

**2013 Town of Ayer Finance Committee Survey Results by Scott Houde**  
**December 27, 2013**

Thank you to the 123 respondents we had for the Finance Committee's survey. After only garnering 54 responses in 2011, the goal was to put forth a well-advertised survey open for 2 months in hopes of receiving a solid data pool. The responses are non-binding but the committee hopes to gain insight into the opinions of the residents.

**A Quick Snapshot**

*In order to put our fiscal situation in context, data has been included in this section to show Ayer's rank in relation to the other 351 communities in Massachusetts. The source for this data is Boston.com's Mass. Facts which is compiled from the MA Department of Revenue. The number in parenthesis is where Ayer ranks out of 351 communities in MA.*

Building the annual budget requires a balance of revenue to expenses. The estimated revenue for the town of Ayer in FY2013 was \$21,304,081. Of those revenues, \$11,285,351 was allocated for operating expenses in the town, \$9,716,458 allocated for education at ASRSD and NVTHS, and \$302,272 allocated to savings for OPEB and Stabilization. 66% (169/351) of the town revenue comes from property taxes which makes the town susceptible to home values fluctuations (without factoring in growth). Assessed home value in Ayer dropped -7.5% (120/351) from 2009 to 2013. In that same time frame the property tax has increased 18.7% (64/351). Ayer relies on a split tax rate between residential and commercial. Commercial property taxes made up 35.9% (11/351) of total property tax revenue. The average single family home tax bill for FY2013 is \$3,649 (217/351) and the average resident pays \$89 (279/351) in excise taxes. State aid accounts for only 3.8% (315/351) giving the town ability to absorb local aid fluctuations.

The town spends \$2,484 (174/351) per resident. The town's fixed cost of workers' compensation, unemployment, health insurance, other employee benefits, other insurance and retirement is 14.2% (112/351) of the annual budget. We spend \$158 (76/351) per resident for the Fire Department or 6.37% (52/351) of the annual budget. For the Police Department, which has an average of 29.4 (37/351) employees per 10,000, spending equates to \$209 (64/351) per resident or 8.4% (58/351) of the annual budget. Education spending in 2012 was \$1,243 (218/351) per resident. Overall, education spending was 47.3% (250/351) of the annual budget. The average teacher salary in Ayer as of 2011 was \$75,201 (55/351). In Ayer, 48.5% (65/351) of families have children under the age of 17. The average family is 3 (171/351) individuals and the average household in Ayer is 2.3 (279/351).

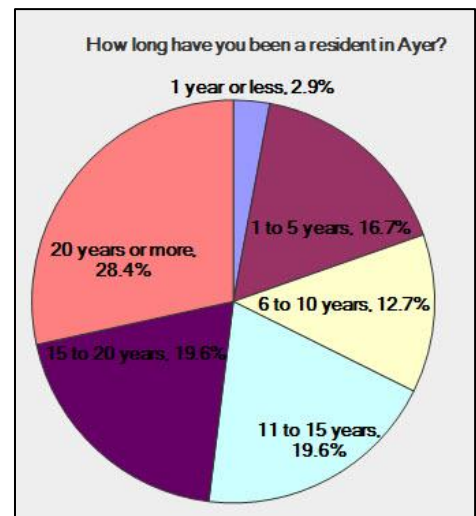
**The respondents**

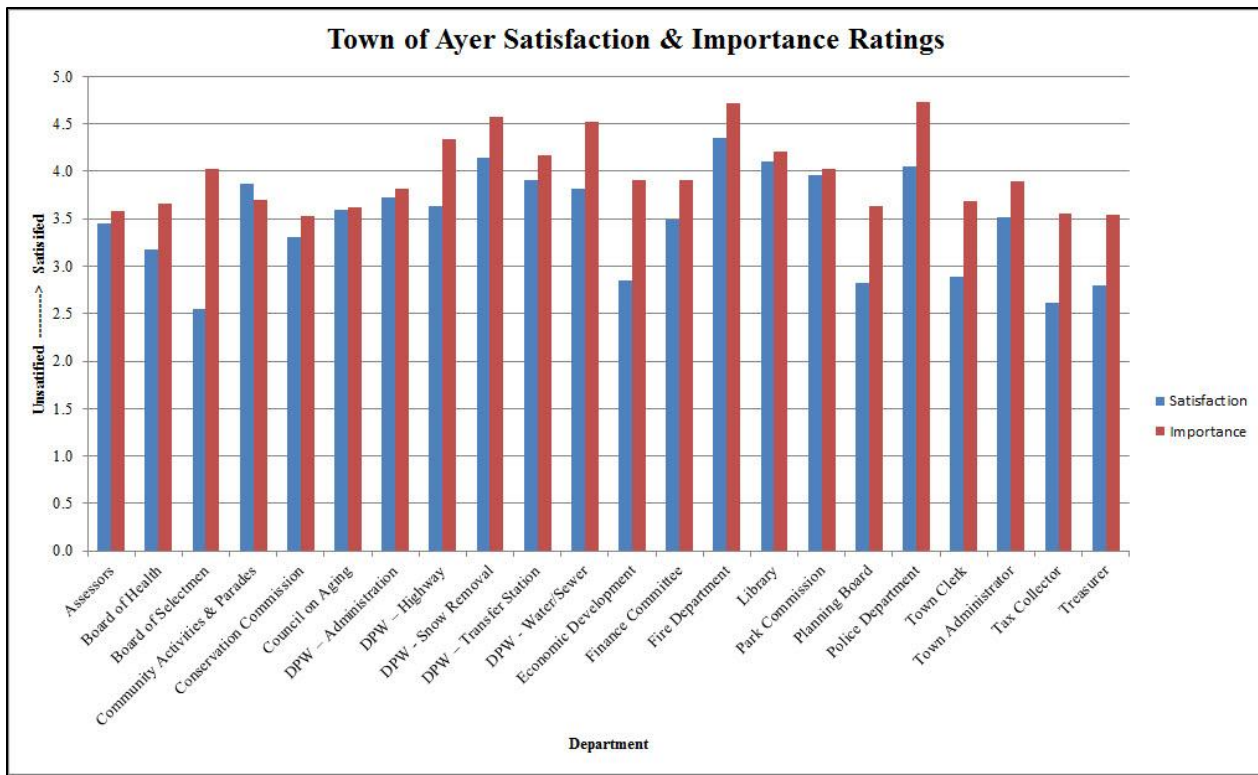
The survey was answered by 102 individuals or 2.39% of registered voters. This is up from 54 respondents in 2011. 67.65% have been residents for more than 10 years with 28.4% for 20 years or more. 66.7% of respondents have children in Ayer Shirley Regional School District.

The primary source of information for town news is Ayer Public Spirit/Lowell Sun at 40.2%. Social media usage for town news increased to 31.4%, up from 28.3% in 2011. Social media would include the Ayer's Facebook page and Twitter account. Town gossip or word of mouth was utilized more than the town website.

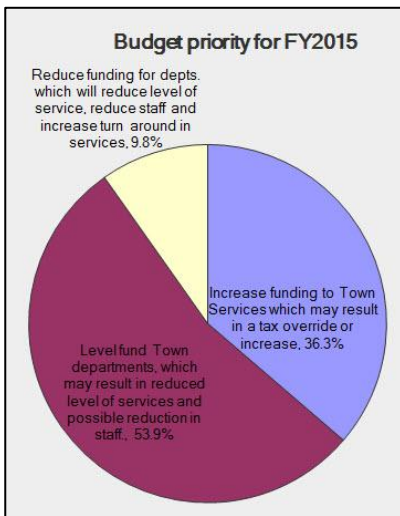
**Town Services**

Satisfaction with town department/services was rated on a scale of 1 to 5; with 5 being very satisfied. The overall average level of satisfaction was 3.5 out of 5. The departments with the highest ranking of satisfaction are Fire Department (4.4), Library (4.1), and DPW – Snow Removal (4.1). The lowest ranked departments in satisfaction are Board of Selectmen (2.5), Treasurer (2.8), and Tax Collector (2.6).





Importance to residents of town department/services was rated on a scale of 1 to 5; with 5 being very satisfied. Residents ranked a majority of departments as important with an overall average of 4.0. The highest ranked departments are Fire Department (4.7), Police Department (4.7), and DPW – Snow Removal (4.6). These three departments make up 30.6% of the town’s annual operating budget (excluding school assessments and Stabilization). The lowest ranked departments for importance are Tax Collector (3.6), Conservation Commission (3.5), and Treasurer (3.5).

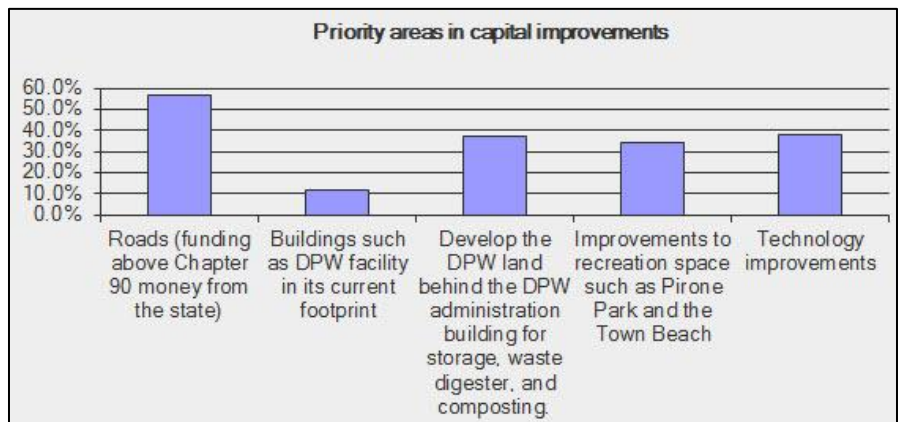


When asked what departments respondents would like to see increased funding Library (39.2%), DPW - Highway (35.3%) and Fire Department (31.4%) were the top three. Alternately, Board of Selectmen (38.2%), Town Clerk (36.3%) and Tax Collector (36.3%) were the top three departments for budget reductions.

### Budget Questions

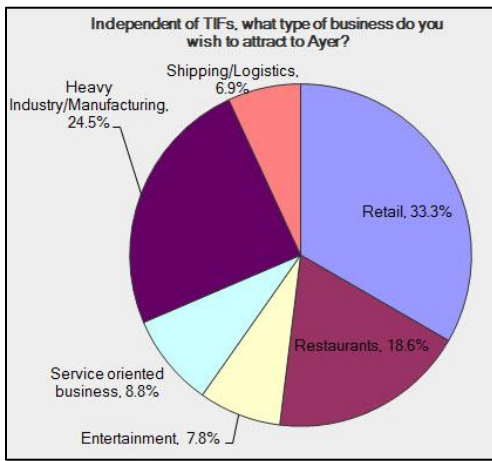
The Finance Committee approaches each budget cycle to maximize the level of services available while minimizing the impact on the tax rate. There are many pieces to the budget puzzle some which we cannot directly control. These include union contracts, commodity costs, healthcare, liability insurance, and regional assessments. 53.9% of respondents prefer level funding town departments even if this results in reduced services and possible reduction in staff. 9.8% wish to reduce funding for departments. 36.3% wish to increase town services even if the effect is a tax increase or tax override.

Ayer has balanced its budget during the recession by level funding wherever possible in the general fund and limiting capital spending on assets and infrastructure. As the economy improves it is necessary to invest in the town’s infrastructure. 56.9% want to see investment in our roads above Chapter 90 monies from the state. 38.2% would like to invest in Technology to improve efficiency



and electronic access for the town. 37.3% want to see the DPW land developed behind the administration building. Town meeting approved \$17,000 for a study of this land and potential uses which may include an anaerobic digester. Recreation space, such as Pirone Park, is a priority for 34.3% of respondents.

The Finance Committee believes long term financial planning is necessary for the town to absorb unforeseen and large impacts. The town's Stabilization account is a major part of our "safety net". The financial policies, adopted in 2011, require a minimum balance to be 7% of revenue. 53.9% of respondents do not support funding Stabilization if the budget impact is a reduction in services. Other Post-Employment Benefits (OPEB) is a liability required of the town to pay benefits for retired employees. The current liability, per the 2013 actuarial report, is \$11,496,545 (annual costs of \$150,959) for all employees both retired and those still working. Town meeting approved utilizing the estimated \$88,000 in meals tax to fund OPEB for FY2014. While this is a positive step, continued investment is necessary to cushion the future impact. 49% of respondents prefer to fund a smaller portion to lessen the impact as liability comes due. 42.2% wish to continue as the town has done prior to FY2012 and pay only the current fiscal year obligations.

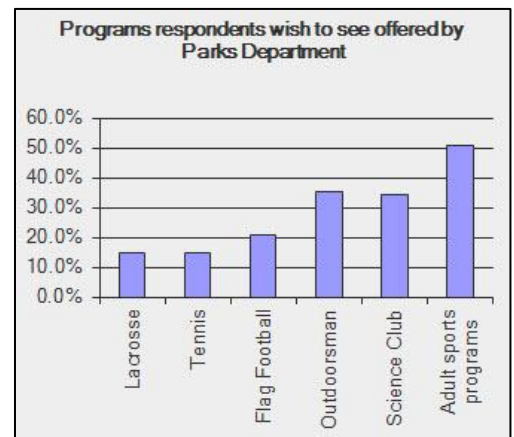


Tax Increment Financing (TIF) is a way the town can award a business lower taxes in exchange for the business meeting certain benchmarks. TIFs are generally used to grow the business sector of a community. The town currently has TIFs with various businesses overseen by a TIF Review Committee. 73.5% of respondents are in favor of TIFs to grow Ayer's business community. Of respondents in favor of TIFs, 31.4% prefer to offer TIFs to retail business, 12.7% to manufacturing/shipping, and 24.5% have no preference what type of business to offer TIFs. Independent of TIFs, respondents wish to see business growth in Retail (33.3%), Heavy Industry (24.5%), Restaurants (18.6%) and Services (8.8%).

### Services

The town currently utilizes a transfer station which is open 3 days a week. There has been some discussion for moving to curbside pickup. The DPW is currently reviewing data for curbside pickup versus transfer station. 54.9% of respondents wish to see the town move to curbside pickup if the overall cost is the same as the transfer station. However, if the cost for curbside pickup is greater than the transfer station, 79.4% are against a move to curbside pickup.

The Ayer Parks Department partners with self-sustaining programs such as baseball, soccer, and basketball. Respondents wish to see additional programs offered such as Adult Sports programs (51%), Outdoor Sports (hiking, rifle, archery, etc.) (35.3%), a science club (34.3%), or flag football (20.6%).



Most town hall departments have business hours between 9am – 5pm while the Department of Public Works hours are 7:30am – 3:30pm. When asked about an adjustment of hours to accommodate residents by remaining open past 5pm, 69.6% want to see town hall open later and 65.7% wish to see the DPW open later.

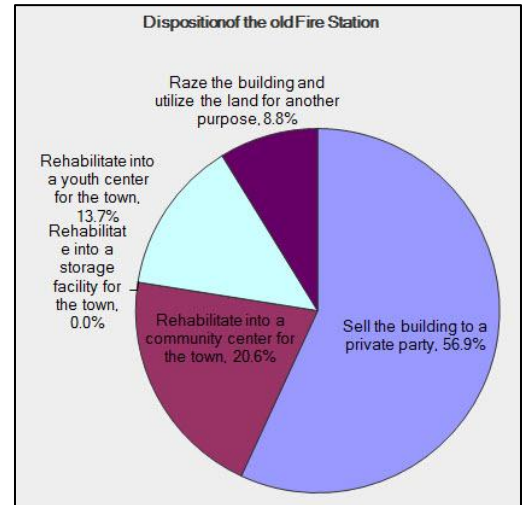
### Town meeting

Ayer holds 2 or more town meetings annually. The Annual (Spring) Town Meeting is the third Monday in May and the Special (Fall) Town Meeting is the third Monday in October. Quorum for town meeting is 50 voters and meetings generally have 100 – 120 voters present for most of the meeting. The Annual town meeting can stretch well past 10pm or

be continued to an additional night. 58.8% of respondents wish to move town meeting to a Saturday in hopes of increased participation and to complete business in a single time frame.

### Old Fire Station

The old fire station is located on Washington Street in deteriorated condition and with limited parking. The estimated cost to rehabilitate the building is \$3.25m with an unknown operating cost going forward. 56.9% of respondents wish to see the building sold to a private party. If the building is sold, the funds will go to the General Fund. If the town were to rehabilitate the building for town use, 20.6% want a community center and 13.7% want a youth center. 8.8% of respondents prefer to raze the building and repurpose the land for other use.



### Devens

In March 2012, the towns of Ayer and Harvard voted against the proposed changes to Chapter 498 for zoning and housing cap. The centerpiece of the proposal was a housing development at Vicksburg Square. In October 2012, the town voted against a citizen’s petition for home rule petition requesting return of original jurisdiction to the towns of Harvard, Shirley, and Ayer. 23.5% of respondent are not in favor of Ayer returning to its historical boundaries. 56.9% are in favor if the revenue covers additional expenses while 19.6% are in favor regardless of the cost impact.

### Comments

*“DPW office hours are shameful”*

*“The DPW really needs to fix their hours to accommodate the public. They are so unfriendly. Why can't we buy dump stickers at the dump?”*

If the public would like different hours (evenings?) we can evaluate. It may require closing early one day a week or paying for additional overtime or office staff. We are open early so that people can stop by before work and are implementing on-line payment to eliminate the need to come to the DPW office. Positive input is always welcome. – M. Wetzel

*“I would like the DPW to stay open later during sticker renewal”*

The DPW is evaluating the sticker renewal process and options (online) – M. Wetzel

*“Road paving is sorely needed in this town”*

The Town roads have an average Pavement Condition Index (PCI) of 79 and the plan is to increase and maintain at an average of 85 or better. The DPW receives approximately \$280K per year from the State to pave roads. Last year was slightly less. We have a Pavement Management Program that, if properly implemented, would cost about \$420K per year. We are also balancing the road repaving projects with the other infrastructure projects. We don't want to pave a road with a failing water or sewer pipe that will require digging up the new road. The DPW has requested capital money, on an annual basis, to begin replacing the 120 year old pipes in Town – M. Wetzel

*“The town should consider regionalizing DPW. There is no need for this much capital and money to support one small town.”*

Because of the current government structure in Massachusetts's Towns, regionalization is very difficult to implement and fund. – M. Wetzel

*“I think you are wrong about curbside pickup costs. Area towns w/this service still pay bag fees, barrel/container rental fees and other costs despite having their trash picked up at their homes”*

*“It costs my friend in Weare, NH less to have curbside pickup than it does for me to buy a dump sticker and bags. How is this possible?”*

The DPW and MassDEP are beginning a study to evaluate the costs, benefits, problems and other issues related to curbside collection in Ayer. To date, no costs have been developed nor has the feasibility / desire of implementing curbside in Ayer been evaluated. This study will include public presentations and input...The Ayer Solid Waste Operation is an enterprise fund with the majority of the costs paid by user fees. Other towns pay for this cost in the tax rate. – M. Wetzel

*“Difficult to answer these questions without thinking about our crumbling school system”*

*“There has been no mention of school funding. The quality of the schools is what dictates the value of property and the town. There should be extra focus on developing and maintaining a strong school system.”*

*“I did not see a section regarding school funding? Please do NOT decrease school funding, if anything increase it.”*

*“Schools, Schools, Schools!”*

Since the last survey was completed, Ayer has regionalized into the Ayer Shirley Regional School District. The ASRSD is considered a separate entity outside of our general budget. The schools build their budget and assess the costs to Ayer based upon the assessment formula in the regional agreement. The formula intertwines budget movements with Ayer and Shirley. Therefore, it was impossible to build questions since one town or the other tends to be a limiting factor on budget movements.

*“The town needs a homeless shelter and housing for the very low income people. Anything 'affordable' is NOT AFFORDABLE to very low income people! MAYBE, you could staff such facilities with seniors from the town and offer them a break on their property taxes..?”*

Community Preservation funds can be utilized towards affordable housing in addition to open space and historic preservation. Ayer currently has a 1% CPC factor on taxes, which was reduced from the original 3% that is the state norm. The 1% factor only allows Ayer to receive the first round of allocation which reduces the matching funds we receive. In order to staff facilities with seniors to work a portion of property taxes off falls under the SHAVE program is in the jurisdiction of the Board of Selectmen.

*“All of this is too much; "omnibus", GASB45, Stabilization and Capital Stabilization Fund, it's all TOO MUCH, just like Washington, it's TOO MUCH. Next time, word it in plain english for those of us who aren't versed in BOS and FinCom-speak. “*

A goal the Finance Committee has is to create a glossary of all municipal terms for residents at town meeting and available on the website.

*“I understand from reading the paper we have a large amount of cash, why? I believe we need an explanation and I feel if this is true than we should not have a tax increase until the cash flow is at an agreed income level. It should not just be spent, it's not the town's money it's peoples' of this town.”*

*“You can still level fund town departments without layoffs or reduction in services if the department heads are competent enough which they are. Tax to spend must end NOW!!!”*

From the financial policies: “According to the DLS, “free cash” is a revenue source that results from the calculation, as of July 1, of a community’s remaining, unrestricted funds from operations of the previous fiscal year, based on the balance sheet as of June 30. It typically includes actual receipts in excess of revenue estimates and unspent amounts in departmental budget line-items for the year just ending, plus unexpended free cash from the previous year. Free cash is offset by property tax receivables and certain deficits; as a result, it can be a negative number.”

To paraphrase: The annual budget is established with a balance of estimated revenue and expense. If the revenue is higher (or expenses lower) than budgeted the result will be positive free cash. If revenue is lower than budgeted the result will be negative free cash. Lower revenue can be caused by lower local receipts, unpaid town fees, or unpaid taxes. The result of free cash, whether positive or negative, carries into the next fiscal cycle.

*“Too much in public safety, not enough funding in DPW and education.”*

*“I think it's imperative to get more retail business in Ayer. It is sad that I have to drive 20 minutes to Leominster to shop for most things. Also more fast foods. Why hasn't Subway rebuilt after the fire, or moved into the empty KFC? Instead of moving up, in the three years we've lived in Ayer, the town as far as shopping and fast foods, has moved down. Not good.”*

*“Activities for young children at the park during the day.”*

*“I would not sell the fire station unless it was protected in such a way as to prevent it from being torn down. The Getcher building was saved, as was the Pleasant Street School. There is no reason we can't do the same with the fire station”*

*“Police should have to meet physical/health requirements to perform effectively.”*

*“We need a professional town planner. The planning board's lack of initiative and knowledge is appalling.”*

*“I identified the planning board as ineffective and asked to have them defended. A better option, that would make the town money in the long run, would be to create a planner position to lead them, and hire a well-qualified planner.”*

*“Please move the town meeting to a Saturday!”*

*“Town meetings last too long. Contracts for teachers etc have got to be grand fathered from here on out. More and more money is going towards staff perks and ret. needs to be slowed way down.”*

Town Meeting time and location is set by the Town Moderator.

*“need for full time building inspector”*

Town meeting approved an increase in the salary line for the building inspector which does provide money to hire a single full time building inspector. The Board of Selectmen is the appointing authority for this department. Currently, the plan appears to hire a second part time individual for the department; either an inspector or administrator.

*“BoS and Town Clerk are an embarrassment.”*

*“BOS (& to some extent, you) should be ashamed of yourselves for trying to make other elected officials look bad. BOS should be embarrassed to show their faces in public over this.”*

*“Have the selectmen stop bickering & be constructive!!!”*

*“Just WHO do these Select people think they are??? Removing a volunteer for writing e-mails differently from how a Selectperson might? Who has the gall to think a Selectperson's opinion is what's right for the town, & someone else's isn't? (We dumped the wrong one!)“*

*“the finance committee needs to keep up its really great job its doing for the homeowner taxpayer. The BOS needs to bring less money articles to town meeting, the property owners need relief from taxes,taxes,taxes...”*

The Board of Selectmen is responsible for the warrant articles for each town meeting. The BOS works closely with the Finance Committee regarding money articles that are presented to Town Meeting. Unfortunately, given the complexities of running the \$20m operations of the town requires quite a few money articles. Some articles are necessary to split out from the budget article. The Committee tries to ensure we are using our funds effectively and efficiently.

*“Will our town ever be able to get FIOS? or another option besides Comcast”*

I recommend following up with the town Cable Advisory commission

*“Have to cut benefits to workers present and future. Grandfather clause”*

*“many of these questions are difficult to answer. I don't have the expertise or knowledge.”*

*“who came up with this survey, you leave out important options”*

*“redo this survey, how smart are you to not include tech job”*

*“this is a very bad survey”*

The Finance Committee is a purely volunteer committee. The members are dedicated individuals who work full time and have families while balancing our Finance Committee duties to the best of our abilities. If you have ideas and a desire to support our community, the committee currently has 2 open positions. Please send a letter of intent to the town moderator and chairman of the Finance Committee.