

MEETING**BOARD OF SELECTMEN****DECEMBER 9, 2008**

Board of Selectmen members present:	Allen R. Phillips	Christopher A. Rucho
	Valmore Pruneau	Kevin McCormick
School Committee Members present:	Peter Desy	Richard Shaw
	Christine Lewis	
Finance Committee Members present	Christopher Berglund	Mychelle Phillips
	Paul Bohannon	Patricia Altomare

Mr. Phillips convened the joint meeting at 7:05 p.m. and announced that there will be no discussion following the presentations this evening.

Update on Fiscal Condition

Town Administrator Leon Gaumond distributed three financial reports. Finance Director Michael Daley reported that the fiscal year 2009 tax rate was approved today. Our maximum levy will be at \$12.6 million with state aid at \$4.8 million. Our off sets include ambulance receipts, Wachusett EMS funds and Overlay Surplus for a total of \$7.4 million in estimated receipts and available funds giving us a total of \$20,113,484 for fiscal 2009. Our revenues were steady at \$2.2 million, however we are now off about \$100,000. Coming out of October we are at \$302,000 compared to \$392,000 in fiscal year 2006. Anything we can do to stop spending will offset this figure. We will not achieve our revenue objective this year and Mr. Daley plans to distribute updated data on a monthly basis. The biggest gap is from motor vehicle excise collections as we have collected 9% of where we were last year and it is a line item which will continue to be a problem for us. In addition license and permits and investment income are also down. Local receipts for FY2010 will be lowered 10% for next year. We are now \$1.1 million off of where we were for F09 General Fund appropriations.

Expenditure/Budget Cut Discussion

Mr. Gaumond explained that one of the things we were asked to do at the last meeting was to look at the expenditure side of the municipal budget, excluding such things as sewers and the Capital Investment Fund. He developed an expenditure exercise for FY10 and requested each department add a 3% inflator to their budget and from that number take a 5% cut and explain the impact on your department and take a 10% cut and explain the impact on your department. All the responses are contained in the agenda package. At the meeting next Thursday, Mr. Gaumond expects to review the three exercises previously completed on raising revenues, efficiencies and expenditure cuts as we have a \$1.1 million deficit to make up.

Mr. Gaumond reviewed the following responses he received with the group. Current funding includes the 3% inflator.

Under General Government, the first category is Moderator. The current funding is \$300 and the Moderator could absorb a 33% cut if necessary.

Board of Selectmen – current funding \$9,920. A 5% cut is \$496 and a 10% cut is \$992. In order to make this cut Mr. Gaumond recommends eliminating paying the Selectmen's way to the MMA conference.

Town Administrator – current funding at \$166,833. A 5% cut is \$8,341 and a 10% cut is \$16,683. In order to make this cut the contract of the Town Administrator would need to be reduced or the salary of the Municipal Assistant would need to be reduced.

Finance Committee – current funding is \$155. This line item would be eliminated.

Reserve Fund – current funding is \$51,500. A 5% cut is \$2,575 and 10% is \$5,150. This fund covers unanticipated costs incurred by a department and requests must be approved by the Selectmen and the Finance Committee.

Finance Department – current funding at \$162,395. A 5% cut is \$8,120 and a 10% cut is \$16,240. To cut this line item we would need to cut back in payroll, renegotiation our contract with FAA or reduce the salary and hours of the only employee of the department.

Town Audit: current funding is at \$28,325. A 5% cut is \$1,416 and 10% is \$2,833. If we can negotiate a favorable rate with our audit firm we might be able to absorb this cut.

Assessors Department – current funding at \$81,791. A 5% cut is \$4,090 and 10% is \$8,179. We would need to reduce the office hours of the office and renegotiate the contract with our Assessor consultant to absorb a 5% or a 10% cut and hope for reduced workload due to the declining economy.

Treasurer/Tax Collector – current funding is at \$150,490. A cut of 5% is \$7,525 and 10% is \$15,049. With a 5% cut we would need to lay off the clerk in the department in addition to reducing tax title costs and any addition hours needed during the year. With a 10% cut we would need to do all of that in addition to reducing the wages or hours of the employees in the department.

Town Counsel – funding is at \$87,550. A 5% cut is \$4,378 and 10% is \$8,755. Any cut would require the town allowing more things to slide through without being contested.

Personnel – current funding of \$100 would be eliminated.

Computer Services – current funding is at \$70,365. A 5% cut is \$3,519 and 10% is \$7,038. With a 5% cut we would eliminated planned software purchases and cut back on supplies and printer and hardware replacements. With 10% we would do all of that in addition to eliminating warranties on notebooks and systems and fail to replace old computer equipment

Town Clerk – current funding is \$62,013. A 5% cut is \$3,100 and 10% is \$6,201. A 5% cut would eliminate the purchased services line item and cut or eliminate phone costs and memberships in various clerks associations. For a 10% cut we would also need to reduce hours the office is open to the public and cutting payroll.

Elections – current funding is at \$23,824. A 5% cut is \$1,191 and 10% is \$2,382. As this is not an election year we would be able to make a 5% cut, however, it would be difficult absorb a 10% cut if the Clerk's budget is cut as the funds are needed to run elections.

Planning Board – current funding is at \$4,650 and a 5% cut is \$232.50 and 10% is \$465. It would be difficult for them to be removed from the budget.

Public Safety Building – current funding is \$65,549. A 5% cut is \$3,278 and 10% is \$6,565. Both a 5% and 10% cut would reduce all line items.

Town Hall – current budget \$162,195. Cut 5% is \$8,110 and 10% is \$16,219. A 5% cut would eliminate the protective lights at Mixer, reduce custodian services and reduce our central purchasing line item. A 10% with eliminate the lights and the custodian and reduce our central purchasing.

Town Reports – current funding \$2,461, 5% cut is \$123 and 10% is \$246. This 10% could be dealt with by the Municipal Assistant.

Under Public Safety the first category is Police Department whose current funding is \$1,265,365. A 5% cut is \$63,268 and 10% is \$126,536. A 5% reduction would eliminate all overtime shifts and not filling shifts as they became vacate for sick or vacation leave. A 10% cut would eliminate overtime, court time and training funds. We would also be forced to forgo a new cruiser lease. There also may be times when no response will be available during the day and we would have to call in the state police for certain calls.

Public Safety Communication – current budget \$253,427, 5% cut is \$12,671 and 10% is \$25,343. A 5% reduction would eliminate the Nextel cell phone network which is used as a backup to our decrepit dispatch center and a 10% reduction would make it impossible to provide 24-hour emergency coverage.

Fire Department – current budget \$616,078, 5% cut is \$30,804 and 10% is \$61,608. A 5% reduction would result in the realignment of current personnel to 156 shifts a year by full-time

personnel and cutting back on call personnel. It would reduce weekday on-duty staffing to no more than four full-time firefighter/EMT's on duty per day. The department could lay off one full-time firefighter/EMT. With a 10% cut we would reduce the on-duty weekday shift personnel to three full-time firefighter/EMT's per day and now allow for the backfilling of personnel during vacations, sick and personal time off.

Emergency Management is at \$5,665, 5% cut is \$284 and 10% is \$567. We will have a hard time doing anything with this budget as it is and a cut would be more difficult to conduct training exercises.

Building Department – current budget is \$107,172, 5% cut is \$5,359 and 10% is \$10,717. If we continue the arrangement with Sterling for inspection series a 10% cut is doable. If not, the secretary would need to be eliminated.

Sealer of Weight & Measures – budget \$1,900, 5% cut is \$95, 10% is \$190 and is revenue neutral. We have a contract with the state to provide these services and the money spent is raised in fees returned to the town.

Animal Control – current budget \$9,888, 5% cut is \$495 and 10% is \$989. With a 5% or 10% cut there would need to be a reduction in hours for the animal control officer.

The next grouping is Education. Superintendent Kane feels the project revenues are just that as they continue to shift. When we began the revenue gap was \$1.4 million and then it grew to \$2 million. He feels the one thing we can count on is that we have a deficit and we need to pick a number and work with it. His project budget for this year is \$9,661,446 with the 3% inflator. It is an increase of \$281,401, \$135,000 of which would go toward step increases and contract increases and a \$90,000 energy shortage. A 5% cut is \$483,072, 10% cut is \$966,145 and 13.74% is \$1,328,449. Out of the \$20,000,000 budget there are \$6,000,000 in fixed costs. In his budget 84% is people.

A 10% reduction would reduce central office and instruction accounts budgeted at \$269,394 by \$26,940. The technology line item, budgeted at \$87,676, allows the school to provide a virtual high school program for on-line learning with 150 students taking advantage of these courses. A 10% reduction would be \$8,767. This lien item also covers licenses, grading programs and communication programs with parents link. Building maintenance is budgeted at \$104,459 and a 10% reduction of \$10,446 would reduce contractual maintenance services. PPS/special education in district is budgeted at \$103,352 and provides instruction programs and pre-school programs for children with special needs. The school department has been successful in doing things to keep the children in our schools and currently we only have six out of district students. A 10% cut in that line item would be \$10,335. Bussing is \$184,890 plus \$60,000 in bussing fees. They transport anybody who pays a fee and those they are required to transport. The total savings for a 10% reduction on these items is \$56,448.

Mr. Kane stressed the big ticket item is tuition costs for students attending Assabet. He would like to move that out of the school department budget to a cost the town has to pay. It is about \$650,000 and he thinks it should be a separate line item in the budget.

A 10% reduction would eliminate funding for advisors and coaches stipends for the various activities and athletic programs. Stipends at Edwards are \$4,697, the Middle/High School \$30,813 and athletic stipends are \$86,854. Total stipends to be eliminated are \$108,735. Athletic fees take in under \$70,000.

Personnel reductions would be the High School Assistant Principal position at \$67,000. Staff reductions would increase class sizes and would have an impact on instructional programs and student support services. These are the programs that are designed for at risk kids in the primary grades. Class sizes are at the 18-22 range in the elementary school and they would be increased to 23-28. That would save \$127,000. In the middle/high school classes sizes are 23-24, would increase to 28-29 and save \$245,169.

Curriculum would also have to be reduced. According to Mr. Kane the challenge is to change the way we teach and make the changes we need to make to ensure our students are prepared for the 21st century. They have already cut art, music, instrumental music, tech education, physical education, and home economics. Further cuts in computer classes, art instruction and reductions in library, physical education and music to half time at the elementary school would save \$135,000. Cuts at the Middle/High School in .8 librarian, .5 tech teacher, .5 business, .5 physics, .5 science, .5 math and .5 English would save \$242,200.

The school would also be looking at reducing or eliminating student support programs. In the last few years the school has made cuts in both their reading and remedial math programs. Those additional cuts would save \$1,285,754.

The next category is Public Works. Current finding is \$574,420, 5% cut is \$28,721 and 10% is \$57,442. Mr. Gaumond explained that this is a department that has been reduced over the years. A 5% cut would eliminate parks supplies and some services, tree warden program, the yard waste program on the weekends and training for the department. A 10% cut would include all those cuts in addition to laying off one DPW employee.

Snow and Ice is a fixed cost and we never budget the amount needed to cover this service. According to the law, we can only over-expend if we budget at least the amount of money that we did the previous year.

Trash Removal and Disposal. Current funding is \$430,540, a 5% cut is \$21,527 and 10% is \$43,054. We cannot reduce the collection portion as we have a contract with our hauler. Any reduction would come from the tipping side and that would be through an aggressive recycling program, a pay-as—you-throw program or eliminate trash entirely from the budget.

Street Lighting is funded at \$84,214, 5% cut is \$4,211 and 10% is \$8,421. Any reduction would eliminate some non-essential street lights.

Cemeteries. Current funding is at \$41,437, 5% cut is \$2,012 and 10% is \$4,023. A lot of the costs to run this department come from perpetual care funds and any cut would eliminate the seasonal help.

Human Services Category

Board of Health, current funding \$12,875, 5% cut \$644 and 10% cut is \$1,288. Any cut would reduce the hours in the department which is already run on a part-time basis. Both the Board of Health and the Planning Board have been in the budget one year and eliminated the next year.

Council on Aging, current funding at \$52,656, 5% cut is \$2,633 and 10% cut is \$5,266. The Director could manage a 5% cut, however, a 10% cut would reduce a lot of the programs for the one person who works in the department.

Veterans Services, current funding \$43,594, 5% cut \$2,180 and 10% is \$4,360. This line item could be viewed as a fixed cost as it is direct aid to veterans and the town is reimbursed 75% by the state government.

Culture and Recreation Category

Library. Current funding \$323,049, 5% cut is \$16,152 and 10% is \$32,304. Any cut would reduce hours and people at the department. A 5% cut would impact coverage for vacation and sick days and building maintenance would be impacted with the reduction in hours of the janitorial service. A 10% cut would reduce hours for two part-time positions, service hours would be reduced from 30 to 26 and the Young Adults Program would be severely impacted. There would also be great delays in getting materials from the inter-library loan program.

Historical Commission has no funding at this time and Mr. Gaumond does not see that changing under any circumstance.

Celebrations, current funding at \$1,761, 5% cut \$88 and 10% \$176. Any cut would reduce the number of memorials and markers for graves.

Debt Service is a fixed cost.

Intergovernmental is budgeted at \$3,400 and covers our participation in Central Mass Regional Planning Commission and our MORE membership. We do not have a town planner and CMRPC provides those services.

Employee Benefits and Insurance Category

Retirement and Pensions this is a fixed cost, which cannot be lowered.

Workers Compensation is a fixed cost based upon our claims experience.

Unemployment Insurance is a fixed cost based upon our payroll.

Group Health Insurance is a fixed cost and changes in this line item are made though labor negotiations.

Group Life Insurance is a fixed cost to the town

Mr. Phillips noted that West Boylston is not unlike other communities in the state and there will have to be a reduction of services across the board or substantial revenue growth for the town. Mr. Gaumond would like everyone to do their own homework prior to the meeting next Thursday. He welcomes emails on suggestions for revenue enhancement and input on preferences, which he will forward to everyone prior to the meeting. Mr. Berglund indicated that the Finance Committee met last week and does not need any clarification. Mr. Desy feels that exercise has been a great cooperative effort on behalf of the three boards and he encouraged ideas from those in the audience. Mr. Phillips noted that it was a cooperative effort to make the best of a bad situation.

With no further business to come before the Board, motion Mr. McCormick at 8:25 p.m. to adjourn, seconded by Mr. Rucho, all in favor.

Respectfully submitted,

Approved: January 7, 2009

Nancy E. Lucier

Allen R. Phillips, Chairman

Valmore H. Pruneau, Vice Chairman

Christopher A. Rucho, Selectman

Kevin M. McCormick, Selectman