

## **Foxborough Advisory Committee**

**Wednesday, October 10th 2018**

In attendance:

Susan Dring, Stephanie McGowan, Sean McCarthy, Bernard Dumont, Seth Ferguson, Brent Ruter, Larry Ooi, Jennifer Frank-Bonnet, Michelle Raymond, Brian Guild

Also in attendance:

Chris Mitchell, Bill Keegan, Randy Scollins, Loraine Brue, Frank Spillane

### **MINUTES**

**7:05PM** - Meeting called to order by Susan Dring

Minutes from September 12<sup>th</sup> presented for acceptance. Minutes accepted **7-0-1**

Minutes from September 19<sup>th</sup> presented for acceptance. Minutes accepted **7-0-1**

**7:07PM** – Sue Dring introduced Frank Spillane (Town Moderator) who wanted to explain some conflicting details regarding the town’s budget process and address some concerns raised to him by members of the ADCOMM. Mr. Spillane stated that, in the past, the Administration would submit its recommendations to the BOS, however, the proper procedure would require that the ADCOMM be the last committee to view the budgets. Mr. Spillane referred to State statute (Ch. 39) that requires that the budget submitted to Town Meeting be approved by ADCOMM. Frank added that the Warrant is merely the ceiling for the budget which is culled from department submissions prior to Feb. 1<sup>st</sup>. Mr. Spillane talked about ADCOMM’s role – that budgets come to ADCOMM after reviews by Admin., Finance and BOS. Frank also injected the difficulties that the prior Finance Director had in getting dept. heads to submit budgets by December 1<sup>st</sup>.

Bernard D – asked why the BOS vs. Admin positions.

Frank S – responded that BOS can’t direct budgets where elected boards compile their own (ie – Library, & Planning)

Michelle R – asked about procedure: by the time the ADCOMM would get the budgets they would already be voted on. What about ADCOMM’s recommendations for adjustments?

Frank S – The BOS can re-vote. ‘Back in the day’, the budgets were fluctuating until the Warrant went to print.

Stephanie M – Is this more about dealing with the budget? Last year, the committee would get numbers, then 2 weeks later – new cuts.

Frank S – It should be more efficient when it gets to ADCOMM – you should be seeing reviewed numbers.

Stephanie M - We’re already listening to dept heads, trying to figure out the dept thought process, say, for new employees. Is all the back-and-forth supposed to be done before it comes to ADCOMM.

Frank S – some of this goes back to when budgets were level-funded from year-to-year. This should not be the place where departments test ADCOMM as to how many positions should be approved. Sue D – the School Dept come with a budget that they want. It will save us time if others did the same.

Sean M – ADCOMM doesn't know intimate details of how departments work. Admin is in place to manage and maintain that side of town govt.

Bill Keegan took his turn on the floor to describe who is in the authority position regarding the budget process. Mr. Keegan referred to the Town Charter (Town Constitution). The town's by-laws are subservient. The Charter lays out the authority. In it, he states, the Town Mgr is the only one to advise the ADCOMM of the budget. Town Counsel confirms that there is legal standing to interpret the procedure as such.

Frank S – forwarded that his reading of MA Laws, Section 6, there is no conflict – the by-laws are still in effect, the rules, and they refer to the BOS as authority.

Sue D – Do you not want the budget process to go through the BOS first?

Bill K – I'm not saying that; read the Charter.

Sue D – Where is the conflict?

Randy S – stated that he thought the doctrines were consistent.

Brent R – What are the issues?

Bill K – Warrant Articles. The powers and duties of ADCOMM. I asked Town Counsel to meet to assess the process. That meeting is set for October 22<sup>nd</sup>.

Sean M – This was brought up in the CIP meetings.

Bill K – That's not what happened. Frank said 'I want you to do it this way'. Where is his authority? The Moderator only appoints ADCOMM and presides over Town Meeting.

Sue D – What is the conflict?

Bill K – the process is in the Charter. It is inappropriate for the Moderator to instruct this committee. The ADCOMM is supposed to work independently.

Brent R – What is the conflict aspect of the by-laws which dictates dates that may affect future cycles. Speaking for myself – there is value in different ways, as long as all are discussed.

Bernard D – 1) No one goes to the boss without vetting their budget first. 2) I have a confusion over hiring – what am I here for?

Bill K – that person is already hired.

Sean M – The position in the Finance Dept was removed after I asked about it.

Sue D – When does the BOS schedule budget hearings?

Chris (Selectman) – Budgets come to the BOS without going through Bill Keegan or Finance. We typically vote them after ADCOMM has done its investigations. Since the Strong Town Mgr policy was implemented 3-5 years ago, has the Charter been updated?

Bill K – The process can be improved, adjustments can be done. I present a balanced budget every time. It was different in Foxboro years ago – cuts were made by individual depts. But then ADCOMM wanted to see budgets before cuts were made. The difference between the Charter and By-laws are what's bothering the change process per MA laws.

Seth F – Can you find the conflict?

Bill K – The process itself.

Frank S – The Town Mgr submits an Admin budget to BOS per the Charter.

Sue D – Is the idea of the BOS reviewing the budget 1<sup>st</sup>, before the ADCOMM, appropriate? Remember, they do set the tax rate.

Seth F – (holding up Charter, by-law and MA statute) is there a conflict within these papers?

Bill K – Let the meeting on the 22<sup>nd</sup> happen. This is not a personal attack on Frank, but the Charter is a legislative act which should take precedence over the by-laws.

Larry O – Look at page 5 of the Charter: i.e. 'including school department'.

Frank S – that does not affect the process for ADCOMM.

Michelle R – I understand Bill – there needs to be a better understanding of the process on the whole for future submissions. As for me, making the ADCOMM more efficient would be beneficial to the town, beneficial to dept heads – saving time and energies. How do we not diminish the role of the ADCOMM is the depts getting the same questions?

Sean M – The issue is not of good budgets but of no efficiencies during the chops – it's a moving target.

Frank S – Some ADCOMM members have voiced to me that they felt that the vetting on new departmental hires should be settled before the budget comes before the committee.

Seth F/Sean M – We're discussing how numbers move but don't know how jobs are filled or how money is moved around.

Sue D – Do you think it is ADCOMM's job to vet these positions?

Bill K – Before, it was sent to the ADCOMM and then to BOS.

Randy S – Administration and ADCOMM are reviewing in parallel.

Bernard D – The prior year was a 'rough' budget – not balanced at its inception.

Stephanie M – We need to read through this stuff. As DPW liaison, I'm told we need 3 more positions. But then ADCOMM has no power to approve that. We may be broken, if we have to analyze money targets.

Sean M – Now we're trying to assess the process – we're getting away from the initial discussion.

Randy S – I do report to you why the numbers change.

Bill K – Keep in mind 2 issues:

- 1) Collective bargaining
- 2) Health insurance (March)

Sean M – You know the budgets with Randy and how the target % increases. Go to the BOS – where do we want to be on growth?

Bill K – we do, with forecasts

Brent R – I wish you luck at your meeting, please report back with any changes. What is Admin doing above and beyond the by-laws. Is there an advantage to parallel budgeting? Stylistically, it seems OK if not in conflict.

Bill K – We should be able to outline the process in December.

Frank S – I was getting info from ADCOMM members who were frustrated with current budget processes. 25 years ago, ADCOMM had budgets submitted directly that were out of balance – they had to ask for Admin involvement. Now, money concerns must be conservative not knowing what State funds will be made available. There aren't many hires (always balanced). There are new frustrations – if you want to continue like this, it's your choice.

**8:30PM** – Finance Director Randy Scollins sat before the ADCOMM to discuss town finances

Bernard D – Could you provide more information PILOT tax info as there is not adequate details on the town's website.

Randy S – Payment In Lieu Of Taxes payments, (specifically in regards to the Patriots) @ \$1.4M with several more decades to go. It represents a smaller % of the overall budget.

Bernard D – What is the cause for the change in budget from \$70M to \$66M

Randy S – much of the difference can be attributed to Water & Sewer finances.

Brian G – Regarding street lighting: how much is budgeted in town vs. the vendor?

Randy S – 18 months town was bought out LED by town responsibility.

Stephanie M – When salaries fluctuate, does \$ come from Warrant Articles to adjust?

Randy S – those are voted on as separate appropriations.

Bernard D – would we have been overspent?

Randy S – agreements/contracts go directly to Town Meeting for certification.

Seth F – Can you explain the \$2M change in Free Cash?

Randy S – Typically, 'recharge' comes from local receipts. Per page 4 (budget handout): Capital appropriated. Per page 5/6: Water & Sewer is self-contained – anything earned stays in the enterprise fund

Sue D – Does the Water Board set rates?

Randy S – Yes

Stephanie M – What about IT and billing infrastructure?

Randy S – It's called 'overhead'. There is legislation allowing the town to make end of year adjustments. School Dept has bottom line autonomy. Now there is no limit to interdepartmental transfers, though they are required to be due to extraordinary circumstances or unforeseen.

??? – What would be foreseen as extraordinary?

Randy S – A lawsuit. The town may know it is coming but not know if it will win or lose.

Stephanie M – asked about the Legal & street lights = \$75K. How much are we really over.

Randy S – That number is in the Reserve Transfers column. Town Mgr can make requests to ADCOMM who has the authority to approve such adjustments.

Randy proceeded to explain how the Meals Tax was approved in 2012 under the caveat that the revenues would be dedicated to OPEB and road improvements. He then explained OPEB.

Sue D – what is the extent of OPEB coverage?

Randy S – Health Insurance and Death Benefits.

Randy then discussed revenues from Gillette Stadium via PILOT.

Sue D – Why are concerts going down?

Randy S – I can give no speculation as to why.

Bernard D – Is the \$1.4M guaranteed? Where is the movie theatre tax info?

Randy S – Yes, it is guaranteed AND it is inflation indexed. Also, the Kraft Group pays the taxes for all tenants.

**9:15PM** – Sue Dring open discussion on preparation for the next ADCOMM

Randy S – I am planning to present the revenue forecasts for the School Department.

Bernard D – Despite all this 'stuff' we've been talking about, I want to call attention to the \$3M/year in pension expenses, which is an albatross around the neck of the budget. Companies 'restructure' – here, we have no means

to do the same; we are limited as a government. But, neighbors will ask where we were in the process as taxes continue to increase.

Randy S – we are already restructuring Fire, Police, DPW and the Finance Depts and plan to extend Centralized Maintenance to IT, Sewer and Dispatch.

**9:25PM** - Brent R – Jumped in at a pause to motion for Adjournment

Stephanie M - 2nd

Vote: **10 – 0 – 0**

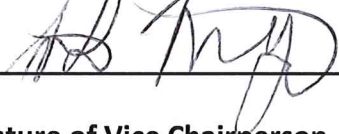
**Minutes approved by Vote of the Advisory Committee.**

**Date of Meeting: 10 October 2018**

**Vote:**

  
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**Signature of Chairperson**

  
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**Signature of Vice Chairperson**