

## FISCAL YEAR 2018 BUDGET MESSAGE: RESTORATION

*Shaun A. Suhoski, Town Manager*

April 4, 2017

To: Board of Selectmen  
Finance and Warrant Advisory Committee  
Citizens of the Town of Athol

Greetings!

In accordance with Chapter 8 of Athol's Town Charter, the Town Manager shall present the ensuing fiscal year's budget proposal to a joint session of the Board of Selectmen and Finance and Warrant Advisory Committee at least sixty days prior to the start of the spring Annual Town Meeting. I look forward to tonight's discussion.

In fiscal 2016 we built a budget based upon fiscal **restraint** which included reductions in hours for current staff, a shift of health insurance premium costs from the town to its employees and very limited wage adjustments.

In fiscal 2017 a budget premised upon making **responsible** decisions was advanced and approved in a year that saw the Town's finances begin to improve based upon conservative budgeting and improving revenues.

The fiscal 2018 budget proposal following intends to **restore** key services, bolster the Town's reserves for the future while also providing a measure of tax rate relief.

Working closely with the Town's finance officers – Christine Mailloux, Lisa Aldrich and Melissa Murphy – I am pleased to present a balanced and sustainable \$19.15 million operating budget for FY18 that strengthens the Town's ability to maintain its aging infrastructure and properties, begins to address long-term Other Post-Employment Benefit (OPEB) obligations, brings the stabilization fund to a reassuring level in concert with our fiscal policies, and that – after many years – offers a one-time opportunity to address priorities of the Capital Planning Committee.

### **res·to·ra·tion** – noun

- An act of restoring or the condition of being restored, such as: bringing back to a former position or condition.

*Merriam-Webster.com*

## HIGHLIGHTS OF FY18 PROPOSAL

The \$19,154,655 plan is a very modest 1.11 percent increase over last year's \$18.94 million budget. In fact, all general government spending will increase less than one-quarter of one percent for FY18 (0.23%) due to savings achieved through joining the Worcester Regional Retirement System and migrating the Town's employee health insurance program to the Hampshire County Group Insurance Trust.

These efficiencies have afforded the Town with the unique opportunity to improve its current condition while safeguarding its future. The budget has many positives:

- ✓ Restores a full-time laborer position to the Dept. of Public Works (cemetery and parks). The DPW has been decimated over the past two decades to a point where even maintaining current infrastructure and properties is reactive rather than proactive.
- ✓ Eliminates “smoke and mirror” subsidies to the operating budget (eg. free cash, cemetery trust) and restores the full 10 percent contribution of ambulance revenue to the ambulance reserve fund (this was eliminated in FY15-16 and restored to five percent in FY17).
- ✓ Funds the proposed Capital Improvement Program totaling \$642,400 with \$100,000 of that amount proposed to seed a new capital stabilization fund.
- ✓ Allocates sufficient funds to allow the Athol Library to open for additional hours (either Saturdays or further evening hours in the discretion of the director and trustees).
- ✓ Meets the requested ARRSD funding target to further improve student-teacher ratios at the new Athol Community Elementary School and continue overdue and necessary capital plant repairs at Athol High School.
- ✓ Incorporates all union and non-union employee wage adjustments and restores the building, health, assessing and public works administrative offices to full-time (37 hour) status.
- ✓ Restores a part-time (16 hour/week) custodian to the Memorial Building. Historically the building was served by two full-time custodians. This addition will help to improve maintenance and cleanliness within the Town’s primary governmental building.

In addition to having a responsible operating budget, the overall proposal allocates the Town’s certified fund balance of nearly \$1.3 million (so-called “free cash”) to address several required items and proposed articles:

- ✓ Pay the final of three installments to settle a \$3.4 million liability to the USEPA for \$275,000 total (FY18 payment \$88,500+/-).
- ✓ For the first time in recent memory, allows placement of an article before Town Meeting to provide \$100,000 in direct tax rate relief for FY18.
- ✓ Allocates over \$100,000 towards public safety radio system upgrades and/or other expenses (in two phases) associated with initiating central dispatch at the Athol Police station.
- ✓ Replenishes funds to demolish and clear buildings that are unsafe, dangerous or a threat to human health. The Town – with assistance from Sen. Gobi and Rep. Whipps – was able to establish special revenue accounts that allow recaptured revenue to be recycled for this purpose in the future.
- ✓ Funds a comprehensive weed treatment program at Lake Ellis, a utility vehicle for conservation lands, continued upgrades at the animal control facility and partial assistance for retiring employee benefit payouts.

Taken in sum, I am convinced that the FY18 budget proposal marks a major step forward in restoring services while maintaining conservative and responsible budgeting.

## LOOKING AHEAD

To continue the remarkable progress of recent years, however, the Town must plan for the future.

In the coming year, the Town Planner and Board of Community Development and Planning (with input from all applicable boards and committees, and the general public) will be asked to advance targeted review of the Zoning Bylaws to ensure our land use regulations serve the dual purpose of protecting the standard of living in residential districts while removing obstacles to responsible development.

An area of focus will need to be the prime transportation corridors along Route 2A, Route 32 south of Templeton Road, Daniel Shays Highway and South Athol Road. The regional planning commission will be completing a feasibility study for a new interchange off Route 2 at South Athol Road which will be brought forward to the Board of Selectmen in a public process once complete.

The Town may also need to consider overlay zoning to make redevelopment of former mill buildings (notably the Union Twist Mill) more feasible. This project will also be advanced in the coming months.

The overall success will need to be based upon continued collaboration and open and civil discourse among the Board of Selectmen, Finance and Warrant Advisory Committee, Athol-Royalston Regional School District Administration and School Committee, Town Department Heads, members of our various boards and committees, and, ultimately, the voters at Annual Town Meeting.

Thank you all for your guidance and stewardship of this wonderful community.

Respectfully,

A handwritten signature in black ink, appearing to read 'Shaun A. Suhoski', with a stylized flourish at the end.

Shaun A. Suhoski  
Town Manager