

EMORANDUM - OFFICE OF THE TOWN ADMINISTRATOR

TO:

Board of Selectmen

FROM:

Carter Terenzini, Town Administrator

RE:

FY '19 Gap Closing Plan

DATE:

November 6, 2019

CC:

Advisory Committee; Department Heads; A. Lamontagne

As you know, we anticipate a need to cut the Town budget by the amount our NRSD assessment exceeds our budgeted expenditure of \$6,611,514. The SelectBoard was authorized to make those cuts by Article 2 of the STM of July 18, 2019. However, the BoS did promise to consult with the AC and public at large before making these decisions.

That consultation process had been placed on hold pending a resolution of the final NRSD assessment. Despite three separate votes by the District Meeting for the same budget number, we do not yet know what our assessment is. In fact, we may not know until December 1. This leaves us with very little time to make our cuts in time to set a tax rate and get our bills out on time. As discussed with the Chair, this means we can delay no longer.

As outlined previously, we are distributing this memorandum to you and the AC now so you may begin your review of our suggestion. We ask that questions or suggestions be submitted to us as soon as possible that we might research them in time for the 11/21 public informational meeting. The AC has also been invited to that session. Coming out of that meeting, we are hopeful we get an NRSD number in time for you to take final votes on 11/26. If that does not happen, we will need to ask you to take a final vote on 12/04 despite it being a workshop.

Our latest proposals are attached. We have set up two columns with one representing what we anticipate the low end and one representing the high end of the assessment range we anticipate. However, a spoiler and "it will be what it will be" alert because, given it now appears the Commissioner of DESE will set the budget; this is completely out of local control and the low could be lower while the high could be higher. There is also the scenario in which the assessment is somewhere in the middle. Should that happen, although the cuts have been placed in order of priority, we could set up a scenario in which we distribute the reductions needed across all identified cuts on a pro-rata basis.

Should the estimates of the "gap" hold, we have been able to reduce the impact upon Senior Services, Police and Highway. Nonetheless they are severe and – most unfortunately – they set the basis of where we will most likely start FY '21.

Budget
School
udget A
School B

\$19,786,889 \$6,923,909 \$6,611,514 \$312,395

\$19,500,000 \$6,682,836 \$6,611,514 \$71,322

Town \$s

Beginning Gap

NRSD Assessment

FY '20 Gap Closing Plan Prepared 11/06/19

		Remaining Gap	de			
Department	Amount Cut			Backfill Risk	Service Impact	Notes
Insurance & Benefits	\$42,500	\$28,822	\$269,895	High	Low	Already absorbed \$10k Consultant Fee; Just 1 family plan adds \$10k+/-;
Snow & Ice	\$5,000	\$23,822	\$264,895	High	Low	New Purand Kolling Stock digger new premiums. New Salt Methods blow a hole in the deficit as it is;
SelectBoard	\$5,000	\$18,822	\$259,895	High	Low	Reduces Town Counsel already below recommended levels
Senior Services	\$17,500	\$1,322	\$242,395	Low	Moderate	Moderate Replacing a FT w/a PT position
Development Services	\$1,322	0\$	\$241,073	Low	Low	Reduce Supplies
Treasurer Collector	\$2,500	DONE	\$238,573	Low	Low	Savings from vacant position
Veteran's	\$5,000	DONE	\$233,573 Moderate	Aoderate	Low	Reduces Veterans Benefits; Must backfill by law
Highway	\$50,000	DONE	\$183,573 Moderate	Aoderate	High	Leave LEO vacant, Supply & Repair Exp cuts means less road repair, vehicle redlining & Snow/Ice deficits up
B&G	\$5,000	DONE	\$178,573 Moderate	Aoderate	High	Reduces planned improvements but Already facing Unanticipated \$10k+ w/Sr. Cntr & Baldwinville Fire Roofs & furnace failure at H'way
Fire/EMS	\$55,000	DONE	\$123,573 Moderate	Aoderate	High	Reduce FF/EMT 48hrs/wk to 42; Admin from 18hrs/wk to 10; Supply & Repair Exp.
Police	\$105,000	DONE	\$18,573	Low	High	Leave Officer vacant; Elim. 2nd dispatch; Supply & Exp. Cuts
Senior Services - Round II	\$12,500	DONE	\$6,073	Low	High	Meals on Wheels & Other Staffing
Advisory Committee	\$5,000	DONE	\$1,073	Low	Low	Reduces reserve but limited use over past few years
Insurance & Benefits	\$1,073	DONE	\$0	High	Low	Just 1 new family plan adds \$10k+/-; New PD and Rolling Stock brings increased premiums.

Original NO Cuts:

Debt

Recreation

Emergency Managi

Reasons

\$0 Statutory obligations to pay \$0 Too small to absorb anythign @ \$1,500 \$0 Too small to absorb anythign @ \$1,500