

Westwood Finance Commission
March 19, 2013
Meeting Minutes

Chairman Masi-Phelps called the meeting to order at 7:30 P.M.

All Finance Commission members present.

Chairman Masi-Phelps asked if anyone wished to record the meeting; no one at that time. However, shortly after the meeting started, Chairman Masi-Phelps granted permission to WestCat to record the meeting.

Attending tonight's meeting for Fincom subcommittee reports:

School Superintendent John Antonucci
School Business & Finance Director Heath Petracca
School Committee Vice Chair Ellen Mason
Selectman Nancy Hyde, Town Administrator Mike Jaillet, Fire Chief Bill Scoble,
DPW Director Todd Korchin, Assistant Treasurer Pat Conley,
HR Director Marybeth Bernard, Recreation Director Dave Burns, Building Commissioner Joe Doyle,
Youth & Family Services Director Danielle Sutton, Town Clerk Dottie Powers

Chairman Masi-Phelps:

- Thanks to the School Department for having the building open this evening, even though school was closed today due to the snowstorm.
- Appreciate all the efforts of department heads working with Fincom subcommittees this year and to the Subcommittee Chairs for their reports being presented tonight.

Sewer Commission – Capital Warrant Articles

Sewer Commission Chair Jim Connors attended tonight's meeting to review the two sewer capital articles included in the 2013 ATM warrant. Mr. Connors is unable to attend the Fincom's final public hearing on April 1.

- Original Grove Street article on the warrant has been withdrawn.
- One article requests \$100,000 from sewer retained earnings for a needed generator.
- Second article requests authorization to borrow \$1.53M for the Infiltration and Inflow Reduction Project. Mr. Connors provided details of this long term project, some of which included:
 - Some of the original sewer infrastructure of pipes and manholes is physically failing, resulting in additional flow into the MWRA's treatment system which ultimately increases Westwood's sewer rates.

Chairman Masi-Phelps extended thanks to Mr. Connors for attending tonight's meeting.

Financial Update/Warrant Articles – Finance Director

Finance Director Pam Dukeman delivered a presentation (attached) which included the financial articles to be voted at Town Meeting and the Town Budget, Appendix "D".

One suggested change for the upcoming Town Meeting is that the legal voting level of municipal budgets included in Appendix "D" be voted at the function level, rather than at the individual department level. This voting change would not affect the information provided in Appendix "D" from that of past years.

The purpose of this request is to provide more flexibility to the Selectmen during the year between municipal departments that may experience budget shortages and require transfer.

Some Fincom member comments:

- This does not seem to be an insignificant change; what is the oversight? This change should be explained to Town Meeting in writing.
 - Selectman Hyde responded the change is for flexibility; the Selectmen now approve and will continue to approve transfers. The Town provides constant accountability.
- The past individual municipal budget structure did seem cumbersome.
- Chairman Masi-Phelps said the Fincom needs time to review this; tonight is the first mention of this suggested change.

Town Administrator Mike Jaillet then stated there has been much interest in the ongoing Fire Study and that progress has been made:

- The consultant has been told the Town wants a preliminary report on April 1 about the current status of the Fire Dept. as well as the impact of University Station.
- The Town would then be in a good position to use the mitigation funds for the recommended staffing, alternative station, etc., and be prepared to make decisions by the time the development is up and running.
 - A Fincom member asked how the timing of the Fire Study report coincides with the University Station development agreement.
 - The 2007 Fire Study and the project's current fiscal analyses were considered when negotiating the development agreement.
 - Selectman Hyde stated an agreement has been made on the public safety mitigation included in the development agreement.

Chairman Masi-Phelps stated she did not want to get too far off track with this discussion and that the subject will be discussed later this evening.

OPEB Report

OPEB Subcommittee member Peter Neville presented the attached report.

Some major comments:

- Thanks to Pam Dukeman for assisting with background for this presentation.
- When negotiating employee contracts, both Town and School officials should consider the significant OPEB liability impact to providing 2.5% salary increases. A more fiscally responsible approach would be to offer 2.2% or 2.3% and the difference to OPEB.
 - School Superintendent Antonucci commented this conversation needs to be included with the many other competing unfunded liabilities.
 - Town Administrator Mike Jaillet added when health care negotiations took place with employees, it was made clear that savings would go to OPEB. These conversations provided a good opportunity to educate employees about the liability.

Education Subcommittee Report

Education Subcommittee Chair Russ Lavoie presented the attached report.

Municipal Subcommittee Report

Municipal Subcommittee Chair Rob Uek presented the attached report.

Comment:

- Recommendation of the Subcommittee that “the Town prepare a contingency plan in the event that changes to the FY14 budget are required to address shortfalls identified in the independent study.”
- The \$125K pool family changing area being recommended with free cash and taxation funding – Subcommittee members questioned to what extent future pool fees should be devoted to the Recreation Department’s capital needs.
- Question whether the School Resource Officer would continue in FY14; Mike to check on this.

Long Range Committee

Fincom members Barb Delisle and Rob Uek serve on this Committee. Barb reported on some areas of focus:

- Although the Town prepares a Five-Year Capital Plan each year, it can be difficult to adhere to the Plan because unexpected items can arise such as the pool family changing area proposed for this year. There has to be some flexibility in prioritizing capital requests.
- A major focus this year has been the facilities study which was funded at the 2012 Annual Town Meeting. The consultant hired has been meeting with departments, visiting various facilities throughout Town, etc.
- The Town’s Financial Policies are also reviewed. The Committee expects to consider the anticipated new revenue from University Station and possibly make some revisions to the policies to better plan the use for that additional revenue.

Fire Study

An independent firm is currently reviewing Westwood’s Fire Department including its staffing levels, etc. An initial report from the consultant is not expected until April 1 which is the Fincom’s scheduled final hearing. This subject has been discussed at length at recent Fincom meetings and the discussion continued tonight.

Some comments/questions:

- What will be the source of revenue should the Study results recommend the need for additional staffing?
 - Municipal Subcommittee Chair Rob Uek responded that was the reason their Subcommittee asked for a contingency plan. The Subcommittee is not saying there is a Fire Department staffing problem; a recommendation will be submitted by the independent consultant.
- The Fire Department staffing has been an issue with the Fincom for the past few years; so far, nothing different has occurred this year.
 - Fire Chief Scoble indicated that call-back services is different (and more difficult) this year because so few firefighters live in Town.
 - Also, due to budget situations in nearby communities, mutual aid is not as reliable.
- Selectman Hyde stated the Board of Selectmen is very appreciative of the work the Fincom has done on this subject. We need to think about University Station and to what extent the development agreement provisions may affect the Town’s public safety needs until actual tax dollars are realized. We cannot utilize one time funds to hire personnel.
 - If the project is approved at the May Town Meeting, University Station mitigation funds will require subsequent approval at a fall Town Meeting (late October or early November) to both accept and spend the funds.
 - If University Station was not a future consideration and additional Fire staff was needed, the Town would not use Stabilization or OPEB funds; nor would the Selectmen ask to reduce DPW or School budgets. We would request an override. However, that is not the

present situation. At this time the Selectmen are not putting together a contingency plan. The Selectmen will review the final study when completed.

- The Fincom is bound to advise the Town on all Town Meeting issues and members make many sacrifices to do so. In 2012, a number of Fincom members voted against the FY13 operating budget due to concerns with the level of Fire Department staffing. The current study is not being done in time for adequate Fincom review.
- The draft University Station development agreement provides funds for public safety; there is a short period of time between July 1, 2013 and the fall Town Meeting when the funds could actually be spent.
- Suggestion to hire Fire staff in July knowing the funding will be available after the fall Town Meeting.
- Members discussed at length various actions to take to ensure additional Fire staff funding should the study make such a recommendation.
 - MOTION made by Craig Foscaldo; seconded by Marianne LeBlanc that Chairman Masi-Phelps send a memo to the Selectmen stating:
The Fincom is recommending that the Town prepare a contingency plan in the event that changes to the FY14 budget are required to address shortfalls identified in the independent study.
VOTE: 13 in favor and 2 abstentions.

University Station

Subcommittee Chair George Hertz summarized the attached presentation.

Chairman's Update

The Town's new Charter established an *Audit Committee* that has met with Town staff and the Town's audit firm. They will continue to meet and provide additional oversight of financial issues.

Meeting Adjourned at 12:00 P.M.

**Next Meeting – April 1, 2
Final Public Hearing**