

Town of Leicester
Advisory Committee Minutes

Meeting Date 3-27-23

Members in attendance

Peter Cusolito	(PC)	Acting Chairman	Yes
Bob Mercer	(RM)	Clerk	Yes
Dorothy Dudley	(DD)	Member	Yes
Ashlyn Coyle	(AC)	Member	Yes
Bill Brennan	(BB)	Member	Yes
Sandra Wilson	(SW)	Member	Yes

Visitors

David Genereaux	Town Administrator
Brett Kustigian	School Superintendent
Kris Louzon	DPW Highway

Meeting started 6:00 PM at the Town Hall meeting room 3. Meeting was schedule to review the 2024 Budget with the Town Administrator. DPW, and the Public School.

David Genereaux reviewed the Town Administrator's positions within the Budget. Leicester taxes to the full 2 1/2 percent which is the maximum allowed. We are strapped for funds and therefore every budget is a challenge. The TA does continue use a percentage formula which accounts for the School getting approximately 70% of the available money and the Municipal side gets the rest or approx. 30%. However the formula is off this year due to the extra funds the State earmarked for Education And municipal gets the majority of free cash because there is not the base (raise and appropriate) to fund everything. Budgeting is conservative by design and most of the departments are having a difficult time learning the Zero Base Budget concept. The exception is the School and Police departments who have been able to handle the Zero Base Plans.

\$850,000 must go into the care of the Becker Campus for operational needs. Last 2 years funded by free cash. If the override fails, the Campus still needs to fund this expense.

If override fails, 2 police, 2 highway, 1 asst planner plus other cuts including 41 people in education.

The 2023 Tax ceiling levy is \$35,685,472 per the TA

Snow and Ice \$121K. but YTD is \$349K Ashlyn asked why not Budget higher cant because of the levy limit. This budget is allowed to Deficit spend.

The formula for budgeting continues to take the last year's budget and increase it by approximately 3%. We do not go back to the 2021 and 2022 actual expenditures to adjust the 2024 budget. 2023 is not complete so we can only reference the 21 and 22 numbers. Can we pro-rate???

Under the revenue sheet, there is a concern for the 2021 and 2023 recording of \$3,221 and \$3,301 while the 2022 is 695,264. Why such a variance??? David to look at the numbers and provide input.

Receipts do not track in that the Actual is much stronger than the Budget number. Budgets are planned to be conservative so should receipts not meet expectations we will not be in the red. 80% is conservative which helps from going in the red if projections fall short. But to what level. And the HCA funding beyond \$75,000 cannot be used in the operating budget. Furthermore, if operating budgets are increased free cash decreases which affects the Capitol Plan.

Intergovernmental also tracks very conservatively. See reasons above.

Unemployment is very high. Tracks back to years ago when Advisory Committee insisted on the \$142,000 number. A few years ago it was increased after expenses exceeded the budget. The excess assists with transfers and free cash..

Zero Base Budgets. Most departments did not know how to do it effectively TA feels does not believe it serves a real purpose. School and PD were able to make it work. Advisory said it needs to be done and reset every 5 years.

Code department increase is due to the administrative staff person being paid and budgeted from the DIS Budget.

Highway Budget expenses are low because a lot of expenses are tied to the project at hand and not based on actual supplies being brought into the highway department. Expenses like repair parts are accounted as an expense. The Budget has been working and it is all Leicester can afford at this time. A drop in the budget will have an impact of services

The two highway workers thought to be lost are in the Budget but we cannot hire them without the override based on the \$850K. Summer help will be the same.

Mowing is 4 guys at 40 hours per week. Athletic fields are mowed 2x per week. Leaves 5 guys to do the other work. Highway has a vehicle for every worker.

The Budget for Storm Water, recycle testing, and ground water, normally found in the special Articles has been added to the budget with corresponding free cash. \$55,503 is now in stormwater dams tc

NOTE: Greg Buteau argues strongly that the items above should remain as Articles in the ATM.

Per the TA, the Budget Calendar has been removed as it is too time consuming, not followed and superfluous. However the Advisory Committee has added that responsibility to the Advisory Committee in the proposed By-Law change.

The departments were instructed to follow a Zero Base Budget concept but other than the school and PD, they failed to accomplish the task.

DIS is budgeted with a full staff but one is open. It will remain open if the override fails. There are 5 open positions, 2 at highway, 2 at police, and one at DIS.

The FY 23 budget Articles was \$736,843. Older unused Article money should be returned to the General Fund while the rest is still active. Possibly \$200K is able to go back to the GF

Legal for 2023 \$84,233.37

Why is the moderator adding \$45 to the budget. Expense added to the line item after the budget was turned in. Conference.

TA adding \$4,650 above the number requested by the assessor. Office expense costs not available in the first version.

\$16,523 increase above the request of the Department Head. Necessary to get the Dept Head and the Assistant closer to market rate to retain them. The Cost of Living raise did not address the value of the position.

Treasure/Collector Budget \$25, 862 above request due to expenses for deputy collector costs and postage were placed in the budget. Addressed in Article 2 for 2023. And 2024 budgets.

Insect Pest control is for trees DPW runs the budget

Revenue from Tax. Percentages Residential 87.92%, Commercial 5.1742%, Industrial 2.295% and personal property 4.6763%.

Cannabis Sales Taxes are not included as they are decreasing.

The HCA funds are required by law to be spent on restricted list of items

Departmental Inventories to be addressed at the next departmental meeting.

Override is targeted for Schools and Campus Grounds specifically.

Schools :

Superintendent Brett Kustigian provided a compelling accounting of the school position and the need for a \$3.5 million dollar override to maintain the Leicester Schools, and deliver vocational program that will enable the School to bring in funds from School Choice students as we are currently a net payer with School Choice and vocational offerings.

Regarding schools - there were comments that his presentation was conservative but it was also aggressive/naive in the projections especially predicting that by FY28 we would have no kids going to Assabet vocational school. Tantasqua still accepts students at this time, The vocational programs are being proposed to be 10 students per year per program. There will be costs associated with establishing the programs. The requested override amount of \$2.6M would be what is needed to remove the current deficit in their budget plus get the vocational programs going. The Finance director went as far to say this should be a fix that should last 30 years. If the override fails then there would be an estimated 35 positions cut from the schools.

Esser Funds are exhausted after 2023. Esser funds were used to hire permanent teachers . These positions have no funding in the budget The Superintendent said he would not hire permanent positions using Grant money

Green Grant. Math is wrong. HVAC system is paid for by the Grant. No out-of-pocket money tied to this. Hybrid cruisers will get a \$5,000 credit for each of the two cars covered under this Grant. Concerns were raised about the cost of electricity to run the heat pumps at the Senior Center and it is worth the full conversion from oil. Dave Genereaux to investigate

ATM warrant vote, next meeting.

Prop 2 ½ override vote next meeting

Minutes 3-13-23 voted and approved 6-0. DD motion AC second

Adjourn 6-0

Bob Mercer

Clerk