

**SELECT BOARD MEETING MINUTES
JUNE 6, 2023, AT 6:00 PM
LEICESTER TOWN HALL, TOWN HALL GYM 3 WASHBURN SQ, LEICESTER, MA 01524
JOINT MEETING**

ATTENDANCE:

Chair Rick Antanavica	Present	Chair Donna McCance	Present
Vice Chair Allen Phillips	Present	Secretary Dylan Lambert	Present
Second Vice Chair Dianna Provencher	Present		
Herb Duggan	Present		
John Bujak	Present		

Chair Peter Cusolito	Present
Bill Brennan	Present
Dorothy Dudley	Present
Ashlyn Coyle	Present
Mary Kay Hannant	Present
Sandy Wilson	Present

MODERATOR

Doug Belanger

ADMINISTRATORS:

David Genereux, Town Administrator
Brett Kustigian, Superintendent of Schools

1. DISCUSSION OF FY 2024 BUDGET/FUNDING METHODS

Moderator Doug Belanger called the meeting to order at 6:03 pm. He stated time for public input would be limited to three minutes per person. Chair Rick Antanavica stated this meeting was about including the community in the public approach to developing a budget. He stated the boards need to work together for the community and he would like to hold joint meetings once a month moving forward to keep a close watch on the budget.

Mr. Bujak spoke of his plan for a 5-year fiscal forecast. He stated he had sat with Mr. Genereux to go over the revenues and tax base and property tax revenues. He stated he excluded the Becker debt to keep revenues independent. Mr. Bujak explained the varying receipts, i.e. State Aid, local receipts and school choice offset. He stated budget revenue calculations were done conservatively to fund the shortfall. He stated he kept free cash consistent. He stated the line for other is the number needed to balance the budget. He covered expense numbers for the town and school, vocational costs, town meeting articles and state assessments and offsets. He stated with One Leicester mentality in mind, both municipal and town would share cost saving efforts. He said his plan would freeze the hiring of the assistant town administrator, two police officers, two DPW laborer positions, assistant town planner, eliminate the RFO scheduling position as the schools could absorb the position with existing staff, chargebacks to the enterprise or ambulance fund and add in something for cannabis sales tax revenue, eliminate Select Board stipends and eliminate town administrator professional development. On the school side, Mr. Bujak suggested coaching stipends could be cut from the budget but parents of the children playing sports could pay instead of being built into the tax base.

Mr. Belanger inquired if Mr. Bujak had the suggestions written anywhere since what he was stating was not included in the packet.

Mr. Bujak confirmed it was not in the packet but he continued suggesting finding cuts in supplies and administrative costs. Mr. Bujak stated his plan would provide 2 years of funding utilizing ARPA funding, HCA funds, old articles, for a total cut of 1,203,566 on both the town and school side which would give the superintendent 2 years to develop his plan and would prevent school choice out in the meantime. He stated one year is not enough time to fully change the minds of residents for an override vote and for the superintendent to fully implement his program. He stated state budget reconciliation could provide funds, exploring cost savings, sale of Colonials and garage on Route 9 and Winslow Ave Building and exploration of additional revenue streams. Mr. Bujak stated his budget does not include the shelter housing and stated researching them unveils a plethora of costs. He stated by FY29 the need for funding will begin to drop and there will be a surplus in his plan. Mr. Bujak said Chapter 74 and the superintendent's vocational plan will generate additional revenues for the town over time. He stated the capital needs of the municipal buildings are not being met with funding. He stated his plan incorporated capital needs. Mr. Bujak said the sale of the Memorial school would fund some of the capital needs. He stated he also included highway equipment into his plan.

Mr. Belanger opened up the floor for questions on John's plan.

Mr. Bob Mercer asked about the capital plan and the confusion surrounding it.

Mr. Lucky Margadonna stated he was chair of the capital committee and said there was no way to replace a highway garage with the re-direction of funding. He stated there are 15 buildings in this town and he hadn't heard of any funds going anywhere aside from Becker. He stated police needed capital improvements, fire station and the other schools. He stated capital would not be funded in the future.

He stated if the 5 year plan is put on hold then everything happens all at once and you're asking the entire town to fund those expenses.

Mr. Bujak stated his plan had 800,000 in miscellaneous capital built in. He stated he used the numbers in the existing budget to fund the capital plan.

Mr. Mercer stated he had an issue with school choice with the term of school choice and other vocational options in other communities. He stated school choice kids are opting out of Leicester and therefore it would cost the town quite a bit of money to incur that expense not factored into the plan for the next few years. He stated Mr. Bujak's five year plan had holes in it and he wasn't comfortable with it.

Mr. Doug Belanger inquired if Mr. Bujak's plan would need an override. Mr. Bujak clarified the town would need an override in 2026.

The superintendent stated Mr. Bujak's plan was flawed. He stated school choice numbers were incorrect and were based on a 2.6 million dollar override and he said even with the plan the town still needs an override in 2 years. He stated he spent the hours before the meeting exploring Chapter 74 programs and there were very close to having those programs approved. He stated local tradespeople were on the call and want their kids signed up for these programs. He stated the town is on the cusp of making progress and making cuts now is not the time to do it. He stated he didn't appreciate the cuts vocally stated on publicly in regards to the coaching stipends.

Mr. Bujak inquired of the cuts he stated publicly prior to the override was incorrect because those are the cuts he mentioned.

Mr. Kustigian stated those were made prior to the override failing and subsequent joint meeting.

Ms. Analisa Curran stated kids would leave if the coaching stipends were cut.

Mr. Bujak stated in his discussions with parents; many parents he spoke to were willing to fund the cost.

Mr. Menard asked why multiple plans were being presented.

Mr. Belanger stated they wanted to retrieve public input.

Mr. Bujak stated he prepared a plan for the meeting after the override to determine how to move forward financially.

Mr. Menard stated it was difficult to understand the totality of the cuts and pointed out the superintendent was not informed of the cuts beforehand.

Mr. Bujak stated its One Leicester in his mind and they would split the cuts one for one.

Mr. Menard stated the five year plan does not reflect future monies that may come into the town for the school in terms of program funding and grants were not taken into consideration into Mr. Bujak's 5-year plan.

Ms. Mary Kay Hannon stated she handed out a flier of actuals which showed a potential turnback of 2.5 million dollars. She inquired about salaries and summer payouts. She stated in budget preparation "double dips" in the salaries.

Ms. Beth Auger stated there is no double dipping in the school salaries and the printouts are not reflective of the school financial system. She stated only 139 thousand dollars was not encumbered for FY23 which is not reflective in the report handouts.

Ms. Mary Kan Hannon asked about summer payrolls and the timeframe of when employees are paid.

Ms. Auger stated it was contractually bound to be paid according to their contract terms.

Ms. Allison Lawrence clarified the timeframe of teachers being paid because it starts in September, and they are paid through the June.

Mr. Belanger stated the town accountant gave an open invitation to walk through anyone interested in the budgeting and financial process.

Mr. Bujak stated HCA funding was wrong in the town's budget.

Ms. Lawrence stated the Fall Town Meeting established a stabilization fund and host agreement fees go into the stabilization fund and sales tax is the only piece becoming into the general fund and the funds have gone down in prior years.

Mr. Genereux stated the first community agreement included recreation and town parks and when receipts are returned in the fall and different local receipts came in higher than forecasted. He stated they budget to the levy and try to minimize local receipt forecast to not overestimate and create a deficit. He stated the different goes to free cash and usually funds capital. He stated the town has interest in the superintendent's programs and there is a cost associated to implementing those programs. He stated the town would either have to raise or cut to make the \$2,650,000 difference to fund Dr. Kustigian's program. He stated the budget voted on at town meeting does not include the needs of the school department.

Ms. Ashlyn Coyle asked if the two police department roles were not filled if that would increase overtime costs.

Mr. Ken Antanavica stated that would cause overtime. He said they should have a total of 21 officers and a study conducted showed Leicester police Department should have 26 officers. He stated a lack of staffing, namely those 2 positions, leaves them a reporting agency as opposed to an investigative agency moving forward.

Ms. Ashlyn Coyle asked Mr. Genereux asked about the old articles that have yet to be closed.

Mr. Genereux stated some projects cannot be closed out in the 280,000 dollar article number but stated it would not be a lot of money in the long run.

Mr. Cusolito stated between 260,000 and 280,000 in old warrant articles could be closed.

Ms. Coyle stated if any of the school budget was cut it would be a disservice to the community as a whole.

Ms. Jan Parke asked about article ad the process to closing articles and "cleaning up" projects that were voted on at town meeting.

Mr. Belanger stated the process would take place at another town meeting via a voting approved transfer.

Mr. Cusolito stated if the intent of the article has been met that article should be closed.

Mr. Belanger reiterated town meeting would reallocate those funds.

Mr. Duggan stated he received an alert on his phone of a shooting that just occurred after a graduation and stressed how scary the world is and how important it is to support and invest in public safety.

Mr. Phillips stated his plan is a band aid plan that would give the town what they needed to move forward and thanked Mr. Bujak for the effort in putting his plan together. He stated they can discuss cuts constantly but there is a lack of service associated with all staffing cuts. He stated the Asst TA, police and DPW, and the Assistant Town Planner shouldn't have to be cut when it's been exhibited there is a need for these roles and not having them has created several issues. He stated the stipends are typically donated back to the community and therefore should not be eliminated. Mr. Phillips stated professional development cannot be cut because it was contractual. He stated if cuts were done to the school, the town was not giving the school a sufficient opportunity to run programs. He stated the town funds could be used to support that and invest in the community. Mr. Phillips said he was not in favor of cutting sports program. He stated he looked at the deficit the town was short for fields and building maintenance. He stated there is 1.5 million in ARPA funds, the DCHD shelter program estimated between 1.5 and 1.6 million dollars in revenue and 173,000 in additional aid, HCA funds for a total of more than 4 million dollars in assets and utilize the 800,000 for the maintenance of the program and splitting the 1.6 million dollars. That would leave utilizing the ARPA funding for the schools and warrant articles that can be returned to the town. He stated if the housing program works out it will be continued revenue for the town each year which means nobody needs to be laid off, sports programs will continue and Mr. Kustigian will be able to continue to build the school's programs. He stated the town spoke on not wanting an override and the town is willing to utilize their emergency funds to help assist the school this year. He stated his plan includes payment to public safety officials who worked through the pandemic. He stated it only covers one year and year two would require the housing project funds and HCA funding to continue.

Mr. Phillips asked Mr. Genereux to clarify on the balanced budget utilizing his figures.

Mr. Genereux stated state aid is 173,000 and turn backs became free cash. He stated he hopes the campus number decline since the vote to sell the Victorian houses should decrease expenses due to the lack of repairs and oil costs associated with the properties. He stated the vet clinic may be leased which is revenue that will assist in offsetting the budget and the one-time funds to supplement the budget. He

stated the board would continue to look at the budget during the summer to make any needed changes to the departments as situations warranted.

Mr. Bujak asked if the numbers David mentioned were printed anywhere or published anywhere.

Mr. Genereux read him the numbers.

Mr. Mercer stated defects were in both plans in year one and year two; Mr. Phillips plan in year 2 and Mr. Bujak plan after 2 years.

Mr. Phillips stated there is no deficit in year one.

Mr. Mercer stated they need to come up with one plan and invest in moving forward as best they can but the failed override led to children school-choicing out and stated that would be difficult to overcome moving forward and he expected the plans were more optimistic than thought.

Mr. Kustigian stated the difference between the plans is Mr. Phillips plan didn't require cuts and Mr. Bujak's did.

Mr. Cusolito stated the positions mentioned earlier at the senior center would not be filled. Mr. Phillips stated he never said he was cutting those positions.

Mr. Cusolito asked if the shelter was 2 million per year with the costs down to 1.4 million dollars and assumes town employees maintaining the programs are working for free. He stated he didn't think the shelter would generate as much revenue as projected due to unforeseen expenses.

Mr. Genereux stated when negotiating began, DHCD was clear they wanted to issue one check per month and he obtained historical figures for electric and gas usage, Leicester water and sewer and there was a delay on bills. He checked the usage when Becker was fully functional when the college was fully staffed and in his calculations 1,450,000 and change on return on investment and he doubled the usage in his calculations to be on the safe side and he utilized National Grid's higher rates to be extra cautious on the potential expense side. He stated the internet, Wi-Fi and cable connections he is still working on the anticipated costs, likely to be around 5000 thousand dollars or under. He stated trash removal and insurance are built into the expenses. He stated there is not however a separate maintenance budget

and they are to repair any damage caused by occupants of the system however wear and tear maintenance the responsibility is on the town. He stated a maintenance person for the buildings would be a good idea if funding allowed. He stated original discussions included paying off the general fund but at this point its revenue for the town and he stated he took a very conservative approach to projecting the expenses and that was his methodology for free cash.

Mr. Cusolito stated his numbers are flawed and inquired about the heating systems in the building and he stated the roofs have issues and bricks are loosening from the building and preparation needs to be done and capital expenses will need to be funded with occupants inside. He inquired who would be installing the capital items.

Mr. Genereux stated he agreed schools and municipal buildings operate off the general fund and every building does not have a maintenance budget and is maintained by municipal employees.

Mr. Cusolito stated using the term return on investment is incorrect because the expenses are being paid out of another budget and there would be more stress on the buildings because they were occupied and would need repairs because of the usage.

Mr. Phillips stated there are additional costs and funded in another departmental budget and are accounted for.

Mr. Cusolito said budgeted money is not there to fund the needs of occupied buildings.

Mr. Phillips agreed to disagree.

Mr. Fisher reiterated Chief Antanavica prior statement of the needs of his department are woefully undermanned and they should receive additional men. He stated he hasn't heard a word about the Memorial School and maintenance isn't being done and he heard someone was interested in buying.

Mr. Genereux stated the board is looking at an RFP to find a use and/or buyer for the Memorial School.

Mr. Fisher asked what is the difference between DHCD and the Memorial School for housing and if the housing authority was interested.

Mr. Genereux stated he showed DHCD the Memorial School building and they weren't interested due to the capital needs.

Mr. Fisher inquired about the DHCD funds and what is the number of net proceeds for the town given there is no accounting for the maintenance for the town and nothing accounted for capital to those buildings. He stated the town is onboard with supporting the schools but with John and Allen's plans are both band aids and he wants to know what happens 2 years from now when they need an override in several years. He stated the town meeting overwhelmingly voted to put it to ballot while the election flipped entirely and the 2.5 failed. Because of that high ratio he questioned what is the likely success of a second override when capital needs have not been met for a year or two.

A resident asked what is being voted on for plan support and which board would be voting on it pending the election the following week.

Mr. Phillips stated they would be voting on the plan and use of ARPA funds.

A resident stated the board could approve the ARPA funds but town meeting would have to vote to appropriate the other funds to support the budget and if that did not happen what would happen.

Mr. Phillips stated if town meeting did not approve, they would be up a paddle without a creek.

Mr. Genereux stated there would be a special election in the fall and at fall town meeting and if the articles to transfer are voted down they have to set their tax rate and there will have to be another town meeting to balance the budget.

Mr. Antanavica stated the three boards should get together once a month moving forward to go over the previous months budget and make sure everyone was working together and was on the same page.

Mr. Belanger stated it is up to the voters to hold government officials accountable and to get out and vote. Mr. Moderator closed the public input portion at 7:57 PM.

Mr. Antanavica entertained a motion to utilize ARPA funding to allocate to schools.

Motion 060623-1a Motion made by Ms. Provencher, Seconded by Mr. Phillips.

Mr. Antanavica clarified Plan A was Allen's plan and Plan B was Bujak's plan.

Motion 060623-2a Ms. Provencher made a motion for plan A, seconded by Mr. Phillips. 4-0-1 (4 in favor, 1 opposed)

Mr. Bujak vocalized his displeasure at the plan and said he would not support because the town will be asking for an override again next year, something that divided the town in recent months.

ADJOURN

Motion 060623-3a - Motion to Adjourn 8:34 p.m. made by Mr. Phillips, seconded by Ms. Provencher. (5-0-0 in favor)