

Westborough Advisory Finance Committee  
Minutes of Meeting No. 1, FY2012  
July 11, 2011

Approved  
August 15, 2011

Members Present: John E. Arnold, Chair, Peter Allen, Ed Behn, Bill Linnane, Jo Lown, J.J. Malone, Jim Tepper (7:08pm). Absent: Brigitte Casemyr, Kathy Senie.

At 7:02 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.

### **Approval of Minutes – Meeting No. 36, June 27, 2011**

Ms. Lown moved to accept the minutes as amended. The vote to approve the minutes was unanimous, 6 in favor with 6 being present.

### **Transfer Requests**

Mr. Arnold noted that he had tried to anticipate the usual questions related to the need for the end of year transfer requests and provided the responses he had received from the departments to the Committee. Mr. Tepper requested clarification of the process used for end of year waivers and recommended that the Committee track transfers so it can better understand recurring patterns. Ms. Lown noted that the Committee's spreadsheet began tracking transfers this fiscal year.

### **Buildings & Grounds**

Mr. Behn moved that the Committee approve the requested transfer of \$1,400.00 from Buildings & Grounds – Wages – Overtime to Buildings & Grounds Expenses. The vote to approve the motion was unanimous, 7 in favor with 7 being present.

### **Fire Department**

Mr. Behn moved that the Committee approve the requested transfer of \$6,000.00 from Fire Department Expenses to Fire Department Wages. The vote to approve the motion was unanimous, 7 in favor with 7 being present.

### **Advisory Finance Committee**

Mr. Arnold explained that, during the estimation of wages available to the Committee's Administrative Assistant toward the end of the fiscal year, he had miscalculated when the step raise would kick in. Therefore, there was a slight overrun of AFC wages that can be accommodated with a transfer from AFC expenses. He will make a note to better track the step increase next year but noted that additional pressure on the AFC budget will come from any increase in the number and/or duration of meetings as well as any need to print additional copies of Town Meeting booklets.

Mr. Behn moved that that Committee approve the requested transfer of \$84.00 from Advisory Finance Committee Expenses to Advisory Finance Committee Wages. The vote to approve the motion was unanimous, 7 in favor with 7 being present.

### **Animal Control**

Mr. Behn moved that the Committee approve the requested transfer of \$550.00 from Selectmen/Manager Salary/Wages to Animal Control Expenses. The vote to approve the motion was unanimous, 7 in favor with 7 being present.

**Review/Discussion of GASB 54 or other Town Finance topics of interest to the Committee**

Ms. Lown has been collecting and reviewing information about GASB 54 and UMAS (Uniform Massachusetts Accounting System) and will bring that to the Committee for discussion at a future meeting. She noted that the draft versions the Committee has seen of the Town Manager's Debt Management Plan and Reserve Fund Policy uses the 'old' GASB terminology and not the 'new' GASB terminology. As part of our discussions, she thinks the Committee may want to discuss what questions and input we may want to provide to the Selectmen and Town Manager in relation to these documents. The discussions could include topics such as the delineation of legislative (Town Meeting) and executive/administrative (Selectmen/Town Manager) roles, policy vs. practical aspects, and the process that would accompany these plans/policies.

Mr. Arnold reminded the Committee that the Selectmen are planning to discuss the Town Manager's draft documents at their meeting on Tuesday, July 12.

Mr. Behn noted that we're all on a learning curve for these topics and thinks it would be useful for the Committee to ask the Town Manager questions about this. Ms. Lown noted that a goal of this work would be a better understanding of – with regard to GASB, UMAS, etc. – where the Town has been, where it is, and where it's going. One starting point for this discussion in FY2012 is to look at the end of FY2011 when they're available, along with the ramifications of Town Meeting action and Free Cash (updated estimates until it is certified in the fall).

**Discussion of possible 'subcommittee' work**

Mr. Arnold noted that, during the preparation for the Annual Town Meeting, there had been a number of areas where the Committee seemed interested in doing some cross-training or work where a subset of members may share an interest in learning more about some areas and reporting back to the Committee as a whole. For example, there was an interest in having more than one member understand and work on the spreadsheet that's used in the preparation of the Committee report and recommendations.

Ms. Lown noted that these aren't really 'subcommittees' but more working groups who would perform some work and report any results back to the whole Committee. Mr. Arnold noted this is a better term and, going forward, we will discuss these as working groups.

Mr. Arnold suggested one possible working group would work on the Committee's spreadsheet and financial tracking/reporting tools. Ms. Lown, Mr. Behn, and Mr. Malone expressed interest in working together on the FY2012 update to the current spreadsheet and working on improvements to it.

Mr. Behn suggested another possible subgroup would look into OPEB and provide the Committee with a better understanding of the Town's future obligations in these areas. He suggested a working group could gather questions from the Committee and meet with the Town's Finance team to discuss them. For example, since the Town is currently using a 'pay as you go' approach, can the Town estimate over time what the expected costs are? Also, making sure the Committee knows the OPEB audit schedule and reviews the results.

Mr. Behn also suggested that a working group could develop a 'funds flow chart' that would help the Committee (and possibly report to the Town), an accurate but streamlined view of the various sources of funds and how the funds move through the process until they are expended. Ms. Lown noted that this would flow well into the UMAS style of accounting.

In terms of better understanding the various aspects of Town Insurance, Mr. Allen indicated that the Committee should ask what the role of the Insurance Advisory Committee is and whether the AFC should develop a relationship with that Committee to provide information and answer questions.

#### **Department/Committee Liaisons for FY2012**

Mr. Arnold noted that he intentionally made last year's Liaison assignments open ended with no end date so Committee members can continue to act as liaisons until new liaison assignments are made. However, he did indicate that he would make new liaison assignments much sooner this year and will send out the current liaison assignment list and ask for members' interests before the August meeting.

Mr. Linnane asked whether it may be useful for the AFC to have a liaison to the State Hospital Reuse Committee (or to, at least, have a member attend the meetings) so we can be more directly up-to-date with those discussions. Mr. Linnane and Mr. Behn thought this could be useful, especially if Town action is required/requested as the disposition of that land proceeds.

Based on the comments tonight, Mr. Arnold noted that he would add liaisons to the Insurance Advisory Committee and the State Hospital Reuse Committee to the liaison list.

Mr. Linnane noted that, during the preparations for the Annual Town Meeting, we had asked the Wastewater Treatment Plant Board to keep us apprised of where they stand with regard to some of the numbers used to calculate their costs (CPI/PPI). Also, the Council on Aging indicated that they would be considering bringing their proposal for additional staff/hours to the Special Town Meeting. So, liaisons should be asking about these.

#### **Upcoming Meeting Schedule**

The Committee discussed the possible dates for an August meeting. Of the members present, August 15 was the best Monday in terms of availability. Mr. Arnold will poll the members (esp. the members not present) and plan the August meeting accordingly.

#### **Election of Board Officers for FY2012**

Mr. Tepper moved that Mr. Arnold be appointed as Committee Chair and that Ms. Casemyr be appointed as Committee Vice-Chair for FY2012. No other nominations were made. The vote to approve the motion was unanimous, 7 in favor with 7 being present.

On behalf of himself and Ms. Casemyr, Mr. Arnold thanked the other Committee members for their support and trust.

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

Mr. Allen reminds the Town of the 4<sup>th</sup> of July Block Party being held downtown on Friday, July 1 and thanked the Recreation Commission and others involved for their efforts.

Mr. Linnane noted that the latest information from the Treatment Plant Board is that they are 2 months ahead of schedule and that the work is proceeding well. They may need to request additional contingencies related to the 2<sup>nd</sup> dome clarifier cover to rectify similar problems that led to the collapse of the 1<sup>st</sup> dome clarifier cover last winter.

Mr. Behn indicated that Governor soon may be signing the bill with some health insurance changes that would give municipalities more control over their health insurance costs and that cherry sheet estimates had been published.

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**Adjournment**

Mr. Behn moved to adjourn the meeting at 8:14 p.m.

**Document List**

Department responses to Mr. Arnold's question for explanation of needs for Transfer Requests.