

Westborough Advisory Finance Committee  
Minutes of Meeting No. 28, FY2013  
June 3, 2013

Approved  
July 8, 2013

Members Present: Ed Behn, Chair, John E. Arnold, Lisa Blazejewski, Sharon Kaiser, J. J. Malone, Kathy Rosenblum Senie, Jim Tepper, Gary Wells. Absent: Peter Allen.

At 7:00 p.m. Mr. Behn 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. 27, May 6, 2013**

Mr. Allen requested a correction to the minutes. Mr. Tepper moved to accept the minutes as amended. The vote to approve the minutes is 7 in favor, 1 abstention (Rosenblum Senie), with 8 being present.

### **Transfer Requests**

#### **Snow & Ice**

DPW Manager John Walden was present to discuss this request. He noted that an application for reimbursement from NEMA had been submitted related to overtime and hired equipment during the blizzard. Mr. Arnold moved to approve the transfer from the Reserve Fund in the amount of \$61,317.75 to Account 14232-5105M Snow & Ice Wages, and also to approve the transfer in the amount of \$172,385.88 to Account 14233 Snow & Ice Expenses. The vote to approve the transfer is unanimous, 8 in favor with 8 being present.

Mr. Wells had prepared a Snow & Ice budget chart which showed a deficit spend in 4 of the last 6 years. He urged the Finance Committee to consider an article for Fall Town Meeting to increase the FY14 Snow & Ice budget to \$500,000, \$150,000 for wages and \$350,000 for expenses. Mr. Behn indicated this would be discussed at the July meeting.

### **Treasurer/Collector**

Treasurer/Collector Joanne Savignac was present to request a transfer between funds, from Accountant's Wages to Bank Fees. Ms. Savignac noted that the Board of Selectmen had approved this transfer at its May 14 meeting. She intended to request a budget increase at Fall Town Meeting. Mr. Arnold moved to approve the transfer in the amount of \$5,000 from Account 11342-5103 Accountant's Wages to Account 11383-5243B Bank Fees. The vote to approve the transfer is unanimous, 8 in favor with 8 being present.

### **AFC Bylaw Changes**

Town Moderator Joe Harrington noted that to "review all contracts," as currently stated in the bylaw, would be an increase in workload. He felt the answer was perhaps to define a high floor, so that the Committee's involvement with contracts would be rare but not excluded. He also felt the general language at the end of the description should be changed to include not just "considering" but also a charge to make recommendations. Finally, in Section 1, under compensation for the clerk, it should read "reasonable compensation for services rendered" rather than "his services." Regarding Finance Committee terms, Mr. Harrington liked the wording, "until a successor is appointed, which will take place at the latest, June 30<sup>th</sup>."

Mr. Malone felt the word "contract" should be clearly defined. Mr. Harrington noted that the last time the Finance Committee was involved with contracts was when the decision was made not to have the DPW run the Wastewater Treatment Plant. Mr. Tepper agreed there must be some sort of significant floor so that the Committee is kept informed of at least the summary details of these contracts. Mr. Behn felt the Committee's review of the town's 20-year electricity contract would have been useful, for example. He added that Town Counsel Greg Franks had indicated that a review of the full charter was being considered.

### **OPEB discussion**

Mr. Behn had distributed some documents on this issue: background information on GASB 43 and 45; a Massachusetts Taxpayer Foundation article on the impact retiree health care will have on municipalities; and the 2012 valuations. Mr. Behn noted the town's current liability is about \$60 million. Town Manager Jim Malloy had been considering a "home rule partition," which would separate current employees/retirees from new hires. Current employees and retirees would continue to receive benefits, while the town would negotiate some kind of benefit for new hires. The term for this is "closed group." The state's commission on OPEB has since come out with new recommendations, and Mr. Behn felt another conversation with Mr. Malloy was needed to see if his proposal was still viable.

Mr. Behn asked for a few members who would be willing to become more expert on this issue. Mr. Tepper wanted to know if the meeting with the actuary had taken place. Ms. Rosenblum Senie felt the Finance Committee's efforts should be coordinated with the Town Manager and the Board of Selectmen. She would like to understand the impact of the liability, as well as potential solutions. Ms. Blazejewski noted the town is currently in "pay as you go" mode, where these costs are absorbed into the insurance line item. She would like to see these numbers split out if possible. Mr. Arnold felt perhaps an ad hoc committee, with representatives from the Finance Committee and the Board of Selectmen, and the Town Manager, would ensure a more coordinated effort in addressing this big issue.

### **Charter**

Mr. Arnold will follow up with Mr. Malloy on the Committee's discussions regarding the Capital Expenditures Planning Committee.

### **Chairman, Committee Liaison, and Department Liaison Reports**

Mr. Behn noted the next meeting would be Monday, July 8<sup>th</sup>, 2013.

Mr. Tepper reported that the Gibbons Renovation Committee was in the process of selecting a designer/architect for the project. Only 4 of the 10-11 firms which toured the school submitted bids. Mr. Tepper's sense is that the project will cost more than what was approved, and that the project will either have to be scaled down, or more money will be requested at Town Meeting.

Mr. Behn noted that the Fire Station design review had been finalized; Mr. Allen would give a full report at July's meeting.

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

Mr. Arnold reminded the Committee that it was time to think of electing a chair and vice-chair, and encouraged members to consider pursuing either opportunity.

### **Adjournment**

Mr. Arnold moved to adjourn the meeting at 8:11 p.m. Vote to adjourn was 8 in favor, with 8 being present.

### **Document List**

GASB 43 and 45 Report for FY2012.

GASB 43 and 45 Report for FY2012 –Closed Group.

May 2013 Appropriations Report.

"Retiree Health Benefits," Westborough News article of June 29-July 5, 2012.

DPW Snow & Ice Removal: 6 Year Actuals and Average, chart prepared by Gerry Wells.