

Westborough Advisory Finance Committee
Minutes of Meeting No. 36, FY2012
May 7, 2012

Approved
June 18, 2012

Members Present: John E. Arnold, Chair, Ed Behn, Peter Allen, Jim Tepper, Kathy Rosenblum Senie, J. J. Malone, Lisa Blazejewski. Absent: None (two Committee positions are now open).

At 7:00 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. 35, April 2, 2012

Mr. Behn requested a correction to the minutes. Mr. Behn moved to accept the minutes as amended. The vote to approve the minutes is 7 in favor with 7 being present.

Requests for Transfers

Historical Commission – Departmental transfer (wages to expenses)

Christine Kurtz, Historical Commission Chair, appeared before the Committee to present a transfer request. Ms. Kurtz explained that extra funds were available in the department's Wages budget which the department would like to use to cover cemetery preservation, specifically to secure an open crypt. Mr. Behn moved to approve the transfer of \$1,075 from the Historical Commission Wages-Clerical account 16502-5103 to the Historical Commission Other Professional Services Expenses account 16503-5245 for the purpose of historical preservation and protection of the cemeteries in town. The vote to approve the transfer is unanimous, 7 in favor with 7 being present.

Treasurer/Collector – Departmental transfer (expenses to wages)

In Treasurer/Collector Joanne Savignac's absence, Mr. Arnold explained the request for a transfer of \$1,405 from the Treasurer/Collector Training account to the Wages-Clerical account. There was an oversight in last year's budgeting process, and funds were not included for a step increase for one staff person. Mr. Behn moved to approve the transfer of \$1,405 from the Treasurer/Collector Training account 11383-5218 to the Treasurer/Collector Wages-Clerical account 11382-5103. The vote to approve the transfer is unanimous, 7 in favor with 7 being present.

Committee Follow-up from Town Meeting preparation & discussions

Advisory Finance Committee Bylaw follow-up

Mr. Arnold noted that he and Mr. Behn would be gathering information regarding the role and scope of the Finance Committee, for future discussion by the Committee. He added that former Committee member Jo Lown had recommended that the Committee review the Division of Local Services' information regarding the legal ramifications for towns with finance committees. Mr. Malone noted that the Association of Town Finance Committees Handbook contains MGL Ch. 39 Sec. 16 (the basic legislation authorizing Finance Committees) and other relevant information.

Capital Expenditures Planning Committee Charter follow-up

Mr. Arnold noted that, during discussions leading up to the Annual Town Meeting, the Committee had told the Town Manager that the Committee would further discuss the Charter language describing the actual obligations of the Capital Expenditures Planning Committee. So, information about this will be gathered and circulated for discussion at upcoming meetings.

Personnel Board 'steps/lanes' schedule follow-up

Mr. Arnold mentioned the possibility of meeting with the Personnel Board either in June or July.

Mr. Malone had suggested to Mr. Arnold that the Committee develop a recurring list of questions for the School Department; Mr. Arnold and Ms. Rosenblum Senie will follow up. Mr. Malone added the Committee should take care that only essential information that will actually be used during the Committee's deliberation is requested from each department.

Mr. Behn felt the Committee should continue looking into the effect of personal property and new growth on levy limits. At the Association of Town Finance Committee OPEB meeting Mr. Behn attended, he spoke with Carolyn Ryan, Policy Analyst with the Massachusetts Taxpayers Foundation, regarding this issue. He felt the Committee should meet with Mr. Malloy to discuss the town's high levy limit.

Mr. Behn distributed a copy of the town's GASB 43 & 45 Actuarial Valuation report. He noted the town's unfunded accrued liability, as well as an Annual Required Contribution (ARC) of almost \$4.7 million. He felt this significant liability should be addressed, and that the Committee should consider whether to make a recommendation to start funding the town's OPEB liability.

Chairman, Committee Liaison, and Department Liaison Reports

Mr. Arnold noted the following correspondence that has been received since the last meeting:

- A letter from Town Moderator Joe Harrington to the School Building Authority (SBA) noting that Mr. Tepper would be serving as the Advisory Finance Committee representative on the Gibbons Building Committee. Another letter from Mr. Harrington to the SBA indicated a few changes to the initial proposal. Mr. Harrington had also appointed a resident from the Fisher Street neighborhood to the Committee as a non-voting associate member to represent neighborhood/student-parent interests.
- A letter from the Board of Selectmen informing the Committee that Ian Johnson is the Selectmen's liaison to the AFC.
- The April issue of the Beacon, the publication of the Massachusetts Municipal Association is now available.
- Another letter from Mr. Harrington notes that he has accepted Bill Linnane's resignation with regret; however, Mr. Linnane has agreed to serve as a non-voting associate to the Capital Expenditures Planning Committee.

Mr. Arnold reported on his attendance (along with Mr. Behn) at an April 18 Regional Meeting to which the Committee had been invited by the Shrewsbury Selectmen. At the meeting, representatives from area towns were asked to consider which issues should be addressed regionally. Mr. Behn added that the idea of the meeting was to explore whether suburban communities had common issues which together they could lobby the legislature for. There was some discussion of whether such a regional group would mainly be about collective lobbying versus regionalization or sharing of services. Mr. Arnold recognized that Committee members might not be able to commit time to be part of such a group.

Mr. Arnold urged members to consider taking on the roles of Chair and Vice-Chair for next fiscal year. Mr. Behn has indicated he is willing to be considered for the Chair position. The Committee typically elects new Officers at its June or July meeting. So, Mr. Arnold asked members to prepare for that and is especially encouraging members to consider serving as Vice-Chair. Mr. Arnold also asked members to think about which committees/departments they would like to be liaisons to.

Mr. Behn noted the Town Clerk was getting ready for May 15: the Town Election to vote for a debt exclusion, to enable the Town to borrow for the new Fire Station building project.

Mr. Malone noted the Wastewater Treatment Plant Board meeting on Wednesday morning, at which time they would set a date for the Open House.

Mr. Allen announced that the Town's 4th of July Block Party would be held on Friday, June 29th.

Comments and Concerns of Committee Members

Mr. Allen had been following the debt exclusion conversation on Westborough Patch, and felt the Committee should vote again regarding the override. Since the only Municipal Building Committee project which was passed by Town Meeting is also the only one which raises the levy limit, he felt it might be appropriate for the Committee to take a position before the Town election. Mr. Malone noted that the current bylaw authorizes the Committee to consider any matters relating to appropriations, borrowings or expenditures by the Town, and therefore felt it would be within the Committee's purview to take a position on the debt exclusion vote.

Mr. Tepper noted that residents might need an education on what constitutes a debt exclusion versus an override, and felt the Committee should help residents understand what debt exclusion would mean to the Town. Mr. Behn explained that the levy limit is the maximum amount of money the Town can tax. Where a 'normal' override is a permanent increase to this limit, debt exclusion or capital expenditure exclusion overrides are temporary increases of a given amount of money each year. He explained the borrowing process. He noted the debt exclusion override currently being voted on would allow the Town to increase the levy limit by the debt service over a 20-year period for the \$11 million being borrowed to build a Fire Station.

Mr. Arnold felt there were two points for residents to consider: whether a new fire station is needed, and if so, is it needed urgently enough to make a debt exclusion necessary. Mr. Arnold fully supports the need for the Fire Station project. However, since the other projects did not pass Town Meeting and since the Fire Station project appears to be able to be done within the current levy limit, he has not yet decided whether to support the debt exclusion override or not. Mr. Allen pointed out that even if the levy limit is raised there is no need to spend up to that limit. Mr. Arnold agreed that the Town could restrain spending in other areas to help compensate for the expense of the much-needed fire station.

Mr. Allen moved to recommend the Town vote yes to support the debt exclusion vote on May 15. Mr. Tepper felt language should be added to indicate intent not to spend up to levy limit. Mr. Malone was in favor of moving quickly on the fire station. Mr. Behn recognized the need for a new fire station but was very concerned about a debt exclusion and the subsequent effect on the levy limit. Ms. Rosenblum Senie noted the Committee had voted unanimously in favor of the fire station project and the debt exclusion at Town Meeting, and was still in favor of the debt exclusion. Mr. Arnold felt that having only one project move forward had changed the scenario slightly. The vote to approve the recommendation to support the debt exclusion is 4 in favor, 3 abstaining (Arnold, Behn, Tepper).

Adjournment

Mr. Behn moved to adjourn the meeting at 8:30 p.m. Vote to adjourn was 7 in favor, with 7 being present.

Document List

Historical Commission Transfer Explanation.
Historical Commission Transfer Request.
Treasurer/Collector Transfer Request.
April 2012 Appropriations Report.