

Joint Select Board And Finance Committee Meeting Agenda

March 12, 2026 Meeting Minutes

PRESENT: Select Board Members Mark Mathews, Tony Beattie and Chuck Walkovich; Town Administrator, Andrew MacLean; Executive Assistant, Tracie Looney

Finance Committee: John Ladik, Robin Buxton and Quinton Cutler

1. DISCUSSION / ACTION ITEMS

1.1. Departmental Budget Reviews

The joint meeting between the Select Board and Finance Committee was convened to review departmental budgets for fiscal year 2027. Town Administrator Andrew MacLean facilitated the meeting, with Select Board member Chuck Walkovich and member Tony Beattie present in person, and Select Board member Mark Mathews participating remotely. Finance Committee members were also in attendance.

Public Works Department

Paul Brinkman, Public Works Director, presented the general fund budgets for his department, which includes GIS, signs and safety, engineering, highway, snow and ice, trees, and cemetery operations. Mr. Brinkman explained that he took a different approach this year, looking at all the budgets together rather than in isolation. Despite wage pressures from a new union contract, the overall increase across all Public Works general fund budgets was only 1.6 percent.

The department achieved this modest increase by operating with one fewer position after the superintendent of highways retired and was not directly replaced. Instead, they created a union working position. Mr. Brinkman noted that the current crew works well together and they are managing effectively with the reduced staffing.

Chuck Walkovich inquired about repair and maintenance funding and capital expenditures, expressing concern about maintaining current service levels. Mr. Brinkman assured the board that they have been strategic with ARPA funds and other resources to upgrade equipment, including signing paperwork for a new 10-wheeler dump truck that day - the first the town has had in 40 years. They have also acquired new pickup trucks and equipment for storm water management and catch basin cleaning.

When asked about fuel costs given global uncertainties, Mr. Brinkman acknowledged the volatility but indicated they must manage with their allocated budget. Mr. MacLean provided context that while energy prices are concerning, they managed through higher spikes during the Ukraine-Russia conflict, and current wholesale rates are about half of what they were at that peak.

Mr. Brinkman then presented the four enterprise fund budgets: water, sewer, transfer station, and storm water. Each enterprise fund is self-funded through user fees and permits.

For wastewater, equipment upgrades allowed them to reduce one position while maintaining service levels, resulting in only a 1.7 percent increase. The new intermunicipal agreement with Groton provides balanced cost sharing, and Mr. Brinkman hopes to avoid sewer rate increases this year due to new users connecting to the system.

The water division is expanding due to increased regulations, work on a new treatment plant, and assistance to Dunstable. This budget sees a 6 percent increase, largely due to EPA lead service line inventory requirements that will require punching approximately 1,000 holes to inspect pipes - a major unfunded mandate that necessitated purchasing new equipment.

The transfer station budget shows a negative increase due to removing a \$100,000 trailer purchase from the previous year, though other costs have risen. Mr. Brinkman noted they serve about 1,400-1,500 permit holders, representing approximately one-third of households.

Storm water operations face increasing regulatory pressures, but Mr. Brinkman is working to avoid fee increases by keeping the budget as tight as possible, noting that fees have remained stable for six to seven years.

Mark Matthews asked about the use of retained earnings for water, and Mr. Brinkman explained his practice of creating contingency lines in each enterprise fund budget, funded by retained earnings rather than building buffers into individual line items. This approach avoids having to raise rates to fund contingencies while providing protection against unexpected expenses.

Mr. Walkovich questioned whether transfer station hours could be reduced for efficiency. Mr. Brinkman explained that while they could potentially close one day per week, the labor savings would be minimal since staff would still be working, just on different tasks. He noted that integrating workers into highway crews for just one day per week is not very efficient for project management. He also pointed out that Pepperell has relatively low labor costs compared to other communities of similar size and waste volume, and they handle all materials that the state requires them to accept.

Fire Department

Fire Chief Joe Rock, who started on Monday of the meeting week, was introduced along with Assistant Jen Lane, who had prepared much of the budget work. The fire department manages two budgets: fire and ambulance.

Ms. Lane presented the fire budget, which increased by \$7,919.06 or 1.7 percent. The on-call wages line decreased by 20 percent due to better utilization of per diem and career members, reducing reliance on the call department. Chief Rock explained that they now have better visibility into staffing costs since they are effectively fully staffed, allowing for more accurate budget projections after last year's period of flux.

The ambulance budget actually decreased by \$4,978.89, again reflecting more accurate reporting of step and grade positions with current staffing levels. Mr. MacLean noted that for most of fiscal 2025, they had only three career members with some nights having no overnight service, but this has been rectified since mid-spring with six career people maintained for the full year.

Mark Matthews asked whether additional EMTs would allow them to take more calls and generate more revenue. Chief Rock confirmed this was correct, explaining they rely on mutual aid for approximately 15 percent of calls when they have back-to-back incidents. Additional EMTs would allow them to staff a second ambulance, capturing revenue that currently goes to mutual aid communities like Townsend when they respond to Pepperell calls.

Planning Department

Town Planner Jason Cleghorn presented budgets for both the Planning Board and Board of Appeals. The planning budget, which consists of approximately 90 percent salaries for Cleghorn and 0.5 FTE assistant Cheryl Lutcza, shows salary increases identified through the town's MGT wage and classification study. Some discretionary line items were reduced based on previous years' spending patterns.

The NMCOG membership fee increased by 10 percent to \$5,350, which Mr. Walkovich noted was still excellent value for the services provided. Mr. Cleghorn confirmed that NMCOG provides essential support for small towns like Pepperell, particularly for long-term projects and DLTA (District Local Technical Assistance) programs.

Mr. Cleghorn mentioned submitting a DLTA application for a complete analysis of all commercial properties to assess whether they are developed at their highest and best use and identify redevelopment potential. This aligns with community desires expressed in surveys for more commercial activity to lower residential tax burden and provide more local choices.

The Board of Appeals budget is much smaller and consists almost entirely of salary costs, with Mr. Cleghorn's salary split between planning and zoning functions.

Library

Library Director Diane Lynch, who has been in the position for almost eight months since July, presented a budget with a 4.1 percent increase totaling \$27,413. The majority of the increase stems from salary adjustments for Ms. Lynch and five unionized staff members based on the MGT wage and classification study results.

The library maintained level services with exceptions for utilities (electricity, heating, water, and sewer) reflecting cost increases. They reduced the DVD line item by \$700 due to decreased demand from streaming services, while being careful to maintain adequate materials funding to meet state library certification requirements.

Ms. Lynch explained that while the materials budget appears insufficient for state requirements, they supplement it with state aid and other sources. She offered to provide detailed handouts about library funding sources.

Mark Matthews asked about museum passes, noting that Pepperell offers fewer than surrounding libraries. Ms. Lynch explained that museum passes are supported by the Friends of the Library through fundraising, and decisions about which passes to offer are based on usage patterns. She encouraged Mark Matthews to provide suggestions to the Friends group.

Veterans Services

Veterans Services Officer Meg Murphy, who also serves as Assistant Town Clerk, presented her budget showing salary increases from the MGT study. Most other line items decreased, though she separated out a Memorial Day amount and added a police detail line item since the auxiliary police disbanded.

Ms. Murphy warned that the veteran's benefits line will trend upward in coming years due to increasing burial benefits for Vietnam veterans, many of whom are low-income and cannot afford funeral services. She has already paid for four funerals in the past year and expects this trend to continue with seven people currently receiving monthly benefits.

Ms. Murphy serves as the only accredited veteran service officer in a large regional area, currently managing 132 open claims for veterans. While Pepperell residents take priority, veterans from surrounding communities also seek her assistance due to the lack of accredited officers elsewhere.

Discussion turned to increasing attendance at monthly veterans' breakfasts. Ms. Murphy plans to provide educational presentations on various topics like claims, healthcare, burial benefits, and survivor benefits based on veteran requests. She also hopes to send a mailing to all approximately 600 veterans in town introducing herself and available services.

Regarding the veteran's tax exemption, Ms. Murphy expressed concerns about doubling it because the state reimbursement rate remains at 75 percent, meaning increased local cost, and legal caps prevent veterans from paying less than the previous year's taxes, creating confusion and potential disappointment.

Mark Matthews emphasized the importance of supporting veterans and suggested the town should look for opportunities to expand services rather than cut them.

Information Technology

IT Director Martin Cadek presented a 3.5 percent budget increase, emphasizing this represents bare minimum service level with no additions and some cuts from last year. He stressed that the \$25,000 repair and maintenance line should ideally be tripled to properly maintain equipment across 12 buildings serving 100 internal users and workstations.

Mr. Cadek explained he manages approximately 250 devices on 7-10 year replacement cycles, which is not ideal for safety or reliability. He cited missed opportunities including regionalization discussions, software needs like PDF editing for multiple employees, cloud email migration (\$40,000 annually), and ADA website compliance software (\$30,000 annually).

The department previously had a second employee for eight months who made significant strides in protecting water and sewer infrastructure, but that person moved to a better position. Mr. Cadek noted that what should be simple weekend projects take years to implement due to budget constraints and coordination difficulties.

He gave a painful example of returning a \$250,000 state grant because the town couldn't fund the \$30,000-40,000 annual maintenance costs, despite the project providing substantial security and connectivity improvements.

Current equipment includes many devices at or past end-of-life, with Mr. Cadek estimating about 100 of the 250 devices need replacement. He calculated that maintaining a proper 5-year replacement cycle would require approximately \$50,000 minimum annually just for equipment replacement.

Mark Matthews suggested creating a white paper documenting IT needs with associated costs, comparing it to building capital needs. Mr. MacLean agreed this would be valuable for community understanding.

Tony Beattie inquired about work-study students and volunteer opportunities. Mr. Cadek noted the challenge of training temporary help and the need for modern technical skills rather than legacy system knowledge.

The telecommunications budget remained flat at \$21,000, with hopes to move some phone systems to the cloud to reduce future costs.

Capital Program Overview

Mr. MacLean presented the Capital Program Committee's new approach for addressing the town's substantial capital needs. Rather than requesting large debt exclusions with associated financing costs, they propose periodic capital expenditure outlays - temporary tax overrides for specific projects that can be completed within one year.

The committee plans to present this concept at May town meeting without requesting funds, then return to a future town meeting with refined project lists and firm quotes. Their current preliminary list totals \$1.4 million, but they would likely cap initial requests around \$1 million, representing approximately \$250 per average taxpayer for one year.

Priority projects include building roofs, town hall painting, generators for multiple buildings, and fire substation improvements. The fire headquarters renovation appropriated last year is nearly complete and was designed to provide five years of stability while developing a longer-term solution.

The committee has also requested legislative earmarks totaling \$120,000 for COA and library projects, plus \$70,000 in flexible funding similar to what Senator Kennedy secured last year.

Mr. MacLean emphasized the importance of properly funding annual capital in operating budgets while using this periodic override approach for major infrastructure investments. The strategy aims to move the town forward substantially rather than just plugging immediate needs.

Budget Summary

Mr. MacLean reported that the overall budget deficit has been reduced significantly from initial submissions. Starting from approximately \$900,000 when budgets were first submitted, reductions brought it to the mid-\$500,000 range. The school district's Tuesday vote for approximately \$300,000 in reductions brought the deficit to the low \$200,000s, currently around \$240,000.

Work continues to identify additional reductions across the 600 general fund line items, with final numbers to be locked down in early April before town meeting.

2. ADJOURNMENT

Motion: Chuck Walkovich moved to adjourn the meeting. Tony Beattie seconded the motion. The motion passed unanimously.

These draft minutes were created using Clerk Minutes, an AI-powered platform that transcribes meetings, identifies speakers, and generates professional minutes.

Respectfully reviewed and submitted by,

Tracie Looney, Executive Assistant

APPROVED:

Mark Mathews, Chair

Tony Beattie, Clerk

Chuck Walkovich, Member

Approved: March 25, 2026