



Town of Sturbridge

Leon A. Gaumond Jr., Town Administrator

FY17 Operational Expenditure Budget – Overview

I wanted to take the time to speak about the proposed budget for Fiscal Year 2017 (FY17). In Sturbridge, the Town Administrator is charged with the development of the operational budget which is presented to the Board of Selectmen and the Finance Committee. For next year I am proposing an operating budget totaling \$30,238,410. I believe this is a responsible and sustainable budget which seeks to address several needs which have been deferred in previous budgets.

FY17 Budget Highlights

Town Administrator: This year we will be adding \$1,500 in the purchased services line to cover the cost of record destruction in accordance with the Massachusetts Record Retention laws.

Assessors: You will note a decrease in the operational budget due to the removal of two items. First, we are separating the funding for the revaluation/interim adjustments from the operating budget and will be presented as a separate article in the Annual Town Meeting (Article 9). Second, we are moving the funds for GIS/Web Hosting to the Planning Budget instead.

Finance Director: We have added some monies for Payroll Training for the MUNIS program which recently went through a major update.

Information Technology: We have included funds to update the Town's website which has been found to be outdated, difficult to navigate, and cannot be viewed on different medias such as tablets and cellular phones. We are also seeking to extend the warranty on the Public Safety Server and includes much needed infrastructure upgrades at the Public Safety Complex.

Elections: We have increased the appropriation to cover the elections costs due to the Presidential Election occurring this year.

Conservation: We are increasing this budget to include some signage for the Robinson Crusoe area of Leadmine Mountain, gates for the Plimpton Property, and a Forest Management Plan for the Plimpton property.

Planning Department: As I mentioned under Assessors, we are moving the cost of GIS/Web Hosting to the Town Planner line item and we are increasing the line item to account for additional usage of the plotter.

Public Safety Complex: The Town plans to replace the front entryway of the building and to replace some worn-out carpets in several areas of the Building.

Police Department: We continue the practice of funding two cruisers as part of our cruiser replacement plan and this budget provides for additional resources for the Community Emergency Response Team to improve their operations. It funds new traps for the Animal Control Officer as well as crash reconstruction software. It also calls for a stipend to be paid to the Chief of Police for his role as Emergency Management Director.

Fire Department: We continue to fund the creation of a 9th firefighter to support the operations of the Department and we are funding maintenance for some heart monitors no longer under warranty. We are also funding some needed software improvements within the Department for various software programs.

Building Department: Added this year is the purchase of updated code books for reference within the Department.

Road Maintenance: I have recommended that the road maintenance line be removed from the operating budget of the Town and voted as a separate warrant article during the Annual Town Meeting (see Article 8). This article will provide greater flexibility in using the funds and allows us to combine multiple years appropriations for work on major projects.

Council on Aging: I am recommended a new part-time position within the Council on Aging. This will allow greater flexibility and coverage of the senior center which is currently operating on three floors with limited staff. I have also added resources to allow for training opportunities for the staff.

Recreation: We are funding a lawn care program for several of our fields previously funded under Betterment, purchasing several A-frame signs and skating rink liners.

Trails: This is a new line item in this year's budget. I have recommended funding the cost to send our Trails volunteers to attend the Mass State Trail Conference. In prior years our volunteers were paying for this valuable training resource out of their own pocket.

Historical Commission: This is a new line item in this year's budget. We currently have an active commission and this provides them with the resources to operate and perform certain tasks on behalf of the Town.

Debt Service: We collectively made a decision this year to use Free Cash to pay down on two previously authorized borrowings; the purchase of a street sweeper and Self Contained Breathing Apparatus (see Article 44 in the Special Town Meeting Warrant). Residents should be aware that the Town has bonded the final portion of the Burgess Elementary School project.

Benefit costs: This year has been challenging when it comes to our benefit costs. Our health insurance costs are rising over 5% and our pension obligations are rising over 7.5%. I commend our Insurance Advisory Committee for working collectively to increase co-pays in order to reduce costs of health insurance.

Energy Consulting: This is a new line item in this year's budget. Sturbridge has several opportunities to save money long-term by being proactive with energy procurement and development. Previously we had used grant funds to present options to the Town however those resources are no longer available to the Town. This line item provides resources to the Town to continue these best practices on an as-needed basis.

Fleet Management: This is a new line item in this year's budget. I have added a small amount of funds for preventative maintenance for our municipal fleet vehicles.

In addition to the above items worth mentioning I also want to share with the Town two new areas we are funding in this year's operating budget.

Economic Development: When I first arrived in Sturbridge I was asked to review the suggestions from the Sturbridge Tourist Association (STA) Working Group and others on where we should be spending our tourism monies. In the past numerous voices in Sturbridge were calling for the creation of Economic Development official and this was specifically mentioned in the Master Plan. I concur with the suggestion to create an Economic Development/Tourism Coordinator. This budget shares the costs of the position with the STA budget (see Article 18). One of the areas of concern about the viability of the STA is that it relies heavily on the work of volunteers to carry out an important mission. I feel it is critically important to use these funds to create a position dedicated to maximizing the effectiveness of these funds. This person would staff STA meetings, be the business conduit for the community and be responsible for implementing aspects of the Master Plan and Commercial Tourist District plan as it relates to economic development. I would also seek to have this person responsible for grant writing to bring other resources to the Town as it relates to promotion of tourism, business development and community activities within the Town. I would require that this person be trained in the field of economic development and/or tourism development and have demonstrated success in this field.

Facilities: Another area of the Town which has long deserved some needed expertise is in the area of facilities management. The Finance Committee has long advocated for the creation of a position which is dedicated to the maintenance and upkeep of our valuable building infrastructure. I agreed as well. We have beautiful assets in this Town and the municipality has a responsibility to properly maintain these assets. In the

long run it will save the Town money as well as we can proactively solve problems before they become expensive disasters. By taking this step we are asserting our commitment to preserving assets for the next generation.

I would like to inform the residents about employee salaries as well. With rare exceptions the wage adjustments for union and non-union employees provided through this budget are roughly 3%. There are some positions which have not seen appropriate increases in the past that are being adjusted accordingly in this year's operating budget. In some cases they are department managers who, despite having served the Town for several years, are still being paid the minimum amount in their pay grades. I am happy to report that Sturbridge is taking steps to develop a step & grade system which will prevent this from happening in the future.

I would be remiss if I did not point out that the Finance Committee's budget is slightly higher than the Town Administrator's recommended budget. There are three areas where the Finance Committee voted higher appropriations than the Town Administrator has proposed. They are:

- Fire Department - Salaries/Wages - The FinCom increased this line by \$4,471 to increase the Administrative Assistant to the Fire Chief from 25 to 30 hours per week.
- Building Inspector - Salaries/Wages - The FinCom increased this line by \$4,808 to increase the Administrative Assistant to the Building Inspector from 25 to 30 hours per week.
- Police - Supplies - This FinCom increased this line item by \$1,920 to purchase all of the combat gauze that the Chief had requested.

These differences may be discussed at Town Meeting. In my review of the annual budget submissions I felt that these items were lower priorities than some other needs of the Town and I did not include them for funding at the requested levels. I appreciate the Finance Committee's advocating on behalf of these items and respect their important role in the budget making process. However, ultimately it is the responsibility of the Town Administrator to adjust the hours of these positions as the management of the Town dictates.

I would like to thank all the participants in the budget process here in Sturbridge for their work this year; beginning with the Department Managers and Boards & Committees for their thoughtful submissions and to the Board of Selectmen and Finance Committee for their advice and counsel. Finally, I would like to thank Sturbridge's Finance Director, Barbara Barry, for her efforts in preparing the draft budget. I am proud of the team we have in Sturbridge and happy to be part of the team.