

Members present: Kevin McCormick Allen R. Phillips (arrived 7:30)
Valmore H. Pruneau Christopher A. Rucho
Members absent: Steven Quist

Mr. McCormick convened the Board's joint meeting with the School and Finance Committees at 7:00 p.m. School Committee members Lisa Bouchard, Peter Desy, Rick Shaw and Stephen Paige joined the Board together with Finance Committee members Raymond Bricault, Christopher Berglund, Mychelle Phillips and Gregory Zarkarian. Mr. McCormick noted that this is the meeting the Selectmen committed to have with the Finance and School Committees to discuss the budget.

1. Budget Discussion

Mr. McCormick reported that last night the Board met and approved the final budget. We were able to fund the Library at \$267,000, provide \$14,000 to the Parks, a \$16,000 warrant article for the Elder Community Service Program and a warrant article for landfill monitoring in the amount of \$35,000. The remainder of the funds were divided between the school and the town, with the school getting 67% or \$76,000 and the town getting 33% or \$39,000. This allowed the Selectmen to give additional funding of \$15,000 for the police, \$4,000 for the Treasurer/Tax Collector, \$11,000 for Town Counsel, \$900 for the Board of Selectmen/Town Administrator and \$8,659 for the Reserve Fund. He invited questions from either of the two boards.

Finance Committee Chairman Raymond Bricault asked for a differential of the budget from the original numbers. Mr. Gaumond provided the following explanation. The Moderator's salary was reduced to \$1.00, and that was agreeable with everyone. The Reserve Fund was increased to \$48,000 and Town Counsel increased by \$11,000. Mr. Gaumond had concerns over funding level for the Reserve Fund and we added \$8,659 to that line item. We also included the \$15,000 to the police salary line item for over time coverage. Everything else remained the same. Education increased \$76,792, which brings them to \$8.92 million. Within the DPW we included \$14,000 for the parks maintenance, which will not make them whole as they are cut \$3,000 from last year. We also eliminated a position in the DPW and formed a Street Lighting Committee with two members of the Board of Selectmen who will be looking into that issue and that line item may be adjusted in October. We saved \$120,000 in the trash line item with the vote on pay-as-you-throw. The Library is now funded at \$267,000, which will require them to apply for a waiver once again this year. All funding for Memorial Day and Arts Council has been eliminated. We were able to reduce the cost of group health insurance by \$110,000.

Mr. Gaumond credited the School Committee's involvement to get us to a point where the Library could be funded. This year we had no non-reoccurring funds to use as we had in past years and Free Cash is at \$16,000. In June Mr. Gaumond instituted a spending and hiring freeze, which allowed turn backs of \$110,000 to offset our revenue deficit. The revenue deficit is at \$330,000, which includes Snow and Ice, the \$60,000 deficit and the Governor's 9C cuts. Our Finance Director wants to deal with the deficit in this fiscal year, however, we are still carrying over a \$41,000 deficit to next year. We are using the House numbers and Mr. Gaumond is hearing that things could better or worse than this. Estimated charges didn't increase and local estimated receipts are trending to our estimates, but they were ramped down numbers. The Selectmen voted the budget last night, and the only way it worked was because of pay-as-you-throw, turn backs, health insurance negotiations and no raises for anyone over the next year. We will be able to pass a balanced budget at town meeting.

Ms. Bouchard stated that she was very pleased to hear of the decision to fund the Library. In addition, as the School Committee looks forward to readjusting the budget upwards, she thanked the Board of Selectmen, the teachers and the staff members for agreeing to the health insurance plan changes and the other unions of the town. Mr. Shaw questioned when the Board made the allocation

for the parks and police was that before the allocation to the School. Mr. McCormick explained that the parks funding was before as it was a warrant article and the police was after. Mr. Gaumond noted that he had a nice conversation with Mr. Shaw today and one of the questions he posed was how to move forward from this budget. The Selectmen had voted that should new monies become available they will be split 2/3's for the school and 1/3 for the town's side. Mr. McCormick pointed out the fact that depending on how much money comes in we may need to have a sit down as we should save for next year. According to Ms. Bouchard even with the additional money the school still needs to look at a considerable number of layoffs. As long as they keep Chapter 70 funds solid, Mr. Gaumond feels we will be okay and there won't be a need for any budget amendments.

Mr. Bricault would like to put something back into the Capital Reserve Fund. Mr. McCormick would consider that. Whitney Barnard of the Library Trustees pointed out the fact that both the School Committee and the Board of Selectmen are on record of promising the Board of Library Trustees funding up to the 10% level. He stated that the cut comes out of the hide of Library Director Louise Howland who is one of the hardest working employees of the town. While the Trustees are very appreciative of the work done to get them to their current level, they will speak on town meeting floor if they are not at the 10%, which was the public commitment. Mr. McCormick believes his motion was to fund the Library to the best of our ability towards the \$280,000 and he believes that is what the Board did. Mr. Barnard would like additional funds if money is found. Andrew Feland believes with the 15% cut the Library will have an issue with its certification. According to Mr. Gaumond, the Library will once again this year have to apply for a waiver, and he feels comfortable about this. He spoke to the Lieutenant Governor and he was greatly disturbed that at that time West Boylston had no funds for the library. He also noted that we are not the worst community in the state, and he also feels that there will be more flexibility from the Board of Library Commissioners than in previous years.

Mr. Shaw noted that the School Committee publicly stated that they agreed to funding up to the \$282,000 for the Library before they would take additional funds. He believes any future available funding should go to the library. Mr. Gaumond disagrees because what we did was take all the returns and fund some to the library to get them to the point where we felt we could get safety. We have used a lot of the turn backs to try to fund those things and he noted that he didn't ask the School Department for any turn backs.

Mr. McCormick explained that the Board distributed the money and the parks is only getting \$14,000, which is not what they originally requested, and should more money become available they will look at it. Mr. Pruneau reported that when he went to Boston for the MMA update Mayors talked about closing their libraries. Mr. Feland would like the Selectmen and the School Committee to commit that the next \$15,000 would go to the library. The Selectmen would rather not make that commitment as something else might come up.

Mr. Bricault questioned where the \$250,000 in revenues come from. Mr. Gaumond explained that \$108,000 was from turn backs, reductions in the health insurance line item and \$120,000 from pay-as-you-throw. Mr. Bricault questioned whether we will ever report pay-as-you-throw as a revenue source. According to Mr. Gaumond what we said was we wanted to build a business model. As people will recycle more and buy fewer bags, we need to have a year under our belt to see how we are doing. We are assuming \$120,000 in revenue. Mr. Bricault questioned the funding for the Police Department. According to Mr. Gaumond although we added some funding to that line item we still may have a layoff before the end of the fiscal year. Mr. Berglund questioned start-up expenses for pay-as-you-throw. Mr. Gaumond explained that one of the articles is a Revolving Fund for FY09. The Selectmen authorized the signing of a bag vendor contract and the bags will be ready the beginning of June. We will try to sell as many bags as we can as we have a 30-day window to pay for our first bag order,

which will be supplied by Waste Zero. Mr. Bricault questioned the article on the warrant to acquire the building on the corner of Hartwell Street, asked if the Selectmen would have a recommendation on town meeting floor, and he questioned what expenses we will realize in the next year. Mr. Gaumond explained that the Municipal Buildings Committee met a couple of weeks ago and decided to proceed with the acquisition of 150 Hartwell Street. There is no better time to buy a building for municipal purposes and it does meet our minimum requirements of what we might be looking for. We would have some renovation costs and we have a subcommittee working on that number for the building, which we expect to be about \$3.5 million. It will house town offices, the Council on Aging and the DPW and is a large building with warehouse space. The original estimate to take care of those three departments was \$20 million. As the Municipal Buildings Committee has been meeting for three years it is time to bring forward a proposal or go home and not meet any more. As far as its impact on this year's budget we will incur borrowing costs and the costs of a special election, which is about \$5,000. Any legal reviews would be covered under the Town Counsel's budget. Mr. Bricault questioned the debt costs and Mr. Gaumond noted that the plan is to have the \$3.5 billion be a debt exclusion.

Mr. Shaw questioned whether there would be an opportunity to get Federal Stimulus money for the project. According to Mr. Gaumond, if we were building yes, but we are not building and from what he is hearing municipal buildings will not be under those funds. Mr. Paige questioned whether there were exceptions for a town that does not have a town hall. Mr. Gaumond explained that the big focus is education and clean energy and perhaps the wind program or solar power project for the Municipal Light Plant could get partial funding. He also noted that we are a town with more building needs than any other community. Mr. Paige feels this is something the stimulus money should be made for. According to Mr. Gaumond the stimulus money is meant to create jobs.

Mr. Shaw explained that that because the school went from four to three sessions they were cut in School Choice from \$750,000 to \$500,000. He compared that budget to the Fire Department's ambulance receipts, which are also a revenue source to the town. If the school budget is cut it impacts potential revenue and students leave for a vocational school such as Asabet, which we have to pay for. Mr. Phillips understands the scenario, however, he noted that if you remove the ambulance receipts from the Fire Department budget they have a budget of \$150,000. Mr. Shaw feels that when you look at a 5.7% cut it also has a impact on cash flow. Mr. Bricault questioned when we might see the state budget. Mr. Gaumond's speculates it will be before town meeting and by the end of the fiscal year, and then it is up to the Governor.

With no further business to come before the Board, motion Mr. Rucho at 8:00 p.m. to adjourn, seconded by Mr. Pruneau, all in favor.

Respectfully submitted,

Approved: May 20, 2009

Nancy E. Lucier

Kevin M. McCormick Chairman

Valmore Pruneau, Vice Chairman

Allen R. Phillips, Clerk

Christopher A. Rucho, Selectman

Steven Quist, Selectman