

**TOWN OF WINCHENDON
BOARD OF SELECTMEN MINUTES
MONDAY, MARCH 21, 2016
Town Hall, 2nd Floor Auditorium
109 Front Street, Winchendon, Mass.**

Present:

Michael Barbaro, Chair
Barbara Anderson, Vice Chair
Audrey LaBrie
Austin Cyganiewicz

Keith R. Hickey, Town Manager
Linda Daigle, Executive Assistant
Debra Dennis, Recording Secretary

Absent: Amy Salter

List of Documents Presented at Meeting:

- Town Manager's FY17 General Government Budget Letter to Board of Selectmen dated 3/17/16 (attached)
 - Town of Winchendon FY17 Proposed Budget (filed)
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Chairman Barbaro called the meeting to order at 6:32 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.

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

Chairman Barbaro said tonight's meeting is strictly about the budget. He said there will be no public comments.

NEW BUSINESS:

Town Manager Presentation of FY17 General Government Budget - Mr. Hickey said he met with the Board to establish a structural budget. There is a 2 ½% increase in this budget. There is no decrease in the critical services to the public. He said there is now a line for grant funds. In this budget the COA Director and the Planning Department Staff are fully funded. He said they were previously funded by grants but are now a line item, funded by taxation. He said the increases for water and sewer rates are included as well as the Transfer Station. He said the goal is to be as transparent as possible.

Mr. Hickey said you have to decide if you want to be sustainable so we aren't fighting year after year with budget issues. He said he needs more time to develop financial policies and will bring them before the Board. He said you can't rely on the CDBG grant funds. We need to share resources with the school district. He said there are potential savings by regionalizing services. The Board will have to deal with these issues.

He said he included an additional \$25,000 for snow and ice, \$35,000 for school security updates, \$26,500 to replace cardiac monitors and defibrillators and \$33,000 for EPA drainage compliance. He said he has in the budget to hire a part time Administrative support staff for the Fire Department and restore one

Public Works employee. He also wants to modify the Transfer Station recycling to single stream. He said this is a way to save money in the Transfer Station budget and also provide a better level of service.

The Town Manager discussed the budget summary which includes the operating budget of \$28,307,923 and the allowance for abatements of \$70,000 which totals \$28,377,923. The summary of budget sources are real and personal property taxes, state aid, local receipts, indirect charges, transfers from other funds and free cash which total \$28,377,923.

He commented that free cash would fund half of the capital items with the balance paid by taxation. He said he reviewed the budget with Mr. Roselli and the Department of Revenue to make sure it was accurate. He said both parties said the calculations were accurate. Mr. Hickey said it is important to recognize the numbers aren't finalized concerning new growth. The debt exclusions total \$455,930 which is for the Police Station renovations, the Library access renovations and the Fire Dept. ladder truck.

Mr. Hickey said there is also an increase in Technology staff to 19 hours a week which is an increase of 4 hours a week. There is also an increase of \$6,000 for tax title software. He said fuel is now being charged to individual departments not the Department of Public Works which will reflect a decrease in their budget.

Mr. Hickey said the general fund expenditures are divided Town 27.30% and School 72.70%. He said the GIC Health insurance savings for FY17 will be going back to the employees. Chairman Barbaro said everything is included in the fiscal budget and we are not borrowing any money. The town fiscal budget is balanced.

Mr. Hickey said the proposed water fund budget has a 6% rate increase. He said the water revenues have not supported the approved budget over the past few years. He said there is a repair needed for both water tanks which have an estimated cost of \$180,000. He recommended long term debt be issued for this repair. He said the water and sewer departments are losing money. He said the proposed increase for water is \$1.13 and sewer \$1.08.

Chairman Barbaro said historically the water and sewer enterprises were losing money and the general fund has been paying for it. Mr. Hickey said that is what has happened in the past. He said it will cost \$13,000 to go to single stream recycling and this would free up a truck which could be sold or used elsewhere. He said the Transfer Station will be open Thursday evenings until 8 p.m. which will get more people to go. He said the other change would be the cost per bag which would be \$5.00 for the large and \$3.00 for the small.

Selectwoman LaBrie said this is outstanding and she doesn't think the town has ever had a presentation like this. Mr. Hickey commented that employees made suggestions and they have been a tremendous help. The support from boards and department heads has helped also. He said he looks forward to working with the Board of Selectmen, Finance Committee and the public. Selectwoman Anderson said the increase in taxes and water and sewer rates is asking the townspeople an awful lot. Mr. Hickey said the increases are consistent with the past. He said he doesn't know when the water and sewer rates were increased previously. He is confident when the books are closed for FY16 that water and sewer will end up in a deficit and not a surplus. He said he was charged from the Board to tell them what the fees needed to be to not go into a deficit again in any of the funds we operate and that is what he has done. This budget proposal is a real slap of reality. If he could have found another way to lessen the burden, he would have.

Chairman Barbaro said the town budget has been unbalanced for five years. The water and sewer rates have been left for seven years prior to the increase last year. It is sticker shock. We found ourselves in a deficit. The task of the new Town Manager was to present a budget of what it costs to fund this community. He thanked the people involved with doing this. He said the proposed Governor's budget came in higher. Debt services went up because of the note for deficit legislation. He said this budget makes the town self-sufficient. He said he looks forward to working with the Town Manager.

ADJOURNMENT:

A motion was made by Vice-Chair Barbara Anderson to adjourn. The motion was seconded by Selectman Cyganiewicz.

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

The meeting was adjourned at 7:55p.m.

Respectfully submitted,

Debra Dennis
Recording Secretary