

TOWN OF LAKEVILLE
Joint Board of Selectmen and Finance Committee Meeting
May 14, 2012 - 6:00 PM
Apponequet IMC

On May 14, 2012, the Board of Selectmen held a Meeting at 6:00 PM at the IMC at Apponequet High School. The Meeting was called to order by Chairman Maksy at 6:05 PM. Selectmen present: Selectman Maksy, Selectman Belliveau and Selectman Powderly. Also present: Rita Garbitt, Town Administrator, and Christine Weston, Recording Secretary. Cindy Dow was present from The Middleborough Gazette and was recording the meeting.

Selectman Jean Fox called the Freetown Board of Selectmen to order at 6:05 PM – Members present: Jean Fox and Lisa Pacheco.

The Lakeville Finance Committee's Meeting was called to order at 6:06 PM. Members present: Michael Petruzzo, Norman Orrall, Ted Bunn, and Donna Winters.

The Freetown Finance Committee Members present were: Robert Alderson, William Lombardi.

Also present: Interested citizens and staff-David Davenport, Carolyn Gomes, Robert Nigurera Cindy Stork, Laurie Hunter, Linda Grubb, John McCarthy, Michael Ward, Richard Brown-Freetown Town Administrator, Sylvester Zienkiewicz.

Meet with Lakeville Finance Committee, Freetown Board of Selectmen and Freetown Finance Committee to discuss FY13 Regional School Budget

Selectman Belliveau took the floor and explained that the Town of Lakeville started FY13's budget \$774,000 in the hole. It was reduced to \$463,000 when former Chairman Olivier was on the Board. Then, Free Cash came in higher than expected. The objective for the Town this year is to take care of Town employees that had not been taken care of for the last 4-5 years, then if there is any money left over, to give more to the schools. Mr. Alderson asked how much was in Lakeville's Stabilization Fund. Town Administrator Garbitt responded \$462,000. Chairman Maksy pointed out that the Board is not touching the Stabilization Fund, to either add to it or subtract from it, since the Town is not in the position to do so this year. Selectman Belliveau further explained that the Board then came up with another budget and had \$163,000 surplus, but the bottom line is that the Board wants to give non-union employees a 2% raise since they have not had a raise in 4-5 years. Due to the "like me" clause, the Town has to treat all the unions the same and has to take care of everyone since some non-union employees are becoming unionized. Thus, there is a surplus of \$125,500 to take care of the town employees.

Chairman Maksy stated that it has been quite a few years since the non-union employees have received raises; the unions though have received small raises since they have the negotiating power. The Town is in a position to do that this year and provide \$125,553.00 to the Regional Schools over Net School Spending. Also, since the amount of transportation went down, that helped out. The additional amount budgeted over what the transportation amount is what can be provided to the schools. The Town really had to come up with another \$85,000, in order to give the \$125,000 to the schools. Selectman Powderly stated that the schools are welcome to that

amount and he is supportive of that number. There are lots of other issues with the School Department in terms of revenue streams, but those questions are not needed to be answered tonight. Mr. Orrall stated that the Finance Committee discussed this at the meeting on May 10, 2012 and is okay with the figure, but feels that it is unfortunate that money cannot be put into the Stabilization Fund.

Selectman Pacheco explained that the Freetown Board of Selectmen wanted to follow Lakeville's lead, since Freetown is in a better financial position. Freetown will never push for a Joint Town Meeting. \$90,000 is what Freetown will then contribute over NSS based on Lakeville's percentage, and this will be a good statement for the community. Mr. Alderson asked what good that amount is going to accomplish. Where are you going with this? It is such a small amount percentagewise on a \$35 million budget. Selectman Belliveau stated that that amount is the maximum that the Town could come up with to help the schools shortfall. The schools also have a potential to save with the janitors contract of approximately \$300,000. Mr. McCarthy discussed the gap of \$428,295 for the schools through Mr. Ward and how the schools will have less revenue than last year. The Region will be getting \$43,000 less. Lakeville is providing \$52,185 more than the prior year, but there is \$96,000 less from Freetown than last year. However, that is all due to the formula. Mr. Alderson stated that Freetown has level funded all the other budgets and now wants to give more money to the schools. Selectman Pacheco stated that she is all for level funding the schools, however, cannot since Lakeville cannot afford it.

Selectman Belliveau stated that he was trying to come up with a figure to help the schools that Lakeville could afford. Chairman Fox stated that a lot of hard work and much time has gone into preparing the budget. Mr. Lombardi stated that he did not think that it should be said that Freetown is flush with cash. Freetown has a number of outstanding issues that will need to be addressed in the next fiscal year, like bridges. On paper, Freetown looks good, but there are three (3) contracts in arbitration or needing to be settled. There are a number of unknowns that the Town cannot put an exact number on for this budget. Where I come from with accounting, it is make sure you have reserves to cover the unknowns. I am glad and appreciate the fact that Lakeville is ponying up, but Freetown is not in that position. This is not a significant impact on the budget, and if our Board decides that to keep peace with Lakeville that we should do this, then we will, since we will not go to a Joint Town Meeting to quibble over short money. We have systemic issues with this system, and changes have to be made with how the school operates, and he does not see those changes being made. We cannot, on an annual basis, continue coming up with money for the schools. We are once again continuing down the same road. Chairman Maksy stated that Lakeville has been slowly and forcefully weaning off what it has provided to the schools. Lakeville is doing less now and trying to pay down its debt, and we know that things are coming down the road. Lakeville is also going without. We hear the schools and know Freetown's position. I appreciate the fact that we are all here tonight to do this. We can do a lot with \$125,000. The Board felt that this was a good compromise and could do this.

At 6:25 PM, the Freetown Selectmen and Freetown Finance Committee went into another room to discuss their budget. The Lakeville Finance Committee and Lakeville Selectmen continued their meetings and discussed the information that the Town Administrator had distributed.

Chairman Maksy then discussed the topic of raises and the status of the Police and Fire contract negotiations. At this time, the Police contract allows for a 1% increase for the upcoming fiscal year, however; there is a like me clause in their contract. They will be receiving a 2% increase, and that is covered in the budget dated May 14, 2012. The Fire Union will also receive an increase from a 1% raise to a 2%. The new unions in Town have not finalized contracts yet so there is money there, but it cannot be given at this time. Chairman Maksy stated that overall, in the Selectmen's budget the non-union, the contracted employees, and the unions will all get a 2% raise. Selectman Powderly explained that the Board is doing what it is doing to be more consistent. The teachers are still in negotiations, so that is also an unknown. It is usually a 2% increase for them. Chairman Maksy stated that since the health care costs have shifted, employees will be paying more. Mr. Bunn mentioned that the Town also does not see what the \$428,000 shortfall in the school budget looks like. Selectman Belliveau noted that the schools do have the potential of saving about \$300,000 in the custodial contract. They are working with the unions to come up with savings and have the numbers from privatizing. The schools will also save money with the Superintendent leaving to start another job in Scituate and having an interim Superintendent. Selectman Powderly stated that he felt that the schools have to do a better job of increasing revenue like through pre-school/kindergarten and School Choice. I think we can influence people to come here.

Chairman Maksy then discussed the additional help for the Town Administrator. Town Administrator Garbitt stated that the final column is for Pauline, to increase her by 3 hours a week. This is under the Selectmen's budget. Chairman Maksy commended the Police Department for working with the Board in negotiating their contract. Selectman Belliveau stated that the non-union employees have taken it on the chin for the past four (4) years. Selectman Belliveau added that he liked being able to give to the non-union employees and being fair one union to another, but he did not like the 2% raise. Town Administrator Garbitt then updated the Board on the Library budget. At the proposed budget amount, they would not need a waiver.

Chairman Maksy stated that he was in favor of the 2% increase. Selectman Belliveau stated that he was just trying to be prudent and conservative. Mr. Orrall asked how long the raise would be in place. Selectman Belliveau explained that this will be the second year as of July 1st since their contract expired last year. The Police got zero this year. Further discussion ensued in order to understand and clarify the raise and the "like me" clause.

Upon a motion made by Selectman Belliveau; seconded by Selectman Powderly it was:

VOTED: To approve the amount of \$125,500 over NSS for the Regional Schools and a 2% raise for contract, union and non-union employees.
In favor 2, Against 1 (with Selectman Belliveau voting against).

The Finance Committee asked to take the issue under advisement and vote on it at a future meeting.

Adjournment

At 7:05 PM, upon a motion made by Selectman Belliveau; seconded by Selectman Powderly, it was

VOTED: To adjourn the Selectmen's Meeting.
Unanimous in favor.

Upon a motion made by Mr. Orrall; seconded by Ms. Winters, it was

VOTED: To adjourn the Finance Committee Meeting at 7:07 PM.
Unanimous in favor.