

Westborough Advisory Finance Committee
Minutes of Meeting No. 33, FY2012
March 15, 2012

Approved
April 2, 2012

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

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

Mr. Arnold made note of the upcoming Annual and Special Town Meetings.

Call to Order/Open Forum

There were no requests to address the Committee.

Approval of Minutes

Meeting No. 30, March 5, 2012

Ms. Rosenblum Senie had requested amendments to the minutes. Ms. Rosenblum Senie moved to accept the minutes as amended. The vote to approve the minutes is 7 in favor with 7 being present.

Meeting No. 31, March 8, 2012

Mr. Malone, Mr. Allen and Mr. Behn requested corrections to the minutes. Mr. Linnane moved to accept the minutes as amended. The vote to approve the minutes is 7 in favor with 7 being present.

Preparation for FY2013 Annual Town Meeting and March 17 Special Town Meeting Town Manager/Town Moderator/Municipal Building Committee

Town Manager Jim Malloy, Town Moderator Joe Harrington, members of the Municipal Building Committee (John R. Arnold, George Barrette, Bob Brown, Calvin Lawrence, and Robert Fryer), Recreation Department Director Frank Desiata, and Fire Chief Nick Perron were present. Mr. Harrington updated the Committee on the motions that would be allowed at Town Meeting for Articles 1 and 2. Mr. John E. Arnold emphasized that the moderator has indicated he would not entertain any motions which did not include a debt exclusion, and Mr. Harrington concurred. Mr. Harrington added that motions excluding a portion of the debt for the projects would be allowed, since both articles are clear that the projects will not go ahead without some Proposition 2-1/2 debt exclusion vote but that the vote does not need to be for the exclusion of the full amount. Mr. Harrington felt this type of motion would be more favorable to taxpayers, allowing less debt to escape the levy limit and thereby controlling other spending to some extent. In answer to Mr. John E. Arnold's query about dividing the question, Mr. Harrington noted that if division was deemed possible, each part would still have to include a debt exclusion.

Regarding Mr. John E. Arnold's query, whether if the debt exclusion on Article 1 failed, the whole article would fail, Mr. Malloy noted he would get that answer from Bond Counsel, since Bond Counsel signs off on the bonds and makes a legal determination for the borrow. Regarding dividing Article 1, Mr. Barrette felt the Recreation Center was linked to the other projects, since it is intended to replace the space lost in the renovation of the Forbes Building. There was some discussion of the feasibility of dividing up the projects in Article 1. Mr. Malone noted that the draft motion of March 7th for Special Town Meeting Article 1 was to debt exclude the Recreation Center but include the Town Hall/Forbes Building projects within the levy limit. He asked Mr. Harrington if this motion was acceptable even though the debt exclusion was not applied to the Town Hall/Forbes Building projects, and Mr. Harrington felt it was. Mr. Malloy explained that splitting the Fire Station project partly under debt exclusion and partly within the levy limit had been deemed too complicated, and felt any divisions should be done on a project by project basis. Mr. Harrington felt dividing Article 1 would be too difficult, and would involve attempting to

invent a new project on Town Meeting floor, which he would not support. He noted that the Town's best recourse in this case would be to defeat the article and then revise it as necessary, bringing back to a later Town Meeting a project that better met the desires of the Town Meeting voters.

Ms. Rosenblum Senie asked if the proponents would be allowed to bring forth Articles 11 and 12 if Articles 1 and 2 were defeated. Mr. Harrington felt it would be in order to make a motion to that effect under Articles 11 and 12, but noted that Article 12 was not as clearly drafted as Article 1 regarding the Recreation Center as a separate, detached project. He added that Articles 11 and 12 would not be entertained until after Special Town Meeting. Ms. Rosenblum Senie asked Mr. Harrington to confirm that there were two options for favoring just the engineering and design portion of Article 1: 1) during the discussion of Article 1, propose that only the engineering and design be approved, or 2) vote to defeat Articles 1, with the expectation that the proponents would bring Article 12 up for consideration. Mr. Harrington indicated that either would be allowed. Mr. Harrington felt that such a motion to amend would best be put forward during discussion of Article 1, rather than waiting for Article 12 to come up. Ms. Blazejewski noted that a debt exclusion vote would still be required due to the wording of the article. Mr. John E. Arnold explained that with no borrow, the debt exclusion requirement becomes moot. Ms. Rosenblum Senie asked the Municipal Building Committee if it intended to bring forth Article 12 for consideration if Article 1 is defeated. Mr. Barrette noted that the Building Committee ideally would like to move forward on these projects and not settle for engineering/design approval. However, the Municipal Building Committee had not discussed or voted on its plans for ATM Articles 11 and 12 if Articles 1 or 2 fail. He added that his earlier motion at a Board of Selectmen's meeting to have the Selectmen recommend to pass over Articles 11 and 12 had been rescinded. Mr. Tepper noted that though many residents felt more time was needed to process these projects, he felt most wouldn't want them to be dropped altogether.

There was some discussion of how the borrowing would be done. Mr. Malone explained that the plan was to borrow temporarily as the projects proceed, then do a permanent borrow when all projects are completed. Mr. Tepper felt that borrowing a portion at a time would be more manageable for the town. Mr. Malloy noted that borrowing for one or two of the projects could take advantage of lower interest rates, and added the Town Treasurer/Collector Joanne Savignac would be keeping a close watch on interest rates.

Mr. Behn noted that if Article 1 failed and Article 12 was considered, the \$1.4 million for the engineering/design should be a borrow, not a raise and appropriate, so that any impact to the average single family tax bill would be minimized. Ms. Blazejewski pointed out that if a borrow was intended, such an amendment to Article 1 would again require a debt exclusion so it may be better to approach that under Article 12. Mr. Barrette agreed that waiting for Article 12 to come up, rather than amending Article 1, would avoid the debt exclusion issue in this case. Mr. Behn added that a borrow of \$1.4 million could be accommodated within levy limits.

There was some discussion of the Recreation Center. Mr. Barrette explained that the Council on Aging had voted against the project, feeling that the Center would not address all their needs going forward. He added that the Council would be looking to expand the Senior Center as a separate project in the future and those plans would expect to remain on the capital planning list. Mr. Desiata clarified that the Council on Aging was not opposed to the Recreation Center at this particular location, rather simply wanted to make clear that the project would not address all their needs.

Discussion/Deliberation/Voting of Budgets/Warrant Articles

Mr. Behn presented a proposal to support STM Article 2 and pass over ATM Article 11, feeling that a debt override vote on the Fire Station would likely be straightforward and unproblematic. Noting the concerns with the renovations of old buildings, rising interest rates, the impact on the tax rate of any debt

exclusions, and the short time the public has had to digest these projects, he is further proposing the town pass over STM Article 1 and support ATM Article 12. He also proposes expanding Article 12 to include a space-needs analysis of the Senior Center and a potential re-design of the Recreation Center to better suit those needs.

Ms. Rosenblum Senie felt Mr. Behn's proposal was a sensible option, allowing the town to move forward on the much-needed Fire Station while giving more time for engineering and design, and more solid numbers, on the other projects. Regarding the feeling that these projects have been rushed into, Mr. Barrette noted that the Municipal Building Committee had been working on these projects for some years. Mr. Brown pointed out that a lot of time and money had been spent on the original plans for the Public Safety building and it had not been built. If the town approved funding for engineering and design for these projects, he felt it should also commit to carry these projects through to completion. Ms. Blazejewski felt that Mr. Behn's proposal provided a useful compromise between support of all the projects and the concerns of timing and the lack of solid estimates, but the understanding should be that the town intends to move forward in October with the rest of the projects.

Mr. Malloy indicated that having all design and bids completed by Fall Town Meeting would be a challenge, and added that he was not clear on Mr. Behn's numbers since he hadn't seen the specific proposal in writing. Mr. Behn noted that articles for the projects held until Fall Town Meeting could be drafted with more flexibility regarding debt exclusion or inclusion under the levy limit. Mr. Linnane felt the town at some point needed to trust the guidance of the Municipal Building Committee and move forward on these projects, adding that the town ends up spending money anyway even if the renovations are not approved. He noted the importance of the Recreation Department to the town and felt the Recreation Center should be supported.

STM Article 1. Mr. Malone moves to recommend the Town vote to approve the Motion of March 7th (including a \$4.6 million partial debt exclusion). He felt a vote in support would communicate to the town that this is a legitimate project. The Committee would provide information on estimated costs and residents would make their decision. Mr. Tepper noted that the projects are all appropriate, but too much is being brought forward at once. He would be in favor of Mr. Behn's approach. Ms. Rosenblum Senie would also like to wait for more definitive costs for building the Recreation Center. The vote on the article recommendation is 4 in favor, 3 opposed (Behn, Rosenblum Senie, Tepper).

STM Article 2. Mr. Behn moves to recommend the Town vote to support the Motion as written (full amount of debt excluded). The vote to support the article recommendation is unanimous, 7 in favor with 7 being present.

STM Article 3. Mr. Behn moves to recommend the Town so vote. The vote to support the article recommendation is unanimous, 7 in favor with 7 being present.

ATM Articles 11 and 12. The consensus of the Committee is to wait on the outcome of STM Articles 1 and 2 before making a recommendation.

ATM Article 3. Mr. Arnold noted no budget transfers had been requested and the Board of Selectmen had voted to pass over this article. Mr. Behn moves to recommend the Town vote to pass over this article. The vote to approve this article recommendation is unanimous, 7 in favor with 7 being present.

Committee work on Annual/Special Town Meeting preparations or presentations

Mr. Arnold noted two errors in the booklet which will be corrected in an addendum. The Committee discussed whether its votes on Articles 1 and 2 should be included in the addendum. Mr. Arnold noted that all 7 members currently present are in favor of the concept of the projects, but differ in how best to

approach or fund them. Mr. Tepper felt an explanation should be given regarding the close vote on Article 1, and Ms. Rosenblum Senie agreed that brief arguments for and against this article should be included in the addendum. Mr. Arnold pointed out that traditionally only the majority vote had been printed up for Town Meeting, while dissenting members had been free to speak out verbally as individuals. However, he could see that the dissenting votes could be interpreted in a number of ways and that, if the Committee members were in agreement, it could be appropriate to provide some information on the reasoning of the votes in the minority. Ms. Rosenblum Senie felt it was important to convey to residents that members voting against Article 1 were not against the projects per se, only the timing and funding of the projects. Mr. Arnold agreed to draft a short statement for the Committee's approval reflecting members' comments. Mr. Tepper moved that Mr. Arnold may draft a one-sheet summary of the comments discussed at the meeting, subject to Committee feedback on typos and actions on STM Articles 1, 2 and 3, and confirmation that the explanations fall within the comments made during tonight's discussion. The vote approving this motion is 7 in favor with 7 being present.

Schedule of meetings planned through March 2012

Mr. Arnold noted the meeting posted for noon on Saturday, at which the March 3rd and possibly March 12th minutes could be approved. The meeting would then recess until Town Meeting begins, then remain in session throughout the Town Meetings.

Chairman, Committee Liaison, and Department Liaison Reports

Mr. Arnold had received a new copy of The Beacon, the Massachusetts Municipal Association newsletter.

Comments and Concerns of Committee Members

Mr. Malone noted that he had received the salary schedules for School Department custodians and secretaries, but not for teachers. Also, Town Counsel Greg Franks had explained an email received from the Department of Revenue that helps explain that the Town's levy ceiling may not be temporarily changed by use of an override. It may be exceeded temporarily, by an exclusion vote, only for the term of the excluded borrowing. Lastly, Mr. Malone felt that all members of the Committee should have the opportunity to speak up at Town Meeting.

Mr. Arnold noted that the March 17th Town Meeting would be Ms. Lown's last as a member of the Advisory Finance Committee. He would like to formally thank her for her years of service and hours of dedication. Also, as this is his second year as Chair, and traditionally no one chairs the Committee for more than two years in a row, he hopes Mr. Behn will consider serving as the next Chair, and asked members to consider serving as Vice Chair.

Adjournment

Mr. Behn moved to adjourn the meeting at 9:35 p.m. Vote to adjourn was 7 in favor, with 7 being present.

Document List

Recreation Department presentation on proposed Recreation Center, prepared by Frank Desiata.