

**TOWN OF LAKEVILLE  
Joint Meeting of Select Board  
And Finance Committee Minutes  
February 7, 2022 – 6:30 PM  
REMOTE LOCATION**

On February 7, 2022, the Select Board held a meeting at 6:30 PM remotely from various locations. The meeting was called to order at 6:30 PM by Chair Fabian. Members present were Chair Fabian, Member LaCamera and Member Carboni. Also present was Ari Sky, Town Administrator; Todd Hassett, Town Accountant; Tracie Craig-McGee, Executive Assistant to the Select Board and Town Administrator and Christina Cotsoridis, Assistant to the Town Administrator. LakeCAM was recording the meeting for broadcast.

Also present for the budget discussions were members of the Finance Committee: Darren Beals, Chairman; Larry Kostant and Brian Day. The Finance Committee opened their meeting at 6:33 PM.

In accordance with provisions allowed by Chapter 20 of the Acts of 2021, the February 7, 2022 public meeting of the Lakeville Select Board and Finance Committee will be held remotely. **However, to view this meeting in progress, please go to [facebook.com/lakecam](https://www.facebook.com/lakecam) (you do not need a Facebook account to view the meeting). This meeting will be recorded and available to be viewed at a later date at <http://www.lakecam.tv/>.**

**General Overview of Budget**

*Todd Hassett, Town Accountant, was present for the discussion.* Mr. Sky said since the budget was prepared, we have received the Cherry Sheets, which are a bit lower for government aid, but that may change. Smart Growth was flat. In the next iteration, there will be an updated number for reimbursements. The School Districts have started coming forward with their information. We have received the F/L Regional School District number, which is a bit higher than we thought. Old Colony is coming out on Thursday, but he has heard that the number is a bit better. He will have a standing update on budget numbers at Select Board meetings.

Mr. Hassett provided a general summary of the budget numbers for FY23. We have always taken the position that recurring revenue supports recurring expenses. Property tax growth was good in FY22, over \$630,000. The past five (5) years, we have estimated it at \$375,000 to \$450,000. Building permit activity is about 40% higher than a year ago at this time. We assumed growth of \$450,000. Mr. Hassett spoke about the debt exclusions coming on board. Property taxes are estimated to be up about 4% for next year. We believe the growth number is conservative, depending on how construction goes in the spring. State Aid came in a bit disappointing after the Governor's budget was released. There was a reduction in Veterans Benefits and unrestricted government aid is flat. Chapter 70 is level funded, and we are hopeful we can pick up some aid on Smart Growth and Unrestricted Government Aid. Local Receipts includes motor vehicle excise tax, license/permit revenues, Department fees; investment earnings and non-tax governmental fees that vary year to year. We had some extra local revenue in the last two (2) years related to cannabis enterprises operating in Town. Excise taxes are about \$160,000 higher than what was billed last year at this time. Investment earnings are off due to the rate declines over the last year. We still feel we can estimate a 5% increase in local receipts. Non-recurring sources are used to focus on funding the Capital Plan. We had a healthy Free Cash certification. Enterprise funds have struggled a bit during the pandemic and retained earnings are not what we are used to. We have a Stabilization Fund, Capital Stabilization

fund and Debt Stabilization Fund. We have a septic loan program, where repayments are used to pay off any related debt to the program. The Board of Assessors release excess overlay funds sometimes. We are not anticipating utilizing that this year. We will introduce that in FY24. The Capital Plan has a few major items that may involve borrowing to be paid off over a period of time.

Mr. Hassett said the collective bargaining agreements are all settled; FY23 is the third year of the three-year agreements. Non-union staff have a COLA range of 2-3%. There are no position reclassifications and no foreseen retirements for FY23. Mid-year we were able to hire the Town's first Town Planner. Next year's budget will reflect a full year's salary for that position. We are carving out a Planning Department budget, and are transferring a staff person from Inspectional Services to be the support person for the Town Planner. We are adding to Inspectional Services a part time clerical support position, and a part time clerical position in the Selectmen's budget will be moving to Human Resources. Human Resources will be managing two (2) part time clerks who will fill in wherever needed. In Public Safety, this year's budget included the addition of two (2) firefighters, which we funded for the last six (6) months of the year. These were temporary positions due to the pandemic and were fully funded through the CARES Act through the end of December. Next year we will have to fully fund those two (2) firefighter positions. For the Police Department we are recommending the addition of one (1) patrolman position. We are recommending moving a part time laborer in Department of Public Works up to a full-time position. We have put in a modest amount to the Council on Aging budget, under \$10,000, for an outreach program. It is an ongoing program which has been funded through a State grant, but it is not sure that it will be funded next year. We are supporting adding \$5,500 part time staffing to the Elections Budget to assist the Town Clerk with early voting and additional election demands.

On the operating expense side, Select Board expense will increase \$5,000 in audit services because the Town has received over \$750,000 in Federal aid and must have an additional audit done. Also, every other year we have to have an independent actuary update our OPEB liability, which is over \$11,000,000. This is the year that the work needs to be done and that work is generally accepted for a two (2) year period, with an expense of about \$7,000. Human Resources have a one-time line added for a non-union staff compensation and classification study. Under Information Technology, we took a hard look at technology and developed a good budget. We have concerns regarding cyber security and disaster recovery. We received a Community Compact Grant to help with some of the costs, and we will have ongoing maintenance associated with this. The utility expenses from the Historic Library, now Inspectional Services, and Town House have been added into General Government utility costs. Under Facilities, we have added additional expense money for maintenance and custodial support if needed and to allow the opportunity to hire Owner's Project Manager services for a variety of facility related projects. We have added about \$30,000 in total for Facilities. Education assessments for the F/L Regional School District and Old Colony Vocational Technical High School are just starting to come in. Public works includes an additional \$27,000 for Snow and Ice. We are trying to move this budget up a bit each year to get to a point where it represents an average year's snowfall. Under Employee Benefits, we have built in a 6% rate increase. The pension assessment for Plymouth County Retirement is going up about \$100,000. That is planned to be fully funded in the late 2030's. Debt service is challenging as we have very little debt per capita other than the Police Station. We have a few items that we will be rolling in our share of the cost. We have ordered a new ambulance, which we will begin financing in FY23. Our new Treasurer was able to secure, through the State Clean Water Program, a loan to cover the Septic Homeowner Loan Program at a very low interest rate, repaid through homeowner's loans. As we take on new debt, we don't have a lot of capacity within the levy limit. Most of the debt we have is Debt Exclusion as voted by the voters. We are looking at a number of initiatives going forward. We are proposing balanced budgets for both

Enterprise Funds next year. There will be a \$95,000 operating subsidy for the Transfer Station, a little less than recent years. They are operating fairly strongly, but do need some tax support. There is one small capital item funded from their retained earnings. Park Commission has submitted a balanced budget, using \$20,000 in retained earnings, specifically for modest facility improvements that might be needed.

The Capital Plan is a five-year plan from FY23 to FY27. We are working on moving some projects around for FY23. We will be ready sooner than we thought for the Highway Office Building. We had that initially in FY24 expense, but we are trying to move it to FY23. The Fire Station/Town Hall Feasibility Study that is underway will likely not require as much design funding for FY23. There is a feasibility study for the Senior Center; replacing the roof of the Library and a variety of projects for the Parks. The major one is what the Town will want to do in respect to the current Town Hall/Fire Station. Also, the Capital Plan includes a number of vehicle replacements. The Fire Chief will be discussing the need for a new ladder truck, about \$1.1 million. We have continued the roadway improvement plan to go with the State's Chapter 90 Program to better maintain the roadways. We have \$375,000 proposed for the roads. We are recommending adding Free Cash to some of the reserves. We are suggesting \$310,000 be added annually to the Trust. We have a liability of \$11.4 million and assets of \$2,250,000 to cover the liability currently. We are suggesting adding \$700,000 to the General Stabilization Fund with a balance of just over \$1 million. For retained earnings, we are proposing using \$70,000 for Park Retained Earnings, \$20,000 for budget and \$50,000 for capital, and about \$25,000 of the Transfer Station Retained Earnings, leaving them with a balance of just over \$100,000. The Transfer Station has a major truck purchase for FY26. We are hoping to be able to use Retained Earnings for that. Free Cash was certified at just over \$2.4 million. With the Capital Plan, we would still be looking to come out of Town Meeting, if everything is approved, with over \$440,000 unused in Free Cash.

Mr. Day asked about the FY24 Department of Public Works facility improvements. Is that in addition to what was previously added. Mr. Sky said there was \$235,000 appropriated. They have additional needs for the parking lot and the \$235,000 is not enough to do the building. \$500,000 is a placeholder. We should have schematic design in time for the Annual Town Meeting. Mr. Sky said there are 2% raises for union employees and for non-union we had 3% for full time and 2% for part time employees.

### **Accounting Department**

*Todd Hassett, Town Accountant, was present for the discussion.* Mr. Hassett said for staff, there is a full time Accounting Specialist and himself. On the expense side, he is not a Town employee; he is under financial services. There is a modest amount of training for the specialist. We have permanent requirements for binding. Our largest expense is toner cartridges for printers. There is a modest amount for travel and dues. There is an overall 2.6% increase. Mr. Day asked if Mr. Hassett is still planning on an electronic management PO system. Mr. Hassett said we have a new Treasurer/Tax Collector that has a lot of experience with the product the Town uses. We weren't sure whether there would be value given the size of the community to do that, but it is on the radar.

### **Information Technology**

*Robert McNally from Green River Associates was present for the discussion.* Mr. Sky said this is a contracted service now. There has been an increase for maintenance agreements and contractual services. The DR site maintenance agreements have increased. Contractual services are mainly the

Nutanix product for virtual servers and file storage has increased for contractual services. He is pleased with the work done over the past eight (8) months to improve our environment and secure it. Mr. McNally said we have 24/7 monitoring services for security with real time logging. We are notified immediately if something is happening on the network. Mr. Beals asked if Town employees have Town issued laptops. Mr. McNally said pretty much everyone has a Town laptop, but there are a few that don't. If they are connecting with their own device, he has his security stack on them. Mr. Beals asked if the Town has cyber security insurance. Mr. Sky said yes. Mr. Day said the 10% increase in the budget is within reason as we are adding services. Member Carboni asked about the increases for the maintenance agreements and contracted services. Mr. McNally said the primary contracted IT service is with Green River Associates. Maintenance is Nutanix and part of the DR will be an ongoing maintenance agreement. Member Carboni asked if percentages go up again next year? Mr. McNally said when the original Nutanix was purchased there was a 3-year maintenance plan. There won't be as much of an increase next year. Member Carboni asked if software has been added. Mr. McNally said the security stack was added. There is a growth in email where every Town employee has email. The security stack goes on the email to protect against spam. The security software analyzes what email is coming in and filters it out. If it makes it through, each computer has a security stack. Also, we get 24/7 notification is something odd is happening. If a device is trying to do something, the security will take the device off the network. Mr. Day said Green River has identified a number of areas where we weren't properly licensed for some things, so they made sure we were updated on licenses. Member LaCamera said not every employee has a laptop, but the employees that needed the ability to work from home have laptops, which were paid from the CARES funds.

### **Town Clerk**

*Lillian Drane, Town Clerk, was present for the discussion.* Chair Fabian said we are adding \$5,500 for Election staffing. Ms. Drane said salaries went up 4.4% due to step increases and COLA. Under expenses, she is up 17% because she is switching over a line item from registration expenses to Town Clerk expenses due to databases she is maintaining for the office in regards to Board/Commissions, dog licenses, underground storage tanks, etc. On Election expenses, there is an increase of 5.2% to do with extra poll workers needed for the upcoming election. Early voting is extended to 15 days before the election and for primaries it is extended to seven (7) days. Registration expenses went up due to the cost to print the census, street listings and ink cartridges for the printers. She is hoping that the \$5,500 for elections will be enough. Vote by mail is here to stay, so she would like to hire two (2) poll workers through this challenging cycle. Mr. Beals asked Ms. Drane how comfortable she was with the numbers. Ms. Drane said she used this number for the General Election in 2020 and the State Primary. That is with herself and the Assistant Town Clerk putting in more hours. She will make it work. In 2024, she can see needing additional funds. Chair Fabian asked if we get any assistance from the State for early voting? Ms. Drane said this is an unfunded mandate. They are paying for the postage for the voter to return the ballot. Chair Fabian said if someone prints up a sheet from a website and sends it in, we have to pay to send it back. Ms. Drane said postage went up in FY22 \$11,000 because of all the vote by mail ballots. Mr. Day said there is a total increase of \$11,000 in the budget. Would you be comfortable with a larger number? Ms. Drane said she is comfortable with the \$11,000. She will utilize the two (2) floating clerks.

### **Human Resources**

*John Viarella, Human Resources Director, was present for the discussion.* Mr. Viarella said under payroll, there is a change from \$19,000 to a bit over \$42,000. We have a person that is a part time

floater clerk that is now under his budget. Under expenses, we are asking for an increase of \$25,000 in contracted services to conduct a classification and compensation study for non-union employees. This will impact 56 non-union people with unique job titles. The study will include an evaluation of the positions themselves, looking at job descriptions and interviewing employees in the positions, making necessary changes based on those findings and comparing those with communities of similar budgets and size to determine if our people are doing more or less; is our compensation competitive, and perhaps make corrections on salary ranges. He is asking for additional money for training/education. We are hiring a new HR Administrative Assistant, and he would like to turn that into more like a Human Resources Practitioner with more education and training. There is a bit more for advertising as recruiting is very competitive and a slight increase in dues and subscriptions.

Mr. Sky said the key is to try to create a system that is less ad hoc. We will look at some governance issues. These studies are useful to look at what we are doing in an impartial way. It is important to move our organization forward to look at ways to incentivize performance and reward higher performers and give them a good reason to stay. This goes with looking at benefits, and we will be bargaining with the unions on delivery of health insurance. Mr. Beals asked Mr. Sky what his gut feeling was for Lakeville? Are we high end, middle or low end. Mr. Sky said we are lower end on some cases and higher end on others. We have a situation in Lakeville where mid-level people are paid pretty well. Higher level people, who are harder to recruit, tend to be paid less competitively. We have jury rigged our compensation for specific positions to get the person on board. For organization cohesiveness, morale and retention, you don't want too much of that going on. It is important to reward good performing people. We have a somewhat inequitable situation where non-union people get COLA, but no steps or rewards for good performance. We have good staff that work really hard and he has been impressed with their dedication. There are ways to recognize and incentivize that behavior. Mr. Day asked if the study is going to look at the levels and steps that we do have. Mr. Sky said it is to look at the non-union positions. Mr. Kostant asked what is our non-union job retention? Mr. Viarella said he doesn't see a lot of turnover, but recruiting is a bit of an issue. Member Carboni said there was one (1) retirement, one shift in position and then two (2) new hires. Mr. Sky said we had a lot of trouble filling some of those positions. Member LaCamera said we need to have a lot of discussion on that proposal. You mentioned the new position for the HR Administrative Assistant, but this isn't a new position; it is a replacement. Chair Fabian said often people will do comparisons and they are comparing salaries with like size towns, but not comparing qualifications. Is that included in this study? Mr. Viarella said yes. That is the point of bring in a third-party vendor to do a deep dive to make sure that a person that has a title has similar experience and qualifications that they are being compared to in another municipality. Chair Fabian said this is a much bigger conversation to have.

### **Town Administrator**

Mr. Sky said for the Select Board/Town Administrator budget, it is down about 18% due to reallocations and one-time expenses no longer in the budget. Under personnel, the floater clerk went into Human Resources and the Town Planner to the Planning Department. Contracted services went from \$30,000 to \$20,000 net due to consolidation from Other General Government. The money that was spent last year was for the Town Administrator search. General government money was moved from the Recording Secretary. Travel and dues have gone up, but there is a savings in advertising. Bringing on the Assistant to the Town Administrator has raised dues and subscriptions. Member Carboni asked where is the money held from the General Government. Mr. Sky said it was in Contractual Services. There was \$30,000 budgeted for FY22 and we have spent very little this year. Member Carboni said looking at the Town Administrator salaries from 2020 to 2021 actuals there was

a big jump and then it went back down to 2022. Mr. Day said there was a period of overlap with the two (2) Town Administrators before Mr. Sky. Mr. Hassett said it was the end of 2020 and beginning of 2021. There were buybacks from two (2) Town Administrators before in the summer of 2020.

Mr. Sky said the Finance Committee Reserve Fund has a number of \$150,000. Legal fees increased a bit. He is trying to find ways to keep the numbers down. Having a Town Planner may help. Mr. Hassett alluded to the reorganization of some of the facility support budget on pages 15-16, where some budgets go to zero and were put in Public Buildings and Properties. Town reports, Cable and Historical have normal budgets. Chair Fabian asked if there is a chart for each building in Public Buildings and Properties. Mr. Hassett said yes. We have been doing that with the Facilities budget. The Town votes a number and it is expended at the numerous Town buildings. Mr. Beals said under Other Contracted Services under Public Buildings and Properties, there is a 35% decrease. Mr. Hassett said we had rental of storage units that are no longer there. We did a thorough review and feel that what we put in is more than adequate. We are just aligning things to be in the right location. Ms. Cotsonidis said we looked at the historical amounts pending in that line. Mr. Sky said we had a few places in the budget that we did that. Mr. Beals said he is trying to understand what contracted services are. It looks that you re-evaluated that line item. Mr. Day said he is looking at electricity and water service for Public Buildings and Properties. Historic Town House is rolled into the bigger budget, but there was only \$250 for electricity and nothing for water there. Mr. Hassett said most of this is from the Historic Library, which is no longer being leased. The leaseholder would pay a significant amount of the utilities. Mr. Day said he was surprised about an increase of \$8,000 in electricity. Mr. Hassett said we can take a closer look. Member Carboni said isn't that a compilation of all other buildings? Mr. Hassett said the Fire Station, Town Hall, Town House and Historic Library. Mr. Day said we went from \$19,000 in FY21 and FY22 and a big jump in FY23. Member LaCamera said we have put heat and air conditioning in the Town House so that the building can be used year-round. Chair Fabian asked Mr. Sky to work Mr. Beal's and Mr. Day's questions for the meeting tomorrow night.

Member Carboni said Mr. Sky mentioned the non-union COLA increases. We have had four (4) new hires, two (2) of which were new positions. Each came in at a higher salary as was anticipated. Since they haven't been here for a year, what is the justification for the COLA. Mr. Sky said he was following the Board's direction for 3% for full time non-union positions. COLA is usually done on January 1<sup>st</sup>. If we did not give a COLA increase as of January 1<sup>st</sup>, one (1) position would be a year and a half without a raise. It is his recommendation that it be provided on July 1<sup>st</sup>; it is not the fault of the individual if that is the date. We can go another direction if the Board wants to. Member Carboni said we don't have a policy to address that. A year and a half is a long time with no increase. We may want to consider this in our policy going forward.

### **Finance Committee Business**

#### **Designate representative to participate in Old Colony Regional Vocational Technical High School District budget process**

Mr. Beals said the Finance Committee has a request from Old Colony Regional Vocational Technical High School District to designate a representative to participate in the budget process. He has done it the past few years, and is hoping someone else can take this over. Mr. Kostant asked how much time is involved. Mr. Beals said it is probably a few hours of meetings. Mr. Beals said they will discuss it at the meeting tomorrow.

Member LaCamera said Mr. Beals is on the F/L Regional Finance Subcommittee, so we need someone from the Finance Committee appointed.

### **Review and possible vote to approve Finance Committee Minutes of November 8, 2021**

Upon a motion made by Mr. Day and seconded by Mr. Kostant, it was:

VOTED: To approve the November 8, 2021 Finance Committee Minutes.

Roll call vote: Mr. Day – aye; Mr. Kostant – aye and Mr. Beals – aye.

### **Adjournment of Finance Committee**

Upon a motion made by Mr. Day and seconded by Mr. Kostant, it was:

VOTED: To adjourn the Finance Committee Meeting at 8:16 PM.

Roll call vote: Mr. Day – aye; Mr. Kostant – aye and Mr. Beals – aye.

### **New Business**

There was no New Business discussed.

### **Old Business**

Chair Fabian said we are still doing Covid testing and there is a lot of information on the Fire Department webpage. Member Carboni said she is the designee for the Superintendent Search Committee. They reviewed 32 applications and identified 10 candidates for interviews. From the 10, 1 took another job and 2 backed out. 4 candidates have been interviewed, and we will interview the other 3 on February 12<sup>th</sup>. Then we will identify those to go to the final interviews. Member LaCamera said when Member Carboni was appointed to represent the Board, you were going to try to put together the expectations from the Town for the Superintendent. Did you do it? Member Carboni said yes. Member LaCamera said the Board has not received it. Member Carboni said she spoke to Mr. Sky about what was important and she took that forward to the Search Committee. Member LaCamera said he would like to see what was presented. Member Carboni said she had asked at the meeting if the other Selectmen had comments and none were made. Member LaCamera asked Member Carboni if she can provide the information of what was provided. Member Carboni said we have not discussed that yet. She reviewed the 32 candidates and based on the information she received from Mr. Sky and her past experience, she identified the 10 candidates that she felt should be moved forward. She is confident that the 10 moved forward can support the best interests of both Towns. Member LaCamera asked Member Carboni what were her expectations. Member Carboni said regional experience, superintendent experience, budget and special education, longevity, teaching experience, locality and demographics. When we asked questions, her question was from a Town perspective: what practice would they implement as a superintendent to provide a strong collaboration, transparency and continued work with the Towns.

## **Adjournment**

Upon a motion made by Member Carboni and seconded by Member LaCamera, it was:

VOTED: To adjourn the Select Board's Meeting at 8:25 PM.

Roll call vote: Member Carboni - aye; Member LaCamera – aye and Chair Fabian – aye.

## **List of documents provided at the Board of Selectmen Meeting of February 7, 2022**

1. Agenda page
2. FY23 Budget