

Members Present: Jo Lown, Chair, F. Robert Brown, Bill Linnane, Brigitte Casemyr, Judy Lucas, Ian Johnson, John E. Arnold, and Kevin Cronin. Absent: Michael Meachen.

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.

### **2009 Fall Town Meeting Warrant Review**

#### **Article 16. Local Option Meal Excise Tax Increase and Article 17. Local Option Occupancy Tax Increase**

The Board of Selectmen is the proponent. Jim Malloy will be attending the AFC meeting on October 5<sup>th</sup>, so committee will defer vote on a recommendation until then. Mr. Arnold would like to hear from someone who is in favor of this, and to ask how realistically revenues can be projected. Ms. Lown noted that projected revenues are stated by the State DOR. Mr. Arnold questioned how these changes would affect the amount people spend in hotels or restaurants in Westborough. Mr. Arnold also questioned the additional services and associated costs that are provided to visitors who stay in Westborough hotels or eat in Westborough restaurants that are not already factored into the real estate tax, water/sewer fees, and other taxes/fees paid by the hotels/restaurants..

Mr. Johnson noted that Mr. Malloy is not actually the proponent of these policies; the Board of Selectmen put these articles on the Warrant. The Committee consensus is to have a member of the Board come to a meeting. Ms. Lown will request this information.

### **Liaison Updates**

Mr. Johnson has distributed to committee members the response from John Walden's office about the costs of repairs for the July rain storm. Total cost of the repairs came to \$56,107 out of DPW general funds, and \$14,936 from sewer enterprise fund. The DPW encumbers full monies for electricity, heating, and phones at the beginning of the year, and Mr. Johnson will follow up about this as the DPW is the only department that does this. Ms. Lown will follow up with Jim Malloy on the transfer of funds to an enterprise fund.

### **School Committee and School Department**

#### **ARTICLE 15 Special Education costs**

Dr. Anne Towle and Karen Henderson presented a budget overview and Warrant Article 15 request for \$160,000.00. School Committee members Bruce Trettor, Steve Doret, Elyse Levine-Kanji, and Craig Harris, and School Department Director of Business and Administration Dan Hendricks were in attendance. Dr. Towle noted that the School Department was one of few departments that got an increase last year and they are grateful for that. The School Department's \$38,255,000 budget includes 81% (\$30,964,671) in salaries so a level funded budget is not a level service budget. The Department reduced 28 positions (over 20 FTE's) with some paraprofessional positions cut from 1.0 FTE (full time) to 0.8 or 0.9 FTE. The original ARRA funding estimate was reduced after ATM. The Commonwealth used stimulus funds to shore up Chapter 70 funding in the 2008-09 academic year, and required the Department to write a grant

requesting \$466,000 to recover the reductions. These funds were then used for 4<sup>th</sup> quarter FY09, rather than FY10 as had been expected, leaving a reduction of \$466,000 for FY10. There will not be any ARRA stimulus funds available for FY11. The Massachusetts Association of School Superintendents projects that next year there will be a 12% reduction in state funding.

Projections for FY11:

Expenses:

- Steps and lane increases \$602,733
- Transportation contract is up this year, so this will be discussed this year, with possible changes made to the policy. Expected increase of 5%, even with lowered services.
- Out-of-district placements – anticipate 5% increase \$100,000

Revenue decreases:

- IDEA funds \$406,252
- Stimulus \$99,127
- Chapter 70 \$466,166

A level service budget would require an increase to the budget of \$1,760,496

A 2½% budget increase would be \$956,388

All union contracts are up this year. If all Westborough school employees (union and non-union personnel) received a 1% salary increase the cost to the Department is \$300,000

The current request is for \$160,000 to pay for 1 out-of-district placement (\$100,000 for tuition and transportation), plus two new students from out-of-state (so sending district not responsible for costs) who require paraprofessionals at a cost of \$60,000. Last year's budget had removed contingencies for this budget line.

Ms. Henderson explained that the committee had expected that the Chapter 70 funds and stimulus funds, combined with the 1.3% increase from the town, would be closer to a level-service budget increase of 4.5%. At the end of the process the federal and state funding was \$1,098,000 less than projected. Mr. Doret noted that the budget forecasts for next year do not come close to level-funding.

Ms. Lown asked if the funds currently encumbered for other expenses and Articles can be used for these costs. Mr. Hendricks is working on resolving an issue with a vendor for one encumbrance which should be resolved by December. All other planned expenditures will be spent. Mr. Doret notes that even transferring funds would only delay the budget shortfalls. The school and the town need to make decisions that will allow living within their means. Mr. Doret also noted that most of the capital expenditure requests are for maintenance of school buildings which will need to continue to be done.

School Committee is being very proactive about these issues. They have a subcommittee for electricity which has found savings and kept the energy costs level funded. They have a transportation subcommittee to look at transportation costs, and a fee subcommittee to look at athletic and activity fees. They also have a subcommittee looking at grant possibilities. Mr. Linnane noted the use of smaller buses in some areas of town, which must save some money, and commended the School Committee on their efforts. Ms. Henderson and Dr. Towle agreed that there may be areas that could be cut, while continuing to provide services mandated by the state. Dr. Towle also noted that the current contract for Special Education transportation negotiated

through the Collaborative has been very good, and has improved the quality of the service and lowered costs. Ms. Lucas noted the current population is 3600, with 35 more high school students than expected. More students with Special Needs moved into town over the summer. The net school population is level. Westborough School District has a very good reputation, and has received much notice for providing a high quality education. Westborough students have received high scores on standardized tests (MCAS, SAT, ACT, AP.)

Mr. Johnson asked what the impact would be if the town did not vote in favor of the Article. Dr. Towle feels this would result in layoffs, most likely be from support personnel (custodian, paraprofessionals.) The supply budget was already cut last year, so there is no room in that line. Dr. Towle noted that all supply purchasing is done at this point. Mr. Doret noted that the Article was put on the Warrant to allow discussion by the town of the changes that would be needed in town, and even if the funding is not approved the discussion needs to happen.

Mr. Arnold agreed that this is an opportunity to discuss the way Special Education and all education is funded, and for the Legislative Liaison Committee to speak with our legislators about finding a better solution to this problem. This is a bigger issue than this one article, but if we as a society determine that all children should be educated to the best level they can achieve, then there needs to be a better method of funding this. Dr. Towle noted that next year more funds will be lost to Charter Schools, even though the district is considered to be good. For each student who goes out of district, the town loses funding equivalent to that of 6 students who stay in district.

Mr. Cronin asked about the funding for paraprofessionals, as the salaries listed for the position are less than \$30,000. Mr. Hendricks explained that the \$30,000 includes some funding for Occupational and Speech Therapists.

Ms. Levine-Kanji noted that the cuts to personnel were extremely painful for the committee to make. They worked very hard to make these cuts in the places where they would have the least effect on students. Mr. Doret noted that the 28 positions cut are unlikely to be recovered in the near future.

#### **Country Club Operating Committee, John R. Arnold**

##### **Article 14. Drainage**

The request is for \$20,000 to come out of the Country Club Enterprise Retained Earnings. Over the last 8 years they have built a new maintenance building and done extensive drainage improvements on the course itself. This has made the course useable even during rainy periods. The last stage of the drainage improvements will take the runoff that comes down off the course away from the parking lot and the fairway. Mr. Brown asked whether Country Club Operating Committee has been working with the Conservation Commission, and Mr. John R. Arnold affirmed their cooperation. AFC member John E. Arnold reminded townspeople that the Country Club is a self-sustaining operation which uses funds earned (from memberships and fees) to cover all costs. Mr. John R. Arnold noted that the fees for this year were lower than normal, and that the membership waiting list is down. The construction work would be done in November or December.

#### **Municipal Building Committee**

##### **ARTICLE 8 Public Safety Complex.**

Committee members George Barrette and John R. Arnold, and Onsite Project Manager Peter Collins, Heery Engineering, presented Article 8 request for \$30,000,000 for the project.

The requested amount was determined using the current estimate for design development (middle phase of estimating) done in January 2009 as a cost-saving measure. They will compare this estimate with the Architect's estimate to reconcile any cost changes that may have occurred. There have been no changes to the design for the building which was prepared for Spring ATM.

Ms. Lown asked if there would be added cost or savings in delaying the project. Mr. Collins noted that the market at this point would probably mean no significant change in the next 6 months, but a one-year delay would be more difficult to project. There is a competitive market for bidding at this time, and prices for materials seem to be stable at this time.

Mr. Johnson asked the process for approval for this article. Mr. Barrette explained that this would be a borrow, which would require a debt-exclusion override vote. Debt exclusion requires a 2/3 vote at ATM, and if approved would trigger a special election on the debt exclusion which would be held in January at the same time as the state election for Senator. The election needs to be held within 90 days of the close of the ATM but the election date currently scheduled would be 3 days later. One possibility would be to adjourn STM to a later date, so the election date falls within the 90 day requirement. Ms. Lown noted that the debt-exclusion would be only for the debt for the specific purpose and not the general levy limit..

Mr. Linnane asked the time line, if the debt-exclusion is held in January 2010 and passes. Mr. Collins felt it would be possible to break ground on the project by April 2010, allowing February and March for bidding.

Mr. Barrette noted that the Municipal Building Committee has applied for grants of \$3,000,000 each for the Police Department construction and Fire Department construction, and may have news of these for STM.

Ms. Lown asked what the Committee will do if the Article does not pass at Town Meeting or the special election. Mr. Barrette stated the committee would hope the economy improves and would continue to bring the Article to the town every year until it gets passed. Mr. J.R. Arnold noted the current design should be good for five years. Mr. Johnson noted that much maintenance has been deferred in the Fire Station, and may need to be done now if the building is to continue to be used for any length of time.

Mr. Linnane asked about savings from materials recovered from the old Fire Dept. Mr. J.R. Arnold reported that the Historical Commission would like to save some of the granite lintels from windows, some of the slate from the older section of the roof, and the whistle. This will be a cost to the town, as the contractor will have to charge for this. Generally when a contractor is hired to demolish a building they own the building first, so any parts of the building they need to save will need to be adjusted in the contract for demolition. Mr. J.R. Arnold will meet with the Historical Commission to discuss this.

Ms. Casemyr asked if moving the departments to the new location is included, and Mr. Collins stated that it is.

Mr. Johnson noted the \$30,693,721 total estimated cost and asked if this took into account the funds already appropriated by the town, so the total cost of the building will be more than \$30M. Mr. Cronin asked about the technology number, and if this includes all new fixtures, furniture, and equipment. Mr. Collins noted that the technology estimate is a fixed 3% of total cost (based on data from past projects) of the building rather than a specific design for this purpose. This number will be finalized at the time the project is fully funded as these types of costs can change

more rapidly. Ms. Lown asked about the possibility of re-using some of the materials already in the current building, and Mr. J.R. Arnold stated this would be more costly. Mr. J.E. Arnold asked if this cost is already on the Capital Expenditures Plan, and it is. Mr. J.R. Arnold noted some furnishings would be saved, and Chief Perron noted that turnout racks and heavy duty washer as well as some other furnishings would be moved. Mr. Collins stated that any technology that is still current would be reused.

Ms. Lown asked about any cost savings from having a combined Dispatch Center, and Chief Perron noted that there will be one Center with two rooms and two dispatchers at all times, as a public safety issue. Mr. Linnane commended the committee and the chiefs on doing an excellent job on the design for the needs of the two departments. Mr. Linnane and Mr. Johnson think there will be some efficiencies in the new building, although it will be much larger than either of the two current buildings in use, but that the savings may not be realized immediately. Mr. Brown asked if Chief Perron could estimate the costs that will be required to repair the current Fire Department and build a substation. Chief Perron does not feel qualified to make actual estimates, but will distribute information that was prepared previously. Mr. Johnson noted that there are a number of repairs and maintenance that has been deferred in anticipation of building a new building, and if this does not go forward there will be costly repairs that need to be made. Mr. Linnane also noted several issues in the Police Department that will need to be addressed.

Ms. Lown will ask Joanne Savignac, Town Treasurer, when this cost would likely appear on tax bills.

Mr. Johnson asked about the cost of this project for the size of the town. Mr. Collins noted this is in line with other towns, middle of the range in cost/square foot. He feels this is a well thought out design. It is also well fit to the site. Mr. Johnson asked if this size building is in line with what is being built in like-sized communities. Mr. J.R. Arnold says the Fire Department is not likely to grow appreciably in number of vehicles, although the Ambulance Corp may grow. Mr. J.R. Arnold noted snow removal may be more costly due to the lack of places to pile the snow so it will require removal.

Ms. Casemyr asked if Heery Engineering will continue on the project to monitor the work of the construction contractor. Mr. Collins said there will be onsite quality control and coordination of efforts with the contractor, and they will continue to meet with committee and monitor progress of the project.

Mr. Cronin asked about the Building Inspector costs included in the estimate, as this is a municipal project and would not be charged for inspections. Mr. Collins noted that line 5.3 is for a contractor to do materials testing, but line 6.4 would be removed.

Mr. Cronin asked about expansion possibilities. Mr. J.R. Arnold noted that an addition could be made to the back of the building by adding another floor.

Mr. J.E. Arnold asked about the time line and cost of the potential free space in the Forbes Building, and feels someone should be prepared to answer this.

Mr. Linnane asked if the presentation at STM will include the OPM and/or Architect. Mr. Collins said he will attend with the Architect, in order to answer any questions. Mr. Linnane thanked the committee for the excellent job they have done.

#### **AFC Report and Recommendation to the Town Meeting**

Committee Report – Letter to town voters. Ms. Lown will write up the draft for review by Thursday and asked members to provide language.

Ms. Lown will request the revenue estimates detail and the projected warrant expenditures. Mr. Johnson requested a side-by-side comparison with the recap presented at the spring ATM.

Mr. Harrington will send his letter for the booklet.

Ms. Lown would like to have all materials for the booklet by October 5<sup>th</sup>, and will plan to go to print on October 8<sup>th</sup> or 9<sup>th</sup>.

Ms. Lown asked committee members to send any additional definitions for the glossary.

The Board of Selectmen has requested the AFC add the recommendations of the Board on each Article to the AFC booklet as listed in the Town Manager's notes. Mr. Johnson supports this idea. Mr. Brown and Ms. Lucas also support this.

Ms. Lown asked committee members to consider in what form the recommendation should be made. Mr. Arnold suggested adding to the end of the AFC recommendation "At its meeting of [date] the [board] voted to [recommend/support] etc." and that any relevant town board could add a recommendation. Ms. Lown agrees with adding the date of the vote taken by the recommending board.

Mr. Arnold requested the Proponent of each Article be moved higher in the Article. He notes this information is not included on the posted warrant for this meeting.

The Board of Selectmen has also requested the AFC include the summaries provided by the Town Manager. Ms. Lown questioned whether the summaries could be written in a manner that would be neutral. She would prefer to attribute the text to the Town Manager, and she is concerned about putting the summaries in a box, as that draws attention to the text in the box rather than the Article. Ms. Lucas volunteered to speak with the Town Manager to edit the summaries if needed. Committee members discussed the value of and disadvantages of the summaries.

Ms. Lucas moved to have the AFC review the Town Manager's summaries with him to the AFC's satisfaction, and to include the summaries in the AFC booklet.

Vote to approve the motion is 6 in favor with 2 opposed (Arnold, Lown)

Mr. Arnold and Ms. Lown oppose the implicit vote to include them in the booklet prior to having the final versions.

Ms. Lown requests the committee review the summaries and send any questions or comments to Ms. Lucas for discussion at the next AFC meeting.

Ms. Lown moves to include the recommendation of the BOS in the booklet, and any other department who may have voted on an Article. Mr. Arnold amends the motion to include the date of vote also.

Vote to approve the motion as amended is unanimous, with 8 in favor.

### **Scheduling and assignments**

October 1 – Marianne Bilodeau, Lydia Goldblatt (possible)

October 5 – Jim Malloy

Voting on recommendations will begin on October 1<sup>st</sup>.

Ms. Lucas will review the summaries and Mr. Meachen will review the spreadsheets. Mr. Johnson and Mr. Cronin will do the final proofreading.

#### **Liaison Updates**

Mr. Linnane will follow up with John Walden on the tree farm, and on the options provided in the drainage study for the Warren Street project.

Ms. Casemyr attended the WWTP Board Meeting. The Wastewater Treatment Plant construction project is on track. Construction has begun, and WWTP Board is very pleased with work so far.

Ms. Lown spoke with Joanne Savignac. The rate of collections on property tax is somewhat down, but payments are coming in and Ms. Savignac is aware of only one foreclosure notice pending, so ARTICLE 11, Abandoned and Foreclosed Property Registration, appears to be proactive rather than reactive. Borrowing for the WWTP project is still undetermined as to the interest rate offered by the SRF (0% or 2%.) There has been some borrowing for architectural and design services for the plant, but not for construction. Ms. Lown will ask for the combined cost of all borrowing.

#### **Capital Expenditure Planning Committee - FY10**

Mr. Cronin volunteered to represent the AFC on the Committee. Mr. Johnson nominates Kevin Cronin as the AFC appointee to the Capital Expenditure Planning Committee for this year. Motion carries with a vote of 7 in favor, and 1 abstention (Cronin)

#### **Comments and Concerns of Committee Members**

Mr. Arnold will not be able to attend the AFC meeting on Thursday.

Mr. Linnane is unable to attend the Association of Town Finance Committee training. Mr. Brown and Mr. Meachen will attend.

Ms. Casemyr noted that in the Town Manager's summary for Article 1 it is noted that the Local Receipts collected for Hotel/Motel Tax is down from the amounts estimated at the time the budget was adopted by Town Meeting.

#### **Adjournment**

Ms. Lucas moved to adjourn the meeting at 10:15 p.m.