

**CITY OF WOBURN
OCTOBER 15, 2008 – 7:30 P.M.
SPECIAL MEETING OF THE CITY COUNCIL**

Roll Call

Denaro	Gately
Drapeau	Gonsalves
Dwyer	Mercer-Bruen
Galvin	Raymond
Doherty	

VOTED to dispense with the reading of the previous meeting's Journal and to APPROVE, all in favor, 9-0.

Pursuant to Title III, Section 12 of the Charter of the City of Woburn, His Honor the Mayor has called a Special Meeting of the City Council to be held in the City Council Chambers, Woburn City Hall, 10 Common Street, Woburn on Wednesday, October 15, 2008 at 7:00 p.m. for the purpose of discussing the anticipated cuts His Excellency the Governor intends to make in the State budget and potential impacts of the November 4, 2008 Ballot Question #1.

A communication dated October 11, 2008 was received from His Honor the Mayor as follows:

I have called for a Special Meeting of the City Council for next Wednesday, October 15, 2008 at 7:00 PM to discuss the anticipated cuts the Governor intends to make in the State budget and the potential impacts of Question #1. Please be advised that we were informed by the Governor and the Lt. Governor on Friday, October 10, 2008 that local aid cuts are not expected and would only occur as a "last resort". This was very reassuring news for the approximately 25 mayors, including myself, who were in attendance at this state house meeting.

Sincerely, s/Thomas L. McLaughlin, Mayor

Appearing was His Honor the Mayor Thomas L. McLaughlin and he offered documents to the City Council for review. Motion made and 2nd that the documents be received and made part of the record, all in favor, 9-0. Mayor McLaughlin stated that no cuts are planned for local aid at this time, that this is a time for concern but not a time for panic, that there will be 1,000 layoffs at the State through attrition, retirement and some layoffs, that it is not clear which departments will be effected, that he will begin budget meetings with departments and the City Auditor the last week in October, that the budgets will be

updated, that revenues locally are on target with the exception of building permits, that taxes and water and sewer fees collection are on target, that Ballot Question 1 will have a devastating impact on services, that there would be a \$7,700,000.00 reduction in local aid for education and a \$5,800,000.00 reduction in municipal city-side local aid to Woburn, that he met with the fire department union president, that it was suggested that labor and management join in opposition to Ballot Question 1, that he asks that the City Council also join in opposition to Ballot Question 1, that the temporary hiring freeze saved the city \$750,000.00 in the past year, that he is extending this as a permanent hiring freeze except public safety and where there are exigent circumstances requiring a position be filled, that the city has \$4,300,000.00 in free cash and \$9,000,000.00 in reserves, that there is no intention to use those to meet operational costs, that the pension fund is fully funded to 2021, that the pension fund experienced a 10% downturn in the present economy, that the pension fund could be extended to 2028 if needed, that the Governor indicates that if these cuts at the State level are not effective then there will be deeper cuts, that the Governor indicated that this appears to be a cyclical issue, that at the moment the cuts do not extend to local aid, that the city of Woburn is in good financial condition, and that city employees do not have to be concerned that their positions are in jeopardy. City Auditor Surette stated that cuts to the MWRA will impact the city's payment to MWRA but that he is not certain whether it applies to this year or next year's charges. Mayor McLaughlin stated that there has been a temporary hiring freeze for about 1½ years, that he will make this more permanent, that sometimes here is a position for reasons other than public safety that must be filled, that the duration of this policy will depend upon the length of the fiscal situation, and that the \$20,000,000.00 cut from MWRA was a voluntary reduction by the MWRA. City Auditor Surette stated that he will determine where the MWRA cuts will come from, that is whether or not it is from local aid. Alderman Denaro stated that he would prefer to freeze all hiring to get through the winter even if public safety related until March 1, 2009. Mayor McLaughlin stated that the police and fire departments are fully staffed and he expects no vacancies in those departments until February or March 2009. Alderman Denaro stated that the school department should consider the same hiring freeze policy. Mayor McLaughlin stated that he will ask the school department to also consider a hiring freeze policy. Alderman Denaro stated that there should be a freeze of up to 25% of all department accounts until March 2009, and that the City Council needs to know the status and security of the city's cash accounts. Mayor McLaughlin stated that all city accounts are insured and collateralized. Alderman Denaro stated that the city should conserve energy resources by keeping the thermostats set lower. Alderman McLaughlin stated that the city has a committee that has been reducing energy costs through various efforts. Mayor McLaughlin stated that a proposal will be brought forward to erect wind turbines on Horn Pond Mountain to generate electricity for the high school and the water treatment plant, that his office is also looking at solar roofing at various buildings, that there are significant up-front costs but long-term benefits, and that the payback is currently approximately fifteen years. Alderman Denaro stated that the budget process this year should start earlier rather than later, and that it is easier to plan if the process of review does not wait until the late deadlines. Mayor McLaughlin stated that he understands that the school building reimbursement program is not under consideration for reductions but that everything could change as time goes on, and that the city has not yet been approved

to build a new Goodyear School. Alderman Galvin stated that there should be a hold on all expenditures for school and library building projects until it is determined that reimbursement will be available. Mayor McLaughlin stated that there are no specifics on cutbacks affecting these building programs. Alderman Galvin stated that there is no sense of expending those costs of building if the larger amounts of money needed are not available. President Doherty stated that if there will not be money to move forward with the projects then the money already allocated should not be expended. City Auditor Surette stated that the Library Building Committee will be meeting with the State tomorrow regarding the reimbursement program. Mayor McLaughlin stated that he will look at each position to determine whether it rises to the level of emergency or exigent circumstances. Alderman Galvin stated that there should be a permanent hiring freeze even for public safety, that he wishes that the hiring freeze was applied to the mayor's office as well as the other departments, that as to Ballot Question 1 there will be real appeal to some taxpayers, and that some taxpayers may save \$3,700.00 per year. Mayor McLaughlin stated that the income tax is progressive and the property tax is regressive. President Doherty stated that there was a recent transfer of a position from Engineering to the Department of Public Works with an increase in pay, and that he wants to know how this happened. Mayor McLaughlin stated that the hiring freeze policy is not a matter that he placed on the agenda tonight and that he is willing to speak with the Aldermen concerning this. Alderman Raymond stated the gasoline policy at the Department of Public Works will be implemented this week, that this will account for all gas and diesel used by PIN identifications, that take home vehicles with personal use will be billed back to the user, that there has been some opposition to the consolidation of the building and grounds departments, that the Mayor should take a lead on consolidating the departments, that he has met with some resistance from some departments, and that there will be long-term savings in eliminating duplication of efforts. Alderman Gately stated that he appreciated the savings from the hiring freeze policy, and that on unfunded mandates such as groundwater protection, I&I and school policies there should some scaling back. Mayor McLaughlin stated that these changes were not discussed although at a meeting with the Governor he did mention that a twenty-three room bathroom for a high school football field was unreasonable and that other communities are being affected by this. City Auditor Surette stated that all school building project money has been collected. Alderman Drapeau stated that he supports the consolidation efforts proposed by Alderman Raymond, that the parties should be brought together for this purpose, that there is no reason for employees to fear job cuts based on the Mayor's stance on preserving positions, that professional management of buildings and grounds is beneficial, that he has no problems with any city employees as they do their jobs well but this is a method to benefit the community with fewer costs, and that he wants to know the status of generating new revenues through the assessors. Alderman Raymond stated that the focus of the assessors is on larger entities rather than smaller, that there is more benefit from pursuing one large account rather than four smaller accounts, and that there has to be an effort to make certain that vehicles of businesses are registered in the city and that their personal property taxes are paid. Alderman Mercer-Bruen stated that she wants the City Council to be involved in the department head budget reviews. Mayor McLaughlin stated that these meetings will be between the mayor and department heads. Alderman Mercer-Bruen stated that she would like the Mayor's findings to be provided

to the Committee on Finance for review, and that she wants to know how the hiring freeze was implemented and processed. Mayor McLaughlin stated that an example is the office of the city clerk which is not a public safety position but which provides face to face service to constituents and is essential to the department, and that under the prior policy the hiring was allowed but under the present freeze this position would not have been filled. President Doherty stated that he originally intended to meet with department heads on Thursday a day after reviewing the Governor's budget proposal, that the Mayor called this meeting and it did not seem that two meetings were necessary, that this is a city issue, that the city must be proactive as to this issue, that last year's budget must be streamlined, that until the budget is as tight as it can be the public will not believe that the budget is as low as it can be, that there must be a top down approach to the whole budget not just a department by department review, that the city must freeze all non-essential spending today, that there should be a freeze in spending, that the department heads must know where they stand with respect to their budgets today, and that there will have to be collaboration between the Mayor, City Council and department heads to determine where spending needs to be. Alderman Denaro stated that the city will get through FY2009 by preserving resources, that the State will get everyone through this election cycle and then the true condition of the budget will be known after the election, and that in FY2010 may have a different method of providing services. Alderman Galvin stated that anything the City Council will do now with respect to the budget is only as a recommendation to the Mayor, that the Mayor can make cuts in personnel and budgets, and that this will be an important procedure when looking at the FY2010 budget. President Doherty stated that FY2010 budget review needs to be done with more than a five minute review, and that the department heads have to explain what they needs are in the their departments. Alderman Drapeau stated that the Governor is cutting personnel, that State properties might not be kept up as well, that 90% of the city budget is personnel, that the minor cuts to the maintenance accounts will not make a difference, that the cuts at the State level will affect services, and that there was only \$88,000.00 in cuts in the city budget. President Doherty stated that there were \$300,000.00 in budget cuts in the last budget year that were passed over by the City Council, that he is not certain that 95% of the budget is labor, and that if money is placed in a department budget and never used then it should be cut from the budget. Alderman Drapeau stated that consolidation efforts and creating efficiencies will be beneficial. President Doherty stated that the budget review has always been based on a department view but that it should be a broader view. Alderman Mercer-Bruen stated that there were \$800,000.00 in savings in the budget review which is significant, and that taking a top down approach by management is needed. Alderman Drapeau stated that he referred to the previous year's budget cut of \$88,000.00 but these items have already been cut, and that the city is now down to personnel. Motion made and 2nd that the following resolution be adopted, as amended:

- RESOLVED
1. That the City Council recommends that there be a top down prioritization of the city's budget.
 2. That the city identify all potential savings to offset potential lost revenues for future local aid cuts.

3. That the city work towards freezing all non-essential spending and hiring until the full impact of the current economic downturn can be determined.
4. That the City Council call all department heads into a meeting to review the current status of their budgets.
5. That department heads be solicited to determine where cuts can be made within their budgets that will be beneficial, but not be destructive to their continued operations.

s/President Doherty

with an amendment as follows: 1. That the departments implement a conservative approach with respect to the use of overtime, all in favor, 9-0.

Presented to the Mayor: October 21, 2008 Returned Unsigned October 23, 2008

Motion made and 2nd to ADJOURN, all in favor, 9-0. Meeting adjourned at 8:14 p.m.

A TRUE RECORD ATTEST:

William C. Campbell
City Clerk and Clerk of the City Council