

Westborough Advisory Finance Committee  
Minutes of Meeting No. 15, FY2011  
February 17, 2011

Approved  
February 28, 2011

Members Present: John E. Arnold, Chair, Brigitte Casemyr, Bill Linnane, Jo Lown, Ian Johnson, Ed Behn. Absent: Peter Allen, Jim Tepper. (Currently, there is one opening on the Committee.)

At 7:05 p.m. Mr. Arnold called the meeting to order in the Selectmen's Meeting Room.

### **Call to Order/Open Forum**

There were no requests to address the Committee.

Mr. Arnold announced the resignation of AFC member Kevin Cronin and thanked him for his service to the Town.

### **Approval of Minutes**

#### **Meeting No. 14, February 10, 2011**

Ms. Lown and Mr. Linnane had emailed corrections to the minutes. Mr. Linnane moved to accept the minutes as amended. The vote to approve the minutes is 4 in favor, 2 abstentions (Casemyr, Johnson), with 6 being present.

### **Discussion/Action on Request for Transfer from Reserve Fund**

#### **DPW Request**

Mr. John Walden (DPW Manager) appeared before the Committee to present the DPW's request for a transfer from the Reserve Fund to 14203-5205 DPW General Budget, in the amount of \$30,564. These funds would be used to purchase a new Ford F350 pickup truck to replace an existing vehicle which (a) has had a major transmission failure and (b) was scheduled for replacement in next year's capital plan. Mr. Walden explained that as the existing vehicle now requires extensive repairs, it is more cost-effective to go ahead and replace it. The old vehicle would be auctioned off in the spring, and any salvage value would go into the General Fund.

Ms. Lown noted that the decision to replace a vehicle is normally made at Town Meeting, and was concerned about bypassing this process. She added that departments usually reduce their budgets in other areas to pay any unforeseen costs; any shortfall is then addressed at the end of the year. There was some discussion as to whether this is a safety issue, as this vehicle is used for snow removal. Mr. Behn pointed out that the Town Meeting approves the Reserve Fund to provide the AFC with some flexibility in dealing with unforeseen situations. He added that the AFC's role is to see to the Town's best interests, and felt it was not in the Town's interest to repair a transmission on a truck already scheduled for replacement. Mr. Linnane noted that, without the vehicle, the foreman assigned to it has no way of performing all aspects of his job – especially if there are more snowstorms this winter.

Ms. Casemyr moved to transfer from the Reserve Fund the sum of \$30,564 to DPW General Budget 14203-5205 and that this will not increase the size of the Town's fleet. The vote to approve the budget transfer request is 5 in favor, 1 opposed (Lown), with 6 being present.

### **AFC Preparations for Annual Town Meeting budget and article reviews**

#### **Departmental budget discussion**

#### **Cultural Council**

Ms. Lynn Watts and Ms. Beth Shuman appeared before the Committee to present the Cultural Council's budget (Expenses - \$2,000), which is in agreement with the Town Manager's recommendation. Ms.

Watts noted that 5,000 people attended Arts in Common last year. She would like to have 100 community volunteers help with next fall's event. Help is needed with vendor contacts, receiving applications, publicity, silent auction, programs, performers, and food. Ms. Shuman explained that the Council's main purpose is to give out grants, which must be applied for by October 15. Ms. Watts noted that Westborough received \$3,870 from the State last year, and that this year the amount would probably decrease. The State and the Town fund the Council's programs. The Committee expressed their appreciation for all the Council accomplishes with a minimal budget.

#### **Overview of OPEB (Other Post Employment Benefits) and relationship to Town's financial position**

Ms. Lown reviewed the materials she had distributed concerning OPEB. She explained that there are two post-employment benefits, the first being pensions, and the second, "Other Post-Employment Benefits" (OPEB), which are basically health benefits (providing health insurance plans to and partially subsidizing their cost for the town's retired employees). The concerns are whether pensions are properly funded, and with the rising costs of health insurance, the funding of the Town's health insurance obligations going forward.

There was some discussion as to how the Town was addressing or should address the eventual requirement for funding its pension and health insurance obligations. Mr. Behn noted that Westborough had at least set up a fund at its last Town Meeting, but felt action was needed to address this issue, and that town residents should be made aware of it. Mr. Arnold asked Ms. Lown, Mr. Behn, and any other interested Committee members to summarize this issue for inclusion in the Town Meeting booklet.

#### **Review of Budget Background Information Request documents received so far**

Mr. Arnold thanked the 19 Town department heads and committees who have taken the time to complete the Background Budget Information sheets so far. He feels it has been a valuable exercise and is very helpful at providing a brief narrative look into the budgets.

The Committee reviewed each department's readiness/need to meet, and the meeting schedule so far.

Ms. Casemyr distributed and reviewed information on the School Department's budget. The School Committee is planning to vote on their budget April 13<sup>th</sup>, and negotiations with all unions have just begun. They will meet with the AFC on April 14<sup>th</sup>, after their budget vote. Ms. Casemyr noted that Westborough receives significantly fewer funds through Chapter 70 than surrounding communities of a similar size due to a flaw in the State's formula and how that formula is funded. The State has acknowledged the flaw, but has not addressed it adequately.

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

Ms. Casemyr felt it would be useful to include in the warrant booklet, after each article, what the tax rate would be if that article were approved. The Committee discussed including a set of charts and graphs in the booklet to help show the overall impact of budget articles. Ms. Lown will ask former Committee member Michael Meachen for his assistance in preparing the graphs.

Ms. Lown noted that the unemployment rate for Westborough as of December 2010 is 6%, an improvement from the 7.5% rate this time last year (although not back to January 2009's rate of 5.6%).

Mr. Linnane noted that a layout of the State Hospital land is now posted on the Town's Planning Board Web site, showing hiking paths, buildings, and the anticipated use of the land.

#### **Adjournment**

Ms. Casemyr moved to adjourn the meeting at 9:00 p.m. Vote to adjourn was 6 in favor, with 6 being present.

**Document List**

Mr. Cronin's AFC resignation letter of 2/13/11.  
AFC Liaison Status FY2012 ATM Prep document.  
AFC Budget Background Info sheet, Accounting.  
AFC Budget Background Info sheet, Advisory Finance Committee.  
AFC Budget Background Info sheet, Animal Control.  
AFC Budget Background Info sheet, Assabet Valley School District.  
AFC Budget Background Info sheet, Assessors.  
AFC Budget Background Info sheet, Central Purchasing.  
AFC Budget Background Info sheet, Communications.  
AFC Budget Background Info sheet, Country Club Operating Committee.  
AFC Budget Background Info sheet, Fire/Ambulance.  
AFC Budget Background Info sheet, Historical Commission.  
AFC Budget Background Info sheet, Legal Department.  
AFC Budget Background Info sheet, Library.  
AFC Budget Background Info sheet, Moderator.  
AFC Budget Background Info sheet, Police Department.  
AFC Budget Background Info sheet, Recreation.  
AFC Budget Background Info sheet, Town Insurance.  
AFC Budget Background Info sheet, Treasurer/Collector.  
AFC Budget Background Info sheet, Trustees of Soldiers Memorials.  
AFC Budget Background Info sheet, Weights and Measures.  
AFC Budget Background Info sheet, Youth Commission (Youth & Family Services)  
AFC Budget Background Info update as of 2/15/11.  
OPEB overview, prepared by Jo Lown.  
Snow & Ice Budget update.