

do so may be grounds for having you to be removed. We all want to be full participants of our town, but by doing so we must remain respectful and follow the basic rules.”

TOWN MANAGER’S REPORT:

Deficit Resolution Plan Discussion

Kreidler stated his report is a continuation of the meeting held Monday, Nov. 3, 2014 regarding the draft Deficit Resolution Plan. He passed out the Plan finalized about an hour ago after working with the Department of Revenue, our two local representatives, and our regional Director of Accounts, Gerry Perry. He read through the draft letter (included below in its entirety) addressed to the Dept. of Revenue’s Director of Accounts, Mr. Gerry Perry. The following is discussion on points in the letter:

Kreidler explained on top of Page 3 under Revenue Enhancement: The \$700,000 General Government operating override is tied directly to the structural deficit of FY15 that the Dept. of Revenue believes exists in our budget that we have historically seen: snow and ice \$200,000, veteran’s benefits \$100,000 and what they strongly believe will be \$400,000 in health insurance. On the health insurance deficit he said an analysis done by the Town Accountant, Collector/Treasurer and presented to DOR yesterday, shows that while our expenditures show for the month this time last year were roughly \$500,000, they are currently running \$275,000. The spike we saw based on the claims we experienced is appearing to be abated. Even though that is good news and brings us closer to budget for FY15, there is no change in course and we are still going to premium by the beginning of the year. He continued saying we have already scheduled an election for Dec. 20, 2014 to bring this matter to the voters.

Page 3, Kreidler spoke about the meeting with DOR yesterday and what he had emailed them yesterday. He wanted to address publicly because it is markedly different than the way they have been talking about it publicly. He has learned from the DOR that there is no requirement to hold a Special Town Meeting for a vote for an override. He said that is counter to everything he has ever known about overrides in the Commonwealth of Massachusetts under Proposition 2 ½. He has a question outstanding with Town Counsel and at the DOR’s suggestion with the Chief Legal Counsel at DOR on the matter. They have explained that it is not uncommon to have two votes for an override because generally speaking you are putting forth a budget at a Town Meeting in which a portion you wish to fund by override. So there is a vote to fund that total amount because you are making an appropriation. Then there is the occasion that you are looking to do a debt exclusion override so you need town authorization to go into debt for a piece of equipment. In this case, the DOR poses it is the Board of Selectmen’s prerogative, and theirs alone, to call a Special Election for an override. It is only the vote at that election that judges whether an override passes or fails. Toward that end, the draft for the Special Town Meeting warrant being considered on Monday, Nov. 10th will no longer have a question for an override, but he strongly suggest they consider under Article 2 having a report and a discussion so people have an opportunity to express themselves so the issue can be publicly vetted and explained and the voters can be armed with information before the vote on Dec. 20th.

On Page 3 under “Expenditure Reductions” Kreidler added that a meeting was scheduled tomorrow morning and he would have the analysis of the health insurance bids received in the afternoon. Also, the freeze on hiring does not pertain to the Library Director position.

On Page 4, number c) Kreidler added that everyone knows this has been a long story. We had negotiated and secured the second agreement in the Commonwealth on the solar carve out to have the array built on the landfill. The deal negotiated and executed by the Board turns out to have been a far more aggressive deal than the marketplace would finance. The company that did the deal with the town, did several deals like that building up a pipeline of projects and made themselves look very attractive to be purchased and in fact did. Sun Edison bought their entire worldwide portfolio, the good projects as well as the ones like ours, the less good projects, because of the penny per kilowatt hour rate that had been negotiated. We have been in with Sun Edison now for the better part of two years hanging on the edge of filing litigation over breach of contract. Recognizing that going down the route of litigation we would likely spend a great deal of money and that they are a big multinational corporation, it

was judged better to try and continue to have a discussion as opposed to litigation. The plan as it is exist today is our Town Counsel is reviewing the Power Purchase Agreement and the Solar Land Lease the Board had executed and making certain that any changes to those documents are in conformance with procurement. We should be ready to execute revised documents within a week if it is the Board's pleasure to do so and get the project underway.

Subsection d on Page 4 "FY15 School Department Budget cuts..." is highlighted in yellow as it requires a change before this document is finalized. At a School Committee meeting last Thursday night, Dr. Khelfaoui indicated that at this point in time he wasn't prepared to quantify cuts that could be made in the FY15 School Budget. He addressed the School Committee that night saying it was his intention to having identified places where cuts could be made on or before your meeting on last Monday evening. We still do not have any information from the School Department or their ability or willingness to present cuts. The and/or part of this subsection d) "Indirect Costs Increase," there was a great deal of discussion with the Dept. of Revenue when they were in town yesterday and with Dr. Khelfaoui and representatives of the School business office about the fact that for FY15 the projected deficit for health insurance has been pegged at \$400,000 by the DOR. Given the current Indirect Cost Agreement and the mechanism that we utilize to determine whose share is what number, 77% of that number or \$308,000 would run to the School Department. Kreidler said he has made that number known in an earlier presentation and a reasonable fallback position would be to match the \$250,000 that the town is looking to cut. He has not heard a number, an offer, or a willingness but the prospect still stands for an article at Town Meeting that would seek to adjust the Indirect Cost number for FY15. He explained if there is an article on the floor of Town Meeting to increase the Indirect Costs for FY15 as a result of an increase in health insurance of \$400,000, 77% being \$308,000. The indirects would go up by \$308,000; the all other available will go down by \$308,000. That is an available option for the Town Meeting to consider. Kreidler said he is not advocating for that but merely saying there is going to be an article on the warrant for that to be considered and between now and the meeting on the 24th, it deserves a great additional deal of discussion. He hopes to be able to engage school leadership in that discussion.

O'Keefe asked if the school has indicated any cuts in salary by any of the unions or any of the administrators. Kreidler reported at the School Committee meeting a week ago, Dr. Khelfaoui in his report to the School Committee indicated he had reached out to his administrative personnel as well as all non-union and unionized groups and asked if they would consider giving back the 3% raises and he had gotten back a unanimous response of no. At that time, the teacher's union representative came to the table that night and spoke eloquently on why they say no. She did say though that in an effort in collaborating going forward that the teacher's union at least had taken a vote to not engage in contract negotiations for FY16 and instead be willing to take a 0 and continue under the same contract.

O'Keefe said considering the School Department makes up approximately 77% of the employees of the town, while he knows other departments have agreed to the 3% cut, he doesn't find it fair at all to cut 30% approximately of the employees while 77% are not going to receive a pay cut. It's sort of like trying to solve a portion of this deficit on the backs of less than 1/3 of the employees. He advocates we do not, with the exception of the Town Manager with his recent negotiated contract, see their 3% reduction even though they have volunteered. If it's not going to be done by the majority of the employees, let alone all, he feels it shouldn't be done by just non-school employees. Hunt agreed with Mr. O'Keefe but wished everyone would come to terms and understand the seriousness of this and not use the terms "well, it's not our problem, why should we suffer, you made the problem" as statements she has heard. It's a problem for all she said, a problem for the town and anyone who works in this community. The majority of the teachers don't live in Winchendon but they work here and we are a team. She was hoping that all would come together and make that agreement. She agrees to expect less than 1/3 of individuals to accept this pay reduction with the majority saying no its your issue is disheartening and bothersome and does hurt and wouldn't want to take it from the minority even though they have offered it. Barrows said his position hasn't changed from the beginning. We are in this together. We either do it one way or do it together the

other way. He doesn't hold it against any of them; they have negotiated contracts in good faith. He gave kudos to those that are willing to give them up but at the same time he feels they should be consistent and unified. It would be disconnected and fractured if they allowed it. Berndt said he also agreed with Mr. O'Keefe's statement saying we as a unified team can't meet the requirements of some and not others that they couldn't punish certain groups that are willing to help us to a better goal. With all in agreement, the last paragraph on Page 3 would be stricken.

Hunt asked to back up on Page 3 and asked if the \$3.129 million includes both FY13 and FY14. Kreidler said yes. Hunt asked next about the \$700,000 operating override on the top of Page 3 questioning the negotiations going on now with health insurance if it was something we wouldn't see until FY16. Kreidler replied the insurance is targeted now to have a changeover for Jan. 1st, half of FY15. Kreidler explained that DOR's position is once the changes are made and we shift all the liability from our side of the table to the insurance company side, that \$400,000 moving forward will be the new normal. He'll know more tomorrow morning having the bid results; but as we sit, that \$400,000 for FY15 is expected to be an annual increase. Kreidler added, Section a) that they are talking about, adds \$400,000 for additional expense for health insurance after changeover, \$200,000 for snow and ice (each year we budget \$101,000 for snow and ice and we spend generally between \$150,000/\$200,000 more than that); there is \$200,000 additional being added to this mix addressing that historic hole and lastly, the veteran's benefits – we generally go about \$100,000 over on veteran's benefits. That's an expenditure that must and should be paid. Every year we burn the entirety of the Reserve Fund to fund those benefits even with adding an additional \$25,000 or \$50,000 annually to the budget for the coming year; we spend that plus more. These issues add up to \$700,000 of real recurrent structural deficits and why they are tied to an operating override request.

Hunt asked about the ¾% meals tax and what the projection revenue would be. Kreidler said the best information they have right now is to look at a comparable community. Orange is the guide right now but they have fewer chains than we do and take in \$60,000. It is the expectation that \$60,000 would be the minimal we would see but it would most likely be more than that.

Ms. Audrey LaBrie was recognized with a question regarding the pay cuts. She asked what percentage of the town-side had agreed to the 3% cut. Kreidler replied the information that he has now in writing from two groups who voted in the affirmative; one group he was waiting to sit with and the other he has met with but hasn't provided a vote.

Referring to page 4, under "Management Efficiencies or Consolidations," Kreidler explained that historically in the last decade the town has voted the budget in functional categories (i.e., Public Safety-one number; Public Works- one number, Administration and Finance-one number; Social Services-one number, etc.) that has allowed the flexibility to be able to transfer from one line item within another in that grouping. It gives us flexibility but it also takes away a lot of discretion and authority that the Town Accountant has. The DOR would like us to do this voluntarily. In that regard, it is in this Plan and hopes it will stay when the Board considers adopting the Plan that evening.

Kreidler read Section B "Financial Software." Hunt was concerned of the transition either reconfiguring Munis or to replace Munis with a comparable system. How are we going to incorporate our day to day entries and learn/convert to this new system? Ms. Allard said we will have to see how this all works out; these are just suggestions. We are going through a conversion of outsourcing our payroll and any change that's made doesn't necessarily come without hiccups along the way; but they can be minimized as much as possible having gone through conversions before and understands what's involved. Hunt asked about additional technical support that will be needed and is it incorporated in this transfer or upgrading Munis. Is this included in the budget? Kreidler replied a figure has been suggested by the auditor of \$60,000 to do the conversion, or the rebuild of Munis. The representative from Munis had seen the news report and was flabbergasted that such a fee would be quoted saying it is nowhere near that and is less. At the end of day, all things are on the table. Obviously, if there is a way to stay with Munis, the benefits of having a fully functional Munis even though it is non-integrated are deemed to

outweigh the benefits of an integrated program from we would have the transfer issues, are things that will be taken into the calculus in making that decision. O’Keefe asked why not make Munis fully integrated with the Treasurer/Collector’s office knowing Munis can handle tax payments. Kreidler said he would defer to the Town Accountant but the goal is to make whichever software integrated with the Treasurer/Collector. Ms. Allard said there would need to be a discussion around this with the Treasurer/Collector.

Section C “Collector’s Software” Kreidler stated this was brought to his attention as one of the inefficiencies when we take payments at the windows. Ms. Allard stated currently the Collector is taking in receipts and that there was another process that takes place with manually entering receipts. There is plenty of software out there where the entry can be done at the counter instead of having the redundancy of collecting, counting and running tapes. This process is extremely manual and very time consuming. A lot of communities are moving to software that enters the revenue as it is received. It’s time for us to get more modern. Manual entries take time and leaves room for human error. Barrows asked if the software was being targeted for 2015 or 2016 as noted in the Plan. Kreidler stated that should say 2015.

Kreidler read, Section D on Page 5 regarding “Internal Policies and Procedures” that is listed in the plan.

Section E “Audit Committee” – Kreidler explained this is also new from the earlier draft and comes from some of the discussion with DOR and some of our auditors.

Section F “Director of Finance” – Kreidler read the section. He said we have heard clearly from the School Committee Monday evening when Chairman Niles read the School Committee’s recommendation on this financial management plan that they do not support the idea of a Finance Director that would have the joint authority over both General Government and School budgets. We also had a lot of discussion on whether it made sense to try it for a year and see how things go or take a break from it now and take it up in several months and be a bit more planful about it. In light of all of that and in consultation with the Chair, he recommends this particular item in the Deficit Reduction Plan be amended as such that there would be a creation of a Director of Finance position to provide centralized authority and accountability over all town finances, period. At least at this point in time, not indifference to the School’s Committee’s wish, but while still taking advantage of the opportunity to create a structure that doesn’t currently exist, that we limit it to the General Government side of the house. He heard them speaking the other night talking about having an accountable person on top of the finance pyramid to whom all authority for action and responsibility for action runs. This doesn’t get us completely there because there is still the bio fraction of the school and government but it is a great step towards that and he hopes they consider still moving forward with this and in doing so with this structure. It could be made to mirror School Committee Chairman Niles’ document he handed out that came from the Dept. of Revenue. Specifically, and to be clear it will still be a Board of Selectmen appointment, not the Town Manager. As is the case now with the segregation of duties between operation and finance, he strongly recommends the same occur if this is something that makes their final plan. This will allow us over a course of six months, a year, however long for both Boards to come to better understand the value of having it be expanded to the school side. People would not feel rushed or against a deadline forced upon them. Hunt asked who the position would report to. Kreidler replied to the Selectboard. One of the seated positions we currently have, Assessor, Treasurer/Collector, Accountant, would be duly appointed as a Finance Director. In fairness to Ms. Allard, one of the things he has heard is unless this is done by agreement across both sides of the fiscal house, it’s not going to work because even though a Director of Finance would have authority, if people beneath are bucking it because they didn’t like it to begin with, it just puts whoever is in that seat in an uncomfortable tug of war of the two sides. This is an incremental approach to getting there. Hunt had a concern on the additional cost that may come about wanting to make sure we have money allocated to the position. Kreidler replied DOR made it very clear that when we are talking about deficit legislation, that this isn’t an appropriation. This is not things that we want and say “put it on our tab,” they are saying they are potentially willing to step in and authorize legislation to help us fix holes in our budget but not to grow our budget. If for FY16 it is determined by you, the Board that there will be a Director of Finance and you as a Board determine there should be additional compensation, then it should be contemplated on the budget for next year.

Section C, "The Road Forward." - Kreidler explained Attachment A which illuminated in detail everything that made up the cumulative FY14 and FY15 deficit of \$3.829 million. He emphasized the numbers come from the DOR and are as fresh as today. The number is to be broken up in the Indirect Cost Agreement as \$1,465,377 that would be attributable to school; \$437,710 attributable to the General Government. Kreidler explained the numbers are being broken up by school/town but there is no expectation the school is going to pay that number and the town is going to pay this other number. It is purely for Net School Spending purposes. If in FY14, we spent \$1.9 million in Health Insurance, \$1.465 million of that is attributable to school employees and would be reported on the end of year report. The town, the taxpayers would get credit in paying an amount above Net School Spending. He ran through the deficit shares for both the school listed on Attachment A totaling \$1,225,953 for FY14 net General Government, School deficits, not including the health trust. This number added to the FY14 cumulative Health Trust deficit referenced at \$1.9 million, you come to a total FY14 cumulative deficit of \$3,129,040 that he referenced earlier.

Kreidler read further on Attachment A the FY15 Veteran's Benefits Deficit of \$100,000, the projected Snow and Ice Deficit of \$200,000 and lastly the FY15 DOR projected Health Insurance deficit of \$400,000 (broken out at \$308,000 school share and \$92,000 General Government share) totaling \$700,000 bringing the total bottom line of FY14 accumulative and FY15 projected deficit of \$3,829,040. Hunt asked about the Veterans budget knowing we get back 75% from the state of what we pay questioning how are we sure we get that reimbursement. What guidelines does our Director have to know he can get the 75% back if he does this or he won't get the reimbursement if he does that? She also questioned that the clients are encouraged to look towards agencies that will help them with future assistance that they might need. Ms. Allard said those are excellent questions and that the Veteran's Director has looked into how to take care of some of those issues. He has to report to the Veteran's services. They approve what he submits. She knows that the Treasurer works closely with him to go over what he is submitting and what his reimbursements are. She said the Veteran's services amount is baked into our Cherry sheets and we are counting on that revenue before it's in the door. We had a discussion with DOR on how across the state every community is seeing an increase in Veteran's assistance. It should be the goal of the Veteran's Agent to reach out and see if the individuals qualify for a more permanent plan and more permanent reimbursements and assistance with the town being just a pass through to get them situated with so they can then be dealt with on a permanent basis. Kreidler said anything the Veteran's Agent is allowed to get reimbursed for is pretty tightly defined in the regulations from the Department of State Veteran's services. He knows what the checklist is of the types of things that are allowable and has had training recently on transitioning. This has become a big issue on local budgets. Generally you would see fluctuations or up ticks in the budgets for Veteran's Services locally when the economy sours or if we have had a lot of military activity that has been generated creating veterans. Over the last decade, we have seen both of those in the likes that we haven't seen in decades. There are real needs, real issues that are coming across the door and he has been left, oftentimes with a couple phone calls a couple decisions on whether he is going to provide that benefit. He is working with the Dept. of Veterans Services to make certain he stays as tight as possible but if necessary he will air on the side of protecting a veteran and we deal with that. Berndt asked if we should meet with him once in a while to see how we are doing with the funds going out and the reimbursements that come back. The information could be provided by the Town Accountant with her monthly report to them.

Kreidler went back to Page 6 of the draft Plan. He informed the Board that he was advised that the final figure will be determined in a meeting with DOR, our auditor and some other folks from A&F next Thursday in time for consideration of the Special Town Meeting.

Kreidler addressed the "Total Cumulative and Projected Deficit" listed on attachment B, Page 13 that has been significantly pared down from what it looked like even from this past Monday night. The total accumulated projected deficit is slightly less than it was Monday night. There is the additional number of \$700,000 for a called operating override; on Monday that was a \$780,000 figure. Next listed is the Infrastructure Investment Fund residual of \$696,000. He explained this is made up of receipts the town received in taking in post residual

construction and demolition fines material at the landfill which were used to make grading and shaping appropriate to cap the landfill. Half of the revenue that was received by taking in at the landfill was allowed to be spent by the Dept. of Environmental Protection and the other half was required to be placed into this fund. The money from this fund was intended to cover the long term cost of the debt service for closing and capping the landfill. That is not expected to be retired until 2020; however we were successful in negotiating with the Mass. Water Abatement Trust, the state agency that holds this note to be able to prepay and instead of paying what we would have paid in five year increments, which would have been \$406,000, we are able to get that done in a prepayment lump sum of \$254,000. That leaves a residual of \$696,000 in that fund because there is just under a million dollars sitting in there today which would be brought to bear against the deficit. Feedback from the DOR said such an effort would require legislation. The proposal that appears in the plan there would be a new section added that addresses this legislation. Kreidler stated when he spoke with the Director of Accounts today, he was pretty quick to say this is not likely to work because you need legislation. He countered with the piece he has in the Plan. He said that was interesting and he would look at it. Hypothetically speaking, if the DOR says no, the timing is such that we don't want that in this deficit legislation, that \$696,000 is no longer on this table but we concurrently can file this new legislation and when it is approved, we can then pay down this amount we had to borrow. We would have the ability to borrow it through the deficit legislation. Kreidler explained that DOR wanted to make this authorization as high as possible so we don't have to go back again. It's like a line of credit. We don't have to borrow all of what is available to us; we borrow only that which we need.

Back on Page 6, Kreidler said you see the \$250,000 in General Government cuts, which is now based on discussion earlier this evening regarding the 3% raises for non-school employees, will either be a number harder to get to or not able to get to depending on how things go this week. There is then the blank spot in not having heard on the FY15 School Dept. cuts. Utilizing just the projected override, the projected infrastructure investment account and the projected \$250,000 general cuts override, you have an uncovered balance of \$2,183,040. If nothing else was brought to bear against that, that would be the deficit note. You would see as we get back into the document on Page 6 there is the issue of the stabilization fund. DOR doesn't believe we will have the ability to pay ourselves back by Dec. 31. They want to make sure the authorization to borrow is high enough and once the money has been collected, then we pay down the note. In short, you borrowed against yourself for cash flow purposes because you have a deficit, while we can expect to pay ourselves back by the end of the year being on track with revenue projections, Dec. 31st we won't have paid that back. Legally we don't have to until June 30th but clearly by Dec. 31st we won't have paid it. Under the discussion on wanting to make sure we have enough of an authorization so if something comes up we won't have to go back, because we can't. The DOR may say we are going to take that \$3.2 million dollar authorization and we are going to bump it \$1.58 million. This just gives you an increased line of credit. It doesn't mean that you have to use it. At the end of FY15, if things go as they are expected, we will have the ability to pay ourselves back. If something extra ordinary happens and we don't, they want to make sure that authorization is enough and then when we collect that \$1.58 million, we will pay down the note. Hunt asked about the interest rate the town would be paying. Kreidler replied other communities have experienced anything from market to 0. He suggested it would be south of the market and pretty close to zero. We don't pay interest on anything that we have not borrowed.

Kreidler read the override section on Page 7 noting for a \$700,000 override, it would be an increase on the tax rate of \$1.16 per thousand of property value. This figure has been reduced from Monday night when we were talking about \$1.29. To further illustrate this would equate to an annual increase of \$116.00 for a property valued at \$100,000, an annual increase of \$174 on property valued at \$150,000, and an annual increase of \$232 on a property valued at \$200,000. Hunt asked how long this override would take us through wanting it to be for a while. Kreidler said it will take us through 2016 based on DOR's best estimates. Kreidler said, to your point, you get into a debate to see to increase taxes incrementally for the next three years or do you hit heavy now and you might not need it all. It becomes a Selectmen's decision as it is only them that can put forth an override. O'Keefe said he would certainly not advocate we take more so we don't need overrides in the future. He advocates for as little as needed to get us through the year. He didn't want to ask people to pay any more today than is needed to.

Kreidler added part of this is a demonstration of trust as well. You are going to the voters and ask them to consider voluntarily raising their taxes. You should reasonably expect that they are going to want to know what you are doing with their money and then they will watch how you did what you said you were going to do with their money and make certain you did the way you should have to gain support in case there is a need in the future to do it again and you at least have a good track record already established.

Kreidler moved back to Page 7 to the “Infrastructure Investment Account.” This has been discussed so he moved on and read the “Revenue Deficit Bond” paragraph. He explained the importance of a no prepayment penalty from the Commonwealth if we are able to prepay in the future. He continued reading the section and spoke of Attachment C which is the Deficit Legislation which hadn’t changed except by adding the Audit Committee and the highlighting of the issue of the position of Director of Finance. He strongly suggests it be modified to be General Government specific at this point in time and not school specific. It is Section 3A in the Draft Legislation.

Kreidler read the “Note” on Page 8 and the rest of the draft letter which pertained to the School’s concerns and the disagreement with the School with the need for any direct DOR oversight and the basis for the Board’s position.

Hunt said this is an overview of how detailed we are going to become with our day to day operations and asked the Town Manager if he thought this would satisfy Mr. Perry. Kreidler stated he spent close to an hour on the phone with him going over the document. In Mr. Perry’s forty years in public service, he has learned to not show his hand. He didn’t say in any fashion, that’s a great plan but he didn’t balk at anything that he had mentioned to them like the issue of stabilization that he still is uncertain about where he will come down, or with the issue of infrastructure investment which he is still not certain where he will come down. Nothing that was rolled out to him in advance to coming to you tonight had he a concern with.

O’Keefe moved the Board execute the document with the changes being...Chairman Berndt interrupted seeing someone in the audience raising his hand looking to ask a question. Berndt asked if his question pertained to the document and he replied, “Yes, it does in a way. I need to ask the question.” Mr. Richard McAllister came forward and asked the Chairman directly at the time of the deficit, who was the person or persons in charge of the everyday running of the town. Berndt replied that he was not on the Board at that time. McAllister then asked Mr. Barrows the same question. He replied, “I think you know the answer to that question. You sat right here on this Board with me. You know who has day to day operations of this community. It’s spelled out in the Charter. Mr. McAllister said, no he doesn’t. Kreidler offered additional information stating the Charter makes it clear the day to day operations is the purview of the Town Manager position. You know that, right? He said he did. Kreidler said if you are looking for a complete answer to that question, you’d have to look beyond the fact that the day to day operations are the purview of the Town Manager and look to the fact that the Charter is clear that there is a distinction between a Chief Financial side of the house as well as a Chief Operational side of the house and then globally above both of those sides of the house sit, the Board that you sat on, which is the Chief Executive Elected Board, the Board of Selectmen. So there is definitely enough to go around to answer that question. McAllister said the Town Manager, nor the Board of Selectmen, has come out and said who was responsible for this deficit. Kreidler brought to his attention the Independent Audit that was conducted for FY13 and reported out both at the Selectboard meeting and the School Committee meeting and if he even waited a little bit longer, he’d be hearing about the FY14 audit which will further detail all of the occurrences of those two fiscal years during which the deficit was run and he believes he will find his answers there, since he won’t believe anything the Town Manager would say. McAllister said he still doesn’t know who is at fault and that he hasn’t answered the question. Kreidler said the answer will be found by the audit. They have already addressed FY13 and they will further address FY14 which will be the total picture for him.

O’Keefe said since the questions interrupted his motion and since the questions have nothing pertaining to this document, he’d like to continue with his motion. He moved that they execute this Plan with the following changes: Last paragraph on Page 3 is to be struck; the year noted in the first paragraph on Page 5 corrected to 2015; and in

Amendment B, the Town Manager adjust the figures related to the General Government cuts. Since we struck the 3% pay adjustment, that figure will need to be adjusted accordingly and that all the figures that flow from that will need to be adjusted as well; the Director of Finance (Pg. 6) should have on the fourth line “both general government and school” struck and the next sentence also strike the following words “and the School Committee.”

Barrows seconded the motion. Kreidler pointed out on Page 2, the highlighted note was not intended to be part of the letter but intended for the Board’s review and asked for the Board to approve the removal of that note as well. O’Keefe agreed to add this to the motion and Barrows agreed as the second to the motion. By a vote of all aye, the document is to be accepted with amendments stated.

Kreidler asked the Board prior to adjourning to vote to execute the document after he makes the changes. He’ll retire upstairs and have it available for their signatures. Barrows moved to execute; O’Keefe seconded. By a vote of all aye, the motion carried unanimously.

Mr. McAllister asked for one more question wanting just a yes or no answer. He asked the Town Manager if he planned on cutting the Police Department services after midnight because of this deficit. Kreidler replied, no.

O’Keefe moved to adjourn, Hunt seconded. There were some people in attendance that wanted to ask questions. With the questions not relating to the document discussed this evening, Chairman Berndt explained tonight’s meeting was to finalize this document and noted there was a meeting on Monday, November 10th where additional Public Comments could be addressed.

By a vote of all aye, the meeting adjourned at 9:08 p.m.

Respectfully submitted,

Linda Daigle
Executive Assistant