

Members present: Allen R. Phillips Christopher A. Rucho
Valmore H. Pruneau Kevin M. McCormick
Members absent: John B. DiPietro, Sr.

Mr. Phillips convened the special work session meeting of the Board at 7:00 p.m.

TOWN ADMINISTRATOR FY10 BUDGET REVIEW

Mr. Gaumond thanked everyone in attendance who came to hear his budget review. He will doing a power point budget presentation this evening, which will be included on the town's website. He noted that for several years the budget process in West Boylston has been one of reducing and shifting of resources. Last year's budget was successes due to the fact that we used one time revenues such as Free Cash. The nature of our problem at this time are such that we either accept a reduction in services or seek additional revenue. This has been his most challenging budget since the passage of Proposition 2-½. He noted that we are a community that does not see new growth in large numbers and most of the town is owned by the state. People in West Boylston are also being impacted by the general economy and losing their jobs and houses. State government is also in a poor fiscal condition, with this year's allocation of local aid being cut. Our current estimate is \$19,025 with a proposed budget of \$19,996. The only way Mr. Gaumond can develop a balanced budget is to reduce expenditures and services. He recommends the following line item reductions.

Moderator – will be reduced to \$270 to cover his stipend and funds to attend the annual conference.

Board of Selectmen line item will be cut to \$6,500 eliminating attendance at MMA conference.

Town Administrator has been reduced in the Purchased Services line item.

Finance Committee funding will be eliminated.

Reserve Fund, will be lowered to \$45,000.

Town Accountant – FAA, will not take the increase allowed for in their contract. This is a services that is provided by an outside vendor for the town.

Town Audit – this line item has an increase due to the requirements of GASBY45. Initially the figure was \$39,500, and we were able to negotiate a \$1,500 reduction.

Assessors' – decrease in this line item to Other Expenses. There is only one employee in this department and this is another area where services are contracted out.

Treasurer/Tax Collector – decrease this line item, which will result in the loss of their part-time clerk position. There are some funds included for tax title enforcement and he is trying to work with the Sewer Department to fund some of the hours of the clerk.

Town Counsel – this line item is being reduced from \$85,000 to \$80,000.

Personnel Board – this line item will be eliminated.

Computer Services – this line item will be decreased by reducing requested upgrades and purchases. We will keep the old systems in place as long as we can. Many computers will be out of warranty, and there will be no new software purchases.

Town Clerk – this will be decreased in the other expenses line item.

Elections – this line item will be decreased modestly. If we need to have a special election we probably will not have sufficient funds to cover that line item.

Planning Board – last year we added them into the budget. This year they will be reduced and hopefully they can maintain their current level through use of their revolving fund.

Public Safety Building – this item has reduced in the other expenses line item.

Town Hall – this line item will be reduced by about \$6,000. We have no increase for the janitor, we will continue to pay for the rental of the property and have not included any increase for the rental costs.

Town Report - line item will decreased. This report is required by state law and copies are on file with the state as well.

Total General Government is at \$1,072,684 down 2.5% over last year. Mr. Gaumond noted that a lot of these departments are one-person offices.

Public Safety

Police Department will be decreased by not giving any salary increases for any of the officers including the Police Chief, the elimination of overtime costs and community policing resulting in a 10% reduction. The effects of these cuts will be some one officer police shifts. There is no funding for officers to go to court, no training and no funds to fill benefit time off shifts. Mr. Gaumond credited the Police Chief for being able to manage the situation and the officers who do not abuse their ability to take time off. The vehicle replacement program will be suspended in the short term and we will eliminate contractual coverage for our computer system. We are also losing funds to replace uniforms and equipment. The budget stops short of reducing staff at this time, however, the department will likely be facing a layoff at the end of FY10.

Fire Department is being decreased in the communication services, deferring the purchase of any new protective gear, reducing the number of portable radios, and the hose replacement program will be suspended. Training funds will be eliminated for this year, which will have a impact on the call department. Stipends are being reduced for the department managers who cover functions and overtime in the department is being reduced.

Public Safety Communications – Mr. Gaumond noted that we have an aging call response system. The reduction in this budget comes from no salary increases.

Building Department – this line item will decreased by another \$800.00. We will continue to share the Inspector with the Town of Sterling as both towns feels this is a good exercise.

Sealer of Weights – this line item is a wash as what we take in for fees goes out for payment to the state for these services.

Emergency Management – this line item will be cut by \$600 and hopefully we can supplement with grants.

Animal Control – will be decreased by \$300 as the Animal Control Officer has agreed to a pay cut.

Total public safety is down 7.24% from last year and in at \$2,001,556.

Education – The School Committee and Board of Selectmen worked together and the School Department has been asked to balance their budget to \$8,844,000 a decrease of 5.7% from last year.

Public Works – is being reduced by 10%, no increases for the employees or the department head, the elimination of one position and the elimination of parks maintenance funding. Only essential services will be provided by the department. We also had to build in a conservative increase for fuel costs. The yard waste recycling site will be opened on weekdays, eliminating weekend overtime costs. Training is also reduced in addition to tree maintenance.

Snow and Ice Removal – this line item has to be level funded and cannot be reduced. We have a \$160,000 deficit in this year's line item.

Street Lights – the Municipal Light Plant will maintain the same costs for this line item and any reduction would eliminate some non-essential street lights.

Trash and disposal is being fully funded per the contract at \$433,500, which includes both the collection and disposal side of the contract. There is a lot of discussion with the Board on pay-as-you-throw which would charge those who use the service the most. In the past the town passed a \$200,000

override for this service, and today's value of that override is \$313,000. The adoption of a pay-as-you-throw program could raise from zero to \$433,500 in the budget. The Selectmen have scheduled a public hearing on pay-as-you-throw for April 9th at the school.

Cemetery – this line item, which is being decreased from \$40,230 to \$36,207, pays for the salary of the Superintendent and the Commissioners.

Public Works is cut by 3.7% from last year and comes in at \$1,157,712.

Board of Health – like the Planning Board, revolving funds are not able to cover all the expenses for this department. Last year we put them back into the budget and this year we will reduce the funding they were given by about \$2,000. This will cover the cost of the secretary to the Board of Health, disease management for the town and the VNA contract. The annual flu clinic and office training will likely be impacted.

Council on Aging – this is being reduced to \$46,010, the bare bottom we can go. This will allow basic level of funds to keep the program going. The Director is able to do this because she has accesses to other funds and the Friends of the Council on Aging.

Veterans' Services is level funded and the town is reimbursed 75% of the benefits paid out.

Total Human Services is decreased by 6.6% and comes in at \$101,115.

Debt Principal and Debt Interest and Short-term borrowing are fixed costs to the town, will be decreased slightly. Mr. Gaumond noted that we have a manageable amount of debt in the community.

Intergovernmental includes our Central Mass Regional Planning Commission assessment of \$1,509 and our membership in MORE, who are waiving fees for FY10.

Employee benefits – Mr. Gaumond noted that a lot of these line items are fixed costs.

County Retirement and Pensions – are fixed costs and have a slight increase over last year. We pre-pay so we see a benefit.

Workers' Compensation it is a fixed cost and will be decreased.

Unemployment is a fixed cost based upon our payroll and the fact that we will probably be facing layoffs this year,

Group Health Insurance is a fixed cost to the town and is coming in with a 3.5% increase. Our initial increase was 8% in this line item. We are also negotiating to decrease this even further through plan designs and contribution rate changes.

Life Insurance is a fixed cost and will be maintained.

Medicare is a fixed cost as well.

Total Employee Benefits at up 4.5% at \$4,270,380 primarily due to health insurance and unemployment increases.

General Insurance is being reduced by about \$40,000 primarily due to our loss control efforts.

Mr. Gaumond noted that the Culture and Recreation portion of the budget is his area of concern as should he fund all the line items he has \$13,000 available for that category.

Historical Commission funding will be eliminated again this year. When supplies are needed they will need to see Mrs. Lucier.

Celebrations will be reduced to provide some capacity to purchase brass markers and flags.

Arts Council funding will be eliminated.

Library – the only available revenue for this line item is \$10,449. Mr. Gaumond noted that this is his first budget draft. We can move things around in the current budget and we may see some savings in health insurance or pay-as-you-throw. With the spending freeze he implemented, he does expect some funds to be returned, which can be used to offset the FY09 budget.

Mr. Gaumond also reports that the Governor's 9C cuts are over \$100,000, and that with the Snow and Ice deficit leaves us with a possible \$300,000 deficit for this year. He hopes to reduce that with those turn backs.

Mr. McCormick questioned the status of the stimulus and asked if there is more coming. He is aware of the fact that the town did not get anything for special education. Mr. Gaumond noted that only communities that were not funded to their foundation level received those funds and the Governor made a commitment that some of the stimulus funds would go to education. Mr. McCormick questioned what else might be coming. According to Mr. Gaumond, the MMA is putting out an explanation and categories of aid, and as the Federal Government will be issuing grants to towns state-wide, we will be competing with them. He is unsure what West Boylston will get, it's a little too early to know, however, we did provide an aggressive project list to the Governor's Office. Mr. McCormick asked about the Overlay Surplus balance and was informed that we have about \$15,000, which we typically use for warrant articles. Mr. Gaumond does not anticipate many money articles and noted that we do have to fund an article for landfill monitoring.

Mr. Phillips questioned the consequences to the town should they elect not to fund the monitoring. According to Mr. Gaumond DEP would impose a large monetary fine against the town. Mr. Phillips noted that when the Board met with an official from DEP, he indicated a number of reuse possibilities for the landfill and how would that impact our monitoring. Mr. Gaumond explained that the town would be required to continue its monitoring and may have to relocate the monitoring wells, depending upon the reuse.

Mr. McCormick questioned whether the increase in the meals and hotel taxes would pass. Mr. Gaumond noted that the Governor included the number in the Cherry Sheet, however, it was on the table last year and didn't pass. He has asked those questions to the MMA and they are not betting this will be included in the municipal relief package by the legislature. If it were to pass the Governor estimates an additional \$94,000 for meals and \$18,000 in hotel taxes. He pointed out that there are still a lot of other things out there that could have positive impacts on our revenue picture. Mr. McCormick asked if there was an estimate on what might be turned back in the FY09 budget to put against the projected \$300,000 deficit. According to Mr. Gaumond, the Building Inspector will return \$10,000, however, he feels it is a little too early to forecast. He does plan to ask his department heads for a best guess of where they stand on their budgets, however, he feels we will have a better understanding by town meeting.

Mr. Rucho pointed out that the town can also vote to assess an additional 1% on both the meals and room taxes. He noted that there were discussions about further cuts in state aid. Mr. Gaumond has heard that there may be further cuts, however, he does not think we will see a further 9C cut in this year. Mr. Pruneau asked if the deficit included the ice and brush removal expenses. Mr. Gaumond indicated that no town has a contingency fund for those expenses and his intention is to include an article on the warrant to use our Stabilization Fund for those expenses. The number at this time is unknown and we are working with DCR, and the state and federal government to keep the number down. He reported that the Town of Boylston plans to collect everything with their own guys. Mr. Gaumond recommends treating this as a one-time emergency response through the Stabilization Fund.

Mr. Phillips questioned the \$20,000 line item for elections and exactly what that covers. Mr. Gaumond does not have an explanation page in that budget file, although his understanding is it covers salaries of the workers, census, coding of the ballots, which is \$4,500, printing, postage, dog tags and binding of records. He offered to get additional information from the Town Clerk. Mr. Phillips' was of the understanding that a special election cost between \$4,000 and \$5,000, and he would like a breakdown.

Mr. McCormick would like to delete the salary and expenses for the Moderator, delete salaries for the Board of Selectmen and their MMA expenses. He would also like to reduce the Planning Board's budget to \$3,000 as posting costs are paid by the applicant. He would like to cut the Civil Defenses budget in half, delete the Cemetery Trustees pay and delete funding for Memorial Day as private fund raising efforts are already being planned to raise the funds. He did question how those privately raised funds could be transferred into the Cemetery Revolving fund. According to Mr. Gaumond a private party or organization could purchase the flags as the funds do not need to come back to the town. Mr. McCormick would like to take those additional cuts and combine them with the turn back funds.

Mr. Rucho questioned the \$6,000 reduction in town hall. Mr. Gaumond noted that this was accomplished through changes in our telephone system and eliminating the security lights at the Mixer Building. Mr. Rucho requested a breakdown of the Purchased Services line item. He also asked about step increases. According to Mr. Gaumond on the town's side, two or three people will get step increases. We have eliminated all supply line items and people request supplies from Mrs. Lucier.

Mr. Phillips noted that he is one of the employees entitled to a stipend on the Fire Department and he will be turning that back. His cuts are as follows. The first is eliminate \$220 from the Moderator, \$1,000 from Selectmen expenses and \$500 from their salary, reduce the Reserve Fund by \$15,000 and Town Counsel by \$10,500. He would also like to reduce computer capital outlay to \$3,190, \$800 on the Building Inspector, reduce Civil Defense to \$1,000, and reduce street lights \$31,761 down to \$50,000 and work out a plan with the Municipal Light Plant to shut down every other street light and leave on those at bad curbs. Trash removal by \$140,000, \$300 under Cemetery, and \$1,050 under Planning Board. Those cuts will save \$220,000.

Mr. Phillips reminded the Board the Parks Commission requested the roll back amount of \$14,000 from the DPW employee be transferred to them via a warrant article for parks maintenance. Mr. McCormick recommends taking the money back as a return and when we get closer to town meeting we can figure where the money would go. He would like that \$14,000 and any other turn backs to be equally spread to the departments that need extra funds. Mr. Phillips voiced concern over equity to those departments cut 100% and over the \$310,000 deficit we already for this year. Mr. Phillips believes the mechanism should be the money turned back from the DPW should be shifted to its intended purpose.

Mr. Rucho questioned what a \$30,000 cut would mean for street lights. Mr. Gaumond explained that some street lights are more expensive than others and the mechanism to decide who is shut off will not fall to the Municipal Light Plant. The Selectmen will tell him who to shut off. In addition, when you turn off the lights you have to remove the fixture as should there be an accident and a street light is present and not lighted the town owns some responsibility which presents a potential for liability. The Light Plant has indicated that they will work with us. Mr. Phillips requested a list of street light locations and the costs associated with each of those locations. Mr. Rucho's preference is not to go below \$313,000 on trash, which is a \$120,000 savings. Mr. Phillips would like to see all the cuts on paper to review them at one time.

Mr. Gaumond pointed out that the salaries of elected officials are a separate warrant article, which is voted on by the people, and as these are elected officials he does not feel comfortable zeroing that out and noted that the Planning Board never accepts their stipend. Mr. Phillips suggested putting in \$1.00 and Mr. McCormick recommends zero. Mr. Gaumond stated that when the Board of Selectmen votes that line item as zero he will amend the budget in that fashion.

Mr. Phillips asked Mr. Gaumond what the Board has to do to change these items. Mr. Gaumond explained that the Selectmen's reduction will delete the payment of their participation in the MMA Conference. He does not recommend the reduction in the Reserve Fund and he feels that

reducing Town Counsel is also difficult for him to support as we have on-going uses we already know of which will carry over into the next fiscal year. Mr. Phillips would like Mr. Gaumond to have a strict hand and cutting back. Mr. Gaumond offered to work on cutting back the computer line item, however, it covers our maintenance agreement and annual fees. He will ask the Planning Board and the Civil Defense Director for their comments on their proposed cuts. He will build scenarios for the \$120,000 trash reduction and commends people for private fund raising activities to support Memorial Day. Mr. Phillips encouraged Mr. Gaumond to include any other suggestions he has. Mr. Gaumond stated that he is getting a sense that all stipends would be reduced to zero. Mr. Phillips asked Mr. Gaumond if there would be any ramifications should we place stipends in at zero and bring them back next year. Mr. Gaumond indicated that there would not be. Mr. Phillips stated that he does not mean to be insulting to anyone who receives a stipend, and recommends they be reduced to \$1.00.

Mr. Rucho would like to get a better handle on the state numbers. Mr. Gaumond reported that he has been talking with Finance Director Michael Daley who has indicated that this is one of those times we are racing to a finish line artificially as some communities are not bringing a budget to town meeting. In previous years we knew what we were going to get in local aid. Mr. Rucho agrees with Mr. McCormick's recommendation on the money being turned back. He also feels it should be saved and held onto and not earmarked for any departments. Mr. Phillips noted that the Board did make a commitment to the Library to shift money to them. He thanked Mr. Gaumond for his presentation.

With no further business to come before the Board, motion Mr. McCormick at 9:25 p.m. to adjourn, seconded by Mr. Rucho, all in favor.

Respectfully submitted,

Nancy E. Lucier

Approved: April 15, 2009

Allen R. Phillips, Chairman

Valmore H. Pruneau, Vice Chairman

Kevin M. McCormick, Selectman

Christopher A. Rucho, Selectman