. (Steve, Dave, and Jason voted in favor of the motion; Tom and Patti, against)

Jason moves that the FinCom approve the revised level services budget. Patti seconds the motion. Discussion centers on concern about the perceived message to voters if the warrant includes a FinCom recommendation on only one of the two NRSD Budget warrant articles.

Jason moves to withdraw the motion to approve the revised level services budget. Patti seconds the motion.

### **Article 5.2 – NRSD Alternative Budget (3% increase)**

Jason moves that the FinCom reconsider its vote on this article. Tom seconds the motion. The FinCom votes 4-0-1 approve the motion (David abstains).

**Summary:** The result of the discussion on Articles 5.2 and 5.3 is that the warrant will not include a FinCom recommendation on either NRSD budget article. The FinCom will make a recommendation on each article at Town Meeting.

Dave leaves the meeting.

### **Article 38 – Assessors**

Jason moves to recommend approval. Steve seconds. The FinCom votes 3-1 (with Tom opposed) to approve the motion.

### **Article 37 – Planning Board Bonding**

Text of the article does not appear in the draft warrant; Patti goes to Planning Board meeting upstairs to get text. Copies will be made available to FinCom members.

### **Article 41 NRSD Regional Agreement**

Most of the proposed changes are housekeeping matters. One significant change is the addition of the audit committee, which may not include school district administrators. Steve notes that the changes do not clarify the distinction between capital and maintenance expenses. Tom moves that the FinCom recommend approval of the article. Patti seconds the motion. The FinCom votes 3-1 (with Steve opposed) to recommend approval. Jason will write the FinCom's recommendation by noon on Wednesday.

### **Article 41 – Inclusionary Zoning**

Patti reports that the text in the draft warrant is not final, and she will ask Karen Kelleher for the warrant article.

**Article 46 – Iraq**

Patti moves that the FinCom recommend no action on this article, as it will have no direct fiscal impact on the Town of Stow in FY04. Tom seconds the motion. The FinCom votes 4-0 to recommend no action.

**Final article:** The article to be voted last at Town Meeting and requiring that the budget be balanced will be included in the warrant.

The meeting adjourned at 10:00 p.m.

**NEW ACTION ITEMS:**

- \* First thing Wednesday morning, Steve will let Paula Bruno know that additional changes to the FinCom’s warrant article recommendations are coming.
- \* Steve will get additional warrant article changes to Paula on Wednesday.
- \* After Town Meeting, Patti will ask Bill Wrigley to attend a regular FinCom meeting to discuss the schedule for making budget documents available to the public.
- \* FinCom members will review Greg Jones’ proposed Stabilization Fund Policy and will come to the next meeting with specific comments for Greg.
- \* Steve will write the FinCom’s recommendation on Article 5 for inclusion in the warrant.
- \* Jason will write FinCom’s recommendation on Article 41 for inclusion in the warrant.

Respectfully submitted by Laura Rome