

Westborough Advisory Finance Committee
Minutes of Meeting No. 30, FY2011
April 28, 2011

Approved
May 4, 2011

Members Present: Brigitte Casemyr, Peter Allen, Bill Linnane, Jo Lown, Ian Johnson, Ed Behn. Absent: John E. Arnold, Jim Tepper, Kathy Rosenblum Senie.

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

Call to Order/Open Forum

There were no requests to address the Committee.

Approval of Minutes

Meeting No. 23, March 31, 2011

Ms. Casemyr and Mr. Linnane requested some corrections to the minutes. Mr. Behn moved to accept the minutes as amended. The vote to approve the minutes is 5 in favor and 1 abstention (Lown), with 6 being present.

Meeting No. 24, April 4, 2011

Mr. Johnson moved to accept the minutes. The vote to approve the minutes is 6 in favor, with 6 being present.

Meeting No. 25, April 7, 2011

Mr. Allen had emailed corrections to the minutes. Mr. Johnson moved to accept the minutes as amended. The vote to approve the minutes is 6 in favor, with 6 being present.

Meeting No. 26, April 14, 2011

Mr. Linnane had emailed corrections to the minutes. Ms. Lown would like to add some language. Vote deferred.

Meeting No. 27, April 18, 2011

Mr. Linnane moved to accept the minutes. The vote to approve the minutes is 4 in favor, 2 abstentions (Lown, Johnson), with 6 being present.

Meeting No. 28, April 21, 2011

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

AFC Preparations for Annual Town Meeting budget and article reviews

Town Moderator – Town Meeting update

Joe Harrington, Town Moderator, appeared before the Committee for a Town Meeting update. Mr. Harrington will provide three pages of comments for the back of the booklet. He explained that if residents request reductions in the budget at Town Meeting, he will expect them to have specific numbers for particular line items. Ms. Lown felt that care must be taken making changes to the budget when the town is so close to excess levy. Mr. Harrington would like to emerge from Town Meeting with a budget within the current estimate. He also reminded residents that the meeting will start at 1 p.m. sharp. Mr. Harrington will be holding a post-Town Meeting meeting to give opportunity for feedback on May 24th, at 5 p.m., directly prior to the Board of Selectmen meeting. He also noted WestboroughTV's useful "Town Meeting for Newcomers" link on the Town's Web site.

Personnel Board

Kathy Wilfert and Sue Abladian appeared before the Committee to present the Personnel Board's warrant article. Ms. Wilfert explained that Article 5 is an adjustment in the Salary Schedule to allow for a 1% pay increase for hourly and salaried non-union employees. Initially there was no increase planned, but Town Manager Jim Malloy recommended this increase as there was a very small impact on the budget. Ms. Wilfert felt this was appropriate, as these employees did not receive an increase last year. Mr. Behn

pointed out that employees at the maximum step would get only the 1% increase, while other employees would get their step increases in addition to the 1% increase. Ms. Wilfert explained that this issue has been raised in the past. She added that there are only a small number of employees who are getting step increases. Ms. Abladian thought about 48 town employees are non-union and would fall under this schedule. Ms. Wilfert added that this would include department heads, some assistants, and any confidential aides. She will have a more definite figure for Town Meeting. Ms. Lown wondered if there should perhaps be a separation of those who would not otherwise get an increase from those who would already be receiving step increases. Ms. Wilfert agreed that this was an issue which could be discussed with the Town Manager for the next fiscal year.

Regarding the Council on Aging's request for an increase of hours, Ms. Wilfert told the Committee she was not aware of this request. She explained that currently the classification schedule for this position allows only 19.5 hours. Ms. Wilfert noted that even if Town Meeting appropriated funds to increase the position to 25 hours, the Personnel Board would have to approve a new classification schedule to allow the increase—unless the Council made it a union position, an action that would circumvent the Personnel Board entirely. She added that in FY07-08, the option was provided for the Council to have two 19-hour positions.

Chairman, Committee Liaison, and Department Liaison Reports/Comments & Concerns

Ms. Casemyr noted the welcome news of the approval in the House for changes in health care participation. Ms. Lown added that the law would simply require municipalities to meet or exceed state healthcare plans. Mr. Allen mentioned the Spring Festival taking place this weekend, Apr. 30th-May 1st.

Building Commissioner

Tin Htway, Building Commissioner, appeared before the Committee to provide more detail about Article 8E. He explained the Building Department's responsibilities: enforcing State-mandated requirements, handling plan reviews, issuing permits, performing inspections, interpreting town bylaws, and carrying out emergency/disaster assessment programs. Mr. Htway noted that the present out-dated system can take 2-95 days, a costly and discouraging process for companies trying to do business in Westborough. Mr. Htway explained that his department's revenue is user-fee driven—in FY09-10 revenue was around \$500,000. Ms. Lown noted that this revenue goes not to the department but to the General Fund.

Mr. Htway noted that this budget item will now be put off until Fall Town Meeting. The best service for the lowest cost was a hosted solution, 12 months for \$11,300-28,500. This software provides options which would serve the Building Department and the Board of Health, with other modules available as needed. The requested \$40,000 would cover the first year's costs; every subsequent year another \$28,500 would be needed to pay for the service. Mr. Johnson noted that if the software is approved at Town Meeting, the ongoing fees would probably be part of the GIS/MIS budget. Mr. Htway is working closely with Mark Stockman (GIS/MIS) on this project. He also explained another option, an on-premises solution, but added that Mr. Stockman felt the hosted option was more cost-effective in the long run. Mr. Htway noted that many other communities in the area have computerized permitting systems, and this system would be compatible with theirs. The Committee advised Mr. Htway to provide a more clear and concise presentation at Town Meeting of the different options with their respective costs, as well as noting one-time costs vs. subsequent costs.

Regarding Article 18, Mr. Htway noted that only businesses in a limited area would be affected, mostly along Rte. 9. The Committee felt the map showing the areas affected would be useful for Town Meeting.

Discussion, deliberation and voting of any departmental budgets and recommendations

The Committee ran through the remaining budgets requiring a vote.

Building Department. Mr. Johnson moves Salaries/Wages of \$271,202, and Expenses of \$35,943. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Legal Department. Mr. Johnson moves to recommend Salaries/Wages of \$125,072, and Expenses of \$48,700. Mr. Allen noted that nothing has been heard from the Board of Selectmen regarding the \$1,200 increase to this budget. Ms. Lown felt this budget already has ample provision for books and other resources without the added increase. Mr. Johnson pointed out that if the line for External Legal Services was expended and more funds were needed, the department would not qualify for an interdepartmental transfer, as it would not be an unforeseen expense. He added that of cuts to various departments made last year, all had been re-instated except for this one. Mr. Johnson's motion does not include the Town Manager's recommended increase. The vote to approve the budget recommendation is 5 in favor, 1 abstention (Linnane), with 6 being present.

Insurance. Mr. Johnson moves Expenses of \$10,315,100. Ms. Lown noted her concern that this line is significantly over-budgeted. She would prefer to reduce it in order to generate less free cash and make any necessary adjustments at Fall Town Meeting. She recommends reducing the amount by \$500,000. Mr. Allen will support the higher number, with the provision that residents should be informed that the budget contains the contingency for 25 more people coming on to the health plan. Mr. Johnson did not feel Mr. Malloy had budgeted this expense to generate free cash and stands by his motion. Mr. Behn felt the numbers as provided by Asst. Town Manager Kristi Williams were reasonable; he is in favor of the motion but feels more data will be needed going forward. Ms. Casemyr felt Mr. Malloy's long-term approach to gradually reduce this budget item as more data is evaluated was the right one, noting the benefits the town has already reaped from the changes made so far. The vote to approve the budget recommendation is 5 in favor, 1 opposed (Lown), with 6 being present.

Police Department. Mr. Johnson moves Salaries/Wages of \$2,619,768, and Expenses of \$104,584. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Fire Department. Mr. Johnson moves Salaries/Wages of \$3,066,892, and Expenses of \$307,514. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Department of Public Works. Mr. Johnson moves Salaries/Wages of \$1,477,329, and Expenses of \$668,758. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present. Ms. Lown noted the good work Mr. Johnson and Mr. Linnane have done on this budget, streamlining line items.

Council on Aging. The Committee decided to vote on the Town Manager's recommendation, and re-visit if necessary once final numbers are known. Ms. Lown moves Salaries/Wages of \$222,099, and Expenses of \$31,424. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present. Ms. Casemyr noted that on Monday the Committee will have more up-to-date data. Mr. Allen felt the Board of Selectmen should be informed that this vote differs from their recommendation.

Historical Commission. Mr. Johnson moves Salaries/Wages of \$18,581, and Expenses of \$5,725. The vote to approve the budget recommendation is 5 in favor, 1 opposed (Casemyr), with 6 being present.

Sewer Enterprise Fund. Mr. Johnson noted a re-vote was needed on the revised Salaries/Wages. Mr. Johnson moves Sewer Operations Salaries/Wages of \$655,049, and Expenses of \$318,771. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Water Enterprise Fund. Mr. Johnson moves Water Enterprise Fund Salaries/Wages of \$512,948, and Expenses of \$1,839,716. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Debt. Mr. Johnson moves Debt Expenses of \$10,449,258. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Country Club. Ms. Lown moves Salaries/Wages of \$7,382, and Expenses of \$445,424. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

School Department. Mr. Johnson moves School \$39,982,853. The Committee noted the good information that was received from the School Department and liaison this year. Mr. Behn, however, felt transparency was totally lacking in this budget. He pointed out that State numbers and School Department numbers don't seem to agree, making it difficult to understand the true cost structure. The vote to approve the budget recommendation is unanimous, 6 in favor with 6 being present.

Discussion, deliberation, voting of any Town Meeting warrant articles and recommendations

The Committee moved on to vote as much as possible on the Warrant.

Article 2. Rule of the Meeting. Ms. Lown moves to recommend the Town so vote. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 3. Town Reports. Johnson moves to recommend the Town vote to receive the reports of the various officers and committees and that the report of the Advisory Finance Committee be acted upon item by item under the various articles of the warrant. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 5. Wage and Salary Schedule. Mr. Johnson moves to recommend the Town so vote. The vote to approve the article recommendation is 5 in favor, 1 opposed (Lown), with 6 being present. Ms. Lown felt maximum-step employees should be separated from step employees, although she does agree with giving a 1% increase to those at max.

Article 7A. Revolving Fund (Fire Department). Mr. Johnson moves to recommend the Town so vote. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 7B. Revolving Fund (Youth & Family Services). Mr. Johnson moves to recommend the Town so vote. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 7C. Real Estate Tax Exemptions. Mr. Johnson moves to recommend the Town so vote. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 7D. Ms. Lown would like to skip this article. Mr. Johnson added that because it now reads, "raise and appropriate or transfer," the motion must state which one.

Article 7E. 4th of July funds. Ms. Lown noted that this is the only article which is raise and appropriate rather than free cash. Mr. Johnson thought it might be because this is a recurring article. Mr. Johnson moves to recommend the Town vote to Raise and Appropriate the sum of \$2,500 for the purpose of this article. The vote to approve the article recommendation is 4 in favor, 2 abstentions (Allen, Linnane), with 6 being present.

Article 7F. Revolving Fund (Emergency Planning). Mr. Johnson moves to recommend the Town so vote. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 7G. Road Improvements. Mr. Johnson moves to recommend the Town vote to transfer from available funds the sum of \$812,143 for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 8A. Defibrillator/Monitor Purchase. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$30,000 from Free Cash for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 8B. Thermal Imaging Camera. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$40,000 from Free Cash for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 8C. Vehicle Purchase. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$40,000 from Free Cash for the purpose of this article, and that the size of the town's vehicle fleet will not increase because of this purchase. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 8D. Police Cruisers. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$79,730 from Free Cash for the purpose of this article, and that the size of the town's vehicle fleet will not increase because of this purchase. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 8E. Permit Tracking Software. The Committee felt there was incomplete information on this article. Mr. Behn noted that if an expense is incurred every year, this should be included in an expense budget instead of an article. Mr. Johnson felt it was appropriate to bring the initial proposal to Town Meeting for approval. Ms. Casemyr pointed out that in subsequent years, the expense would be included in the MIS/GIS budget. No vote taken.

Article 8F. Forbes Roof Repair. Mr. Johnson moves to recommend the Town vote to Borrow the sum of \$330,000 for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present. Ms. Lown wondered why this article was not using Free Cash. Mr. Behn

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noted the heavy load of debt the Town already carries. Ms. Casemyr was concerned with lowering the Free Cash total and impacting the Town's bond rating, but otherwise was in favor of using Free Cash and not adding to the tax rate. Ms. Lown noted that the amount of Debt impacts the bond rating even more than the amount of Free Cash.

Article 8G. Library HVAC System. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$15,000 from Free Cash for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 9. Country Club. Mr. Johnson moves to recommend the Town vote to transfer the sum of \$30,000 from Country Club Retained Earnings for the purpose of this article. The vote to approve the article recommendation is unanimous, 6 in favor with 6 being present.

Article 10. Senior Center Parking Lot. Mr. Johnson noted that the new lot only was being paved. Mr. Linnane added that a walkway from the new lot to the Center was also included. The Committee decided to conclude voting on articles for tonight. No vote taken.

Continue preparation of Report and Recommendation to Town Meeting

Ms. Casemyr asked for any volunteers to draft portions of the report. Ms. Lown volunteered to write up a comment regarding Insurance. Mr. Behn volunteered to take care of Trends and Charts. Ms. Lown asked Committee members to forward to her any information to be included in footnotes. Ms. Casemyr will write the comments on Mandates putting pressure on town budgets. Ms. Lown would like the Committee to discuss writing the Legislature on behalf of the School Committee regarding unfunded mandates. Mr. Johnson felt a list of unfunded mandates with their total cost to the town should be prepared to that end, and residents encouraged to become involved in the effort as well. Mr. Linnane will provide information on unfunded mandates from the DPW and Conservation Commission. Ms. Lown felt the wording should be unfunded or "partially funded." Mr. Allen volunteered to re-work the pie chart to include the School Department.

Comments and Concerns of Committee Members, cont'd

Mr. Johnson informed the Committee that he would be unable to attend Monday's meeting. As this could be his last AFC meeting, he thanked the Committee for their years of work together, and also thanked Paulie Howard who was responsible for getting Mr. Johnson a place on the Committee. Ms. Casemyr thanked Mr. Johnson for his contribution to the Committee.

Adjournment

Mr. Johnson moved to adjourn the meeting at 10:35 p.m. Vote to adjourn was 6 in favor, with 6 being present.

Document List

Draft AFC Report, 4-27-11.

AFC Book Trends Section.

AFC Liaison Status ATM Preparation spreadsheet, prepared by J. Arnold.

Appropriations Report, April 2011.

ATM Breakdown, FY12.

Department Totals, 4-26-11.

Revenue & Expenditures spreadsheet, 4-26-11.

Proposed Pie Chart for AFC Report & Recommendation, to 2011 ATM.

Warrant Article Summary, FY12.

WIP Budget spreadsheet.