

ADVISORY COMMITTEE MINUTES
APRIL 2, 2008

Meeting called to order at 7:00 by Chairman Wilson with Greg Burnham, Bob Barnes, Dave Holdcraft and Bev Lund in attendance. Guests included Town Clerk, Linda Lincoln; Assessors Phil Peirce; Treasurer, Jim Dunbar and Selectmen Jim Allen, Rod Dackson and Rudy Heller.

LINDA LINCOLN, TOWN CLERK – INCREASE FISCAL 2009 BUDGET REQUEST

Mrs. Lincoln was present to request that her budget be increased by \$1,100 from \$4,650 for a total of \$5,750 to allow her to enter into a contract with General Code publishers to transfer vital records to discs for easier access for resident and visitors to her office as well as for security and disaster recovery protection. The financial status of the Town was discussed and as a result Mrs. Lincoln indicated that she thought she would have sufficient funds in her Elections and Registration Expense Account to cover the expense.

Based on this Ms. Lund moved; Mr. Burnham seconded to request that the Selectmen put an article on the Special Town Meeting Warrant that the funds be transferred to an article account for this purpose; so voted.

ASSESSORS EXPENSE BUDGET

Mr. Peirce advised the committee that there was a mistake in the Assessors' budget and that the figure should be increased to \$3,540 and not \$2,500 and the Consulting Services should be \$2,500. Ms. Lund moved; Mr. Burnham seconded to increase the Assessors Expense to \$3,540.

LEVY LIMIT CALCULATION REVIEW

All were present at this joint meeting to review the line items and the article to see if the bottom line figure could be reduced.

Based on the levy limit calculations the levy limit is \$3,685,060 and debt exclusions total \$351,607 bringing the maximum allowable levy limit to \$4,036,667. The available funds total \$3,639,165 with the total available funds being \$7,675,832. Expenditures not voted at town meeting which include the snow and ice deficit, the overlay reserve, state assessments and targeted state aid total \$335,000. Annual Town Meeting articles total \$2,962,200 and when added to the funding needed at the annual town meeting of \$7,375,760 (total of line items for all departments) the total amount needed to fund Fiscal Year 2009 is \$8,006,960. This results in an overage of \$331,128.

The figures being used are those recommended by the Advisory Committee and not those requested by the individual departments which totaled \$7,564,784. If this figure was

used the overage would increase by \$190,404. The total budget in the amount of \$7,375,760 as recommended by the committee included “bare bones” increases such as fuel, postage, electricity, insurance, contracted services, etc. This figure does not include a COLA increase and this issue will be addressed later in the meeting.

BUDGET REVIEW & CUTS

Health Insurance - Mr. Dunbar suggested reducing the health insurance by \$7,000 but he could not guarantee that new employees would not elect to enroll in the Town’s Health Insurance. Based on this no action was taken and the amount would remain at \$299,000.

Fire Truck Interest – Mr. Dunbar advised that the dollar figure of \$43, 000 could be cut in half if the Selectmen elected to extend the financing of the Fire Truck for 10 years instead of 5. Mr. Dunbar advised that the town would pay more in interest and would not ordinarily recommend this but in these difficult financial times, he felt it should be done. The individual Selectmen were in agreement with this and will discuss this at a future meeting.

Based on this Mr. Burnham moved; Ms. Lund seconded to reduce the Fire Truck Interest to \$21,500; so voted.

Chapter 90 - Mr. Allen had presented the committee with the Chapter 90 figures which total \$127,949. There is currently \$37,286.17 in Chapter 90 funds bringing the total to \$165,237 for Fiscal Year 2009. There is an article on the warrant for \$155,000 to fund a loader. It was noted that the Advisory Committee is not recommending this and also, even though it does not fall under their auspices, the committee does not feel these funds should be used to fund the purchase. If this is done, there will be a balance of \$10,237 in the account to do work on the roads.

Police Cruiser - Mr. Allen advised the committee that he has requested that Chief Ackerman look into the possibility of leasing a cruiser for approximately \$11,000 a year and at the end of a year the cruiser can be bought for \$1.00. It was noted that a cruiser usually last about three years and the current price is approximately \$32,000. Leasing a cruiser would cost \$33,000 for a total of three years so both forms of securing a cruiser just about equal out. The only difference being that if a cruiser is leased, maintenance and repairs are the responsibility of the leasing company and not the town. The Advisory Committee has recommended that the Fleet Stabilization Fund be used to purchase this cruiser and that according to the five year plan, this is the year to purchase a cruiser.

Fire Department Station Repairs – The Advisory Committee had requested that the Selectmen look into funding the repairs to the fire station through the Ambulance Billing Receipt Account. The Town Auditor has advised that the funds can be used for this purpose and the sum of \$7,500 will be recommended. It was noted that there is currently \$5,000 in this account and the committee was advised that the work that was to be done with these funds will be completed before the end of the Fiscal Year.

Selectmen Web Site and Consultant Expense Accounts - Due to the fact that these funds will not be used this year, Ms. Lund moved; Mr. Holdcraft seconded to reduce these accounts for Fiscal 2009 to 0 and to recommend to the Selectmen that an article be placed on a Special Town Meeting to transfer the \$2,500 in each account to special

accounts to be used next year. The Selectmen were in agreement with this as well and voted later in the meeting to do so.

South Pond Beach – After a brief discussion, it was the consensus of all present to leave the funds in this account for next year as the State will not enter into a contract to repair the parking lot and the beach unless the Town maintains the area. Mr. Allen was to talk to State officials to determine if the total amount of \$6,600 will be needed and if not this amount could be reduced. Mr. Allen will provide the committee with this information.

Cultural Council – Mrs. Wilson advised the committee that the sum of \$1,000 could be cut from this budget. Ms. Lund moved; Mr. Burnham seconded; so voted.

Veterans' Benefits – The Veterans' Agent has advised the committee that there are currently two cases on the books and he will need additional funding for next year and has asked that his Case Work Account be increased by \$3,000. These expenditures are reimbursed by 75% on the cherry sheet. Mr. Barnes moved; Mr. Holdcraft seconded to increase the line item in the Fiscal 2009 budget by \$3,000; so voted.

CONTINUATION OF MEETING

Mr. Burnham moved; Mr. Holdcraft seconded to continue the meeting beyond 9:00 pm; so voted.

BUDGET REVIEW & CUTS cont.

Master Plan Committee – Mr. Burnham advised that their committee had received a new contract estimate which totals approximately \$19,000. They have \$10,000 and are asking for \$15,000 at the Annual Town Meeting. Based on the new estimate Mr. Burnham suggested that the committee cut \$5,000 from the Master Plan Article. Ms. Lund so moved; Mr. Burnham seconded; so voted.

QQLA – The QQLA has requested \$10,000 for lake maintenance from the Towns of Brookfield, East Brookfield and Sturbridge. At this point the status of the articles in the other two towns is not known. Brookfield appropriated \$10,000 last year and due to the lack of funding the committee previously voted not to recommend this article so the overage could be reduced by another \$10,000.

Overlay Surplus – Mr. Peirce advised those present that there may be approximately \$50,000 that could be transferred from the Overlay Surplus. The first step is for the Assessors to declare it surplus and then the funds could be used as an available fund via the town meeting process. If these funds are declared surplus in Fiscal Year 2008 and not appropriated before the end of June, they fall into Free Cash. All were in favor of taking this action and it will be done so that they can be used for the Fiscal Year 2009 budget.

COLA – The Advisory Committee and the Selectmen have not as yet recommended a COLA for the town employees. Increases of 1%, 2% and 3% would result in the addition of \$9,827, \$19,653 and \$29,259 respectively to the overage amount. The average COLA increase for the town employees and the school employees has averaged 3% a year for the last six years. After much discussion Mr. Burnham moved; Mr. Holdcraft seconded to recommend a 3% COLA for the employees; so voted. The Selectmen also voted to recommend a 3% increase.

COURSE OF ACTION

It was the consensus of the group that everything had been done at this point by the Advisory Committee to reduce the budgets. A letter will be sent to all departments that have budgets to advise them of the 3% COLA increase, to advise them of the overage amount of approximately \$159,668 which is 4% of the levy limit, to ask them to review their budgets and make reductions by determining what they can do without this year and what, if any, capital expenditures could be put off to another year. They will be asked to submit any budget cuts to the Advisory Committee Secretary so that changes can be made to the spreadsheet. Ms. Lund moved to send the letter which will be a joint letter from the Advisory Committee and the Selectmen as previously stated; Mr. Burnham seconded; so voted. This letter will be prepared by the Secretary and sent to both board members and once reviewed will be set out immediately.

The warrant book needs to be finalized by the 9th of April (one week from the date of this meeting) and in the hands of the printer by the 14th. Any cuts received will be made to the spreadsheet by the Secretary and will be reviewed on Wednesday.

After much discussion, all were in agreement that if there is still a budget overage, the budget will be presented as an unbalanced budget at the town meeting on May 9th. The meeting will either be concluded or adjourned. If concluded another meeting will be set for some time in the future prior to the setting of the tax rate to balance the budget. The cherry sheet figures will be finalized, the overlay reserve will be available and the local receipts and new growth figures will be solid. If the meeting is adjourned, the meeting will be reopened at a later date after all the figures are in place. It was noted that a motion to the action taken must be voted prior to the end of the town meeting on the 9th. The proper way to handle this will be confirmed by the Town Auditor and Accountant.

It is hoped that a copy of the budget will be available to put in the Citizen. Mr. Peirce advised that the deadline was the 23rd.

ADVISORY COMMITTEE BY LAW CHANGES

Mr. Dackson had been asked by the other members of the Selectmen to prepare the wording for Article 30 which amends the current Advisory Committee by laws. It was previously agreed that a joint meeting of both the Selectmen and the Advisory Committee will be held when appointments are made to the Advisory Committee both in June and when a vacancy occurs.

Mr. Heller stated that the wording as prepared by Mr. Dackson did not address the concerns of his request to change the by laws because there are nine members on the Advisory Committee and only three Selectmen. If all nine members of the Advisory Committee show up, the Selectmen do not have as much say in who gets on the committee. Again it was noted that there has not been a problem in the past and in a

number of cases with other boards, this same type of appointment process is required by Massachusetts General Laws.

After further discussion it was decided that the words “by a joint vote of each committee” will be added to the amendment. Mr. Heller was asked to prepare the wording and get it back to members of both committees for review prior to inclusion on the warrant.

APPROVAL MINUTES – MARCH 26, 2008

Mr. Barnes moved; Mr. Burnham seconded to approve the minutes with a minor change; so voted.

CORRESPONDENCE

Health Insurance Premium – Mr. Dunbar, Town Treasurer has notified the committee that there will be a 2% increase for Fiscal Year 2009 and there are sufficient funds in the budget to cover this increase. No action necessary.

Reserve Fund Transfer Request – A request has been received from the Town Treasurer to transfer the sum of \$3,000 from the Reserve Fund to the Unemployment Fund to cover unemployment claims. Ms. Lund will schedule a meeting date for the consideration of this request.

Tax Receipts – Collector – The report for the month of March was provided to the members.

Chapter 90 review - Mr. Allen had presented the committee with the Chapter 90 figures which total \$127,949. There is currently \$37,286.17 in Chapter 90 funds bringing the total to \$165,237 for Fiscal Year 2009. There is the possibility that the Selectmen will approve the expenditure of \$155,000 from these funds to purchase a loader for the Highway Department. The committee was informed that there are a number of roads that need attention and these include Quaboag, Prouty, Mill and Martin Streets; Old Fiskdale Road, Devil’s Elbow, Wells, Allen and Webber Road. Again the committee stated that they would not recommend this article and have asked along with the Selectmen for information to ascertain whether or not a used loader or the leasing of a loader is feasible.

ADJOURNMENT

Mr. Burnham moved; Ms. Lund seconded to adjourn the meeting; so voted. Meeting adjourned at 10:30 pm.

Respectfully submitted,

Beverly A. Lund, Secretary

Date approved by Advisory Committee: April 9, 2008

Date submitted to Selectmen: April 10, 2008