

Tri-Board Meeting

**Ayer Board of Selectmen
Ayer School Committee
Ayer Finance Committee (Fin-Com)
Wednesday, February 11, 2009**

**Ayer Town Hall, 1st Floor Meeting Room, Main Street, Ayer, MA
7:00p.m.**

Present	Position
Carolyn McCreary	Chairman, Board of Selectmen
James Fay	Member, Board of Selectmen
Richard Gilles	Clerk, Board of Selectmen
Gary Luca	Member, Board of Selectmen
Cornelius Sullivan	Vice-Chair, Board of Selectmen
Shaun Suhoski	Town Administrator
Janet Lewis	Secretary, Board of Selectmen
Viola Barnes,	Chairman, Ayer School Committee
Daniel Gleason	Member, Ayer School Committee
George Frost	Superintendent of Schools
William Plunkett	Director of Business & Administration-School Dept.
Larry Keenan	Chairman, Fin-Com
James Stephen	Member, Fin-Com
Mary Spinner	Member, Fin-Com
Lisa Gabree	Finance Director

7:05 p.m. Chairman McCreary opened the Meeting on behalf of the Ayer Board of Selectmen

Chairman Keenan opened the Meeting on behalf of the Ayer Finance Committee

George Frost opened the meeting on behalf of the Ayer School Dept.

Chairman McCreary advised to three (3) items on Agenda this evening

1. March 2, 2009 Special Town Meeting Warrant
2. Fy-09 Budget Cuts
3. Fy-10 Revenue Projections

Chairman McCreary requesting to add to the Agenda Energy Conservation Proposal re school/Town.

Selectman Luca moved the Board approve the Agenda as amended, 2nd by Selectman Sullivan for discussion requesting the energy discussion be conducted at the end of the meeting, VOTE: unanimous, so moved.

Mr. Suhoski reviewed the March 2, 2009 Special Town Meeting Warrant. Articles 1&2 transfers from Stabilization for funding both the Teachers and Firefighters Health Insurance settled in accordance with principals set forth in Tri-Board negotiations closing the final two union contracts. All employees now at the 75-25% Health Insurance coverage rate. The Board requested all Town contracts be posted on the Web Page and available for the Special Town Meeting on the 2nd. Finance Committee Chairman Larry Keenan questioning why transfer from savings (stabilization) instead of reserves. Lisa Gabree advising to there being no other place other then Stabilization. James Stephen agreeing to leave Stabilization in tact and to take from Reserves. Supt. Frost stated the School Com. normally asks for Reserve Fund Transfers but knowing special education and transportation shortfalls are real he would prefer handling them internally if possible stating concern that the money has to be there next year. Supt. Frost questioned if the Town was going to help fund the Teacher contracts. Selectman Sullivan questioning if the Town hasn't always left money in Stabilization knowing contract negotiations were coming- to have a better bargaining position. Ms. Gabree advising to the stabilization fund providing the school with cushion.

Discussion focused on School Dept Reserve Funds. Supt. Frost expressing great concern if number comes out of 2010 budget due to \$58K part of School Budget for Fy-10. Supt. Frost distributed his Fy-09 School budget update(see attached) and gave a brief overview. Ms Gabree presented overview of updated spreadsheet depicting how the Town through proactive budget management will be able to absorb the mid-year "9C" budget cuts announced by Gov. Patrick. Ms. Gabree also distributed another spreadsheet containing the most recent Fy-10 revenue forecast. Ms. Gabree advising to document looked at by the Tri-Board Executive Committee prior to Gov. Patrick's recent statement on Fy-10 state aid, the Minuteman Nashoba Health Group's statement on insurance rates and the Board of Assessors estimates for new growth and overlay reserve needs. Supt. Frost again stated he is trying to position the schools for Fy-11 hoping to have a reservoir of money at the end of this year which would shave off personnel cuts next year. Supt. Frost advising if the State Budget passes HR1 the school is looking at a flux of \$200K plus special education and Title I costs and more next year advising to carrying over \$85K last year to reserves stating he was trying to manage a crisis. Ms. Gabree advising the Town of Ayer definitely in better shape than many towns but cautioning we may have to use local banks. Selectman Gilles stated he was in favor of leaving warrant alone and leaving money in school good prudent policy. Larry Keenan again stating the downward trend has left stabilization and free cash at one third former levels and cannot continue. Dan Gleason stated it comes down to where people perceive the reserves come from. Supt. Frost stating we are all part of the Town of Ayer and not comfortable voting without a quorum of School Committee present. Selectman Sullivan questioning if the Tri-Board agrees to a Reserve Fund transfer a Town Meeting would not be needed. Selectman Fay stating the assumption has always been that money needed to fund contracts would come from stabilization and due to the volatility the schools reserves should stay in house. Larry Keenan cautioning once funds are removed from reserve it does not go back in. Selectman Sullivan moved the Board change the language in the teacher' contract article to state to take the money from available funds, no 2nd, motion fails. Ms. Spinner urged the Board come to an agreement to avoid a 90 minute discussion/debate on town meeting floor as witnessed a year ago-- stating we want the schools to build up a reserve. The warrant was left as presented.

Ms. Gabree's presented her budget building blocks depicting current Revenue & Expenses:

Updated on 2-11-09

Unappropriated 09 estimated revenues:	\$27,427
Tax Title Collections:	\$81,664
Savings in non personnel appropriations	\$62,321
Release of Arbitrage Funds	\$21,000
Available towards state cuts	\$192,412
Fy-0 9C cuts	\$91,863

Revenue Projections presented depicted Fy-09 and Fy-10 percent changes and dollar change. (see attached)

And suggested the following additional budget numbers be included in the draft Fy-10 Omnibus Worksheet

Workers Compensation:	Fy1- \$84,544
Street Lighting:	\$65,340
Library	\$439,114
School Dept.	\$8,826,528

With the above adjustments the Fy-10 omnibus draft would be \$22,119,256 or a reduction of \$201,802 (09%) Over Fy-09 Budget. The current revenue projection stands at \$21,799,214 shortfall of \$320K which does not include the positive enterprise fund. Mr. Suhoski stating based upon this updated information the Town will be able to establish a workable Fy-10 budget without staff reductions but with a 1-1.25 percent reduction upon all departments.

Energy Discussion

Chairman McCreary inquired of Supt. Frost if he presented to the School Committee Constellation Energy's proposal to go forward with one single town-wide contract for all energy uses. i.e. wells, windows, boilers, WWTP etc. Selectman Gilles stating this is an opportunity for Town to conserve costs. Supt. Frost advised the Board to Director of Buildings in discussions with another ESCO. Supt. Frost invited Chairman McCreary to

the School Committee's Meeting next week to present proposal re town-wide energy solution and compare plans.

Selectman Luca on behalf of the Board of Selectmen, Chairman Keenan on behalf of the Fin-Com, George rost on behalf of the School Department moved the Board adjourn, 2nd by Selectman Fay, VOTE: unanimous, so moved.

The Board inquired about another Executive Session need this evening re Fire-fighters MOU and advised by Town Administrator to no need for Executive Session re MOU.

9:00 meeting adjourned

-DATE: _____

Richard Gilles, Clerk

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Adjourn

Wednesday, February 25, 2009

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7:00p.m.**

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