

June 12, 2009

Open Letter from the Board of Selectmen

Re: Override Election

On Monday June 29th, Pepperell will hold an “override referendum,” seeking to authorize \$646,797 in additional funding from the tax rate, to pay for the continued operation of our Library, our Senior Center, and our Community Center. There are no other sources of money available to fund these agencies, and failure of the override will mean they will close, with no chance whatsoever of “found money” or some other magical bailout appearing to rescue them at the last minute.

Why has this drastic action become necessary?

Like thousands upon thousands of private citizens, a myriad of other municipalities, and even whole states (Massachusetts being but one of many), Pepperell is facing an unprecedented economic crisis. “Proposition 2 ½” has been in effect for almost thirty years, limiting our ability to raise funds through the tax rate – we’ve become used to that restriction, even though the passage of time has increasingly rendered a 2 ½ % increase an inadequate offset for increases in electricity, gasoline, health insurance and such that have been escalating at much higher rates, sometimes even double-digits. Now, however, a “perfect storm” of economic distress has developed, which has laid waste to our traditional revenue streams, and our abilities to adjust:

- The “new growth” which Proposition 2 ½ has allowed us to add to our tax base every year has dried up, because there is no new growth – new construction is at a standstill
- The permit revenues (electric, gas, inspections, etc.) that new construction would normally bring in have also disappeared in tempo with the industry’s stagnation
- Automobile Excise taxes have fallen off because new car sales have slumped badly, and the older cars that people are retaining are producing decreasing revenues, since the excise tax schedule reduces the taxes due, as vehicles age
- State Aid has been drastically reduced, and will likely be reduced even further; our projections on state funding are subject to continuous adjustment - all of it negative - as the State wrestles with its own economic problems

In response to all of this, the Town has diligently sought to make internal changes that would reduce our financial shortfall

- We have solicited and received financial concessions from all of our personal services contract employees, and almost all of our Bargaining Units
- We have implemented a hiring freeze
- We have frozen “step” increases for non-contractual personnel, and have significantly reduced wages and hours
- We have done repeated line-by-line reviews of departmental budgets, making cuts and reductions wherever feasible

- We have laid off personnel and/or eliminated positions by attrition in the Police Department, Highway Department, and Board of Health
- We have taken money from reserve accounts and non-recurring sources to offset some of the shortfall, but have, in the process, reduced those accounts to unhealthy levels, thereby threatening our future financial position
- We have pursued alternative service delivery mechanisms, such as the Nashoba Associated Boards of Health

We cut well over \$500,000 from our budgets, but even after all those adjustments, we found that we still remained some \$600,000 short - and there was no way we could possibly make up that amount by further picking at already bare-bones departmental budgets: the amount was just too great. It was apparent that an override vote was the only viable option to address the shortfall, if Town services were to be maintained at anything even approaching recognizable levels.

There are some things that Towns just have to provide, not least of which are the public safety services of Police, Fire, and Ambulance. There is simply no way the Town could place those departments in a position of having an up-or-down vote to determine their continued existence. In a parallel vein, there is no practical way the Town could place an infinite variety of questions on a ballot, each reflecting an up-or-down vote on a position here or there, or some fractional part of one department or another, or some reduced level of service in some area – nor is there any way that such a shopping list could possibly encompass the magnitude of the amount of money that needed to be found.

Accordingly, a very reluctant decision was reached to limit the override referendum to the budgets of the Library, the Senior Center, and the Community Center. All worthy departments, highly desirable to have, providing vital services to the Community, and fully worthy of the support of the Townsfolk – but not, in essence, public safety departments, contractually obligated services, or legally required entities. Bedrock elements of community values, community image, and social service, yes - but absolutely indispensable, no.

The Board of Selectmen believes fervently in the value of these departments to the Town of Pepperell, and to the people of Pepperell. It is a sad turn of events that the general economic downturn has brought us to the point of having to make these kinds of decisions, but we have little choice in the matter: the system has a structural deficit, and we have few tools to correct it.

Pepperell is at a perilous crossroads in its path to the future. Ultimate economic recovery may take a long time to come about, and even longer to filter down to the municipal level. In the interim we must choose, notwithstanding the possibly painful monetary impacts, whether we wish to maintain our community as an entity that gives us pride, hope, and a state of form and function that will carry us on to better days to come. The alternative is a Town whose outward image will be a shuttered Senior Center, a Library whose extensive resources are locked away from our citizens, a depressed climate for new or existing businesses, and an inevitably delayed economic recovery.

We urge you to come out on June 29th, and vote in the best interest of the community – however you may define that term. This referendum will determine the tone and the strength of the Town of Pepperell for years to come.

The Board of Selectmen

Joseph A. Sergi, Chairman
Patrick J. McNabb, Clerk
Joseph M. Hallisey

The election polling place will be at the Varnum Brook gymnasium, 10 Hollis Street.
The polls will be open from 7:00am - 8:00pm on June 29, 2009.

Absentee Ballots are now available at the Town Clerk's Office. Voters who are disabled or know that they will be away on June 29 may apply for an Absentee Ballot and simultaneously vote during normal business hours up until noon on Friday, June 26. If you have already applied for an Absentee ballot, it will be mailed to you and must arrive back at the Town Clerk's office on Friday, June 26 by 12:00 noon or the Pepperell Post Office by 5:00pm on Election Day, June 29.

Please go to the Town's website www.town.pepperell.ma.us for further information.