

PRESENT: Selectmen Joseph A. Sergi, Patrick J. McNabb, and Joseph M. Hallisey III; John Moak, Town Administrator; Peggy Mazzola, Administrative Assistant; Finance Committee Members Chris DeSimone, Chris Johnson, Michael Landino, Alan Leao, Holly Seiferth, Melissa Tzanoudakis, George Zacharakis

The meeting was called to order at 7:04 PM.

APPROVE WARRANT/SIGN PURCHASE ORDERS: The Board signed the warrants. The Board signed a purchase order for the Fire Department.

PUBLIC COMMUNICATIONS: Mr. Sergi thanked the community for its support following the death of his father.

OLD/NEW BUSINESS:

Item #1 – Budget Discussion and Warrant Review, with Finance Committee: Mr. Sergi stated there is a feeling that the library is being treated unfairly and warrants a brief discussion, but he would like to hear from the Finance Committee first. Mr. Sergi asked for a summary of the FinCom's activities, including their process and ultimate recommendations. Mr. Moak remarked that there is a summary of the budgets in the draft warrant.

FinCom Chair Chris DeSimone explained the process they followed to get to where we are today. He reminded the Board that four of the FinCom members are new, one has two months of experience, and one has a year and a half of experience. The FinCom went through all the budgets, and 95% had some kind of cut. They looked at all the budgets and made the best determination they could. This was an incredible joint effort in order to solve the Town's financial problems. The Finance Team was an incredible help in the process. The schools also helped by holding the line on their budgets. The FinCom did a diligent job of pouring over the line items with the common goal of coming up with a level funded budget. No one department was targeted. Mr. Sergi asked how much the FinCom had identified in savings through that process. Mr. DeSimone stated he didn't have the exact amount. Mr. DeSimone stated the department heads did a remarkable job. Mr. Sergi stated the Town has had a structural deficit for the last 3-5 years and we've spent over \$3 million from savings so far.

Mr. Sergi stated he is disturbed that the Senior Center was not informed of cuts made to their budget; this is the same issue as the library.

Mr. Moak stated the operating budget is around \$139,000 less than last year. Mr. Moak provided a summary of projected revenues and expenses. Mr. Sergi remarked that the budget appears to be balanced for FY '11 budget but that doesn't solve the fundamental problem of our structural deficit. It is clear that residents do not want another override, so we will have to continue to decrease services. Ms. Tzanoudakis remarked that of the 25 budgets that received additional cuts, the average was 16.69%.

Mr. McNabb thanked the FinCom and department heads, and remarked this was a huge challenge and everyone did an incredible job. Mr. Hallisey stated he was at most of the FinCom meetings, and appreciated the work both the FinCom and department heads did.

Mr. Sergi asked for specific information on the cuts to the library budget. The FinCom members did some research after Ms. Spratt informed the FinCom that she thought if the budget was cut below last year's they would lose their accreditation; Mr. Zacharakis stated that only one community was denied a waiver. Mr. DeSimone stated the FinCom is of the opinion that Ms. Spratt is over-reacting; the final decision of the FinCom was not unanimous. Mr. Zacharakis explained how the FinCom came up with its final determination. Mr. Sergi asked if the library has consumed its entire budget in the past. Mr.

Zacharakis stated the library has consistently turned money back to the town, and is the only department that has been fully funded since 2003. Mr. Sergi stated he had a conversation with both Ms. Spratt and COA Director Sharon Mercurio during which he told them there was no guarantee going forward that their departments would be fully funded following the override. Mr. Zacharakis stated that the FinCom held no budgets exempt; the Recreation Department was cut 29% and the COA was cut 3%; they are taking a one-week furlough. The Police Department is down three officers; there are challenges with the Highway Department this year due to cuts, and cuts were made across the board. He didn't feel the FinCom was singling out any one department; the community is saying no to another override, and wants us to look at savings. Mr. DeSimone stated if we level fund the library budget we will have to cut \$21,000 from another department that has already been cut. Unfortunately state aid has not kept up with inflation. Mr. McNabb noted there is also no new growth in Town.

Mr. Johnson stated the FinCom's pain point was always the accreditation of the library, but there are no other solutions. Ms. Spratt directed the FinCom to the Mass. Library website where they got information on accreditation, and odds are in the library's favor that they will get a waiver. Mr. Zacharakis stated that Tyngsboro's library has received a waiver for the last five years, and we are not decimating our library. The FinCom made a 100% cut to other town buildings and other budgets have also been cut. Mr. Leao stated we need to put this in perspective – we're cutting essential services that people depend on with their lives. Ms. Spratt stated that a 5% cut is unreasonable but that she could live with a 2 ½% cut, and questioned whether the Town wanted their library to be at the top or at the bottom with the libraries that were granted waivers. Mr. Sergi stated he did not understand why the Board was being assaulted, because we're all trying to work through the budget process. We are at a point that the FinCom must do what they have to in order to balance the budget. Mr. Sergi stated we are arguing over a net cut in the library budget of \$10,000, yet we are over-spending by \$500,000 to \$550,000. Following additional discussion, Mr. Sergi stated he appreciated the input from Ms. Spratt and others in attendance, but the Board had other agenda items to discuss. Mr. Sergi asked Mr. Moak to meet with Ms. Spratt and the Finance Committee and prepare a report for the next meeting.

Systems Administrator Joe Traverso was present and outlined his report and problems with the infrastructure at Town Hall. Mr. Moak stated that he is hoping that after we have received quotes for the exterior painting and boiler replacement we will have money left in the Town Hall Renovations article to rewire the building. The Board thanked Mr. Traverso for providing his report and attending the meeting.

Mr. Sergi stated that Fire Chief Toby Tyler and Board of Fire Engineers member Peter Shattuck were present to discuss the Fire Truck article. Mr. Moak and Treasurer/Collector Mike Hartnett looked at how we fund capital purchases and determined that we could fund the fire truck purchase through a debt exclusion vote. Given the challenges we're facing it is difficult to add on additional expenditures through the operating budget. Mr. Shattuck stated he is nervous about this, even though it seems like a small amount, but he didn't know if the public could handle it. If it fails then what will they do? Mr. Sergi stated that folks don't want an increase on the operating side of the budget, and thinks the community should decide. Mr. DeSimone asked what the cost would be for a special election. Mr. Sergi stated it would cost \$5,000 to \$7,000. Mr. Moak provided the board with various scenarios, including holding a special town meeting in August and having the debt exclusion question on the November ballot. Mr. Shattuck stated it would be a year before they could purchase the truck. Mr. Leao suggested that the Fire Department make a compelling statement regarding the condition of the existing truck. Mr. Sergi commented that things are at a state where we have to let the community decide, because our free cash is nearly gone. Jeanne LeBlanc commented that discussion on this has to

occur outside of Town Meeting, as it is very confusing. Discussion ensued relative to the various methods of presenting this purchase to the Town. Mr. Sergi commented funding the fire truck through a debt exclusion will address some of our deficit next year, and allows us to keep the services we have. We have to provide the community with information and let them tell us yes or no. The challenge with an over-ride is that it is permanent, whereas a debt exclusion is temporary. Mr. Moak stated the other option would be a one-time over-ride for one year; the average cost to taxpayers would be about \$105 for one year only. Mr. Moak would not recommend this approach for large projects such as buildings, but it is an alternative for large capital purchases. This should be part of an overall plan.

Kim Green asked if we are trying to get big industry in town to help with revenue. Mr. Sergi stated we worked to designate Pepperell as an economic target area, which allows incentives to businesses to invest in the town. The tools are there, but we are living in an economic downturn. Jeanne LeBlanc asked what the cost would be to purchase the fire truck through a debt exclusion. Mr. Moak stated the one year cost would be approximately \$10 per year.

Discussion ensued relative to the Fire Department's decision to move forward with the purchase of the fire truck rather than an ambulance, both of which were included in their capital project request. Chief Tyler stated the ambulance is 11 years old, whereas the fire truck is 25 years old, and maintenance issues are greater with the truck. Mr. McNabb suggested the Fire Department have information relative to maintenance costs at Town Meeting. The Board will make a decision on the funding mechanism for the fire truck at its next meeting. Mr. Sergi would like feedback from the Finance Committee.

The Board and Finance Committee agreed to meet on Saturday, April 24th at 8 AM for an open forum on the warrant and budget. Ms. Mazzola will determine availability of the Senior Center.

Mr. McNabb asked if there were any updates on union concessions. Mr. Moak stated the bi-weekly payroll is getting to be a stickler, but direct deposit shouldn't be a problem. The DPW union has agreed to take a couple of furlough days.

It was noted that the Finance Committee voted to approve funding for the Memorial Day Parade next year.

It was noted that the Cable TV Advisory Committee will require an attorney to negotiate the new cable contract. Mr. Sergi stated this should be put into the legal budget.

Discussion turned to the Board of Health budget; the FinCom voted unanimously not to fund more than 15 hours per week for the secretary.

Item #2 – Any other Old/New Business: There was no other business before the Board.

ADJOURNMENT: On a motion by Mr. McNabb and seconded by Mr. Hallisey, it was unanimously voted to adjourn at 9:45 PM.

Respectfully submitted,

Peggy Mazzola, Administrative Assistant

APPROVED: BOARD OF SELECTMEN:

Joseph A. Sergi, Chairman

Patrick J. McNabb, Clerk

Joseph M. Hallisey III

APPROVED: FINANCE COMMITTEE:

Chris DeSimone, Chairman

Chris Johnson

Michael Landino

Alan Leao

Holly Seiferth

Melissa Tzanoudakis

George Zacharakis