

Town of Boxborough



Finance Committee

FinCom Meeting Minutes for: Tuesday, October 3, 2016, 7:30 PM.
Venue: Morse-Hilberg Room, Boxborough Town Hall.

Attendees:

FinCom:

1. Ted Kail
2. Dilip Subramanyam
3. John Rosamond
4. Amy Burke
5. Steve Ballard

Absent: Thomas Begin, Gary Kushner

Public Attendance: Jennifer Barrett, Town Accountant
Ruth Anderson, Town Assessor

The meeting was called to order by Ted at 7:34 PM.

RESERVE FUND TRANSFER GUIDELINES:

The Committee discussed Steve's draft Reserve Fund Transfer Rules and Guidelines and made several suggestions to make them more concise and clearer. The FinCom also discussed strengthening the language requesting that board representatives attend our meetings to make a direct pitch for their RFT requests.

The Committee then discussed the guidelines governing RFT applications again with the idea of shortening them and making them clearer and more effective. The key point should be that RFTs require emergencies either "unforeseen or extraordinary." There was a question about how flexible budgets were in permitting some shifting of funds to cover emergencies or unanticipated expenses, so that RFTs should not be necessary. Jennifer explained that it depends on the size of a department's budget as to whether that department's head will have the flexibility/funds in their "other" budget to shift funds to cover emergency, unanticipated expenses.

There was a discussion about the typical turnaround time for approval of RFTs which can be rather long, as it is affected by the current practice of getting BoS approval of RFTs first, before approval by FinCom, and by the 48 hours notice requirement for posting of meetings in the event one is not already on the calendar when an RFT is alleged to be needed. Members of the committee then talked about streamlining the process for RFT approval, specifically by taking out the BoS approval stage (which is not required by state law or town bylaws), so that we can reduce the time to approval,

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and also tighten up and simplify the process for us and for others. Steve mentioned that, as he suggested to the committee when he sent them his initial draft of the guidelines, he hoped we could add in a timeline or basic procedural steps for RFTs at the beginning of the Guidelines but was not sure if the Committee wanted to use past practice as a guide or instead to change and streamline the process. It now appears the Committee wants to do the latter.

This led into a discussion of the RFT request form itself, which Jennifer explained was in fact FinCom's own creation years ago, and that we can indeed change it as we like. She specifically confirmed there is no need for BoS to be involved as currently. There appeared to be consensus that we should thus take the current BoS approval step out of the process and replace it with the relevant BoS liaison's signature on the RFT form along with the relevant department/board/committee representative making the request, so that each department/board/committee would come directly to FinCom for approval (as the Massachusetts statute indeed suggests selectmen would be involved in approving RFTs in those towns *without* Finance Committees). Members agreed we should rewrite the form in that way, put it up on the town website so it is accessible, and then link to it in our guidelines. Jennifer will send to us a clean RFT form for us to revise.

Actions:

Steve will revise the draft Rules and Guidelines to incorporate all the suggested deletions, revisions, and reorganization, as summarized above, and send out a new draft to all by email. Ted will revise the RFT form and circulate a draft revision.

ASSESSOR'S RFT FOR COMMERCIAL PROPERTY APPRAISAL FOR TAX BOARD APPEAL

Ruth Anderson, Town Assessor, then came into the meeting at 8:15 PM to explain her request for a reserve fund transfer of \$7,500.00, to pay for the lowest of two bids that came in for an appraisal of a commercial property in town.

Ruth discussed generally her process of doing assessments of properties and particularly of her inspections upon requests for abatement. She has an overlay account with \$175K, which is more than sufficient each year to cover whatever abatements she does grant each year. The overlay account has \$175K in it for the year, and once the appeal period is exhausted, any overlay surplus is returned to the town. If Ruth as the assessor decides not to grant a requested abatement, or if the taxpayer/property owner doesn't believe the abatement she gives is sufficient, then the taxpayer/owner can appeal to appellate tax board. That's what happened here.

In this case, Ruth did not grant the requested abatement. She checked with Patriot Property and others about her assessment and the abatement request, and they agreed with her decision. The appraiser we have chosen (the lowest bid) is a former DOR commissioner, so he will have great credibility if we have to go to trial after attempting to negotiate following our own appraisal. Of the \$7.5K bid for the appraisal, \$5.5K is for phase one, to do all the work of the appraisal. \$2K is for the

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second step, if we have to go to trial, not including an additional \$150/hour for expert preparation and testimony at trial by the appraiser.

The Committee discussed and quickly agreed, having already had extensive discussion during Ruth’s presentation, that we should approve \$5,500.00 for the first step of the appraisal. Amy moved, and Dilip seconded, that we approve a reserve fund transfer of \$5,500.00 for phase one of the appraisal of the commercial property whose tax valuation is under appeal. Unanimously approved, 5-0.

CPC REPORT FROM JOHN

John reported on the following Community Preservation Committee requests, currently totaling between \$261K and 271K:

Conservation Commission	Conservation Trust Fund	5,000
Cemetery Commission	North Cemetery restoration	15,000-20,000
Well-being Committee & BAHT	Rental voucher program	40,000-45,000
Steele Farm Advisory Committee	Restoration of Steele Farmhouse	150,000
Recreation Commission	Land purchase	Not disclosed
Building Inspector	Town Hall Landscaping	35,000
Housing Board	Regional Housing Service	6,000
Town Clerk	Town records preservation	10,000
		TOTAL \$261,000-271,000

John adds that the 311 Whitcomb property in town (the land purchase for which is the initial, and primary purpose of the upcoming special town meeting) has not been discussed as a CPA project, but it’s open space/conservation, so John wants us to authorize him to ask the CPC to consider the 311 Whitcomb property for CPC funding. The Committee agrees that he should do so.

RECENT BLF MEETING

The recent BLF meeting was briefly discussed. Amy expressed her concern that there is still some language in drafts related to the establishment of the building committee that needs to be clarified.

Actions:

Ted and Dilip, as the FinCom members of the building committee, will discuss this issue with BoS. Dilip will circulate draft BLF minutes to everyone.

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SPECIAL TOWN MEETING

Jennifer passed out copies of the town's budget and warrant article timeline and budget guidelines worksheets. She then also discussed and briefly described six potential warrants for special town meeting. FinCom will need to meet on October 24th to go through verbiage for recommendations, as on October 26th final language and recommendations are due, as all must go to the printer soon thereafter. Ted will post a meeting for October 24th, and we will discuss first on our already-scheduled meeting for October 17th.

John moved, and Dilip seconded, a motion to adjourn, which was approved unanimously. Meeting adjourned at 9:11 PM.

Respectfully submitted,
Steve Ballard, FinCom Secretary
October 4, 2016

NOTE: The RFT table below includes the reserve fund transfer that was approved by FinCom on August 23, 2016, and the reserve fund transfer approved by FinCom on October 3, 2016. This will be formally recorded in the minutes of those meetings.

Reserve Fund Transfers:

Item	Date	Cost	Left in Reserve	Reason
Initial reserve	7/01/16		\$185,000.00	Initial amount from article 5
192- Town Hall- Capital Outlay	8/8/16	\$14,000.00	\$171,000.00	Town Hall, Front Exterior Stairs
141- Town Assessor	10/3/16	\$5,500.00	\$165,500.00	Appraisal of commercial property on appeal to ATB