

TOWN OF HEBRON
BOARD OF SELECTMEN- SPECIAL MEETING
APRIL 7, 2009
DOUGLAS LIBRARY COMMUNITY ROOM

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Anne Hughes
HEBRON TOWN CLERK

BOS MEMBERS PRESENT: M. Stuart, G. Mulligan, B. O'Connell

BOS MEMBERS ABSENT: J. Watt, W. Moorcroft

BOF MEMBERS PRESENT: D. Larson, L. Bow, M. Hazel, M. Leichter, D. Ferree

BOF MEMBERS ABSENT: P. LoBianco

STAFF PRESENT: J. Day, Finance Director; D. Lanza, Interim Town Manager Team Member (8:05); E. Griffin, Financial Administrator; E. Cruz, Hebron School Superintendent

GUESTS: J. Dube, HBOE Chair

M. Stuart called the BOS Special Meeting to order at 9:05 p.m. and the BOS joined the BOF meeting which was already in progress.

M. Stuart noted that there needs to be a point of order- the BOF cannot cut line items in the budget and the CIP Budget is voted on as a separate item. The BOS decides where to make the reductions, excluding the HBOE Budget.

D. Ferree is concerned with the \$150,000 of the CIP Budget (this year) and the \$108,000 (for the next two years) in the HBOE Budget that we are not going to get back.

M. Stuart noted that the CIP Committee is going to recommend that the \$16,400 for the school security system not come back to CIP. In regards to the newly available \$30,000, M. Stuart noted that in the recommended CIP Budget, the Committee decided to recommend cutting \$45,000 from the state mandated re-evaluation. The CIP Committee may decide to recommend using this \$30,000 to help make up for this \$45,000 cut.

M. Stuart then noted that the \$108,000 available to the HBOE for two years can only be used to off-set *new* expenses. Therefore next year it can only be used for salary *increases*, not given any new expenses we do not yet know about. This money is going to "bite" the town over the next two years.

D. Ferree questioned why we are supporting using this stimulus money? M. Leichter responded that right now he does not want to have to cut the budget somewhere else, but he has the full understanding that using this money will translate to an expense over the next two years.

M. Hazel noted again that he would like to put forth a budget that will pass. M. Stuart noted that there are several types of taxpayers within town. D. Larson noted that the senior citizens are scared because of increased costs and his industry is scared because the jobs are not there.

M. Hazel noted again that right now the tax increase is actually more than 4%. This is what the taxpayers will have to deal with. The reduction in revenue alone account for more than a 2% tax increase (a more than \$228,000 revenue shortfall).

M. Stuart noted that the BOS and BOF had two goals this year- a 0% tax increase and to try to not lay anyone off. M. Hazel noted that a 0% tax increase is impossible. To do this you would have to dramatically cut General Government.

M. Hazel and M. Stuart noted how much the union and non-union town employees (excluding HBOE) have already given up with their salaries. Next year this will most likely not be an option.

L. Bow noted again that CIP and Open Space are the only contributions to potentially decrease. M. Hazel commented that he has a problem with not decreasing Open Space this year because they have a decent account balance right now and everyone has made sacrifices in this economic environment (e.g., furlough employees, salary freezes).

M. Leichter would agree with this approach if it is supported by the public. He hopes the public comes and talk to the BOF and BOS members. Everyone hoped that the public would come out to the public hearing.

M. Day reported that they can now reduce the Capital Non-Recurring Fund down to \$7,000. This is because the town has \$29,000 from a Small Cities Grant the State said we could use for the ADA project.

D. Ferree commented that she would rather reduce Capital Non-Recurring to \$0, than reduce the CIP Budget any further.

M. Day then reported that they believe the State Trooper reimbursement level is going to stay at 70%. It is now budgeted at 75%. This translates to a \$13,433 savings. It was noted that right now the town has budgeted for two State Troopers.

In addition, M. Day reported that they have to add back some items to the Town Government Budget. The town needs to put back \$1,650 into probate because the town has to provide some funding to the regional probate office. They also need to fund \$450 to fund a phone in the new elevator. The phone is state mandated. The town does not have to budget for servicing the elevator for its first year.

J. Day then reported that the town is ready to close out two capital projects. He noted that Fund 12 and Fund 19 could be closed out because the GHS/HES construction and Fire Company No. 2 Fire House have been completed. Together there is \$48,837 left in these accounts.

J. Day then noted that under the Town Charter, the BOS must officially close these projects. They could then recommend that this money not be put back into the General Fund, but be used to offset taxes by adding \$48,837 to the revenue side.

M. Stuart asked that a resolution be drafted and this item be put up for discussion at the BOS' next meeting. If this were done, the mill rate would go down to 1.03 mills.

M. Leichter asked that the budget be allowed to go before the public with the public hearing before cutting any more. Once it is out, it is very hard to put back.

D. Ferree agreed noting that the only changes she would make now would be taking the \$10,500 from Town Government and reducing Capital Non-Recurring to \$7,000.

M. Hazel noted that the \$10,500 salary savings is from the Town Manager leaving. Right now he thought that the town does not have anything to cover the costs to recruit a new Town Manager.

E. Griffin corrected M. Hazel noting that in actuality the Town Government Budget includes 12 months of salary and we do not anticipate filling this position until October, leaving a balance of 3 months salary to cover recruiting/hiring expenditures.

D. Ferree added that right now she does not want to reduce CIP at this time. She would prefer to make any other reductions in Capital Non-Recurring or Open Space but again not now. Let it go before public hearing. She added that she is very comfortable with using the education stimulus money.

J. Day then noted that they were wrong to recommend reducing the Town Manager Salary by \$10,500 because this money is being used to pay the Interim Town Manager Team.

D. Larson would agree with reducing Open Space for at least a year. M. Hazel would like to listen to the public first.

Everyone agreed that the budget needs to be as transparent as possible so people understand what they are voting on and the potential impact.

The BOF agreed to add \$30,000 for the pre-K teacher. They also agreed to reduce the State Troopers by \$13,433 and to reduce Capital Non-Recurring to \$7,000. It was noted that the RHAM number could be adjusted after the public hearing because by then the RHAM Board will have finalized their budget. Everyone noted that this is a bare bones budget.

D. Ferree made the following motion:

- The Board of Finance takes to public hearing the 2009/10 total General Government Budget of \$33,244,686.

M. Leichter seconded the motion. The motion passed unanimously.

2009-2019 CIP Budget Discussion:

D. Ferree made the following motion:

- The Board of Finance takes to public hearing the 2009/10 Capital Improvement Project Budget of \$865,936.

D. Larson seconded the motion. The motion passed unanimously.

D. Lanza noted that the BOF needs to open the public hearing on April 21, 2009 and have all handouts available. M. Hazel asked that the BOF members determine when then can meet to discuss the presentation for April 27, 2009. This meeting was tentatively set for April 21, 2009 after the public hearing is opened and adjourned until April 27th.

Adjournment:

The meeting BOF and BOS adjourned their meetings at 9:50 p.m. The BOS's next meeting is scheduled for April 16, 2009.

Respectfully submitted,

Linda Bulkovitch
Board Clerk

BOF Special Meeting 4-7-09

Shelley Yerke
Marion Sultus
Rhonda Thies
Jessica Lacasse
Cheryl Lage
CHRIS CARPENTER
Ryan Waldron
Kim Waldron
Gindy Pileski
Carissa Johnson
Joanna Chester
Dee Dwyer
Brenda Canale
Leslie Knightly
Caroline Tray
Carol Kusnier
Tricia Schwarz
Brenda Padelli
Deborah Walls
Stacy Pepper Schwartz
Eileen Banks
Kathie Corcoran
Julie Santella
Sharon Towjee
Deb Dupuis

Karen Struel
Dee Meyer
Sandra Queen
Joann Holm
Scott Harmon
Nancy Millerick
Althea W. Carr
Maibeth Slitt
Denise Bergeron-Stoly
Nancy Simmons
Brian O'Connell
Barbara Jakael
Kelly Cruss
Heather Halotek
Sylvia Grzybowski
Diane Sauer
Deb Haley