

TOWN OF ASHBURNHAM
JOINT MEETING OF THE BOARD OF SELECTMEN
AND THE ADVISORY BOARD - MINUTES
SEPTEMBER 23, 2008 – 6:30 PM
FAIRBANKS MEMORIAL TOWN HALL - UPSTAIRS
As Amended

This meeting was aired live on local cable television Channel 8.

PRESENT: Chris Gagnon, Chair, Jonathan Dennehy, Member and Maggie Whitney, Clerk, Kevin Paicos, Town Administrator and Sylvia Turcotte, Assistant to the Town Administrator. Members of the Advisory Board who were present are: Bill Johnson, Dottie Munroe, Jamie Piedrafite, Leo Janssens and Marie Zbikowski.

- I. **APPROVAL OF AGENDA:** At 6:30 p.m., Gagnon read the agenda. Whitney motioned to approve the agenda and was seconded by Dennehy. Motion carried.

Dennehy noted that the budget discussion should be the first item on the agenda. Gagnon agreed that they would move New Business to the end of the agenda.

Don Ouellette, the DPW Director was present and gave an update on the Ashby Road bridge project. Ouellette stated that they encountered a few issues that they didn't anticipate which did impede their progress. Gagnon stated that the bridge is now open and Ouellette confirmed this. He added that the DPW crew did an outstanding job and that the project is not quite done but it's very close. He stated that it could be another 2 or 3 weeks to finish and that they would only shut down one lane at a time for the paving in order to keep the bridge open. He added that the only real incident that was commented on was that during the course of the project they did kill 6 fish which he stated was unavoidable.

Kevin Paicos stated that they did follow up with the gentleman from the State regarding this project and it was determined that the grading would have made it expensive to go that route with state funding. He noted that DPW's don't typically undertake such a project of this magnitude. He added that they saved the Town a substantial amount of money and that they deserve a tremendous "pat on the back" and that it is a really significant achievement. He stated that the Town should be proud. Whitney stated that she toured the site with Ouellette and that she was very pleased and Gagnon also stated that he was pleased with the outcome and that they did an outstanding job. He did however note that in the future, Ouellette should coordinate with the Board of Selectmen when there is a need for a road closure.

Ouellette added that the State has agreed to pave Main Street and it would be paved soon starting from Nolan's property to the entrance of Old Cemetery. Gagnon thanked Ouellette for a great job.

II. **PRESENTATIONS, REPORTS & CORRESPONDENCE**

- A. **Correspondence:** Whitney stated that someone called her on a concern regarding Naukeag Hospital and Gagnon asked that this be discussed later in the meeting.

- B. Town Administrator's Update** (Report is attached to these minutes): Paicos noted that it was important to get to the budget in order to make decisions soon. He explained the "Dam Repair Grant" noting that it was engineering funds, approximately \$48k but that it could be more. He stated that this was pertaining to the Town's 3 high risk dams and that legislation is still pending on whether this would be considered an unfunded mandate. He noted that the good news is that we did get this and that we owe a debt of gratitude to Rep. Rice as the lead person on this as well as Sen. Brewer, as this was a combined effort. A short discussion followed on the costs involved in this and Paicos ended by noting that there was still a lot of work to go.

Paicos touched upon the Town Insurance Program surplus.

Paicos stated that he would be working on the Special Town Meeting warrant on Thursday and Friday of this week and that he may have this out to everyone by Friday afternoon. He added that it would be a lengthy warrant.

Paicos began a short explanation on the proposed COLA raises for the non-union employees and Gagnon stated that they should include this topic in the budget discussion.

Paicos stated that the Town Hall hours have been changed on a trial basis for one month to gauge how the public would react to having Town Hall closed on Fridays. He noted that with the closing of Town Hall on Friday, there could be a cost saving on heating oil of between 10% and 15%. He added that so far there has been no negative feedback. A question arose regarding employee hours and Paicos noted that Sylvia would send them a report listing everyone's schedule.

Bill Johnson noted that when the Advisory Board met in the Town Hall lower level meeting room, they noticed that the air vent was on and that the server room door was wide open and not secure. He stated that the server room was supposed to be air-conditioned and he wondered why the door was open. Paicos responded that they were looking into the problem with the A/C in that room and so far no one could figure out what the problem was with the system. He also noted that the Town Hall Renovation Committee had been dissolved at this point in time and most of the vendors etc. had already been paid other than the window company. Dennehy stated that the Committee should be accountable for any lingering issues or problems with the Town Hall renovation. Paicos added that the Project Manager may be able to help. Dennehy stated that a member of the Board of Selectmen should contact the chair of the Town Hall Committee and Gagnon stated that he would call him.

Paicos stated that the flyer on Briggs that the Advisory Board was planning on distributing to the residents may be an issue. He stated that public dollars can't be expended on things of this type and he also added that there is no money set aside for an extra mailing in the budget. Johnson stated that the Advisory Board would take care of this themselves.

Paicos stated that the Town was bequeathed from Leona Smith in the amounts of \$21,389 to the Fire Rescue Fund and \$1,000 to the Cemetery Fund.

Paicos responded to the Board of Selectmen's Chair's notice regarding his distribution list for his TA Report. He stated that Sylvia would update his lists and that he would only send his report to the Advisory Board and the Board of Selectmen first and then on the following Monday he would distribute the report to the others via email. Gagnon stated that his concern was if the report included an answer to a direct question by the Selectmen but that this was an excellent plan. Paicos also noted that his distribution list hadn't been updated since before he left for military duty but that he would get the list updated.

Whitney inquired about the situation at Naukeag Hospital stating that John Rideout had called her with some information on this. She also noted that there was a story in The Gardner News that they were going into foreclosure and she wanted to know if this was a true statement. Paicos stated that they should wait until they enter into Executive Session for any further discussion on this topic.

- C. Public Safety Building Committee update:** Gagnon stated that there wasn't much to report. He noted that the Flag Raising would be held on October 6th at 5:30 p.m. and the official 24 hour day would be on October 7th. He also noted that the Grand Opening would be held on Saturday, October 25th. He stated that Larry Barrett has been checking on the punch list on a daily basis and is doing a good job.
- D. Chairman's Report:** Gagnon reviewed his report which is attached to these minutes.

III. OLD BUSINESS

- A. Waiver and Notice – 177 Lake Road:** Gagnon noted that they would sign this paperwork later in the meeting.
- B. Continued discussion – FY09 Budget Cuts:** Gagnon stated that he spoke with Tony Rassais of the DOR and that Mr. Rassais had basically agreed with Kevin Paicos' assessment of the situation with the school and their budget certification. He stated that he believes the school's budget certification situation was due to the short period of time that this all came about for them to react. Gagnon explained about the events leading to the shortfall.

Gagnon stated that technically according to Chapter 71, the school could reduce their budget or certify it at a lower amount. He stated that the school did get permission to run on 1/12th of their budget but that it needs to be rectified by December 1st.

Gagnon stated that at the time the shortfall in the budget was noticed the Board of Selectmen went into this scrambling mode to resolve the issue and that he was proud that the Selectmen and the Advisory Board had worked together to get this resolved.

Gagnon stated that he would charge the Town Administrator to draft a warrant article to take care of the School and the Snow & Ice.

Paicos stated that the Accountant is working on the Balance Sheet and it's almost ready and once it is sent in the DOR may make adjustments "down". He noted that the Water deficit is a concern and that the DOR has required that the FY08 Audit be completed before we set Free Cash. He noted that the audit may be completed by mid-October with Free Cash certified by the end of October. He stated that he would have the proposed Free Cash number before the next meeting and he would send this information via email to the Selectmen along with his confidence level.

Gagnon stressed the fact the Town Counsel stated he was "absolutely correct" in what he remembered from the meeting that was held on the school budget shortfall situation and that she commended the boards on what was done. Whitney stated that she watched the meeting and it all happened as was stated.

Gagnon stated that he went over everything with Rassais and Town Counsel and the "gentlemen's agreement" that was reached at the meeting doesn't hold and it's up to the Selectmen. He added that if this is not fixed by the Special Town Meeting then the Town is open to a lawsuit or a joint town meeting.

Dennehy stated that the School Committee should have met right after the Annual Town Meeting to recertify their budget at the original amount or for the lesser amount. Gagnon stated that there was no choice at the time and he added that the school "hasn't pushed any buttons to aggravate us because of this". He stressed again that it was a "gentlemen's agreement" and now they need to go forward.

Dennehy stressed the point that there were questions that should be asked, such as, can the Town do this? Can we afford this? He added that they shouldn't have gone forward with the Town Meeting and they should have adjusted the budget at that time. He added that now cuts are being discussed and we are looking at the same from the state level by Governor Patrick. He stated that they needed to re-adjust FY09 and to deal with FY10 and that they are talking about major service cuts.

Paicos stated that the Board had asked him to look at things and how to remedy the situation. He stated that the \$440k error was an epic mistake and the Board was advised by experts on how to handle this. He stated that the dilemma is that the School expects the deliver of \$155k by the end of this fiscal year and that we are in financial trouble as the revenues are lower than estimated, the same as the State. He noted that in order to make good on the commitment as promised, the only way is to reduce the Town budget by that amount.

Paicos stated that he brought the cuts to \$200k without any cuts in service. He stated that if we had known about the \$440k back in January, it would have been realized then that we just didn't have the funds and now we are asking ourselves "can we afford it". He added that the reality is that come June 30th we will post deficits of epic proportion.

Paicos noted that the VMS Building closing is in question but could be a \$30k savings for the Town.

Gagnon stated that basically the Town's budget has been growing beyond its means.

Paicos stated that if the budget is reduced by such a large amount, lay-offs would be imminent. He noted that if you ask the Town departments to cut even more out of their budget then isn't it reasonable to ask the school to participate in the cuts as well.

Dennehy apologized for not being present when all this occurred. He also noted that what Boushell said in his memo was wrong and they need to rectify the situation. He stated that he was against taking any funds from the Overlay Surplus or any other one-time funds.

Gagnon noted that he was painfully aware of what this will cause but he added that after two years, it would be corrected. He stated that he was sorry about any lay-offs that may occur and he noted that any 3% COLA raises right now didn't make any sense. He stated "let's cut it, it's what we have to do".

Paicos stated that this would be the last time he said this, "the pain should be shared". He asked the Board if they were asking him to take \$155k out of the budget and if they were asking him to use the reserves. He stated that all we have is Free Cash and Stabilization.

Gagnon stated that he would direct the Town Administrator to draft an article to remove necessary funds to apply to the deficits.

Johnson stated that they needed to take action on the cuts at this meeting tonight.

Gagnon stated that he was not in favor of the 3% COLA. Paicos stated that every Town employee did receive a 3% raise except a few, non-union employees, 20 or 30, and that he cannot in good conscience say that they don't deserve it and that if this happens, then the Town would see another union formed and would pay more. He went on to say that the benefits would increase every year under collective bargaining and that they should not single out a small group of employees in that way as it would crush their morale. Gagnon stated that once they cleared the major hurdles in the budget cuts then they would continue this discussion at the end.

Whitney stated that they needed to review travel and also the ConCom Agent's cut in hours to 20 hours a week, which would be funded by fees alone.

Janssens asked for an explanation of funds. Paicos explained that the Overlay is unappropriated funds used when the Assessors give abatements and whatever is left is considered Overlay Surplus.

Dennehy suggested that they go over the list put together by Paicos.

He stated that the VMS cut would be referred to the next meeting in order to see the report that would be generated by the ad hoc committee. He stated that the next item was under Non-Departmental, a cut of \$960 by combining one dumpster for use of both the Library and the Town Hall. Both the Advisory Board and the Selectmen approved this cut.

Gagnon commented on the IT budget line item by stating that this has grown steadily and Dennehy requested a line item breakdown on the IT expenditures. Paicos stated that it is complicated but he would have this by the next meeting.

Both the Boards were in agreement to not approve the proposed \$20k cut from the Public Safety Building bond proceeds.

Dennehy then went to the next item which was a proposed \$4k cut in the cleaning services at the Public Safety Building where they would consolidate the use of the Town Hall custodian. Johnson stated that they should look at combining the Library, Town Hall and the VMS and then contract them out together. He added that the Public Safety Building would be contracted out.

Paicos noted that the Fire Dept. side of the Public Safety Building and the Town Hall could be done by the Ed Schlott, the Town Hall Custodian but he did emphasize the fact the Ed is also a handyman and does a lot of things at Town Hall as well as cleaning. He strongly urged everyone to look at his job description. He also noted that he couldn't do all three as the Police Dept. is a huge area.

Gagnon stated that once they were in the building, they could re-examine but for now it is an immediate \$4k savings. Both boards were in agreement to go ahead with this scenario.

Gagnon noted that under the Fire Dept. it was proposed to close down South Station at a savings of \$5k. There was some discussion regarding donations offered to keep this facility open, but as Paicos noted, they really couldn't justify keeping it open.

Dennehy stated that under Inspections there was a proposed cut of \$7,500 under Salary and Wages which would be due to the reduction of ½ of the inspectors' time from November 1, 2008 through May 1, 2009. Both Boards approved this cut.

Dennehy then stated that under the DPW Dept. Wages Overtime account there was a proposed cut of \$5k in reduced planned overtime. Both Boards approved this cut.

The next topic was possible cuts in the Debt Service Accounts. Johnson inquired about moving some of these funds into the Reserve Fund for easy access and Dennehy noted that this would need to be earmarked. Paicos agreed stating that this can't be done per Chapter 40 funds can only be appropriated once per year so if it's cut they can't move it somewhere else. He stated that the goal is to free up \$350k and they have to negate these monies.

Paicos went on to explain the cuts he is proposing in the Debt Service accounts. The \$15k from the TAN funds which will not be needed, as long as the tax rate is set on time, which wouldn't be an issue this year, \$5,129 from the Town Hall Debt overestimated, \$11,897 from the Public Safety Building Debt overestimated and the Page's Beach bond cost double-budgeted amount of \$26,449. Both Boards approved these cuts.

Dennehy noted that the next item on the list was \$17,000 from the Health Insurance line which Paicos stated was still in the bargaining stages right now. Paicos stated that the insurance premiums line could be cut by another \$10k.

Paicos and Johnson both noted that the cuts approved by both Boards total \$90,935.

Johnson suggested cuts in all departments Development and Travel accounts by 50% would total approximately \$22k. Paicos noted that these accounts are not un-expended and that this may not even come close to the \$22k in savings. Gagnon suggested a cut of \$5k and Paicos noted that it is scattered throughout many budgets and that he had already cut some and there wasn't a lot left to be saved.

Gagnon stated that they would postpone discussion on the Development and Travel as well as the 3% COLA's until the end.

Johnson mentioned cuts in the Police and Fire budgets in the overtime and training lines and also cuts to the ConCom Agent. Paicos noted that he can't comment on this without talking to Department Heads and he added that the Police Department already can't do what needs to be done as far as filling shifts and the same goes for the Fire Department. He added that reducing call wages would reduce training hours and that impacts service delivery and liability.

Johnson noted that the ConCom Agent cut to 20 hrs. would result in a \$7k savings this year and \$20k savings next year and that clearly this position has grown out of proportion from 3 years ago when it was to be filled. Dennehy stated that "why not eliminate the Land Use Assistant position and combine it with the ConCom job and even cut the Planner to part time as well".

Gagnon stated that it's clear that no building permits and inspections were going on right now so they should look into this more closely. Johnson distributed a hand out of a survey done on surrounding communities and the ConCom Agent positions there. He noted that the majority were part-time or consultants.

Dennehy noted that making these cuts was just heartbreaking and that the Town has such a good staff and now we are undoing all that has been accomplished in the Town. He added that he feels they should take a comprehensive look at this. Gagnon stated that they should have Paicos do an analysis of the Land Use hours. Paicos stated that he went through the cuts with all the Department Heads before they were made and he urged the Advisory Board and the Selectmen to discuss their thoughts on cuts with the Department Heads. Johnson noted that it was the Town Administrator's job to do that and Dennehy stated that when the budgets were constructed they

worked with the Department Heads and that they should do the same on the proposed cuts. Gagnon stated that at the next meeting, the Department Heads should come up with the necessary cuts, and that this gives them two weeks to accomplish this.

Paicos then stated that he needed a vote from the Board to instruct him to “find the \$155k for the School”.

Whitney motioned to direct the Town Administrator to find \$155,887 to make the School District budget whole for this fiscal year through either budget cuts or other revenue sources. Johnson stated that they should take responsibility and Dennehy added that they are asking for Paicos to come up with the necessary cuts to achieve this.

Johnson wanted a motion to cut the \$90k agreed upon so far and Paicos stated that it wasn't necessary as both Boards agreed to these cuts. Paicos then explained how these additional cuts would be made and how difficult it would be as well as extremely complicated as he would have to cut personnel. He noted that he would hold off on the COLA raises until the next meeting.

Johnson inquired about the \$20k tuition for the student to attend the Agricultural High School and Paicos stated that he needed to work on this for the Town Meeting.

Gagnon stated that they needed to reorganize the Land Use Office. He added that the Police, Fire, DPW and the Land Office would have to come up at further discussions.

Dennehy stated that they should consider having cuts in the school budget as well and that discussions should start on this with the School Committee. He stated that these talks have to start now. Zapantis stated that he was very concerned that the School Department is made to look like the villain when they were actually the victim. He added that the cuts in Town services are disturbing.

Gagnon seconded the motion made by Whitney and asked for a vote on the motion. Both Whitney and Gagnon voted “yes” while Dennehy voted “no”.

Dennehy stated that his response to Dr. Zapantis was that no one was saying the school is the villain as no one is in this case. He stated that instead they should be focused on where the state of the Town's finances lies and where are we going from here. He added that they owe it to the taxpayers to have immediate discussions on this now.

Johnson stated that the letter to Dr. Zapantis is clearly about next year's budget cycle but that they needed to clean up this year first. Gagnon then read the letter to the school that was to be signed by both Johnson and himself as Chairmen of their Boards respectively. Dennehy stated that it should be made clear to the School District that they can't rely on assumptions and that they needed to be completely honest with them. Johnson stated that it's a starting point and that they can't give money that they don't have.

Zapantis stated that they are extending an invitation to the Selectmen as well as the Advisory Board and the Town Administrator to attend an overview of school finances for the past 10 years on Tuesday, October 7th at 7:00 p.m. in the Briggs cafeteria.

Whitney motioned to approve both Boards to sign the letter to be presented to the School and Dr. Zapantis and was seconded by Gagnon. *Dennehy voted "no"*. Motion carried.

Gagnon stated that they would finish this discussion at the next meeting on October 6, 2008.

III. OLD BUSINESS

- A. **Waiver & Notice – 177 Lake Road:** As this was discussed at the last meeting and the paperwork the Board had requested was complete, Dennehy motioned to approve this request and was seconded by Whitney. Motion carried.

IV. NEW BUSINESS

- A. **Approval of appointments to the William J. Bresnahan Scouting & Community Building Committee:** Gagnon stated that they should check with Ron Skaife to see if the Board is still the appointing authority for this Committee and that they should put this off until they find out how to proceed.

V. APPROVAL OF MINUTES

- A. **June 16, 2008 – Regular Meeting**
- B. **July 7, 2008 – Regular Meeting**
- C. **July 14, 2008 – Special Meeting**
- D. **July 21, 2008 – Regular Meeting**
- E. **August 18, 2008 – Regular Meeting**
- F. **September 8, 2008 – Joint Meeting w/ Advisory Board**

Dennehy motioned to approve the above listed minutes and was seconded by Whitney. Motion carried.

VI. SCHEDULE OF COMING EVENTS

Gagnon read the list of upcoming events.

October 1, 2008	Open House at J.R. Briggs	3:30 – 4:30 p.m. 6:30 - 7:30 p.m.
October 4, 2008	Open House at J.R. Briggs As part of Community Day Family Event	10:00 a.m. to 4:00 p.m.
October 6, 2008	Formal Flag Raising at Public Safety Building by ROTC	5:30 p.m.
October 14, 2008	Special Election at J.R. Briggs	7:00 a.m. to 8:00 p.m.
October 25, 2008	Dedication Ceremony at Public Safety Building w/Barbecue by Fire Department	11:00 a.m. to 3:00 p.m.

Whitney also had a few announcements. She stated that the Brian's Gift Road Race was set for Saturday, September 27, 2008, and that it was a 4.5 mile race which would start at Winchester Park and all proceeds would go to the Bresnahan project.

Whitney also announced the Firefighters Ball to be held on Saturday, October 11th from 6:00 p.m. to 12:00 midnight and that people should contact Shauna Zbikowski for tickets.

Gagnon also stated that the next meeting would be held on Monday, October 6th.

VII. OTHER MATTERS

Gagnon read the following Town Clerk reminders.

- Wednesday, September 24, final voter registration for the Special Election, Town Clerk's office at Town Hall from 8:00 a.m. to 7:00 p.m.
- Absentee ballots are now available for the October 14th Special Election.
- Friday, October 10, until 5:00 p.m., last day for filing applications for absentee ballots for voters for the Special Election.
- Tuesday, October 14, Special Election, polls open 7:00 a.m. to 8:00 p.m. at J.R. Briggs Elementary School, 96 Williams Road.
- Special Town Meeting – November 13, 2008

VIII. EXECUTIVE SESSION

Gagnon stated at 9:55 p.m. that the Board would enter into Executive Session in the Town Administrator's office for the purpose of reviewing and approving Executive Session minutes as well as contract negotiations and strategy of pending litigation and not to reconvene into regular session. It was moved by Whitney and seconded by Dennehy.

IX. ADJOURNMENT

With no further business to discuss, at 10:39 p.m. Dennehy motioned to adjourn and was seconded by Whitney. Motion carried.

Respectfully submitted,
Sylvia Turcotte
Assistant to the Town Administrator