

FINANCE COMMITTEE

Minutes

April 26, 2010

Regular meeting of the Finance Committee was held on Monday, April 26, 2010 at 7:30 p.m. in the Finance Committee Room, Town Hall with the following members present: C. Lane, J. Muti, M. Hickey, M. Kent, R. Knobel, T. Jalkut, L. Donovan, T. Bowen, P. Stasiukevicius, M. Boragine, S. Connell, L. Pitman, D. Burke, 8:40 p.m. – M. Gallivan. Also M. Boynton, and Finance Director M. Good.

7:30 p.m. – Quorum being present, the meeting was called to order by the Chairman T. Jalkut.

May 3, 2010 Spring Annual Town Meeting

Articles 36 and 37 – Meals and Hotel Tax

School Committee Members. J. Desmond, and N. Gallivan

J. Desmond spoke to these articles as a Citizen, Town Meeting Representative and School Committee Member. He spoke to the teacher's taking a vote on the health insurance allowing the Town to manage health insurance costs. Health insurance is a budget driver, they have also received concessions on management rights. They are going to ask for a cut of \$650,000 at tonight's School Committee meeting, this will leave a gap of \$700,000. They hope to make it up by a combination of Level 2 cuts, passage of meals tax, level funding of local aid and additional health savings concessions and management rights. They are pleased that the Board of Selectmen included the Citizens petition for a meals and hotel tax on the Town Meeting Warrant. This is another tool to help maintain local services and support of these two articles enables them to save jobs. J. Desmond spoke to the Legislature giving communities a tool for additional revenue, it could have been implemented state wide.

N. Gallivan spoke to trying to avoid making cuts detrimental to the school system. They hope to realize the \$700,000 by September 1. At Town Meeting will have a conversation on whether to support the meals and hotel tax, these are new revenues for the Town and they are attempting to bring in additional revenue. If they don't have additional monies, 70% of the elementary classes will have 25 or more students, and anticipate same range in middle and high school. They are looking to save 17 positions. Meals and hotel tax won't solve everything but felt strongly that the union negotiations with the teacher's union to move to the rate saver plans will save money for the Town. Administrator's will all be moving to the rate saver plans plus pay 70/30. They feel that the parents have stepped up with fundraising, volunteering and the increase in fees. People that are strapped for money can avoid these two next taxes. May 31 is the actual

deadline for notifying the State of acceptance in order to collect the taxes on July 1. \$287,995 is anticipated revenue for the meal taxes (projection from DOR), and \$7,000 for the hotel tax. Money is collected and allocated back to the community. They would like the opportunity to debate it at Town Meeting, Town doesn't have the commercial base, taxes are going to cost more.

Town Administrator spoke to any additional funding received by the Town for the implementation of meals and hotel tax (approximately \$100,000 for the Town's share) be allocated to Article 6, Snow and Ice Budget.

N. Gallivan spoke to the \$700,000 deficit in schools, they would try to do something within the schools, level funding from state aid and circuit breaker a possibility. She feels the best hope is at the state level which is a long shot.

The contiguous towns of Foxboro, Norwood have not implemented a meal tax. This is a simple majority vote of Town Meeting, and is not required to be voted by Selectmen.

Finance Committee members spoke to the passage of these articles, will solve this year's problem but what do we do next year. People are being taxed to death in a terrible economy, many had issues on voting on these articles tonight and being rushed. More thought should be given to additional taxes. Some members felt it was a better way to raise money than to raise taxes.

Town Administrator spoke to the losses in State revenue have affected the school revenue, trying to make this work, they have made a lot of cuts, some of the school employees made concessions with insurance this year. There is a major budget gap, State is not fixing the problem.

MOTION MADE by M. Boragine, Seconded by S. Connell for Favorable Action on Article 36, (Hotel Tax), Motion Approved (7-5-1) (R. Knobel abstained) (13 voting)

MOTION MADE by M. Boragine, Seconded by S. Connell for Favorable Action on Article 37, Motion Tied (6-6-1) (J. Muti, T. Bowen, C. Lane, M. Hickey, P. Stasiukevicius and L. Pitman opposed) (R. Knobel abstained) (13 voting)

Committee will attempt to bring Article 37 up at a future time with a full Committee.

Committee then discussed the best way to handle this at Town Meeting, Articles 36 and 37 could be put ahead of Article 6 – Budgets. Main Motion as voted should stay and it is recommended that the Finance Committee take a contingent vote if Article 36 and 37 passes at Town Meeting and budget numbers changed. If they both pass at Town Meeting, both taxes are instituted.

MOTION MADE by T. Bowen, Seconded by S. Connell if Articles 36 and 37 pass before Article 6 is considered, that the budget figures be adjusted to \$65,481,795, Motion Approved, Unanimous (13-0-0) (13 voting)

MOTION MADE by T. Bowen, Seconded by C. Lane to rescind the vote of Recommendation at Town Meeting on Articles 31-35, (Municipal Contracts) Motion Approved, Unanimous (13-0-0)

MOTION MADE by M. Boragine, Seconded by C. Lane for No Action on Articles 31-35, Motion Approved, Unanimous (13-0-0) (13 voting)

Articles 24 and 25 - Bio-Tech Articles

Present for this discussion was Selectmen N. Michenzie.
Article 24 calls for the additional of a Biotechnology Facility in the use Table, Article 25 calls for the insertion of a new Section 13 entitled Walpole Biotech Overlay District (WBOD) and amend the Zoning By-law by renumbering Section 13 Site Plan Review as Section 14 and Section 14 Definitions as Section 15, other housekeeping changes including repagination and appropriate amendments to the Table of Contents, necessary for the insertion of this Section 13. These articles allow for the Town to say what they specifically want under these articles which has not previously been spelt out.

Some members spoke to not all the answers being provided at the Planning Board's Public Hearing. We need to know what we are doing. There is no definition for a Biotechnology Facility use in our present Zoning By-law and why are we doing this if it doesn't exist. It is not defined, it is an attempt to correct a wrong and saying what we want in Walpole. Under Article 24, Biotechnology Facility is being added to the Use Table. We don't have a Biotechnology Use Description in our By-laws now. Ms. Michenzie spoke to this presently being allowed under medical manufacturing.

8:40 p.m. - Committee Member M. Gallivan.

Ms. Mackenzie reviewed the changes to Article 25 Biotech Overlay District

Committee discussed that part of the proposed overlay district is in Residential and part in Limited Manufacturing and how exactly will an overlay work? Ms. Mackenzie spoke to Siemen's owning the lots. Master Plan has shown that split lots being a problem. Master Plan was going to make map changes, and clean up the by-laws and correct the table of uses. Why wouldn't we want Siemen's there, property is located along Rte. 95. This could bring in more tax revenue with additional building. Siemen's has been a great neighbor and have made contributions to the town. Committee expressed concerns with changing zoning of land and how abutters come into play. Split lots could affect a whole lot of things around town. Zoning always goes with the land, Board of Health

issues the permits and they have not formalized their formal comments and they don't have a vote, at this time, on this article for Town Meeting.

Attorney P. Macchi spoke to property consists of two assessor's parcels, one LM and one Residential, both are contiguous, and endorsement is not required from the Planning Board, property has sufficient frontage.

Mr. Canary of Siemens spoke to the company not having any plans at this time to expand, there are wetland restrictions. They have continued to expand over the years at this site and might in the future.

Chairman Jalkut spoke to not taking any public comments on these articles, this could be done at the Finance Committee Meeting of April 29, 2010 and the Committee will take a vote after our public hearing.

N. Mackenzie spoke to the company having no environmental issues, they have created jobs, people work locally. They continue to make investments in Walpole. Approving the Overlay District allows them to grow at this site. Town is competing with other communities and countries that are looking for this type of industry. Town needs to do something, either raise taxes, look for an override or decide where it is appropriate to increase the tax base.

D. Burke requested a definitive answer from an expert on where in the Zoning by-law, Table of Uses, it addresses biotech levels. Town Administrator will speak to T. Counsel I. Quirk, on this. He also feels that no matter what, there will be a legal challenge.

In 2006, under what use did they receive site plan approval. Phil Macchi went to Zoning Board twice, for earth removal and parking, had 80 acres. They are primarily a manufacturing company, warehousing operation, primary uses, allowed by right in LM.

Committee will vote on these articles on April 29, 2010 meeting.

Article 26 – Zoning By-law Amendment/ Signs

This allows for a Sign, Changeable – defined as a sign whose informational content can be changed or altered by manual or electric, electro-mechanical, or electronic means. This will be in keeping with character of Route 1. These signs are allowed on Route 1 in Sharon, Foxboro and Norwood. Allows for sign regulations to catch up with technology.

MOTION MADE by J. Muti, Seconded by P. Stasiukevicius for Reconsideration of Article 26, Motion Approved, Unanimous (14-0-0) (14 voting)

MOTION MADE by J. Muti, Seconded by P. Stasiukevicius for Favorable Action on Article 26, Motion Approved, Unanimous (14-0-0) (14 voting)

MOTION MADE by S. Connell, Seconded by M. Boragine for Reconsideration of Article 37, Motion Approved, Unanimous (14-0-0) (14 voting)

MOTION MADE by S. Connell, Seconded by M. Boragine for Favorable Action on Article 37, Motion Approved (7-6-1) (J. Muti, T. Bowen, C. Lane, M. Hickey, P. Stasiukevicius and L. Pitman opposed) (R. Knobel abstained) (14 voting)

Reserve Fund Transfer – Highway

\$22,036.72 being requested for Overtime and Expenses incurred in the Highway Department during the March 29, 30, 2010 storm, broken down as follows: \$7,953.90 for Overtime and \$14,083.63 for supplies. This request has not gone before the Board of Selectmen, it will be taken up at their April 27, 2010 meeting and then presented to the Finance Committee on April 29, 2010. Some members spoke against taking this up earlier than the five day rule that all Reserve Fund Transfer requests be submitted 5 days in advance of committee deliberations. It is anticipated that FEMA will be making funds available to towns involved for disaster assistance. Highway Department is presently in deficit.

MOTION MADE by R. Knobel, Seconded by P. Stasiukevicius to approve the April 12, 2010 minutes, Motion Approved, (14-0-0) (14 voting)

10:05 p.m. – Meeting adjourned.

Respectfully submitted,

Clare P. Abril
Clerk