

**BOARD OF SELECTMEN
MINUTES SATURDAY, FEBRUARY 27, 2010
JOINT SESSION WITH FINCOM
APPROVED**

Board of Selectmen: Peter Cunningham, Chairman; George Dillon, Jr., Vice Chairman; Anna Eliot, Clerk; Stuart M. Schulman

Absent: Joshua A. Degen:

Finance Committee: Jay Prager, Chairman; Thomas Sangiolo; Joseph Crowley; Michael Flynn; Peter DiFranco

Also Present: Mark W. Haddad, Town Manager; Valerie Jenkins, Town Accountant (FinCom recorder); Christine Collins, Tax Collector/Treasurer; Rena Swezey, Assessor; Kathleen LeBlanc, Human Resource Director; Patrice Garvin, Executive Assistant and arriving later, members of the Town of Dunstable Finance Committee and members of the Groton Dunstable School Committee and Administration.

Mr. Cunningham called the meeting of the Board to Order at 9:05 a.m. (The Finance Committee also called their meeting to order)

Mr. Prager described the role of the Finance Committee given the new form of government. Mr. Prager suggested meeting with department heads quarterly to review their expenditures. Mr. Prager added that wages were driving the public sector budget, and there should be more reasonable wage increases. Mr. Prager stated there was no need for increasing the head count of staff, and if a new position was necessary, then cuts needed to be found elsewhere. Mr. Prager identified savings in the travel/conference line of the budget, and wages needed to be renegotiated. Mr. Prager distributed a list of cuts proposed by the Finance Committee. Mr. Cunningham stated that great savings have been made through consolidations by the Town Manager, and agreed there could be areas that could be trimmed back. Mr. Prager stated that some of those consolidations were around for a period of time. Mr. Prager suggested another 120k be cut from the Town Manager's proposed budget. Mr. Prager added that this proposed cut would not hurt services.

Mr. Dillon referred to the school assessments and the minimum contribution, which the law says the Town has to pay, for both Towns. Mr. Dillon stated that if Dunstable provides 90k then the Town of Groton provides \$475k up from 350k. Mr. Haddad stated that 90k from Dunstable was unlikely. Mr. Prager stated that the schools were suggesting a 3% increase in their budget every year and if the Town continued on its course to make up that 3% it would never see another dime and an override would be needed every year.

Mr. Dillon commented on the decrease in free cash over the years and the need to send a good message to the tax payers. Mr. Cunningham responded that money had been saved through consolidations. Discussion ensued regarding the increase in the Town Manager's salary line.

Mr. Flynn commented on pensions, and the need to deal with this issue. Ms. Collins stated that all employees were funding their own retirement and that the unfunded liability will also be paid by employees. Ms. Collins went on to explain that age and the number of years of service determines the rate of return when the employee retires. Mr. Cunningham cautioned that the discussion was getting off track and steered the group back to primary discussion.

Mr. Haddad addressed the role of the Finance Committee, as it is stated in the Town Charter. Mr. Haddad noted that the budget presented on December 31st was a balanced budget, and was balanced due to the cuts made the prior year.

Mr. Haddad noted that three of the four unions will be up for renegotiation in FY12, placing the Town in a good position moving forward. Mr. Haddad stated that money could be further cut from the budget but with some impact on services. Mr. Haddad stated that 210k was set aside each year for debt service. Mr. Prager stated that debt service can be looked at moving forward, and the town should avoid taking on debt. Mr. Haddad reported that there would be money in the snow and ice budget that was set aside that the Town will most likely not spend.

Mr. Haddad explained the Police Officer in his proposed budget was not a new position. This position would help decrease the amount in overtime. Mr. Haddad explained that there would be third shift coverage and supervision at night with the officer. Mr. Prager felt that it was an additional officer, and at this time unnecessary. Mr. Prager added that if the officer is needed then cuts should be found elsewhere in the budget.

Mr. Haddad proposed areas of reduction to achieve approximately \$120,000 in savings; including absorbing the cost of a Deputy Fire Chief within the Fire Wage budget rather than a separate stipend; reviewing the Weed Harvester and Great Ponds budgets; eliminate Saturday and evening hours in the Town Clerks Office; considering reducing the stipends for Selectmen and Assessors; and reducing the Snow and Ice excess reserve and cutting the Reserve Fund. The Treasurer can also pay the entire FY11 retirement assessment at the beginning of the year and save approximately \$24,000. Other potential reductions involved union negotiations and were discussed in executive session. The discussion turned to other stipend positions and if they all should be reviewed, such as the Dog Officer. Mr. Haddad recommended not cutting the dog officers stipend, but would agree to look into all stipend positions.

ADJOURNMENT IN AND OUT OF EXECUTIVE SESSION

Ms. Eliot moved to enter Executive Session at 10:50a.m. to discuss matters pertaining to collective bargaining and to convene into open session. Mr. Dillon seconded the motion. Roll Call Mr. Dillon-yes; Mr. Schulman-yes; Ms. Eliot-yes; Mr. Cunningham-yes.

Ms. Eliot moved to exit out of Executive Session at 11:05a.m. Mr. Dillon seconded the motion. Roll Call Mr. Dillon-yes; Mr. Schulman-yes; Ms. Eliot-yes; Mr. Cunningham-yes.

The Groton Dunstable Regional School District representation from the School Committee and the School Administration met together to discuss the schools budget. Mr. Frey, Chairman of the School Committee stated the following: the town requested detailed line items be given to the community on their budget; a three year budget projection; an impact on services if the override does not pass; and if attempts were being made to meet with the unions to discuss changing the terms of the agreement.

Ms. Jeannotte, Business Manager for the Schools reviewed the current revenue assumptions and details of line item expenses along with impacts of reduction in expenses if the Districts request for an override does not pass. The current estimate for the override is approximately \$1.8 million (down from approximately \$2.1 Million). The Business Manager also presented a three year plan, estimating revenue and expenses through 2014; in summary the plan reveals the need for an override each year going forward. The extent of the override depends on the amount that the State will fund.

Ms. Jeannotte commented on labor costs at the school district. It was noted that the average teacher salary is approximately \$70,000, with a range of approximately \$60,000 to \$80,000. This is prior to stipends added for "additional duties". In addition, the average increase year-on-year is more than 6%. This seems excessive given the economic times. Mr. Funch of the School Committee indicated that it is his belief that the District's teachers are, in fact, underpaid, and that if the State is going to reduce funding to the Districts than local municipalities must fill the gap.

Mr. Prager noted that an override would need to be passed every year, which makes their budget unsustainable. Mr. Frey noted the school committee still had work to do to bring the numbers down. Mr. Prager suggested the schools sitting down with their bargaining units. Mr. Cunningham suggested looking at challenging the unfunded mandates that exist. The Town of Dunstable is considering decreasing its original estimate of a \$90,000 increase by about \$30,000. One, resident, Jack Risdon, who attended the meeting today, noted that he cannot afford to pay for overrides and suggested that the District live within reasonable means.

Mr. Haddad stated that the Groton Dunstable School District complied with the Towns requests and look to town officers for help. The members of the School Committee asked that Town officials give them some indication of the level of increase that would be supported by the Selectmen and Finance Committee for override purposes. District official left at 12:25 p.m.

Mr. Haddad will draft potential reductions then discuss the results with selectmen and the Finance Committee with the goal of coming to a potential agreement of all parties. Another meeting is scheduled to occur on March 16, 2010 to review the entire budget.

ADJOURNMENT

Mr. Dillon moved to adjourn the meeting at 12:35 p.m. Ms. Eliot seconded the motion. Meeting adjourned.

Approved: _____
Anna Eliot, Clerk

_____ respectfully submitted,
Patrice Garvin
Executive Assistant to the Town Manager

Date Approved: 3-22-10