

Members Present: Jo Lown, Chair, F. Robert Brown, Brigitte Casemyr, Judy Lucas, Ian Johnson (arrived 7:03 p.m.), John E. Arnold, Kevin Cronin, Michael Meachen. Absent: Bill Linnane.

At 7:00 p.m. Ms. Lown called the meeting to order in the Selectmen's Meeting Room.

Open Forum

There were no requests to address the committee.

Town Manager

Jim Malloy, Town Manager, met with the committee to discuss current issues in town budgets.

- *FY09 / FY10 financial update*

FY09 – books are closed. Free cash estimate is not yet available.

FY10 – FY10 budget will need to be reduced by \$341,000, due mostly to a \$210,000 reduction in state aid, a \$101,000 reduction in local receipts because of lower excise tax collections, investment income, and hotel/motel tax collections, and a \$75,000 reduction in the new growth estimate. Much of this can be taken from the Town Insurance Expense Account, as the town has saved \$150,000 by participating in the MIIA Rewards Program, and other insurance savings in the Casualty/Property and Workers Comp Insurance costs. Mr. Malloy presented a sample of the warrant he will be preparing for Fall Town Meeting.

Other financial warrant articles will include transfers of funds to pay higher than expected electrical expenses.

Mr. Malloy will begin discussion on hotel and meals taxes at the next Board of Selectmen meeting, so that the Board can make a decision prior to Fall town meeting on whether to propose adoption of these tax increases. Massachusetts DOR web site lists 26 towns that have passed the tax so far. The increases would also need to be passed by the town legislative body (ATM) so many towns were not able to meet the 8/31 deadline for 1st quarter payments due to scheduling of town meetings. Projections from DOR estimate \$369,000 from meals tax and \$120,000 from hotels tax for Westborough, although this estimate may be low.

Department heads have until 9/13 to submit article requests to Town Manager.

- *Legislative & other issues*

Quinn Bill funding is unclear. Not funding this may leave town open to lawsuits. Mr. Malloy suggests encumbering the funds necessary to pay Quinn Bill expenses. Westborough's collective bargaining agreement clearly states that if the state does not fund 50%, the town is not responsible for the state's portion, but it is not clear that this will absolve the town of responsibility for these commitments. Mr. Malloy will bring this issue to the Governor's Local Government Advisory Committee (which he attends as a representative of the Massachusetts Municipal Association's Fiscal Policy Committee) next Tuesday, in hopes of convincing the Governor to act on this.

- *Public safety building; flood*

The July flooding was caused by a localized storm, and so total damages for the affected areas do not meet minimum figures for FEMA or MEMA funding. The drainage evaluation funded by an

Article passed at ATM 1 year ago for Jack Straw Brook has been completed. The Board of Selectmen is expected to put an Article on the Fall Town Meeting warrant for remediation to the Warren Street area which is estimated to cost \$600,000. The Conservation Committee still has some questions which will need to be resolved, and DEP approval will most likely be needed for any changes in the flood control area. There may be grant funding available for projects that will take homes out of the federal flood insurance program.

An Article requesting funding to build the Public Safety Building will be placed on the warrant. The cost to send this project to bid is \$150,000. The Municipal Building Committee has decided the cost estimate done in December 2008 is sufficient and so a new estimate will not be done for the Fall Town Meeting. Several hundred bidders submitted applications for pre-qualification and they are being reviewed.

At this time, there are two other articles on the warrant: one will deal with shade trees, another will deal with maintenance requirements and ownership of foreclosed homes.

The Council on Aging would like to have the senior work program cap increased to \$2,000. Currently there are 47 seniors working in town offices.

Mr. Brown asked if there are any estimates on expenses coming up in the next 3-4 years. Mr. Malloy will have his analysis done by the Spring 2010 ATM. Mr. Arnold noted that the Capital Planning Expenditure committee plan should also have accurate information on this.

Mr. Malloy and Mr. Walden, DPW Manager, will be working on a management plan for all town roads similar to that currently available for Sturbridge. This rates current condition of all roads, but planning is often difficult as requests from utilities to lay conduit under the road surface are not always coordinated.

2009 Fall Town Meeting Schedule

- *Date: Monday, Oct. 19, 2009*

Ms. Lown asks committee members to notify her if they are unable to attend this meeting.

- *Article submission by Sept. 11, 2009*

Draft Warrant should be available by Monday, September 14.

- *Warrant closed (Selectmen) Sept. 22, 2009*

- *Proposed AFC Meetings: Mon. 9/21/2009; Thurs. 9/24/09; Mon. 9/28/09; Thurs. 10/ 1/09; Mon. 10/5/09; and / or Thursday 10/8/09.*

Mr. Malloy will discuss schedule with the Board of Selectmen to coordinate meeting scheduling and timing of printing for Booklet. Mr. Johnson suggests scheduling AFC presentations for warrant articles over two meetings only.

- *AFC Town Meeting Report & Recommendations*

Committee members and Mr. Malloy discussed production of the Advisory Finance Committee Booklet, with special note made of the independence of the Committee and its report and recommendations to Town Meeting. A summary section for each warrant article may provide useful information to voters. Mr. Malloy is also working on a 10-year history of town finances, and will be using this information to prepare a 5-year forecast.

Approval of minutes – Meeting No. 1, July 13, 2009.

Mr. Johnson moved to approve the minutes of meeting No. 1, July 13, 2009. The vote to approve the minutes was 8 in favor, with 8 being present.

Chair Reports

- *FY09 Reserve Fund transfer*

Ms. Lown presented further information on the transfer request voted on at the July 13 meeting. The deficit was due to the unexpectedly large increase in the CPI. At year end, the contractual services line item was over budget by a little over \$101,000. Almost 80% of this deficit was made up by savings in other areas, but at year-end, two invoices remained to be paid – one for Electricity and one for Legal Services. Neither of these line item accounts was technically “over budget” but because they remained outstanding they were identified in the reserve fund transfer request. Of the \$22,100.76 transferred, \$17,403.53 was assigned to the Legal Services line and \$4,697.23 was assigned to the Electricity line.

- *Liaison Assignments FY10*

Ms. Lown went over Liaison requests and assignments for FY10. Ms. Casemyr and Ms. Lucas are assigned to schools. Mr. Arnold and Mr. Johnson will attend School Committee meetings as needed. Mr. Arnold is assigned to Police, Fire, and Municipal Building Committee. Mr. Meachen is assigned to Youth and Family Services. Mr. Cronin is assigned to Cultural Council, Veteran’s Services, and Trustees of Soldiers Memorials. Mr. Johnson is assigned to DPW. Ms. Lown will update and send out the final list to the members.

- *Association of Town Finance Committees (ATFC) Annual meeting: Saturday, October 24 2009, 9:00am - 2:45pm.*

Committee members will need to confirm attendance before the deadline of October 9th.

Capital Expenditure Planning Committee - FY10

Finance Committee representative: Ms. Casemyr agreed to continue as representative if no one else volunteers, Mr. Cronin also expressed interest. Committee members will wait for the final list of Departmental Liaisons before volunteering for this service.

Liaison Updates

- Ms. Casemyr will attend next WWTP Board Meeting.
- Ms. Lucas reported that the School Committee is facing a \$160,000 to \$175,000 shortfall for this year, due to paying for one unexpected out of district placement and the need to add two paraprofessionals. The School Committee may need to ask the Advisory Finance Committee for a transfer from the Reserve Fund to cover these costs. There were no contingencies put into the Special Education budget this year, so these unexpected additional costs are not currently funded. Ms. Lucas also distributed some information on participation in the State GIC program.
- Mr. Johnson will contact John Walden to ask about flood cost estimate and plan for covering these costs.
- Mr. Arnold did not have any new information about the Government Study II Committee. He suggested tabling discussion of the reports that were presented to the Board of Selectmen last spring until after Fall town meeting.

Comments and Concerns of Committee Members

Mr. Meachen reminded committee members about several open Personnel Board issues that need to be followed up. Mr. Brown will be Liaison this year, and will discuss issues with Mr. Meachen.

Ms. Lown requested committee members prepare a report from last year's Liaison assignments for the new Liaisons.

Mr. Brown asked the protocol for asking questions at the meeting.

Adjournment

Ms. Lucas moved to adjourn the meeting at 8:30 p.m.