

Report of the Town Manager

January 26, 2015 (Rescheduled to Feb. 4, 2015 due to winter storm)

1. Personnel Updates-

- a. Health Insurance Advisory Committee (IAC)-** I held the meeting with the IAC last week and the health insurance consultant presented the results of the Request for Proposals (RFP) for our plan change. (copy enclosed) After the presentation and after taking questions from each of the union and non-union groups in the meeting there was a vote taken to accept the changeover in plan to a fully insured premium based GIC benchmarked plan. The vote was 8 yes, 0 no and 2 abstain. Payroll deductions for this change began with this payroll and we will be fully switched over effective March 1, 2015.

Action Requested: None.

2. Financial Updates-

- a. The Deficit Legislation-** As I have earlier reported, last Wednesday we had a meeting at the Department of Revenue offices in Worcester. The meeting was Chaired by Gerry Perry, the DOR's Director of the Bureau of Accounts and attended by five DOR representatives, two town financial bonding advisors, our auditor Tony Roselli, the respective chairs of the School Committee, Finance Committee and Selectboard, the Accountant, Treasurer, Superintendent, Business Manager and me.

The meeting went very, very well. We all came out with specific action items moving forward and with a great number of strong recommendations. We are at liberty to discuss all of those issues and I will be doing so now.

- Appropriate funds at the next town meeting to acquire a new (or revamped existing software) accounting software package that includes training modules;
- Make every effort during FY15 to reduce expenditures on both the school and town side so that funds are reverted back to the general fund;
- Conduct monthly budget meetings with appropriate staff, and report back to the Selectmen and School committee what occurred during these meetings (a DOR representative will attend these meetings);
- All comments on the DRAFT Audit to be offered back to the Auditor's to go through the office of the Town Manager and not directly to the auditors;
- When the outside auditor reports his findings to the community, establish a joint meeting of the Selectmen, School Committee, and Finance Committee to hear the findings with;
- Establish an audit committee;
- On a quarterly basis, have the chairs of the Selectmen, School Committee, and Finance Committee meet to discuss appropriate policy matters;

As was reported out by Finance Committee Chairman Tom Kane, DOR recommended that they do not conduct a forensic audit, however have the Board of Selectmen vote to request a full financial management review of the DOR Technical Assistance Unit, which does not cost the community any funds;

The to do list includes:

- Complete the FY14 audit within the next month;
- Submit to this office quarterly budget to actuals in the future;
- Resolve the school payroll issue which the school business manager is responsible for;
- Appropriate approximately \$72k in FY16 for a new supplemental reserve account;
- Borrow \$3.0m for the deficit in FY15;
- Work with their financial advisors to successfully get the borrowing approved, and submit a request to the Municipal Finance Oversight Board to have the borrowing state qualified;
- Submit the FY15 recap for tax rate approval so that bills can be mailed to the taxpayers of the town;
- Complete a pro-forma recap sheet for FY16 in late June, early July, 2015;

Action Requested: Let's discuss.

- b. Meals Tax- I am pleased to report that the first installment of Meals Tax to the town should be received for April 1, 2015. Linda has been working with the DOR on this matter as a result of the town meeting vote accepting this local option statute.

Action Requested: None.

- c. **The FY16 Budget-** All departments budgets were received on January 22, 2015. Please see the attached DRAFT town meeting calendar for your consideration and approval.

Action Requested: Let's discuss and if you wish, please vote to open the town meeting warrant on February 23 and close the town meeting warrant on April 13 for an annual and special town meeting to be held on ~~May 25~~, 2015. (Will be May 18, 2015)

3. Project Updates-

- a. **Phase 5 North Central Pathway-** Phase 5 of the Bike path project bids was awarded and the work on the project will begin in the spring.

Action Requested: None.

- b. **Proposed Business-** While we recognize that nothing is real until it is real-
- i. ONGOING-Salvadore Auto group's proposed Jeep dealership project at the intersection of Rt. 140 and Rt. 12 is scheduled to be before the Planning Board next week. It will be an exceptional gateway business and create new tax base and jobs for the town.
 - ii. ONGOING-we have been working with a business, which wishes to remain confidential for now, in an effort at landing them here in town as they seek to expand from another location within the region. They are currently functioning in a 10,000sf space and are looking for a minimum of 30,000sf. Their projection is 20 jobs.

- iii. ONGOING-UPDATE -This group has made an offer on a property in town and the offer was accepted. This group is pursuing the adaptive reuse of a currently vacant building in town for their operations. Their initial job creation estimate is 50 new jobs created here in Winchendon.

Action Requested: None.

- c. **Police Station Filed Sub-Bids-** The holidays pushed everyone's schedule back a week so the anticipated meeting for project specification review is next week.

Action Requested: None.

4. Miscellaneous Updates-

- a. **None.**

5. Tickler File-

- a. **Yard Sale Bylaw-** Per discussion at your Dec. 29th meeting, a Board policy versus a Bylaw is being crafted for your review and consideration for adoption.

- b. **Multifamily Residential Unit Inspections-** I have been working with Counsel to have a draft bylaw available for your consideration for the annual town meeting. This bylaw will seek to place a local penalty on the books for multi-family residential property owners who fail to have their properties inspected.