

Westborough Advisory Finance Committee
Minutes of Meeting No. 25 FY2007
April 26, 2007

Approved
May 12, 2007

Members Present: Ian Johnson, Chair, Judy Lucas, Cliff Watts, Jo Lown, Polly Howard, John Arnold, Carolyn Spring (arrived 7:37 p.m.). Absent: J. J. Malone, Ronn Moody.

At 7:02 p.m. Mr. Johnson called the meeting to order in the Selectmen's Meeting Room.

Open Forum

There were no requests to address the Committee.

Budget Review – Regional Vocational School Assessment

Eugene F. Carlo, Superintendent-Director, John Kustigian, Assistant Superintendent, and Paul L. George, Westborough Representative to the District School Committee presented their budget request for FY2008. The good news is that enrollment from Westborough is up. Unfortunately, money follows students. The request for next year is \$920,910, an increase of \$238,481 over last year. The budget has been confirmed and shows a 4.8% increase over last year, mostly from health insurance costs.

The district runs on \$21 million, with the communities' share at \$8.7 million. Westborough's minimum contribution last year was \$618,000 and this year is \$819,000. Additional costs are because more students from Westborough attend Assabet. Assabet may get more state funds – if this occurs Westborough may get a rebate.

Assabet continues its entrepreneurial efforts.

- The night school offers 275 programs.
- The school is available for night and weekend rentals.
- 100% of kids pass the MCAS by the time they leave. Many teachers offer programs on their own time to help prepare kids for these tests. Assabet was one of five schools selected as a Scholarship School.
- The post-graduate nursing program is self-sufficient. 100% of graduates passed their licensing exam for the second year in a row.
- The Robotics Team is very competitive in Math and Science. This program is entirely supported by corporate donations.
- The Engineering Program was the recipient of a lab donated by Intel. Intel also provides volunteers from their staff.

Ten communities send students to Assabet. Paul George has been on the Board for sixteen years. He sees that kids come first, and that they are well trained and encouraged to succeed. Assabet maintains a no-fee, no-cut sports program. They provide multiple late busses to provide transportation after practice and games.

Assabet has been trying to control health insurance costs, but has only been successful in slowing down the growth. This is a state and federal issue, and cannot be solved locally. They have hired an insurance consultant to analyze insurance. They have been able to negotiate better percentages and deal with the insurance companies to keep the rate lower. They created a 3A Trust to help them control the amount that comes from the towns. All excess funds at the end of the year are transferred to the 3A Trust. Other insurance costs will be decreasing by 5%. They are in a consortium pool, which is a much lower risk factor than the state pool that includes police and fire departments.

Liaison Updates

Ms. Lucas reported that the School Committee has voted to cut their budget so it is in line with the Coordinator's Recommendation.

Ms. Spring noted a memo from Ms. Bilideau about the new language for liquor licenses. Licenses will now be specific to that business at that location. The license would revert to the town if the business changes. The Selectmen can re-issue a license only at that location.

Ms. Spring has been looking at the case law related to Article 41. She feels the town may need to consider replacement of the culvert rather than repair, in order to avoid being remiss in their dealings.

Mr. Johnson proposes to vote on Article 41 at the meeting immediately preceding Town Meeting. The citizens, DPW, and engineering consultant will all appear at the Selectmen's meeting on 5/8.

Ms. Lown reported that the Sheriff's Community Service Program is unable to do the painting at the Library due to the height and complexity of the job.

Mr. Johnson reported that the Gibbons Stage Lighting cost less than anticipated, leaving \$23,565 available for transfer to Article 13 (rather than \$20,000 estimated earlier.) Mr. Johnson also reported that Mr. Danis believes the Municipal Building Committee will go along with not doing the Space Needs Analysis (Article 22) at this time, but does need approximately \$15,000 to complete the schematics.

Discussion and votes on various FY2008 budgets and Warrant Articles

A table of votes taken is attached to these minutes.

Comments and Concerns of Committee Members

Mr. Arnold would like to revisit discussion on Article 29 when full committee is present.

Discussion on Advisory Finance Committee booklet for Annual Town Meeting

Mr. Johnson noted that the booklet would be updated for Thursday's meeting (5/3). Ms. Lown passed out a copy of some format changes she would like to see on the spreadsheet.

Mr. Johnson led a discussion and review of the booklet and disclosure information. Information on borrowing figures has been received from the Treasurer for Articles requiring borrowing. Committee consensus is to leave out the rate as it is not locked in, but include the principal figure, term of the loan, and estimated total cost. The rate should be left in for Article 21B as it is fixed through the SRF program.

Information about contracts and salaries should be included. We do include non-union salary and wage scales. Currently there are no settlements on union contracts. This should be noted both in footnote on recap sheet and in letter from committee. The letter should list the number of unions and their names. Mr. Arnold volunteered to write a primer on salaries, steps, and grades before the anticipated Fall Special Town Meeting. This will attempt to explain what the town is voting on for contracts.

Mr. Arnold and Mr. Watts also brought up the high costs associated with retired employees. Mr. Arnold suggested showing a percentage of insurance amounts for retirees and for active employees. Mr. Watts also suggested emphasis on what part of the benefits are for schools. Ms. Lucas said that should be done for police and fire departments also and perhaps include workman's compensation insurance costs as well as health insurance, in order to be fair. Each department should break out Debt and Insurance, so total "cost of ownership" figures for each department may be compared.

Ms. Lucas pointed out that every salary of every town employee is published in the town booklet.

Ms. Howard suggested using pie charts, as they are more user-friendly than spreadsheets.

Mr. Len Mead congratulated the committee on plans to disclose more information to the townspeople.

Mr. Watts would like to make clearer which parts of the budget are fixed and cannot be changed.

Ms. Howard suggested putting an article in the newspaper before the fall town meeting.

Mr. Johnson asked the committee members to look through the spreadsheet to highlight which budget lines need footnotes.

Comments and Concerns of Committee Members

Ms. Lown would like the town to look into the trust which Assabet uses to pay some insurance costs. She will ask Henry Danis if there is a vehicle town could use to do this.

Mr. Watts reported that the Council on Aging has backed away from its plan and will come back to town meeting later with a clearer idea.

Adjournment

At 8:45 p.m. Mr. Watts moved to adjourn the meeting. The vote to adjourn was unanimous (7 present and in favor).

Votes taken at the Finance Committee meeting on April 26, 2007

1) Budget votes

Budgets are voted on using figures current as of 4/16/07. (Coordinator's recommendations listed on right.)

Regional Vocational School Assessment, Dept. No. 12993

Expenses \$920,910, Total \$920,910

Ms. Lucas moved to accept the \$920,910 expenses.

Vote to approve the budget recommendation is 6 in favor and 1 abstention (Spring) with 7 being present.

School Department

Salary and Expenses \$35,225,300

Ms. Lucas moved to accept the \$35,225,300 salary and expense budget

Vote to approve the budget recommendation is unanimous, 7 in favor with 7 being present.

2) Warrant article votes

ARTICLE 13. Various Capital and Repair Items (School Committee)

Mr. Johnson moved to recommend town vote to raise and appropriate \$173,076, transfer \$2,994 from Article 15B of the 2006 ATM, transfer \$9,421 from FY2006 School Encumbrance, transfer \$170,944 from FY2007 Insurance Expense, and transfer \$23,565 from Article 15D of the 2006 ATM, for a total of \$380,000.

Vote to approve the budget recommendation is unanimous, 7 in favor with 7 being present.

ARTICLE 22. Town Buildings Space Needs Analysis (Municipal Building Committee)

Mr. Johnson moved to recommend the town vote to raise and appropriate \$15,000, with a comment to include "for schematic drawings on planned Public Safety Building".

Vote to approve the budget recommendation is unanimous, 7 in favor with 7 being present.

ARTICLE 41. Request to Repair Culvert (Citizens' Petition)

Ms. Spring moved to vote on this Article on either May 10 or May 12 at the discretion of the chair.

Vote to approve the article recommendation is 6 in favor and 1 opposed (Howard) with 7 being present.