TOWN OF WINCHENDON BOARD OF SELECTMEN MEETING MINUTES MONDAY, NOVEMBER 9, 2015 Town Hall, 2nd Floor Auditorium 109 Front Street, Winchendon, Mass.

Present:

Michael Barbaro, Chairman	Bernard Lynch, Acting Town Manager
Barbara Anderson, Vice-Chair	Linda Daigle, Executive Assistant
Amy Salter	Sheryl Wright, Finance Assistant
Austin Cyganiewicz	Donna Allard Town Accountant

Austin Cyganiewicz Audrey LaBrie Donna Allard, Town Accountant Debra Dennis, Recording Secretary

List of Documents Presented at Meeting:

- Draft Special Town Meeting Warrant (attached)
- Conservation Commission Letter of Interest– Anthony George (filed)
- Library Trustee Letter of Interest Richard Ward (filed)
- Boot Drive Permit Application Sat. , Dec. 5, 2015 Winchendon Pop Warner (filed)
- Christmas Tree Permit Application Little Anthony's, 678 Spring St. (filed)
- Christmas Tree Permit Application Byron Beauregard, 80 Old Center (filed)
- Lodging House License Application MVOC, 258 School St. (filed)
- Entertainment Permit Application United Parish Church Annual Holly Bazaar (filed)
- Collector/Treasurer Bond Authorizations (filed with Treasurer)
 - o Vote of the Board of Selectmen (attached)
- Winchendon Cash Reconciliation Issues Summary FY15 by Eric Kinsherf, CPA (attached)
- Municipal Aggregation: Community Choice Power Supply Program Updates (attached)
- Report of the Acting Town Manager (attached)
 - o FY16 General Government Budgetary Changes Spreadsheet (attached)
 - o Standard and Poor's Bond Rating dated Nov. 3, 2015 (attached)
 - o Agreement between Town and Public Employee Committee (PEC) to transfer Health Insurance Subscribers to the Group Insurance Commission eff. 7/2/16 (attached)
 - o Agreement between Town and Public Employee Committee of Contribution Rates to Specific Health Insurance Plans (attached)
- Congratulatory Letter to re-elected Gardner Mayor Mark Hawke (filed)
- Minutes Approved:
 - o Wednesday, October 28, 2015 Regular Meeting

Chairman Barbaro called the meeting to order at 6:30 p.m. with the Pledge of Allegiance to the Flag of the United States of America. The meeting aired live on local cable access channel 8.

<u>Announce audio/video recording disclosure</u> - When asked by the Chairman if anyone would be audio or video recording the meeting this evening, there was no response.

NEW BUSINESS: Special Town Meeting Draft Warrant - Mr. Lynch read through the Special Town Meeting Articles. A motion was made by Selectwoman LaBrie to accept the warrant. The motion was seconded by Selectwoman Salter. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y)

CYGANIEWICZ(Y)

Execute/Post - The warrant was executed by the Board and turned over to the Town Clerk for posting.

SELECTMEN'S COMMENTS:

Selectwoman Anderson said Selectman Cyganiewicz and herself attended First Friday. She said it was really nice. She asked what is taking place on Veterans Day. Chairman Barbaro said he will be in attendance at the Veteran's Memorial Cemetery and hopes to see people there. He said it begins at 9:00 a.m.

Selectman Cyganiewicz said there is one more First Friday at Town Hall on Dec. 4th.

Chairman Barbaro announced that there will be a Flu Clinic from 10:30 to 12 at the Senior Center; he said to bring your insurance card.

PUBLIC COMMENTS AND ANNOUNCEMENTS:

Lionel Cloutier came forward to remind everyone about the first Neighborhood Watch meeting tomorrow night at 7:00 p.m. at Ipswich Drive Community Center.

APPOINTMENTS/RESIGNATIONS:

<u>Conservation Commission Appointment – Anthony George –</u> Mr. George came forward on his interest. Selectman Cyganiewicz asked him why he's interested. He said he was an avid woodsman and believed in protecting the environment and this is a good place to start. A motion to appoint Mr. Anthony George to the Conservation Commission was made by Selectman Cyganiewicz. The motion was seconded by Selectwoman Anderson.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

<u>Library Trustee Appointment – Richard Ward</u> – Mr. Ward came forward on his interest to serve. Chairman Barbaro asked what was his interest. Mr. Ward said he was a Library Trustee in the 70's and 80's, moved away and is now back in Winchendon. He said he believes if you lose the historical buildings in Town then you lose the essence of Toy Town. He said he lives at the library anyway doing historical research. A motion was made by Selectwoman Anderson to appoint Mr. Richard Ward as a Library Trustee. The motion was seconded by Selectman Cyganiewicz. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

He was welcomed and thanked.

PERMIT/LICENSE APPLICATIONS:

Boot Drive Permit – Dec. 5, 2015 Winchendon Pop Warner – Susan Polcari came forward on the application. She said there will be one, maybe two squads moving on to compete in Florida. She said she was being proactive to raise money to send the girls down. She said there will be no children in the roadway. The location is on Front Street near Whitney house, more away from Pleasant Street and balance between the intersection and the top of Tannery Hill. A motion was made by Selectwoman LaBrie to move for the applicant. The motion was seconded by Selectwoman Anderson. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Ms. Polcari asked about wearing green safety sweatshirts. Selectwoman LaBrie suggested she seek Chief Walsh's advice.

<u>Christmas Tree Permit – Little Anthony's, 678 Spring St.</u> – Tony Lagrassa was present and came forward. He mentioned he sells around 800 trees a year and has been doing it for fourteen years. A motion was made by Selectwoman Anderson to move for the applicant. The motion was seconded by Selectwoman Salter.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

<u>Christmas Tree Permit – Byron Beauregard, 80 Old Center</u> – A motion was made by Selectman Cyganiewicz to move for the applicant with the stipulation the fee be paid. The motion was seconded by Selectwoman Anderson. Mr. Beauregard was not present. Selectwoman LaBrie asked exactly where this was concerned of time and darkness. This permit has been issued the past couple years without incident. LaBrie was satisfied.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Lodging House - Montachusett Veterans Outreach Center, 258 School St

- Bill Edson, Executive Director, and Ellen Naughton, Administrator for Women's and Families. She said they are seeking authorization to occupy 258 School Street to be used by homeless woman veterans. There was a special permit approved the other night. Selectwoman Anderson asked about capacity. Mr. Edson said he's been helping veterans for 34 years now. He said we keep good statistics on who we provide services for. He said statistics show we need to do a much better job for women, families and the older population. We are looking at homeless. There is a particular need in this region for a healthy living, sober environment with case management to help women reintegrate into society. We looked in the Winchendon area wanting to create a home environment, safe and friendly, whose residents could embrace. Winchendon was a good option; we found property and it's a dream come true. It came with some existing qualities ADA compliance. They did some extensive renovations and had what they needed. When all said and done, the house will serve up to 8 women with separate bedrooms for 7 women full-time sharing common living, dining, kitchen, 3 bathrooms and 2 laundry service areas, a couple reading nooks and a nice patio and deck. Another room, the flex room, is an opportunity to offer shelter for woman in crisis or a sanctuary for a few safe days to live while in transit. He said this will be a unique home, not only for women but the only one in Central Mass. He said we have 3 women on the waiting list and will easily have 3 or 4 more once permission to occupy is granted. He said we will have onsite parking for 6 to 8 cars. Selectwoman LaBrie asked if an onsite case manager or councilor will be there. Mr. Edson said we will have someone daily onsite and weekly on call. Selectman Cyganiewicz said

personally this hits home for him. His father is a Veteran and this care is needed. Selectman Cyganiewicz moved for the applicant; Selectwoman LaBrie seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Mr. Byron came forward regarding his already approved Christmas Tree Permit. He said it was his fifth year doing it and he is located across from the Church on the common at Old Center.

<u>Entertainment Permit – United Parish Church Annual Holly Bazaar, Dec. 5, 2015</u> - There was no one present for the application. Selectwoman LaBrie moved for the application; Selectwoman Salter seconded.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

<u>Class I License Salvadore Jeep, 10 Gardner Rd. - Consideration of Expiration Date/Fee</u> – Ms. Daigle explained this was before them to just consider the expiration date to be the end of 2016. The license is on hold due to septic and potable water issues and they will most likely not get the license issued until the end of the month or in December. Selectwoman LaBrie moved to extend it to December 31, 2016; Selectwoman Salter seconded.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

BOARDS/COMMITTEES/DEPARTMENT HEADS:

Collector/Treasurer - Bond Authorization - Donna Spellman explained borrowing for the fire truck and also for the police station. She said the interest rate is 2.47%. Selectman Cyganiewicz recused himself as he is a member of the Fire Dept. Chairman Barbaro said this borrowing was voted at Town Meeting and the payment schedule was before them. Selectwoman Anderson asked how are we borrowing now with this authorized in 2012 and the fire truck already purchased. Mr. Lynch explained the Town does short term borrowing first, and then you do a long term bond. He said you don't know exactly when you need the money. He said you do short term low interest rate borrowing, small chunks and at the end fold in to a long term bond which saves money. Selectwoman Salter asked about the first payment of \$220,000 wondering if it was included in the budget already. Mr. Lynch said yes. Selectwoman LaBrie asked if there was a document that showed all of the bonds we currently have with the expiration dates. Ms. Spellman said she can get this for them. Mr. Lynch said to look at the monthly reports, in the debt section, it should designate official various bonds. It won't necessarily tell you amount remaining, but will tell you how much has been paid. He talked about a capital plan explaining when debt drops off; you fold in new debt constantly investing into the town. Selectwoman LaBrie moved to approve the sale of the \$3,600,000 State Qualified General Obligation Municipal Purpose Loan of 2015 Bonds of the Town ddated Nov. 16, 2015 (the "Bonds"), to Roosevelt & Cross, Inc. at the price of \$3,728,886.65 and accrued interest, if any, is hereby approved and confirmed. The bonds shall be payable on December 1 of the years and in the principal amounts and bear interest at the respective rates, as listed, and further vote as liste here on this certification; Selectwoman Anderson seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y)

At 7:12 p.m. the Board took a five minute recess to execute the bond documents and reconvened at 7:26 p.m.

NEW BUSINESS CONTINUED:

FY15 Audit Update

Mr. Lynch said he has talked about this current issue before and thought it would be good to ask our auditor, Mr. Tony Roselli, to attend a meeting. This is not the full audit but a piece. When the full audit is complete, it will be presented according to the bylaw. Mr. Roselli came forward and was introduced. He said the good news is he hopes to have a draft tonight to be able to forward tomorrow. He is working on it after he leaves tonight and will have finals by Friday as he has promised to the Department of Revenue. He said he has a letter he forwarded to Linda that all the financial people will have to sign off on. With the finalization by Friday, it will allow for Town Meeting to do what it needs to and also whatever the Department of Revenue wants to do.

He talked about one thing in last year's management letter about systems breaking down, not enough information, and turnover of people, which everyone is aware of. In the management letter, he wrote a statement he didn't think problems would be resolved at the end of FY15 without help. He hoped the town would have kept Mr. Eric Kinsherf, the CPA on a couple more months helping reconciling books on a monthly basis. He said when he was told cash was balanced and was surprised thinking we had accomplished a lot, but found out cash was not in balance, but off a significant amount. You have a memo by the Town Manager about a report the consultant provided. Mr. Eric Kinsherf came in to see if he could help address the problem. Mr. Kinsherf said he reconstructed the year and went through everything. He said there were errors in payroll, errors in withholdings, errors posting in wrong period, errors transitioning from self-insurance to premium based; a number of errors contribute to this. He said once errors were adjusted back, it started kicking out deficits. The self-insurance deficit went from \$320,000 to \$530,000. The insurance appropriation ended up \$120,000 to \$130,000 in deficit. He said in a nutshell, that is where we are. He said he has done the financial statement with that. He hasn't done the complete management letter, but this was one issue the Town Manager thought was important to get out sooner than later. He asked if anyone had any questions.

Selectwoman Anderson asked whose responsibility was it to keep reconciliation person in place. He replied monthly reconciliations are done between Treasurer and Town Accountant by examining records they both keep. They should sit down monthly comparing the two. He said it never agrees, because they don't always happen the same period. He said it is not money anyone stole or walked out the door with, its entries made in the general ledger.

Selectwoman Anderson asked why somebody wasn't in here if it had been recommended. Mr. Roselli replied he didn't know. He thought it was an inexpensive way to make sure that things would be in balance. The last time it balanced was September 2014, coincidentally Mr. Kinsherf left around October, November of last year. He believes if that control had been left in place, things would have progressed differently. Mr. Lynch pointed out that Mr. Kinsherf is in place now for the remainder of the fiscal year. He is not sure what happened either but it was a good idea to do that. The decision was made by someone not to move forward with that. Town Accountant, Donna Allard, pointed out that in October that was the last time that they had payroll posted. They went through a dry period of payrolls mentioned in Mr. Kinsherf's Cash Reconciliation report. He points out they didn't have school payroll until the end of January. There was no reason for him to come in and try to reconcile cash. We didn't have it in our general ledger. Without it being in the general ledger they went through all that period of time. Also we

had the school's payroll dump in February and March. We weren't looking to have him come in with cash reconciliation until we got into April because they were waiting for the payrolls to actually enter the general ledger which did not happen in a timely fashion. This also led to what happened with the reconciliation with the health trust. Payrolls were put in that were not separated. When Mr. Roselli mentions there were issues with not having the correct time period put in, that is because we had lump sum payrolls that were dumped into the system that were dated with one date. They were nearly impossible to separate until the year was ended and we took all of the information, set it up in a template and separated it all out. All of the problems dealt with payroll issues.

Selectman Cyganiewicz asked if reconciliation consisted of more than just payroll. Yes, Ms. Allard said issues derive with withholdings, they have to go in to a general ledger format, and Mr. Kinsherf was working on closing the prior year. She said we had payroll up until that point, once we got into November, payroll was not in the general ledger. Payroll is a complicated issue with it being broken out many ways in the general ledger. It's impossible to reconcile without the information. Selectwoman Salter asked where the information comes from. Ms. Allard said it would come from the School and didn't receive it until the end of January. She asked about Harper's providing a report every payroll. Ms. Allard replied that is not a general ledger report at this point. This was when the school was running dual payrolls. They ran it through Harpers that had no general ledger attachment to it at that time and why they ran a dual payroll through Munis. It was the holdup of the Munis payroll that they were waiting for for the general ledger. Without that, they had no idea where the entries were hitting. The way it works now is the proper way with Harper's now hitting the general ledger for the school and the town. At the time this was occurring, we only had the town side. Ms. Salter asked who was in charge of the general ledger and Ms. Allard replied, she was.

Chairman Barbaro asked is reconciliation resolved. Donna said for FY14 yes but we still have issue with FY15. Mr. Lynch said the important thing is moving forward with Mr. Kinsherf on board we will identify on month to address them.

Chairman Barbaro asked if the reconciliation issue has been resolved. Ms. Allard said FY15 has but they still have some FY16 issues with the timeliness of getting the school payrolls as noted in Mr. Kinsherf's report. Mr. Lynch said what is important with Mr. Kinsherf on board is they will identify those on a month by month basis.

Mr. Barbaro asked when the management letter would be coming to them. Mr. Roselli said he dropped everything and has put in a 100 hours in Winchendon. He needs to take a break and work on his other clients. They understood Winchendon was an emergency. He is looking at the beginning of January for the completion of the management letter. Chairman Barbaro said he wants to see his recommendations put in policy. He just experienced a \$3,000,000 debt and another \$130,000 has been thrown in on top of this. Errors were made all over. We need to right the ship. Three years in a row we have had problems. He said he would like the management letter as soon as possible so we don't go into another year with unanticipated costs. Mr. Roselli said you have established an audit committee which should help the process, have a monthly meeting with financial people, looking at management letter and see where we stand. He said we need to prioritize the comments in the management letter, high, medium and low priority and schedule a timeline to be fixed. Every month you go to the Audit Committee and report what was fixed and where we are at.

Selectman Cyganiewicz said his concern is to not push to get the management letter; he said he would rather take the time needed to get everything in there. If you rush to get it done, something else pops up. Mr. Roselli said he would send bullet points to the Audit Committee on things they can talk about it. The biggest issue is reconciliation. He said looking at the Management letter last year, some things did get fixed. He said a lot of effort has happened; it was not ignored. He thought this audit would be just housekeeping until this issue came up. There are improvements in FY15.

Tax assignments were discussed. Mr. Roselli said he would like to see demand letters out earlier saying it can help.

Selectwoman LaBrie asked when the school payroll would be posted to the general ledger on Thursday of payroll. Mark Chapulis, School Business Manager, replied they will be starting this week.

Mr. Roselli was thanked for his attendance this evening.

<u>Municipal Aggregation: Community Choice Power Supply Program Update</u> – Mr. Lynch noted in their packets was material provided by Ms. Daigle from Colonial Power regarding municipal aggregation. One question that has been coming up is why is it opt out opposed to opt in. He explained in order to get the best price for its residents it was advantageous to bid out as a block. There is no forcing here, if people want to use the National Grid service they can. National Grid is .13 something cents per kWh. We are at .094 cents per kWh he recollected. There is a savings of about .04 cents and National Grid is going to go up. This will represent a substantial savings over twelve months to residences and businesses in town. This represents power only and National Grid does the distribution. They may have an argument to raise the distribution charges. He noted the office was fielding the calls coming into the office. The Board should be pleased in providing this to its residents and businesses.

Special Town Meeting Warrant: Vote Recommendations:

Article 1 - Reports, Selectwoman LaBrie moved to recommend; Selectman Cyganiewicz seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 2 - \$550,000 deficit borrowing - Mr. Lynch explained the legislation deficit borrowing.
Selectwoman LaBrie moved to recommend: Selectwoman Anderson seconded.
BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y)
CYGANIEWICZ(Y)

Article 3 - \$130,000 funding the Health Insurance Account deficit – Mr. Lynch said the amount is \$128,000 to transfer from stabilization fund which currently has \$1.2 million. Mr. Lynch said the Town also has \$800,000 in an infrastructure reserve account.

Selectwoman LaBrie moved to recommend: Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 4 – School Transportation budget increase due to the bids coming in higher. The school worked on getting number down to \$35,000 by changing routes. Mr. Lynch said it will be raise and appropriate through taxes. He included a spreadsheet with each item on the warrant listed within the report. Selectwoman LaBrie moved to recommend: Selectwoman Anderson seconded.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 5 – Mr. Lynch said this lays out budget changes. Selectwoman Anderson moved to recommend: Selectwoman LaBrie seconded BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(A)

Article 6 - Mr. Lynch said it's not huge money, there was nothing budgeted for the Animal Control Health Inspector. He said it's covered within the existing budget; Article 7 - Mr. Lynch said this is the same thing assessment not put through the budget.

Selectwoman Anderson moved to recommend: Selectwoman LaBrie seconded BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 8 – To cover deficits in Special Revenue Accounts. Selectwoman LaBrie asked about special revenue accounts being monitored and reviewed on a routine basis. Mr. Lynch replied yes. Selectwoman Anderson asked school board members if all seniors were tested this year. He said yes.

Selectwoman LaBrie moved to recommend: Selectwoman Anderson seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 9 and Article 10 - Mr. Lynch said these two articles are the same thing, take up at the same time. Mr. Lynch said there is money in both accounts for those transfers.

Selectwoman Anderson moved to recommend: Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 11 - Mr. Lynch said this came to him late but it was apparent we need to do something with the Fire Station roof. It's in bad shape.

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Selectwoman Anderson moved to recommend; Selectwoman Salter seconded.
BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y)
CYGANIEWICZ(A)
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Article 12 - Mr. Lynch said this is a housekeeping type issue. He said there is a lot of money to authorize to borrow just sitting on books. He said it doesn't reflect well on the overall financial picture and we just want to clear away rescinding authorizations.

Selectwoman Anderson moved to recommend: Selectwoman LaBrie seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 13 – Superintendent Haddad explained they are turning back the use of Marvin school to the Board of Selectmen. Superintendent Haddad said the building is empty. He said they took everything out. He said the boilers are running and it is a minor expense. He said we didn't budget for it.

Mr. Lynch has some ideas about this property but will speak about in executive session at the next meeting. Selectwoman LaBrie asked how we are going to pay for it. Mr. Lynch said we can use staff to

check on it, essentially keep in good working order. He wasn't sure about maintaining heat, possibly moth ball it, drain pipes and winterize it.

Selectwoman Anderson moved to recommend: Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 14 – This is to establish a revolving after school activities account Mr. Lynch said. Superintendent Haddad said we collect from program fees, set up this revolving account to put the collected fees. **Selectwoman Anderson moved to recommend: Selectwoman Salter seconded.**

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 15 - Tracy Murphy, the Town Planner, came forward on this gift of land to the Town. She said this will give access rights to Lake Monomonac. She said the Conservation Agent is interested also for conservation purposes.

Selectwoman LaBrie moved to recommend: Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

Article 16 - Mr. Lynch said this is a recommendation of town counsel, the bylaw on the books restricting sex offender residency has been deemed unconstitutional.

Selectwoman LaBrie moved to recommend: Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

<u>Assignment of Articles</u>: The Board choose the following articles to represent at the Special Town Meeting as follows:

- Article 1 Finance Committee
- Article 2 Chairman Barbaro
- Article 3 Vice Chair Anderson
- Article 4 Selectwoman LaBrie
- Article 5 Selectwoman LaBrie
- Article 6 -Selectwoman Salter
- Article 7 -Selectman Cyganiewicz
- Article 8 -Selectman Cyganiewicz
- Article 9 Vice Chair Anderson
- Article 10 Chairman Barbaro
- Article 11-Selectwoman Salter
- Article 12 Selectwoman LaBrie
- Article 13 School Committee
- Article 14 School Committee
- Article 15 Vice Chair Anderson
- Article 16 Chairman Barbaro

OLD BUSINESS:

<u>BoS Policies and Procedures</u> – Chairwoman Anderson stated that her and Selectman Cyganiewicz have wrapped up the review and are putting the final touches in the computer so you could see the suggested

changes. She thanked Selectwoman LaBrie for her input. She mentioned her and Selectman Cyganiewicz have a proposal change to the way we post for the Selectmen meetings. They don't feel just posting the agenda is enough information and would like the paperwork attached as well. Selectman Cyganiewicz reviewed online with other towns and some put the agenda and packets on the website. They intended to have ready for tonight and will have ready for next meeting. They will mail out prior to meeting.

ACTING TOWN MANAGER'S REPORT:

<u>1.</u> Financial Updates-

- **a. <u>FY15 General Government Budget –</u> Mr. Lynch said the audit remains nearly complete with a few loose ends. We will have the auditor in for the meeting to discuss the transaction reconciliation issues which were identified during the audit and which will be addressed at the STM in order to complete the necessary reports to the state.**
- **b. FY16 General Government Budget-** Mr. Lynch said no additional information to report from last meeting. He said he will discuss the budgetary changes that will be presented to Town Meeting. He said he has included with his report a spreadsheet which outlines the budgetary changes that will be occurring, both voted and non-voted.
- **c. Bond Rating-**Mr. Lynch said we recently went into the market to borrow \$3.6 million for the police station project and various capitals. Unfortunately, but of little surprise, we were downgraded by Standard and Poor, moving from AA to A- with a stable outlook. He said we did make a real push to note the positive changes and developments that are occurring and the credit analysis did note the efforts underway to improve financial management. However, they focused on FY14 performance which is finalized and audited in assessing the Town's finances and apparent management deficiencies. He anticipates that the rating will move upward within a couple years of improved financial performance and fully instituting many of the management initiatives that are underway. He said he has attached the credit report for your review.

He said the bond rating is downgraded. He said ratings are important, credit analysis did identify weaknesses but in terms of what they looked at they did notice progress being made.

Bond Sale- Mr. Lynch said the Treasurer will be attending the meeting to finalize the bond sale. In spite of the downgrade by S&P we did do well in getting a rate of 2.47%, which was certainly due in part to these bonds being part of the state's Qualified Bond Program.

2. <u>Health Insurance</u>- Mr. Lynch said negotiations are completed and we will be moving to the GIC on July 1st. There will be substantial savings to the Town and the employees by this move. The final numbers will not be known until we get a BC/BS renewal rate, the FY16 GIC rate increase, and final enrollment numbers by specific plans so that we can see how employees migrated from the BC/BS plans. The employees are entitled to 25% of the Town's first year savings in order to provide some mitigation. It has been agreed to provide this in the form of a one-time payment in September of 2016. The Town's savings in subsequent years remains 100% with the Town. We did also agree in a separate side letter to increase the Town's percentage contribution on the lower

cost plans from 60% to 65%. This mitigates the impact of higher deductibles and co-pays and provides incentive for employees to choose the lower cost plans. I have attached a copy of each agreement. He said he would like to thank the employees and retiree who served on the Public Employees Committee. They were strong on behalf of their members but cooperative in working with us to reach an agreement.

Chairman Barbaro recused himself. Selectman Cyganiewicz moved to support the agreements between the PEC and the town; Selectwoman Salter seconded.

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Chairman Barbaro came back.

- 3. <u>Personnel Updates-</u> None at this time
- 4. <u>Project Updates-</u>None at this time

5. Miscellaneous Updates

a. Fiscal Forecast/Financial Policies- With the FY16 budget being finalized we are moving forward with the completion of a five-year fiscal forecast. Similar to the forecast we are working to review the draft financial policies that were prepared by the Finance Committee based upon research of other policies gathered from a number of other communities. Mr. Lynch said he expects that these will be completed and ready for presentation by the first meeting in December.

Mr. Lynch said he is working on a 5 year forecast and the Finance Committee is working on policies and he will get back to the Finance Committee because he wants to add to the policies.

Other Policies- Mr. Lynch said he did file a Community Compact application with the state for assistance in the development of a Personnel System/Policies, and assistance with the preparation of our Five-year Capital Plan. He said he expects both of these requests will be accepted. In the meantime we are moving forward in both areas but particularly the capital budget by gathering information on departmental requests for facility improvements and major equipment. –

b. Community Crime Watch- In follow-up to citizen requests we are holding a meeting on November 10th from 7-8 PM in the Community Room at the WHA on Ipswich Drive. The Police Department will be hosting this meeting. While focused upon the Juniper Street area it is open to the community.

TOWN MANAGER SELECTION OF CANDIDATE:

Chairman Barbaro said we have two candidates before them and would like to put both names out and have a discussion. He asked for nominations. Selectwoman Anderson nominated Keith Hickey as Town Manager; Selectwoman Salter seconded.

Selectwoman LaBrie nominated Mark Reese; Selectman Cyganiewicz seconded.

Selectwoman Anderson spoke about Mr. Hickey saying he was more positive and noted he already has ties to Winchendon. He said he has been coming to The Winchendon school and golfing, been in town, he's familiar with it. She said in his cover letter, he stated he wanted stability for himself and for the town and found this positive in his favor.

Selectwoman Salter spoke of Mr. Hickey being from smaller town experience what they are looking for, a better fit. She liked his accounting background and more into finances. She liked his management style, hold people accountable, what she is looking for in a Town Manager.

Selectman Cyganiewicz said he noticed in Mr. Hickey's interview he kept saying, I've been watching Winchendon, keen interest, coming to town but following the financial struggles. He noted at CVS in town he saw a guy walk up Central Street in a suit and it was him. He said it seems he has accounting background, would be a great communicator with board, other departments and thinks he will do well here if chosen.

Selectwoman LaBrie said she was also impressed with Mr. Hickey. She echoes what fellow members have said. She said she liked how his comment, if there is an issue, we will hear it from him first. She said he mentioned local access television productions weekly or monthly.

Chairman Barbaro said the one thing that impressed him was he wanted to jump out in public, go to civic events, etc. He looks to get someone in here to give credibility back. He said he liked his open door policy. He said both candidates had finances; he was more focused on that. He is quite content with that.

Selectman Cyganiewicz said speaking about Mr. Rees, notice similarities as well, both strong financial background, brings sense of professionalism, trust from constituents. Mr. Reese knows what he's doing, almost 35 years now. He said he was familiar with how to deal with both candidates working with DOR. Both would do well here. He liked both of them.

Selectwoman LaBrie said with first impression, just his actions, she would choose Mr. Rees. She said he did talk about biggest towns and bringing professionalism back. She asked both candidates, they want a hands-on manager, to be here. She said both candidates in their interview was part of their goal. A detriment to Mr. Rees was where he lives. She said either candidate has the qualifications.

Selectwoman Salter said very nice, well qualified. She said he went from a small town and went up and up to a city. She said she found Mr. Hickey was more small town and felt his experience was more what she was looking for.

Selectwoman Anderson liked Mr. Rees' specific experience with Munis and that he started in Ashburnham both being a huge plus. She said he was positive on regionalization, strong financial background and focused on marketing the town and mill space.

Chairman Barbaro said his finance background is key with him going after some big project block grants. He came across that he knows what we are talking about and he got a calming sense from him. A steady hand. These two candidates are outstanding. He said he is looking at long term and wanted the next one around for a while. He said both have strengths. He found Mr. Hickey to be more charged more energetic to him.

The Board voted their pick for Town Manager:

Selectwoman Salter - Mr. Hickey

Selectwoman Anderson - Mr. Hickey

Selectman Cyganiewicz - thinks both would do well, after interviews thought he had his mind made up but changed it several times, he's thinking longer term, and his vote is for Mr. Hickey.

Selectwoman LaBrie - She said tough call, Mr. Hickey.

Chairman Barbaro – Mr. Hickey

Chairman Barbaro thanked everyone on the Search Committee. He thanked Mr. Rees for putting the time in and for his interest.

Mr. Lynch will call him to inform him. The selection of Mr. Hickey is contingent on him accepting the offer and contract.

Selectwoman LaBrie moved to offer Mr. Hickey the position; Selectwoman Salter seconded. BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

MINUTES:

Wednesday, October 28, 2015 - Regular Meeting – Selectwoman Anderson asked to change the word community to committee on Page 2. Selectwoman LaBrie moved to approve as amended; Selectwoman Salter seconded.

BARBARO(Y) ANDERSON(Y) SALTER(Y) LABRIE(Y) CYGANIEWICZ(Y)

COMMUNICATIONS:

Congratulatory Letter to Gardner Mayor Mark Hawke - Chairman Barbaro spoke of the letter to be sent to him from the Board congratulating him on his victory being re-elected as Mayor of the City of Gardner.

AGENDA ITEMS:

Meeting Schedule:

November 19, 2015 – Joint Meeting with School Committee 7:00 p.m. – Selectwoman Salter pointed out the posting on the website for the School Committee vacancy had the wrong date. Selectwoman Anderson added that people looking at it might have applied. Mr. Lynch said we are correcting that and it makes sense to push off. Selectwoman Salter and Selectwoman Anderson said they had people say they would have applied if they had known. They would like to have it reposted and redone and asked the School Committee Chair Dawn Harris if agreeable. She agreed. She said she will notify the one candidate that the vacancy notice will be reposted. The Nov. 19 Joint meeting is off. Ms. Daigle was asked to re-post and redistribute the vacancy notice.

November 23, 2015 – Brief Meeting prior to STM - The Board scheduled the meeting to 6:30p.m. November 23, 2015 – Special Town Meeting at 7:00 p.m.

Mr. Lynch noted they would also need to have an additional meeting regarding the Town Manager's contract.

Selectwoman LaBrie noted that daycare and childcare will be available the night of the Special Town Meeting. Advisor Ms. Fairbanks will handle it.

EXECUTIVE SESSION:

Chairman Barbaro moved to go into Exemption No. 2 to conduct strategy sessions in preparation for negotiations with non-union personnel or to conduct collective bargaining sessions or contract negotiations with non-union personnel: Subject: Town Manager – Selectwoman LaBrie seconded. By roll call vote of all aye, the Open Session adjourned for Executive Session at 9:15 p.m.

RECONVENE OPEN SESSION:

The Board reconvened Open Session at 10:10 p.m.

ADJOURNMENT:

Selectwoman LaBrie moved to close Public Session; Selectwoman Anderson seconded. The meeting convened at 10:10 p.m.

Respectfully submitted,

Debra Dennis Recording Secretary