

At a meeting of the Town Council holden in and for the Town of Gloucester on October 4, 2022

I. Call to Order

The meeting was Called to Order at 7:00 P.M.

II. Roll Call

Members present: William E. Reichert , President; Walter M. O. Steere, III, Vice President; William A. Worthy, Jr.; Stephen W. Arnold ; David Laplante

Also Present: Jean Fecteau, Town Clerk; David Igliazzi, Town Solicitor; Christine Mathieu, Deputy Town Clerk; Adam Muccino, Finance Director

III. Pledge of Allegiance

All stood for the Pledge of Allegiance

IV. Public Hearing

Councilor Reichert stated that this Public Hearing was advertised in the Valley Breeze Observer on September 8, 15, 22 and 29th

Councilor Reichert DECLARED the Public Hearing OPEN.

Councilor Reichert stated that this public hearing is to review and discuss the proposed budget for fiscal year 2022/23. Councilor Reichert stated the procedure for the hearing is that our Finance Director will review the proposed budget, the public will be allowed to ask questions, Council can discuss and , if needed, under item #3 the Council can call for changes. Councilor Reichert stated that the Budget and any question to be forwarded for a referendum vote on October 25th must be adopted by the Town Council by October 10th. Councilor Reichert stated adoption will be listed as an agenda item for Thursday, October 6th.

A. Proposed budget for Fiscal Year 2022/2023- Discussion and/or Action

1. Review of proposed budget (as needed)

A. Muccino, Finance Director, stated that the proposed budget is more streamlined and fiscally responsible and gave a brief overview of the highlights which are: 1) there is no use of unrestricted fund balance for operations proposed; 2) the budget is level funded from the adopted budget for FY 2022; 3) contracts and other commitments were honored.

A. Muccino stated the Budget Board met and reviewed this proposed budget and offered their approval.

Councilor Laplante stated he had a few questions and/or suggestions for paring line items down:

Reducing the Council Contingency fund, \$9,000, as it doesn't appear to be used. A. Muccino stated this year the fund is fully being used. D. Laplante stated he would still like that item considered for reduction.

D. Laplante questioned the “Marketing tools” line item amount for EDC. A. Muccino stated the \$5000 for EDC was earmarked for their web page which has been completed but he will check to see about a yearly fee.

Councilor Laplante proposed waiting for another year to fund the part time position in the finance department, at \$24,950. A. Muccino stated the part time position in the Finance Dept. is a current position and not a proposed position so he would prefer it to stay in the FY 23 budget to cover cost.

Councilor Laplante questioned whether the part time HR Director has received an increase. A. Muccino stated the HR Director asked for a rate increase but that increase did not effect the budget as the total amount allocated for the part time HR Director remained the same

Councilor Laplante questioned the increase to the full time Animal Control Officer and no increase for the part time Animal Control Officer. D. Laplante questioned a 4 % increase to the full time Animal Control Officer when he believed the increases were to be 3%. A. Muccino state the 4% increase for the Animal Control Officer should have been 3% so he will correct that and he will look into the salary of the part time Animal Control Officer. D. Laplante stated the part time officer has worked for the town for several years.

Councilor Laplante asked if the reduction in repair parts (DPW) from \$115,000 to \$85, 000 is a realistic number and if the \$14,000 for other purchased services under DPW could be reduced. A. Muccino stated he spoke with the Director of the DPW as to repairs being reduced from \$115,000 to \$85,000 and stated the reduced amount is tight but realistic. A. Muccino stated he will check with the DPW Director as to reducing the \$14,000 for other purchased services in the waste division.

Councilor Laplante questioned if the \$10,000 program amount in Senior Center could be reduced. A. Muccino stated the \$10,000 amount in the Senior Center is a set side for matching budget dollars.

Councilor Laplante asked if the \$5000 transfer to Healthcare Reserve is able to be reduced. A. Muccino stated there is not going to be any transfer to the Healthcare Reserve in FY 23.

Councilor Laplante asked about the computer systems repairs amount for IT. A. Muccino stated the \$35,875 in IT for computer systems repairs reflects a reduction by the IT Director from \$77,000 and is a deference of programs, purchases, upgrades etc.

2. Public Discussion

Councilor Reichert asked if anyone wished to speak and asked when called upon to please come to the microphone and state your name for the record.

P. Henry, resident, asked the amount other communities are currently contributing to the use of the Senior Center, as they have done so in past years. A. Muccino stated that it would be reported under dues and is not a separate line item. P. Henry suggested that the surrounding communities could be asked to contribute more. A. Muccino stated requests were sent to other communities and Burrillville did respond with additional funds.

D. Steere, resident, stated that Councilor Laplante stated many of the items he was going to mention but he did want to ask about others. D. Steere asked about the Town Planner's salary increase. J. Fecteau stated the increase represents payment for an increase in hours, not just salary. When the number of in office hours was questioned, J. Fecteau explained that the Planner was hired by the former Finance Director as a part time employee with the ability to work from home. A. Muccino stated that the hours are being increased to 27 hours per week. Mr. Steere asked if all employees have that option. J. Fecteau stated that is how that employee, only, was hired.

D. Steere stated that he did not understand the explanation given by A. Muccino for the part time employee of the Finance office. A. Muccino stated that extra funding was needed for a current part time employee after Council approved an internal transfer into his office of a full time employee in order to maintain staffing at four people. D. Steere asked if his office has three employees, to which A. Muccino stated there were four employees.

D. Steere asked about the \$183,000 reduction in the police department as to salaries and fringe benefits and if the amount had been negotiated. A. Muccino stated that contract negotiations were under way. A. Muccino stated the cuts reflect going back to the adopted 22 budget and do not include the two requested for recruits. A. Muccino stated he could not work those items in. D. Steere pointed out under vacation/illness/coverage was proposed \$140,000 but went back to \$110,000. D. Steere stated in FY 2021 \$152,000 was spent. D. Steere questioned if this could be a reasonable budget.

D. Steere suggested not shortchanging the police budget as to education and training and stated we should be able to find the funds (\$5,000) in this budget.

D. Steere asked about the reduction in the storm account. A. Muccino stated that this amount was reduced because American Rescue Plan Act (ARPA) funds have been designated for this use for a total of \$140,000 to be used for salt and sand. D. Steere questioned if we were buying all our sand and salt with federal money and stockpile to which A. Muccino stated yes.

D. Steere questioned the 4% increase to the Recreation Director's salary when the others are 3%. D. Steere asked about the \$13,000 designated for wages for swim, etc. in the Recreation Department. A. Muccino stated the 4% for the Director is an error and the \$13,000 (1/3% increase) was due to an increase in minimum wage. D. Steere stated that doesn't make sense and he would like to see the math on that item. Mr. Steere stated he did not understand the explanation of a dollar and a half increase causing that increase

D. Steere referred to the explanation about the \$10,000 in the Senior Center budget for programs and activities and stated those funds have not been used in the last three years. D. Steere recommended there may be savings here.

D. Steere referred to page 24 of the operating expenses, the IT budget. D. Steere questioned the IT wages being reduced by \$17,000. A. Muccino stated that was for a previously approved position of a part time position for IT that has not been filled yet. D. Steere questioned if FICA or Workers Comp should change if salaries change. A. Muccino stated that change would be minimal.

D. Steere brought up areas in the budget that suggested major changes.

D. Steere distributed a proposal to Council. Mr. Steere's proposal suggested proposed adjustments in the amount of \$1,299,509. D. Steere's proposal included a 3.52% use of surplus. Discussion followed on the proposal and the proposed use of fund balance.

Council thanked D. Steere for the time he put into the budget.

Chief spoke regarding his budget and explained certain line items. The Chief discussed recruits and the need for a lateral transfer.

G. Trembl asked that the cuts made to his budget be added back in to the budget. G. Trembl referenced the new work load of the local school management.

Nathan Harris, resident, asked for a breakdown of tax rates used in the amount to be raised by taxes. A. Muccino stated the residential tax rate would be 81% of the amount to be raised by taxes and . N. Harris asked if the actual out of pocket change for residents would be the 1.4% or more due to raised values due to the reevaluation. A. Muccino stated the revaluation will not affect the current tax bill it would be the year following. A. Muccino stated if no substantial improvements to your property were made in the last year the out of pocket would be the 1.4%.

Patricia Henry, resident, questioned the Police budget line items. The Chief explained his plan for staffing. P. Henry thanked the Chief for the work the force does.

V. Valentine, Saw Mill Road, corrected the tax rate given on page 4 of the budget, stating it should be \$36.88.

Councilor Laplante stated he wants to explain that our biggest tax payer, FM Global, went from a pilot agreement to paying taxes. Councilor Laplante stated this year he would not be opposed to using a portion of the town's surplus funds so that the increase was less. Councilor Laplante stated we should be able to recoup when a proper appraisal is completed and he does not believe it will cause a deficit. Councilor Laplante asked that everyone just consider it.

Councilor Reichert stated that the town has hired a company to perform a proper appraisal.

The Town Solicitor stated the voters have already approved the question that \$807,276 shall be taken from surplus and applied to capital expenses.

D. Steere stated the whole point is to present a budget the voters pass and suggested if a new capital budget could be prepared. Discussion followed on how re-voting on a budget the voters have already approved may complicate the budget process.

Councilor Steere stated his concerns with using fund balance money. Councilor Steere stated he does not feel it is good fiscal policy and he would not support that. Councilor Steere stated that would create a big hole to fill every year.

Jacquelyn DiPietro stating that cutting the capital would not solve the problem at hand because the voters already approved moving \$807, 276. Discussion followed on cutting some of the capital projects proposed. A. Muccino stated the \$400,000 would show as a transfer. Ms. DiPietro stated the charter states that the capital budget is to be voted on separately which she believes further complicates the process.

K. Lamontagne, resident, stated she has submitted an open records request regarding grants and matching fund obligations. K. Lamontagne stated she hasn't received the information yet. K. Lamontagne questioned the grant processes and matching grant obligations and stated she did not see those funds in the budget. K. Lamontagne stated the grants we are obtaining are centralized in the village.

G. Steere, resident, stated he is glad to see the transfer from surplus was taken out of the budget. . G. Steere disagreed with the statement that we weren't creating a structural deficit with this budget. G. Steere questioned how certain the Council was that the gap would be filled without burdening the taxpayers. G. Steere questioned why something wasn't done about F.M. Global agreement and that Council had a year to resolve. (MULTIPLE SPEAKERS)

Councilor Reichert stated he told the Council President multiple times what they had to do. W. Reichert stated at that time someone was hired to do an appraisal for under \$5,000. (\$4,200 was confirmed by A. Muccino)

G. Steere asked what was going to be done to resolve this issue in time. Councilor Laplante stated we are going to get a proper appraisal. Discussion followed on the time frame. G. Steere indicated that according to that time frame there would be a structural deficit.

J. DiPietro stated she is concerned about transferring \$400,000 from capital to operations as these are two different budgets, funded two different ways. J. DiPietro asked how that was being funded.

Phoebe Fogarty, resident, compared the tax rate from the failed budget, \$18.64, to the rate proposed, \$18.70, and questioned how the rate went up by cutting just over \$650,000 from the budget. A. Muccino stated cutting \$576,000 from unrestricted fund balance. P. Fogarty questioned what F.M. Global would be paying this year. A. Muccino stated F.M. is paying \$2,200,000 this year. Discussion followed on what they would be paying next year and the time frame as to what they would pay next year was again discussed. P. Fogarty expressed concerns about a tax increase. (MULTIPLE SPEAKERS) Councilor Reichert stated F.M. is paying \$700,000 less. Councilor Arnold explained the state would not have signed off on the budget if the reclassifying of \$2,200,000 was anything more than an accounting function. Councilor Reichert stated the state did not acknowledge F.M. Global. Councilor Reichert stated they found this out in February and against better judgement a gentleman was hired, all voted on it, against better judgement. Councilor Reichert stated no one wanted to do it, they wanted to build a police station.

M. Currier (sp?) Aldrich Road resident, expressed that he didn't feel the amount of the increase is an issue. Mr. Currier stated he did not move to Gloucester not to have enough police officers or school resources. Mr. Currier stated we have to do what is in the best interest of everyone.

Councilor Arnold stated his agreement. Councilor Arnold stated Council now has a chance to do it

better. Councilor Arnold discussed the importance of a fiscally responsible budget and providing services. Councilor Arnold felt it is a fine line and we need to be careful with how we proceed. Councilor Arnold again stated he is not comfortable with some of the proposed cuts.

Councilor Reichert DECLARED the Public Hearing Closed.

3. Council Discussion and/or Action
 - a. Amendments, Additions, Changes to proposed budget - Discussion and/or Action

Councilor Reichert asked if anyone on Council has a proposal for an amendment to this budget, a motion will be needed, either tonight or at the final meeting to adopt, October 6th.

Councilor Arnold stated he would like to review the budget again and wait until the next Council meeting to adopt.

Councilor Worthy stated he agrees and he wants to do what is best for the residents without creating a structural deficit. Councilor Worthy stated residents have set expectations of what services to expect.

Councilor Steere stated we had good discussion at this hearing. Councilor Steere stated he personally would like to find a way for some of requests, particularly the police department, to be included in the budget. Councilor Steere stressed the importance of funding public safety. Councilor Steere stated we are asking DPW to care for more areas so we need to take that into account when considering cuts. Councilor Steere stated everyone sitting on Council wants the same goal.

Councilor Laplante stated some of the line items may be able to be expanded, particularly the police, but we should also look to tweak some other line items. Councilor Laplante stated he agreed with the other Council members on our expectations as residents. Councilor Laplante asked all Councilors to look at increasing and decreasing certain line items.

J. DiPietro stated that if these line items are GASB-54 line items only Council can unassign. J. DiPietro questioned if the Town was doing a Tax Anticipation Note. The response by Council

Councilor Reichert stated that, in reference to “dropping the ball” with F.M. Global, when the former Town Council President was here he was given no liaison assignments, except the Parade Committee.

V. Adjourn

MOTION was made by Councilor Worthy to ADJOURN; seconded by Councilor Steere

Discussion: None

VOTE: AYES- Laplante, Arnold, Worthy, Steere and Reichert
NAYS-0

MOTION PASSED

