

TOWN OF WINCHENDON
TRI-BOARD MEETING
BOARD OF SELECTMEN, SCHOOL COMMITTEE AND FINANCE COMMITTEE
Thursday, August 23, 2018
Town Hall, 2nd Floor Auditorium
109 Front Street, Winchendon, Mass.

Board of Selectmen Members Present:

Audrey LaBrie, Chair
Austin Cyganiewicz, Vice-Chair
Barbara Anderson
Michael Barbaro
Charles Husselbee

Keith R. Hickey, Town Manager
William Schlosstein, Town Accountant
Linda Daigle, Executive Assistant

School Committee Members Present:

Gregory Vine, Chair
Dawn Fronte
Felicia Nurmsen
Larry Murphy

Steve Haddad, Superintendent
Rich Ikonen, School Business Manager
Barrie Martin, Recording Secretary

Absent: Roann Demanche

Finance Committee Members Present:

Tom Kane, Chair
Maureen Ward, Vice-Chair
Christian Orobello
Charles Corts

Brianna Roberts, Recording Secretary

Absent: Doug Delay

Guest:

Joan Landers, Interim Supt. of Schools
Joanne Goguen, Impending Town Accountant

List of Documents Presented at Meeting:

- FY18 General Fund Revenues, Total General Fund Expenses, Balance Sheet (attached)
 - Draft Fall Town Meeting Schedule (attached)
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Chairman Greg Vine called the School Committee meeting to order at 6:37 p.m.
Chairman Audrey LaBrie called the Board of Selectmen meeting to order at 6:37 p.m.
Chairman Tom Kane called the Finance Committee meeting to order at 6:37 p.m.

All stood for the Pledge of Allegiance to the Flag of the United States of America.

Announce audio/video recording disclosure: Barrie Martin disclosed she would be audio recording the meeting this evening.

NEW BUSINESS:

Introduction of Interim Supt. of Schools Joan Landers

Chairman Vine introduced the new School Superintendent Joan Landers and asked her to tell the group gathered a bit about herself and what she hopes to achieve here.

Ms. Landers thanked the group and said she was thrilled to be in Winchendon. She was the School Superintendent for the North Middlesex School District for six years and prior to that she worked in the Wakefield Public Schools as the Director of Student Services for ten years. She then became the Asst. Superintendent of Per Pupil Student Personnel, the Asst. Superintendent of Curriculum and Instruction, the Interim Superintendent for six months followed by the Superintendent's position there for five years. She started out her career as a Special Ed Teacher for the City of Lynn and opened a therapeutic school to service students who would otherwise be sent to outside placement. She was in the Amesbury Schools as the Director of Special Education and opened a horse charter school there for at risk students. She has a strong Special Ed background and has been working on budgets and negotiations as a Superintendent. She also was involved in recently building a new high school and involved with two solar projects. She is very excited in being with Winchendon. She researched the district and has been attending events here and meeting people. It's a strong Administration team in the District. Steve has been wonderful with the transition and she thanked him. She will be focusing on moving the district ahead and continuing the great work. She is thrilled with the collaboration of the Town with the School.

Hickey said he had been the newcomer on the block and thanked Steve Haddad for accepting him into the community when he was appointed two and a half years ago. Steve continues to make him aware that it is critical to have a strong relationship between the town and the school. He has always been there for him whether professional or a personal nature. He was someone he could count on and could trust. Joan has some large shoes to fill and he will truly miss Steve and will stay in contact.

Hickey continued saying he had the opportunity to serve on the Interim Supt. Committee and welcomed Joan. He is confident they will work well together and will continue the relationship between the Town and School. He wished her well.

Ward also thanked Steve Haddad who had come in at a difficult time and helped changed the culture of the schools and did a tremendous job. It was nice to see him at events and do what he does best by making everyone cheerful and happy.

LaBrie said ditto and ditto to Steve. "It's been a pleasure working with you and I wish you the best. Thank you for your service."

Haddad thanked everyone, the School Committee and the Town for letting him serve the Town. It's been a wonderful three years.

Vine also thanked Steve for coming into this job at a very difficult time, when we had a Business Office at the School District not doing the job expected of them and particularly coming in when the Town was dealing in financial straits that it found itself in and being able to keep the district going and provide services that we needed. The Town will be forever grateful and indebted. There was a lot to do and he stepped up to it. He thanked Steve.

Vine introduced Irene Woodward who is the new Asst. Business Manager for the Winchendon School District. Ms. Woodward was welcomed.

Fronte moved to take the New Business on the agenda out of order and move to the “Discussion on Preliminary FY18 Financial Results;” Nurmsen seconded. By a vote of all aye, the motion carried unanimously.

Discussion on Preliminary FY18 Financial Results:

Hickey stated he and the Town Accountant are very happy this evening to be able to share where the Town stands financially at the end of FY2018. We have had some trying times in the last few years and we have made significant head way over the last couple of years. We’ve had hopes of getting over the hump and paying the last of the deficit legislation six years early and freeing up \$400,000 worth of taxpayer’s money that has been going to deficit legislation bond payments and stabilization accounts. He believes we have a final free cash number but the Dept. of Revenue and the auditors need to bless our numbers. Hickey noted that we are here a month earlier than last year and a month earlier than the year before that. A great deal of thanks goes out to Bill Schlosstein, who will be leaving us towards the end of the year and he wanted to thank him for his efforts and being a significant player in getting us in the financial situation we are in now and also Rich Ikonen who has worked hand in hand with Bill and presenting what we believe to be final year end information to the Board. He turned the discussion, through the Chair, over to the Town Accountant, Bill Schlosstein, to inform the group where the town stands at the end of FY18.

Schlosstein first thanked Steve Haddad stating it was important to him to be in a community that values the school. He commended Steve for his service to the Town and for working with him.

Schlosstein said we are really early on in this reporting. He is not uncomfortable though in releasing it in draft form and will run through a PowerPoint presentation that was just put together late this afternoon and not rehearsed. He noted the spreadsheets pertaining to the presentation were passed out to them.

He reviewed the General Fund Revenue accounts that showed the estimated revenues, the actuals that came in and the positive variance beating the estimated revenues by a little. We knew this was going to be tight. We beat it by 2% of the expenses in the amount of \$69,242.00. He pointed out, in respect to the first group, “Taxes and State Aid,” the taxes are always a challenge to meet the budget. What we try to do in meeting taxes is knowing we are never going to get 100% of the levy with people not paying by June 30. With the efforts of the Treasurer, Donna Spellman, it is clear from the numbers here that a very, very near miss was accomplished with tax title work. He noted that he is still waiting for reimbursements on abatements and exemptions that the state picks up a percentage of. He has to follow up on this which is about a \$17,000 swing that we should recover. He reminded the group that these are preliminary numbers tonight and he may be able to add them in FY18 when they come in.

He spoke of the licenses and permit revenues being strong with solar fields being developed with electrical permit fees and building permit fees collected. The building department took far in excess than what we expected they would and exceeded the target by \$74,000.

He spoke of the ambulance revenues and the diligent efforts on EMS Management, the Fire Chief, with more aggressive collections and also a recovery of a special one-time grant for capital costs for “Ambulance – Medicaid” for a \$17,000 enhancement to revenue; between the ambulance and cemetery, we had a positive \$65,000 variance in revenue.

Schlosstein continued with the next section, licenses and fees, noting a positive variance of \$66,000. Fines and earnings on investments were up as rates were rising. "Interfund Transfers" and "Miscellaneous Income" were flat. The bottom line is that revenues exceeded their target by \$69,000.

Schlosstein then reviewed the expenditures side. Provided was a detail of all the organization codes, cost centers, the original budget, the revised budget, what was actually spent and what was encumbered at year end. He highlighted in yellow which accounts turned back more than \$10,000 but many gave back several thousands of dollars, he said. He reviewed the larger amounts.

Murphy asked about the state assessments of \$245,630. Schlosstein replied that the main share of that is the charter tuition, school choice out. The cherry sheet far exceeded what we were sending out and is a good sign. He's plans on speaking to Rich to determine why we had so much less. Kane added he thought it was the charter enrollment being much less than what was projected. Schlosstein agreed.

Schlosstein reported that we continue to be sufficiently budgeted with worker benefits, worker's comp, unemployment insurance, life insurance, etc. The bottom line on the government side is a positive in expenditures of \$870,382.

The next document reviewed was the "General Fund Draft Balance Sheet" with Total Assets of \$4.5 million. He wanted to speak about the total Fund Balance and the undesignated fund balance of \$1,099,658. That's where we start for calculating free cash. From that you subtract overlays for tax abatements and exemptions, and then subtract any deficits that are not in the general fund, like special revenue deficits, capital project deficits which is just an estimate. From there you add in your "Revenue Surplus", "Unspent Appropriations" as previously discussed for a total of \$939,624. Add in any deficits that the state has hit us for and cleared adds another \$90,924.19.

Schlosstein reported the Free Cash estimate is \$1,030,548. A third year of strong operations, no deficits, faster closings, better management of the general ledger, a project underway to get better and more efficiency at our financial reporting on the school side, and excellent work from his Asst. Joanne Goguen is allowing us to be here a month earlier than last year. He couldn't be happier for the Town of Winchendon and the progress it's making. He's thrilled to be a part of it and said, "This train is not only on track but is moving faster and better." It's a good team to work with and it's going to be in great hands. He thanked all for being supportive.

Kane asked about revenues with some of the formulas being off on the spreadsheet handed out. Schlosstein said the spreadsheet was a last minute dump from Munis itself to provide in PowerPoint and for a handout so it wouldn't be twenty pages thick. He moved some accounts in the spreadsheet around so they would flow better and perhaps the formula didn't move properly. He said the numbers go with the balance sheet.

Vine asked about the \$32,426 going back to the Town from the School Department, wondering how the School was able to give that back with the budget tight and given two-thirds of the override goes to paying the deficit legislation. Schlosstein said it was the goal for the school and town side to pay off the deficit note with funds from the school and the general fund.

Barbaro thanked all the Dept. heads for creating a tight budget and staying within it all across the board. We are doing things in this town that no one else has ever done. We are the only ones to come out of underperforming and only one to come out of a deficit note six years earlier. Across the board, we worked together to make things happen. We are so far ahead due to the hard work of the Town

Manager, the Town Accountant, and all the boards. It shows what we can do working together cooperatively.

Ward asked the School Department if FY17 been completed and submitted to the state. Ikonen replied no, that he is working closely with the Abrahams group and it should be soon. The State gave them an extension that is open ended.

Mr. Schlosstein was thanked.

Discussion on Proposed Fall Town Meeting Schedule:

Hickey noted he passed out a tentative Fall Town Meeting schedule. He is proposing having Fall Town Meeting the last Monday in October, the 29th. He proposes the Board of Selectmen schedule the Special Town Meeting at their meeting on September 17th, open the warrant Tuesday, Sept. 18th and close the warrant at noon on the 24th with the Select Board reviewing and finalizing the warrant at their meeting that evening. Suggested dates were listed on the draft schedule for the Finance Committee's public hearing and voting of their recommendations. Kane said Oct. 9th would be problematic for him; the Finance Committee changed their hearing to October 10th.

Hickey spoke about the auditors coming in to do all the field work at once in September and getting the numbers to move forward for Town Meeting and for free cash certification. He plans to discuss with the Board of Selectmen what his suggestions are for warrant articles. He would like to pay off the deficit legislation in the amount of \$312,000 using some of free cash and to reinstate the \$95,000 used from stabilization. There are no other specific needs but other items he would like the Board to consider as we move forward. If everyone here agrees with the timeframe, there is an opportunity for all three boards to propose warrant articles to be considered. He doesn't expect a lot of warrant articles from the town. He hopes for a clean, short Town Meeting. He added that the deficit note can't be paid off until March 2019 and that they would set the money aside to pay in March and hopefully celebrate the good work everyone around the table has done.

OLD BUSINESS: N/A

COMMENTS:

Nurmsen, noting this is Mr. Schlosstein last Tri-Board meeting, thanked him for everything he has done for the Town of Winchendon and his hard work. Looking at where we are today, he has done an incredible financial performance. Bill is a fantastic leader.

Murphy echoed the comments and wished him the very best. Tonight, there are two pretty special public servants and he thanked them both.

Kane echoed the words and thanked Bill for taking the time to explain things, especially around free cash. As a citizen Finance Committee person, you took time to explain things so he understood. Schlosstein said sometimes its crazy, settling in, new gig for him; he appreciates his persistence and work he did on behalf of the Committee.

LaBrie said the Board may still have interactions with Mr. Schlosstein but wanted to say publicly that it has been a pleasure having Bill on our roster at town hall. She was on the search committee for the Town Accountant and Bill stood out head and shoulders above, his dry wit, his love and passion for what he does. On behalf of the Board, she publicly thanked him for everything he has done for Winchendon.

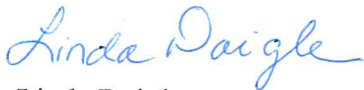
Haddad thanked Bill for coming into our town, rolling up his sleeves working with the school, working great with Rich, the School's Business Manager. He wished him the best of luck. Haddad commented on the night he gave his resignation where Bill had said some nice things about him and he thanked him for that. He hopes they always will remain friends.

Ward asked if the contract with the Interim Superintendent mirrored Mr. Haddad in regards to salary; Vine replied yes, it is just prorated.

ADJOURNMENT:

Selectman Barbaro moved to adjourn; Fronte seconded. With a vote of all aye from each committee, the Tri-Board meeting adjourned at 7:32 p.m.

Respectfully submitted,



Linda Daigle
Executive Assistant