

Members present: John J. O'Brien Kevin M. McCormick
Christopher A. Rucho Steven J. Quist
Members absent: Allen R. Phillips

Mr. O'Brien convened the meeting at 7:00 p.m.

Read and Acceptance of Minutes from Previous Meeting

Motion Mr. McCormick to approve the regular session meeting minutes for the August 24, 2011, seconded by Mr. Quist, all in favor.

Motion Mr. McCormick to approve the regular session meeting minutes for the September 21, 2011, seconded by Mr. Rucho. Vote on the motion – Messrs. Rucho, McCormick and Quist yes. Mr. O'Brien abstains as he was not present for the meeting.

Motion Mr. McCormick to approve the regular session meeting minutes for the September 28, 2011, seconded by Mr. Quist, all in favor.

School Committee Budget Discussion

Mr. O'Brien noted that this item was requested by Mr. McCormick. School Superintendent Dr. Elizabeth Schaper, School Committee Chairman Richard Shaw and members John Owanisian, Jennifer Breen, Siobahn Bohannon and Judith Doherty are in attendance this evening to discuss the school budget.

Mr. McCormick explained that ever since town meeting last year he decided to begin discussions on the budget sooner rather than later in the process. At the Board's first meeting in July he made the request to begin the process and a letter was sent to the School Committee with a request to begin the process. We then received a letter from the School Superintendent requesting information on our FY13 revenues so that they could determine whether an override would be needed. Due to the fact that we will not have that information until Thanksgiving Mr. McCormick thought that it would be too late and he wanted to keep this moving. He would like to know from the School Committee if they have thought about how we are going to fund the gap in their budget. The last two years we took funds from Stabilization, which he is vehemently opposed to and we also took the pay-as-you-throw trash money. He voiced his concern that we again causing the same problem we had in the past of creating a budget structural deficit due to the actions taken over the last two years.

Superintendent Shaper stated that the School Committee asked her to prepare an overview. She explained that they are here tonight at the invitation of the Board of Selectmen to see if the School Committee intends to seek a Proposition 2-1/2 Override. She appreciates the information that she received from the Town Administrator and is grateful for a chance to meet tonight to begin to understand our fiscal condition and trends. They remain committed to the delivery of quality education and propose a budget to deliver those services and programs. The goal of the public schools is to ensure overall quality of life in West Boylston. Schools matter in West Boylston and the Administration and the School Committee has followed up on suggestions offered by the Board of Selectmen through marketing efforts. They have a marketing subcommittee authorized to move forward with a marketing plan looking for unique quality programs, sprucing up the interior of the building, bringing teachers together, spotlighting programs and services, and looking for new ways to expand as a community school. The question of whether the School Committee will attempt a Proposition 2-1/2 Override is a difficult question to answer without knowing what we have for available funds. We will require some additional dollars if we are continuing to provide level services.

At this time we are not inclined to support a Proposition 2-1/2 Override. They hope an ongoing dialogue will yield the budget and the School Committee has a few questions they would like to ask.

John Owanisian thanked the Board for inviting the School Committee to the meeting. He is on the marketing subcommittee with Judy Doherty and they met with Dr. Schaper last week. They have a solid marketing plan for the schools to target the community. When he interviewed for the position it was one of his initiatives and there is good stuff coming on that. In terms of the budget in FY11, we had a favorable variance in actual funds than what was projected. Do we anticipate a continued positive variance in revenue and could you project FY13 revenue growth over FY12.

Mr. Gaumond explained that four categories make up the revenues to the town. The first is Property Taxes. We know what we will end up with because of Proposition 2-1/2. We do not know what our New Growth will be. With Miscellaneous Local Receipts it is hard to project. Last year we did well due to the Cash for Clunkers Program. He does not know if he could project that again. Under Available Funds we still have the ambulance service that makes money and the last category is State Aid. He advised that things are looking good for the state right now, he is optimistic we will have level funding and he thinks there might be a marginal area of improvement with local aid; however, it could change in a moment's notice. Mr. McCormick noted that the town also passed an increase in the meals and hotel taxes during this period, which accounted for an increase in local receipts.

Mr. Shaw asked if you project 'x' and you have \$100,000 of excess that will flow into Free Cash, that is part of the \$900,000 plus we received. Mr. Gaumond explained that we received \$112,000 in meals and hotel taxes of the Free Cash. Mr. Daley noted that the meals tax will not be an unestimated revenue for FY13. We have a two month lag from the bill to the delivery of receipts during a fiscal year. We now have a full years worth of revenue in our FY12 number. Friendly's Ice Cream just closed in West Boylston so we will have to carefully look at that impact. Mr. Daley does not think it is a major revenue item. Last year it was a \$144,000 gross and we will budget \$105,000 for meals tax. Mr. Daley added that our revenue was close to \$20 million and our actual was \$200,000 more so we are within the 1-2%. Mr. Owanisian is hearing it is a fairly good position. Mr. Gaumond is cautiously optimistic and needs a few months of information to make that analysis. Right now he has July and August numbers in the book.

Mr. Gaumond outlined how Free Cash gets determined. We received \$268,734 in additional revenue that was not expected or higher than projected. We have returned \$590,616 in various line items of the town. With regard to unemployment, 18-20 months ago we were looking at mid-year budget cuts as the Governor was looking for mid-year cuts. We have had significant unemployment claim that came in at less than anticipated. We have now reduced the number in the current budget and we will not see the Free Cash flow from the Unemployment line as we did. In Health Insurance we are returning \$270,000 through aggressive negotiations on health insurance. We also saw fewer employees in town and we may have had some people who would have been entitled to health insurance and they did not take advantage of that benefit. We adjusted the line item by only increasing it \$50,000 even though our rates included a 10% increase. We will not see the Free Cash come from the Health Insurance line item this year.

Mr. Shaw added that when he looked over the numbers when we get to health insurance, last year we had an excess of \$200,000, will we have \$419,000 this year. Will you put down the equivalent of that number to have those funds available for the town and the schools. Mr. Gaumond explained that we only added \$50,000 to that line item and we had a 10% premium increase. The number could have been \$400,000 if we just counted the 10% increase. He knew the savings was coming because of the addition money coming from the increased premiums for employees. Mr. Gaumond added that over funding hurts the ability to fund the other departments with our 2/3rd and

1/3rd split. Between negotiations and excess capacity he was able to project five month ago we would have excess capacity. When he calculated the benefits he tries to have health insurance and general insurance numbers available. In the operating budget for health insurance he put in \$3.5 million. What he said was while we are seeing a 10% increase in rates, and due to changes we made in our contribution levels, we only need \$50,000 more. Mr. Shaw stated it is difficult for the School Committee when you look at Free Cash levels in 2008-2009 and to see significant Free Cash levels at the end of the year, we ask why isn't that money available. Mr. Gaumond noted the things he stresses with all his department heads is if you can save a dollar, save a dollar. He is proud his departments are able to save money. The Free Cash goes to fund next year's operating budget and it is our duty and responsibility to build that Free Cash number. He thinks we have done reasonably well as a couple of years ago we only had \$23,000 in Free Cash, we didn't have a meals or hotel tax, and he thinks things are turning around for us. Hopefully, we will have a favorable trend in our next year's revenues. If we find we are not going to meet what we hoped we would in New Growth, all bets are off. Mr. O'Brien pointed out that a lot of the increases are due to pro active steps the town took and he is concerned with the statement of padding of the budget as people didn't take pay raises they were entitled to.

Mr. Shaw's stated the concern he had was we came out of a bad recession and the reality of a 2-1/2 Override does not make sense. Now if we are seeing such good Free Cash, the reality is does it make sense at this point to go for a 2-1/2 Override when it is an entire community, not just the schools. Mr. Gaumond pointed out that we only saw revenue above what we anticipated at \$270,000. In several line items we saw times when we had staff vacancies and those vacancies were no filled for months. In February to the end of the fiscal year we were without a DPW Director and the acting DPW Director was not paid anything. Mr. Rucho suggested going through the entire budget.

Mr. Gaumond reports that the town received \$268,734 in additional revenues, which were unexpected or higher than project, made up of \$433,479 in real and personal property taxes, \$123,870 in motor vehicle excise due to Cash for Clunkers, \$10,748 in licenses, permits and fees, and \$115,672 in miscellaneous revenues, and we failed to meet our governmental revenue budget by \$11,131, our PILOT Program payment by \$2,244, and we failed to meet our projections on investment income by \$1,660.

General government returned a total of \$82,455.88. The Moderator did not take his salary or his conference expenses returning the entire budget. \$51.00, the Selectmen returned \$26.73, the Town Administrator returned \$7,604.84, a majority of this was due to finding an alternative way of funding the Economic Target Area analysis, the Reserve Fund returned \$34,865.11, the Finance Director returned \$2,432.16 due to FAA not charging the full amount of their contract, we saved \$1500 on the town audit line item, the Assessor's office returned \$6,664.51 due to a resignation and there was a period we were not paying the Administrative Assessor position and when we hired a new person it was at a lower rate, we returned \$682.80 from the Treasurer/Tax Collector, we returned \$17,496.73 in our Town Counsel line item, \$151.27 in the IT budget, \$778.64 in the Town Clerk budget and \$3940.68 in the Elections budget. The Fire Chief returned \$55.38 in the Public Safety Headquarters budget; we returned \$6,206.23 in the town hall budget line item as we hired a new janitor at a lower rate and for fewer hours.

Public Safety returned a total of \$32,554.62. The Police Chief returned \$90.91 in his police budget and \$138.09 in the communications budget, the Fire Chief returned \$16,236.20 due to a reduced amount spent on call firefighter calls and by not filling shifts when possible. The Building Department returned \$16,016.78 as we are still in a shared services agreement with Sterling and we had a change in staff and we saved money by hiring a person for less money and reduced hours. We returned \$25 in Sealer of Weights, and \$47.64 in the Animal Control.

Public works returned a total of \$47,848.62. The Department of Public Works returned \$18,004.74 as when the DPW Director resigned the Town Administrator served as the DPW Director and did not take a stipend or a salary for these added duties. We returned \$60.30 in the snow removal, \$.08 in street lighting budget, \$29,783.50 in the trash & recycling budget, due to the success of the pay- as-you-throw-program and positive negotiations for trash collection & disposal by the Town.

Human Service returned a total of \$3597.59. The Council on Aging returned \$155.62, and Veterans Agent returned \$3,441.97.

Cultural & Recreation returned a total of \$1,632.70. The Library returned \$1,282.70, the Arts Council did not expend any of their budget and returned \$350, the Town saved \$1351.05 in unneeded debt service costs and recouped \$1600.60 in intergovernmental surcharges not assessed to the Town.

Employee benefits and insurance returned a total of \$419,575.90. We saved \$8,959.05 by negotiating a prepayment agreement with Worcester County Retirement, we returned \$125,306.56 in employment costs because when the budget was being developed there were concerns about massive layoffs needed to balance the budget. Those layoffs never occurred. This number was reduced in the FY12 budget to \$50,000. The Town returned \$272,794.82 due to the aggressive negotiations on health insurance, changes to the contribution rates and co-pays, as well as the lower number of municipal employees, we had a smaller need for health insurance than was expected. This year that item increased by only \$50,000. We returned \$1,792.30 in life insurance, \$3,989.61 in Medicare costs, and we saved \$6,733.56 in our general insurance budget due to the MIIA Rewards Program.

Mr. Gaumond stated that he is proud of the fact that we were able to return these funds to the town. The Free Cash will also fund the school window project in the amount of \$352,000 at town meeting.

Ms. Breen – we know that the schools have seen deterioration in services, we charge fees, class sizes have gone up and quality schools are a community issue. A lot of houses on the market, some large families will move into. How the current approach to budgeting has worked, the rational split is 2/3rd to school and 1/3rd to the town – does that work for us anymore or do we need to get creative in the way we split the money.

Mr. McCormick thinks it was done arbitrarily by the School Committee not the Board of Selectmen. Tom Kane suggested plan the budget figure we need, and then decide how we will fill the gap and the School Committee proceeded to go on that route. It was done arbitrarily by the School Committee. You went to town meeting and said how do we fill it and that is when we began pay-as-you-throw and increased hotel and meals taxes. It was not done mutually. Then the School Committee came in and said how do we fill the gap. We have a good relationship and tried to work other. Last year at town meeting was the final blow and that is why I decided to get things done sooner. Ms. Breen is glad that it is a receptive answer to that. Most of us were not present when the formula came about and maybe there is a better way to do this. Mr. Gaumond noted that when he arrived in 2004 the members of the Board of Selectmen and the School Committee did not get along and there were constant battles over the budget. Former Selectman Jim Ryan came up with the formula. He and Tom Kane were charged with reviewing all the previous budgets and fixed costs. Finance Director Mike Daley was involved and in 2004 the Selectmen and the School Committee bought into the calculation and that way the budgets would grow 2-1/2%.

Mr. Gaumond explained that it is not just the schools that have had reductions in services. He and the Board of Selectmen have reduced areas of services on our side of the budget and are creative in trying to find money. He has a depleted DPW, with ancient equipment. It is down two men and we are not getting anything done on our roads and our fields are being poorly maintained. Our Council on Aging services have deteriorated and it is not like we have not seen an impact.

Ms. Breen asked on the school side of thing we were not paying \$1.2 million to Assabet and for students in our system requiring the support services we do now. Those are the things not within our control. Mr. Gaumond stated you have a declining enrollment of students and you did pay something to Assabet but that means you have less students going to school in West Boylston. Ms. Breen invited the Selectmen to sit with Dr. Schaper and go through the school budget to understand where the money goes and if they have suggestions, the school is open to them. Mr. Shaw added that the school has a budget committee and we could meet together and look at the budget as a team. Mr. Rucho advised that he has been to a lot of the meetings on the school budget and he thinks Tom Kane was very clear on where the money was going, Assabet and School Choice, so it is not like we do not know where it is going. We have always received good reports from Tom Kane.

Mr. Owanisian thanked the Board for a healthy discussion and noted that we should have some numbers by Thanksgiving. Mr. Gaumond advised that we will have not have state aid numbers; however, we will have one quarter of local receipts. Mr. Owanisian suggested holding a series of joint meeting with both boards and the Finance Committee as the numbers get firmed up. Mr. Gaumond offered to provide the preliminary estimates to those committees as he has tried to be transparent in his budget showing money coming in and money going out. He is happy to meet with the School Committee Budget Subcommittee.

Mr. Quist asked about the Assabet numbers. Although the official numbers are not yet out, Dr. Schaper believes we have 72 enrolled, up from 60 last year, however, we budgeted for them. Mr. Quist feels the solution to Assabet is legislation and we should work on that.

Ms. Bohnson does not want to lose sight of the fact that these two boards have come so far. We can now sit in a room and have a discussion. We do not want to lose sight of that. We do not want our schools and town to lose. We also have some low income housing and the schools are seeing numbers coming in from that. They anticipate some numbers increasing and she feels it is a whole fresh start. She thinks it would be beneficial to find out how or if other towns use a budget formula. She is also concerned with the numbers of homes for sale in town and foreclosures, which she feels will impact the money coming into town. Mr. Gaumond noted that in those types of situations the town eventually gets paid. We may take possession of property through tax title, sell off the property and recoup what is owed. He does not see West Boylston as having a real problem and thinks we are better than some communities. Ms. Bohnson explained that in the 1980's here were no homes for sale in town. She thinks we should look at the number of houses for sale and are we seeing the impact of budget cuts. Mr. O'Brien noted that the last thing responsible banks want to see in a foreclose is non-payment of taxes. He feels people are having difficulty paying their mortgages. Mr. Gaumond will ask realtor Sue Meola who serves on the Town-wide Planning Committee and report back to both boards.

Mr. McCormick noted that when we met with Bonnie Yasick, our Treasurer/Tax Collector she reported that we collect 98% of the taxes due, which is very well. Mr. Daley noted that the analysis has a \$33,000 variable and we had 100+ collected last year. We have no problems.

On the question of the override, Mr. McCormick pointed out that for the last year years we have had a gap of \$320,000. Based on that, what do you think the school's gap will be this year. Mr. Shaw explained that last year the gap was close to \$500,000 and Superintendent Kane brought it back to \$220,000. Judith Doherty thanked the Board for voting her into this interim position. She asked if the Board would consider increase the trash bag fees from 50¢ to \$1.00 to help the school with their budget gap. Mr. McCormick advised that this was never discussed and we did not institute pay-as-you-throw to fund anything. He would say no. Our role was never to make money to fill a gap and there has been discussion about eliminating the program because we are making money.

Mr. Shaw commented on Mr. Quist's question regarding vocational education. He noted that they are working hard on that situation and they are working with the towns of Shrewsbury and Clinton who also have a large number of students attending Assabet. They are also researching other opportunities and options. He has asked Assabet three times how to join and they have yet to get back to him with an answer. In addition, two out of the last three years Assabet has reimbursed their membership towns and have not offer anything to the non-member towns.

Mr. O'Brien thanked Mr. McCormick for requesting this as an agenda item and he thanked the School Committee for coming in. Mr. Gaumond noted that one of the goals the Selectmen established was to foster a better working relationship with the schools. He offered his assistance in helping get information out.

OLD BUSINESS**1. Discuss Article 8 of Town Meeting Warrant – Authorization to Transfer Money from the Sewer Enterprise**

Finance Director Michael Daley joined the Board. This item was carried over from the last meeting. The Board has three options available; transfer the entire amount, transfer the amount we have in the past, or ramp up the payment schedule. The Finance Committee discussed this at their last meeting and they voted to have the entire amount returned to the Stabilization Fund under Article 8 and under Article 14 to transfer \$542,000 to the Capital Fund leaving a balance of \$100,000 in Stabilization. Mr. Gaumond spoke with Mr. Daley and as there are some good reasons to transfer the entire amount, he recommends concurrence with the Finance Committee's recommendation.

Mr. Rucho stated that the most important thing is we made a promise to the town, the money is there and we should transfer it back. We can discuss what we do after we transfer it back to Stabilization. Mr. McCormick agrees, we owe it and should pay it as the town was good to give it to us in the beginning. Mr. Quist agrees.

Motion Mr. McCormick to transfer \$642,998.88 from the Sewer Enterprise to the Stabilization Fund under Article 8 on the warrant, seconded by Mr. Rucho, all in favor.

Motion Mr. McCormick to transfer \$542,998.88 from Stabilization to Capital under Article 14 on the warrant, seconded by Mr. Quist, all in favor

NEW BUSINESS**1. Concurrence on the appointment of William Chase, 67 Scarlett Street, to Economic Development Task Force effective October 5, 2011 for a term to expire on April 30, 2013**

Motion Mr. McCormick to concur with the appointment, seconded by Mr. Rucho, all in favor.

2. Assign motions for October 17th Semi-Annual Town Meeting

Motions were assigned as follows. Mr. Rucho will read the motions for Articles 1, 8, and 13; Mr. O'Brien will read the motions for Articles 2, 9, and 14; Mr. Phillips will read the motions for Articles 3, 10, and 15; Mr. McCormick will read the motions for Articles 6, and 11; Mr. Quist will read the motions for Articles 7, and 12. The school will read the motion for Article 4, and the Community Preservation Committee will read the motion for Article 5.

3. Update on Goal #8 – Improve Human Resource Functions - Receive and review Procedure for new hires under the Town Administrator a/k/a Town of West Boylston New Hire Checklist

Mr. Gaumond explained that this year we created a goal to improve our human resource functions. Moving forward we would like to be able to establish a process by which new hires are

brought on board. He would like the Board's concurrence on the Town of West Boylston New Hire Checklist, which is consistent with our bylaws. He will then distribute it to all departments and bring it to the Personnel Board. He believes this is a very comprehensive list of steps which need to be taken and he reviewed the list with the Board. It only covers those employees under the Town Administrator and the Board of Selectmen. It does not cover the Cemetery, Library, Planning Board, Municipal Light Board or the schools. He plans to provide those departments with the list and encourage them to follow it as closely as possible.

Motion Mr. McCormick to concur with the New Hire Checklist, seconded by Mr. Quist, all in favor.

4. Town Administrator discussion regarding the retirement of Assistant Town Accountant

Mr. Gaumond announced that the Assistant Town Accountant is approaching her retirement. She will be leaving as of Thanksgiving time. He anticipates the position will be vacant as of the middle of December and recommends we modify the job description by removing all references to human resource functions. The position prepares warrants and payroll and this person is also our benefits administrator. He will explore opportunities to privatize the HR benefits administration, which would save the town money and improve the services provided to the employees of the town. If we did sub out a portion of the job description we could provide a more professional operation for that aspect of the job. He feels the best way to approach this is to have the position re-graded and modified to be a Senior Financial Clerk with the HR function subbed out to a third party. Mr. Gaumond will modify the job description at some point. The Board has no questions or discussion on this item.

SELECTMEN REPORTS

Mr. Rucho reports that the Economic Development Task Force hopes to get the first Welcome to West Boylston sign delivered next week and installed by the end of the week on Route 12 at the Worcester line. They will then begin work on the next sign. Mr. Gaumond commended Mr. Rucho and the other members of the Economic Development Task Force for their work on this.

MEETINGS, INVITATIONS & ANNOUNCEMENTS

1. Announce Council on Aging Survey is online – Mr. Gaumond noted that one of our goals was to improve the services of the Council on Aging. We held a SWOT (strengths, weaknesses, opportunities & threats) exercise and from that crafted questions about the services, which is now on line. It was also mailed out in the COA Newsletter. We are trying to get as much feedback on the COA services as possible and an Executive Report will be issued by the end of the year.

2. Fall Legislative Breakfast Meetings from 8-10:00 a.m.: October 7th: Sunderland, Monson & Ashland

3. Sunday, October 9th 1:00 p.m. Michael Vignaly, Jr., Court of Honor for his Eagle Scout – Mr. O'Brien offered to attend and if he is unable, he will contact Mr. McCormick to cover the event.

4. Friday, October 14th, 2:00 p.m. business tour of Emuge. Mr. Gaumond reported on the last business tour at Wachusett Plaza with owner Andy Surabian. We heard about the history of how he acquired the property and he had an opportunity to meet members of the Economic Development Task Force and Rep. O'Day. We had a nice conversation, his vacancy rate is very low and he is very pleased overall with working with the town. He was complimentary of our boards and committees and noted that if you come into the Town of West Boylston and do what you say you are going to do everything will be okay. His only area of criticism was in the area of signage. Mr. Gaumond informed Mr. Surabian that he has heard that before and sometime this winter we need to have a roundtable to discuss signage including citizens and business people to discuss everyone's point of view. Mr.

Surabian's belief was depending upon how far away from the road you are it should impact the size of your sign. Mr. Gaumond recommends a joint venture between the Selectmen and the Economic Development Task Force. Mr. O'Brien pointed out that Salter College, a tenant at Wachusett Plaza, did seek relief from the sign bylaw through the ZBA and they were granted approval for a larger sign.

5. Monday, October 17, 7:00 p.m. Semi-Annual Town Meeting

6. Monday, October 24th – 3rd Listening Tour for Town Buildings and Lands, 7:00-9:00, Media Center at Middle/High School. Mr. Rucho will cover the meeting for the Board.

7. October 25 & 26th West Boylston to host MIIA Chain Saw Training. This is part of our MIIA Rewards Program. We are trying to save money for the town and provide valuable training for our employees.

8. The Board has received an invitation from Community Resources for Justice to attend an open house at 25 Fairbanks Street on October 13th from 5-7:00 p.m.

9. On October 15th beginning at 8:00 a.m. there will be a 5K road race to benefit Abby's House beginning at the Middle/High School. Anyone with questions should go online to Abby's House.

FUTURE AGENDA ITEMS

Mr. Quist advised that the Municipal Buildings Advisory Committee would like to be on a future agenda to discuss the demolition of the Mixer Building and the town pool. It was decided to schedule the committee in for the meeting of November 2.

With no further business to come before the Board, motion Mr. McCormick at 9:00 p.m. to adjourn, seconded by Mr. Quist, all in favor.

Respectfully submitted,

Approved: October 19, 2011

Nancy E. Lucier, Municipal Assistant

John J. O'Brien, Vice Chairman

Christopher A. Rucho, Clerk

Kevin M. McCormick, Selectman

Steven J. Quist, Selectman