

Westborough Advisory Finance Committee
Minutes of Meeting No. 2, FY2012
August 15, 2011

Approved
September 12, 2011

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

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

Mr. Arnold announced that after 4 years on the Committee and 30 years in Westborough, Ms. Casemyr will be moving out of town to be with her family. Therefore, tonight will be her last meeting as a member of the AFC. Ms. Casemyr thanked the Committee for their good work and urged residents to continue providing feedback to the Committee. Mr. Arnold expressed appreciation for Ms. Casemyr's work on the Committee. He then introduced the new Committee member, Lisa Blazejewski, whose appointment becomes effective tomorrow.

Call to Order/Open Forum

There were no requests to address the Committee.

Meeting No. 01, July 11, 2011

Mr. Tepper moved to accept the minutes. The vote to approve the minutes is 6 in favor, 2 abstentions (Casemyr, Senie), with 8 being present.

Discussion/Vote regarding Locally Assessed Utilities

Presentation by and discussion with Town Manager and Chief Assessor

Possible request for Transfer from Finance Committee Reserve Fund

Linda Swadel, Chief Assessor, and Jim Malloy, Town Manager, appeared to discuss the changes going on in locally assessed utilities. Ms. Swadel explained that the Town has two electric accounts and one gas account, and until recently has been mandated by the Department of Revenue to use the Net Book Value appraisal method. Recently, however, the Appellate Tax Board (ATB) ruled - after a challenge to this appraisal method by the City of Boston - that Net Book Value was not the only allowable appraisal method. Last year, the Massachusetts Supreme Judicial Court (SJC) upheld this ruling. Ms. Swadel noted that an increase in utility values of 20% in FY2012 would bring in \$135,000 tax dollars, but \$15,000 would be needed to get the Town's utilities appraised, hence the request for a transfer to increase the Assessor's Expenses budget. Mr. Malloy explained that reserve funds were being requested so that Ms. Swadel can have values in hand by Fall Town Meeting. Mr. Allen asked about the likelihood that changing Westborough's appraisal method would result in a legal challenge. Ms. Swadel noted that the SJC sent 3 issues back to the ATB in the Boston case but that the use of an appraisal method other than Net Book Value was not one of them. She added that there would be an estimated, \$4-5,000 cost every year for annual appraisals.

Ms. Swadel noted that the assets in question are utility poles, wires and pipes. She explained that the electric company poles and wires have always been taxed, but the telephone company wires and poles have not, until last year's decision. There was some discussion about the effect this would have on residents; Ms. Swadel noted that the tax rate would decrease by 4 cents.

Mr. Behn moved that the Advisory Finance Committee approve a transfer from the Reserve Fund in the amount of \$14,895 to the Assessors Other Professional Services line item for the purpose of appraising utilities as discussed. The vote to approve the transfer is unanimous, 8 in favor with 8 being present.

Review/Discussion of Advisory Finance Committee Topics

Mr. Arnold noted the timeline Mr. Malloy has distributed for Fall Town Meeting. Mr. Malloy added that the date for Fall Town Meeting is October 17th; the warrant will be posted on September 27th. Mr. Malloy ran through some of the articles expected to be brought forward.

There will be articles relating to a net decrease of \$40,000 in the Building & Grounds budget, due to a) contracting out the cleaning of Town Hall; b) converting one full-time staff position salary to expenses; and c) a correction in Building & Grounds accounts for electricity and heating.

The Town's Building Commissioner, Tin Htway, and the Assistant Building Commissioner are now providing contract services to Ashland (which is paying the Town \$49,000/year). This involves more work and travel time for the Building Department, so Mr. Malloy will recommend giving Mr. Htway and his assistant a stipend for doing this extra work.

There will be an adjustment to the Town's budget for the maintenance of vehicles, and there are plans to replace the Town's two worst vehicles. This usually amounts to \$15,000.

The DPW is requesting a plow truck from the Capital Planning Committee; the entire frame of the current vehicle is completely rusted.

Three debt extensions will be brought forward, amounting to over \$160,000, which will reduce the Town's authorized debt.

Mr. Malloy also plans to bring an article forward to modify Town bylaws to avoid having to vote on Article 2 every year.

The Board of Selectmen intend to look into conducting a National Citizen Survey (at a cost of \$9,900) and an ICMA Performance Measurement Survey. These surveys identify weaknesses in a town's services. The intention is to seek funding for the National Citizen Survey this year, and next year fund the performance measurement survey.

There is also a Fire Department contract outstanding in the amount of \$51,000.

Mr. Malloy added that money is available in the state budget to provide a one-time funding to the Town, resulting in an increase of \$71,000 in state aid, which basically restores the 7% cut.

Ms. Casemyr noted that Assabet will be making a presentation at Fall Town Meeting regarding their new building plans. This will be an informational session and will not involve a request for funds. Mr. Malloy will determine if this requires an addition to the warrant.

Discussion of Committee working groups

Mr. Arnold noted that he had asked Town Counsel about the requirements for posting meetings of any AFC working groups that may be formed. Mr. Arnold has sent Mr. Franks' reply to the Committee. In summary, any meeting of a working group should be posted. Mr. Arnold noted that there had been discussions of possible working groups related to the AFC spreadsheet used in its reports and the various Town insurances.

Discussion of Committee and Liaison appointments

Mr. Arnold noted that Committee liaisons are a communication conduit with Town departments. Mr. Linnane has expressed interest in continuing on the Capital Expenditures Planning Committee. A liaison to the Insurance Advisory Committee may need to be added.

Begin preparation for Special Town Meeting

Mr. Arnold asked Ms. Casemyr to draft notes on the process for printing the Town Meeting booklet. He noted that the warrant for the Fall Special Town Meeting is not expected to be lengthy, and that presentations should be scheduled starting in mid-September.

Discussion of upcoming meeting scheduling

Mr. Arnold has scheduled the Monday after Labor Day, September 12, for the Committee's first September meeting. Mr. Malloy's schedule will be discussed. Mr. Arnold will propose a series of Monday/Thursday meeting dates via email.

Chairman, Committee Liaison, and Department Liaison Reports

Mr. Arnold noted that the mailbox contained some FY11 final expenditure reports; the Association of Town Finance Committees July newsletter; the Beacon, and the Advocate (Massachusetts Municipal Association magazine).

Mr. Arnold announced that the Annual Association of Town Finance Committees Meeting will be Saturday, October 15th, in Franklin. There is money budgeted for some members to attend. Members must sign up by October 7th. Mr. Allen noted that the workshops at this meeting are very useful to new members.

Mr. Linnane noted that all is going well at the Wastewater Treatment Plant.

Comments and Concerns of Committee Members

Ms. Senie felt the Committee should follow up with Mr. Malloy regarding fiscal policies. Mr. Arnold will ask for a revised document.

Ms. Casemyr was pleased that the Town is planning more surveys. She encouraged residents to register to receive public notices online.

Adjournment

Ms. Casemyr moved to adjourn the meeting at 8:15 p.m. Vote to adjourn was 8 in favor, with 8 being present.

Mr. Arnold noted that, at the next meeting, the Committee will elect a new Vice-Chair.

Document List

AFC Liaison Requests Assignments FY2012 spreadsheet.

AFC Liaison Role FY2012 document.

FY2011 Final Report.

Email from Linda Swadel and Jim Malloy regarding request for transfer to Assessors Expense Budget.

Email from Town Counsel regarding meeting posting requirements for Committee working groups.