

Members Present: Jo Lown, Chair, Bill Linnane, Christine Hirsch, Judy Lucas, Cliff Watts, Ian Johnson, John E. Arnold, Brigitte Casemyr, Michael Meachen. Absent: None.

At 7:01 p.m. Ms. Lown called the meeting to order in the Selectmen's Meeting Room.

Open Forum

Anna Tortora spoke to the committee about her impressions of the last town meeting. Ms. Tortora felt the discussion on the teachers' contract was unfair. She believes change is needed on all union contracts in town because the town pays these salaries but townspeople have no say in the negotiations. She is unhappy with many provisions in the union contracts. Ms. Lown thanked Ms. Tortora for her service to the town in helping with the video production for all town committee meetings.

Approval of minutes – Meetings No. 5 through 8.

- Mr. Watts moved to approve the minutes of meeting No. 5, September 29, 2008 as written in the draft dated 10/9/08. The vote to approve the minutes was 9 in favor, with 9 being present.
- Mr. Watts moved to approve the minutes of meeting No. 6, October 2, 2008 as written in the draft dated 10/9/08. The vote to approve the minutes was 9 in favor, with 9 being present.
- Mr. Watts moved to approve the minutes of meeting No. 7, October 6, 2008 as written in the draft dated 10/10/08 and amended by Mr. Arnold. The vote to approve the minutes was 9 in favor, with 9 being present.
- Mr. Watts moved to approve the minutes of meeting No. No. 8, October 20, 2008 as written in the draft dated 11/2/08. The vote to approve the minutes was 9 in favor, with 9 being present.

Special Town Meeting Recap

Ms. Lown noted that 500 copies of the Advisory Finance Committee booklet were printed.

Mr. Linnane reported hearing many favorable comments on the definitions pages.

Mr. Arnold would like to have an overview to the booklet presented at the beginning of each town meeting.

Ms. Lown would like to have more preparation time for fall town meeting. She does not feel the three weeks between posting the official Town Warrant and the meeting gives the committee enough time to adequately review both the Articles and the booklet.

Mr. Johnson would like to have the booklet posted on the town web site.

Ms. Lown has gotten feedback on the AFC not getting a copy of the contract. Ms. Lown moved to make procedure a request to all union negotiators to provide a copy of any contract to the Advisory Finance Committee.

The vote to approve the new procedure is 9 in favor, with 9 being present.

Mr. Arnold stated he did feel the committee got the information needed to make a decision on the teachers' contract, even though they did not have the actual contract. Ms. Lown noted the summary of changes to the teachers' contract in AFC member folders, and that the summary is tentative but signed.

Ms. Lown distributed the Town Bylaw pertaining to AFC members. She especially highlighted Section 4, which uses the word “shall”, and Section 5, which gives free access to all books of record and accounts.

Report from Association of Town Finance Committees Annual Meeting Attendees

Mr. Arnold found the day very useful.

- The keynote speaker, John Robertson, Deputy Legislative Director, Massachusetts Municipal Association, gave an overview of the state budget.
- The workshop “**OPEB, Implementation and Impact**” made clear that Statement 45 is about reporting obligations and not about funding them. The representative from Moody’s Investor Services says each town is handled on a case-by-case basis without penalty for funding or not funding these obligations. Actuarial analysis of these obligations is very difficult due to the unknown costs of future health insurance.
- John Hammill, Chair of Sovereign Bank, spoke about a study “Communities at Risk” of the various things putting pressure on local communities’ ability to pay for the services they provide. He predicts current fiscal conditions may put more pressure on towns to regionalize services, with smaller towns being more affected.
- The workshop “**Proposition 2½: Getting Voters to Say Yes**” offered a review of the Department of Revenue mechanics, and used the Town of Arlington as an example of the process needed to decide the terms of an override and explain these to voters.
- Overall, there was much talk of cities/towns needing more revenue, with property taxes as the only means of generating it. There was talk about other possible sources of revenue. There was not much discussion on what core government is, and what level of services should be required for the towns to provide.

Mr. Meachen also felt the day was useful.

- He did not find the new member seminar to be detailed enough to be helpful.
- He thought the keynote addresses were good. He noted that Mr. Robertson spoke about the Governor’s budget cuts, and warned towns to expect a 10% decrease in local aid from the state. He expects the second round of cuts will be to grants, and SPED circuitbreaker funds.
- Keynote addresses pointed to the GIC Health Insurance option for towns, moving retired employees to Medicare insurance (which Westborough has done), and regionalizing (mostly with schools) as ways to cut costs. Towns were also advised to have a plan in place to cut spending now, even if they have to make two budgets.

Mr. Linnane also found the day helpful.

- He noted several of the same issues as Mr. Arnold and Mr. Meachen – the healthcare takes a large part in all budgets and that regionalization may work best for smaller towns.
- He did find the new member seminar helpful.

Mr. Linnane suggested assigning mentors to new members to help bring them “up to speed.”

FY10 Budget Cycle & Message

Ms. Lown distributed Article 6 of the Town Bylaw on Finance and Fiscal Procedures, and pointed to Sections 6.2, 6.4, and 6.5.

The Coordinator’s letter to Department Heads goes out in December. In January, the Capital Expenditure Planning Committee reviews five-year plans. A joint meeting of the Advisory Finance Committee, the Board of Selectmen, and the Capital Expenditure Planning Committee is held in February. The current budget estimate for FY10 uses a new growth estimate which is very low. The Free Cash amount certified by the state is very close to the estimate. A 10% cut in State Aid would be approximately \$641,000.

Ms. Lown asked if Ballot Question 1 was discussed at the ATFC meeting. Mr. Arnold reported that Ballot Question 1 was mentioned only in passing, mostly to say that if it passes either services will have to be cut or replacement funds found. No one knows what will happen if this passes. More predictable state funding was again recommended for cities and towns.

Ms. Casemyr feels Question 1 gives citizens a tremendous opportunity to send a very strong message to the State Legislature about its' use of funds.

Ms. Lown disagrees with the idea that Question 1 is a good way to cut waste in government. She feels that passage would be devastating to local governments.

Mr. Watts moved to recommend voters not approve Question 1.

The vote to approve the recommendation was 4 in favor and 4 opposed (Johnson, Casemyr, Meachen, Linnane), with 1 abstention (Arnold.)

Mr. Arnold feels it is not the job of the AFC to make recommendations to voters on this question.

Mr. Linnane would like to have the AFC make recommendations on budget goals and objectives to Department Heads. Ms. Lown noted liaisons can relay concerns and questions of the AFC to Department Heads. If the committee takes a position on an Article the liaison can relay that also. Mr. Arnold pointed out that the task of the AFC is to make recommendations to the legislature (Annual Town Meeting) and that Department Heads report to the Town Coordinator/Manager. Mr. Watts suggested having a discussion with the Town Coordinator about the recommendations he will make. Ms. Lown will invite Mr. Danis to come to the December AFC meeting. Ms. Savignac cannot attend on the first Monday of December but would be able to attend on December 8. Ms. Lown asked committee members to send their questions for Mr. Danis to her prior to December 8.

Some areas of concern committee members expressed are:

- Ms. Casemyr would like to see a three-year budget. Mr. Johnson noted it is difficult to predict revenues but expenses are easier to predict.
- Mr. Arnold would like to discuss the AFC process on how recommendations to Annual Town Meeting will be made. Ms. Lown concurs, but believes discussions should begin before the budgets are set.
- Mr. Meachen would like to include "extend" and "delay" to the recommendation choices, along with "cut" or "keep". Ms. Casemyr pointed out that at times making across-the-board cuts is more harmful than cutting one whole program.
- Mr. Johnson would like to clarify if the discussion should be about avoiding a Proposition 2 ½ override or about providing essential services – in other words, is it level service or level funding.
- Ms. Lown would like to hear what strategies other towns have used to promote a discussion on core services and overrides.

Mr. Johnson noted that an independent committee does not mean a separatist committee. Ms. Lown noted consensus within the AFC on getting involved in discussion on message.

Liaison Role & Updates

Ms. Lown distributed a sample letter sent to Department Heads on the role of AFC liaisons. Liaisons may be asked to relay questions posed by the Committee. Members may pose any additional questions during or after a presentation. Liaisons are asked to relay information back to the AFC through their liaison reports.

Liaison Updates

Ms. Casemyr reported that no progress has been made on hiring an MIS/GIS Director. Advertisements will be placed again. She also attended the WWTP meeting and reported that the WWTP Board has a number of

questions. No decision has been made on extending 0% financing. The DEP has not set the criteria, and guidance is expected to be two months out.

Mr. Arnold reported that the Government Study Committee will meet this week, and will be discussing the Human Resources questions first.

Mr. Johnson reported that Leah Talbot is working with John Walden and the DPW on new budgeting methods.

Ms. Lown noted that Joanne Savignac will come to an AFC meeting.

Mr. Linnane reported that the Youth and Family Services is analyzing data gathered in a recent survey of Westborough youth. They will present their finding to the kids in a couple of months. How to make use of the Lee Property

GASBY45 - Other Post-Employment Benefits (OPEB).

Ms. Lown has spoken with Maryanne Bilodeau about meeting with the AFC around questions on this issue. The Administrator's Office will make a joint presentation to the AFC and Board of Selectmen on January 22nd at the Board of Selectmen's meeting. The town is on track to meet the reporting requirements.

Comments and Concerns of Committee Members

Mr. Linnane suggested inviting the new Town Manager to the July 2009 AFC meeting. Ms. Lucas reported that ads have been posted and resume review will begin 11/18.

Ms. Lown reminds everyone to vote tomorrow.

Adjournment

At 9:00 p.m. Ms. Lucas moved to adjourn the meeting. The vote to adjourn was unanimous, 9 in favor and with 9 being present.