

Present was James C. Lehan, Robert J. Garrity, Scott Bugbee, Jack Hathaway, Town Administrator and Marian Harrington, Executive Assistant.

Also present was Advisory Committee members Pat Snead, Marc Waldman, Rick Stillman, Arlie Sterling, Lisa Curl, David Benton, Al Butters, and Susan Jacobson, Administrative Assistant.

The meeting was held in the Community Room at the Norfolk Public Library. Jim Lehan opened the meeting at 7:00 p.m., and announced that the meeting will be videotaped. Jack Hathaway read the agenda contents.

SCOTT BRAGDON, HR DIRECTOR

Scott was present to discuss insurance. Scott said he originally was coming to discuss the changes we could have. He said in the meantime, he contacted MIIA, our vendor who offered us a 2% drop. This saved the Town \$100,000 and the employees \$35,000.

BUDGET DISCUSSION

Jim Lehan said the object of the meeting tonight is to finalize the budget. He said that we have been working on the budget for about 3 months now, and we still are not finished, although we are close.

He said that we have had to depend on the State and although they are not sure of what they are doing, we have a balanced budget. After at least 10 years, we have finally added to the reserves, and the bonding rate has gone up. We had hoped to put some things back, but we are not able to do that. He said that the schools issues. Until 2 days ago, we were in a deficit mode and we have a few variables. We invited the School Committee and Superintendent from King Philip High to attend this meeting.

Jack Hathaway reviewed the budget details. He said we are using \$41,000 of free cash. We are using \$350K to support the budget against his better judgment. Additional changes in our last meeting was cutting the new Fire Department call back system. It was a test this year, and it was new and the Chief brought it forward, but we cannot support it financially. This will be a \$70,000 savings.

Another change was we scaled back the Planner position to part time. Jack said we cut Town Hall staff to 2/3 about five years ago. We cut this back to half year funding. We also scaled the elementary schools back to 4%, which saved \$38,000.

In adding \$5,000, Jack said he cautions that using the free cash and capital is one time funds. This creates a hole next year when we start out. Jack said we use those monies for emergencies that come up. We no longer have a cushion. We get down to the bone. This budget has King Philip at 6%. We looked at how to get to 8%, but went with 6%.

Jack said we put the \$500K away, but took a house by eminent domain and also put in the solar. He said if we continue to push the revenue estimates and motor vehicle taxes, he is concerned that they will come up short. He hasn't seen them yet.

Scott Bugbee had no questions at this point. Rob Garrity said he is not thinking the end of the world. But going into the Stabilization Fund is catastrophic.

Jim mentioned the Planner and Zoning. Sometimes we have conflicts and different interpretations of the same bylaw. A planner is a necessity.

Jim said we have more than paid for the position. This position will generate revenues for us. Jim said we have a tight, tight budget as have the last few have been.

Jack thanked the Board for team effort and department heads and employees who put the budget together. Departments started in the fall, and then he started jumping in, in January.

Jim told Pat Snead that he has their final balanced budget. King Philip at 6% and 8%, vs. the elementary school. They have been terrific team players. They have been in great partnership with us. We do not want to make any further cuts. We have done \$97,000 cuts; down from \$150,000. He explained the cuts to the Advisory Committee members who just came in.

Pat Snead complimented the snow and ice budget.

Rob Garrity moved to approve the budget per the Town Administrator, with 8% to the King Philip Regional School, and 3.65% to the Norfolk Schools. Scott Bugbee seconded, and it was **so voted**.

Dr. Elizabeth Zielinski, Superintendent of King Philip Regional Schools was present.

Jim said that Norfolk's contribution, we have averaged 6.1% contribution which is the highest contribution in any area. Jim said this is a financial strain because the budget is huge. We are trying hard to work our way through this and that is why we are showing two budgets tonight.

Dr. (Liz) Zielinski said the first issue she has is the current budget. Second is the ongoing issue unless they can find a way to correct this. She handed out a small powerpoint. KP does have a vision that they are part of a K-12 education journey. Regional does not mean they are not part of each town. Liz said they understand fiscal changes that everyone is facing. Focus and vision has been on curriculum, human capital (persons that work for them at all levels) and wanted to ensure they work in that direction even with fiscal constraints. There was a 1.2 M deficit when she came on her first day 3 years ago.

Liz said when she came to KP, they were a level 3 school district. Math was where their problem was lying. This meant curriculum changes. Liz said today KP is the only level 1 school district in the Hockomock league. This year they made the AP honor roll, which made them one of 350 schools in the country and Canada. She noted that students are recognized in music – gold medal winners both at high school and middle school. Improvement overall is a goal.

Liz said their budget process begins in Sept/Oct. They turn the budget process around to include day long sessions and bring in current team leaders who spearhead the department. Budget subcommittee and school counsel is invited. They are pretty factual about what they need. After that, they take the budget request and it gets filtered. Streamlining and looking at the budget, she then makes a presentation to the School Committee and gives her report. They get a level service budget. Everything stays the same. They have federal obligations they have to meet such as students who have been in elementary and have certain needs. As they move to the high school level, they have to address their needs. They also have to consider when they go out to work.

Because of the nature of disability, a student can stay until age 22.5 instead of 18 so that they can continue to get more assistance. Adult services do not begin until the age of 22.

Liz discussed the budget drivers. She said new growth has increased. 28 students fit comfortably with the new building. Currently in core classes she averages 30-32. History has 34 students. Class size is an issue with science and labs. They are bursting at the seams. They are 15 students away from meeting total capacity at the school. Some of the programs need more physical space, such as special needs. That doesn't leave them many available spaces, nor the staff.

Liz told them that the Excess and Deficiency Fund (E&D) comes from money not expended over the year and is certified. The maximum you can carry in deficiency is 1.3 million. In the past 3 years, they have gone into the Excess and Deficiency Fund to staff the high school. She said they dipped into it this year for a little project – a septic system had to be put in. This was \$500,000 which came out of E&D. This should be for major unexpected repairs such as a boiler, etc. The building is open 7 days a week. Wear and tear has to occur. With snow, leaks in the roof, etc. They need to keep this to use for a catastrophic happening.

Dr. Zielinski gave out a sheet explaining her operating budget. Laid off 5 teachers last year, and is running without a Librarian. She explained what 8% would do, if we gave that much.

Liz said they are currently in negotiations for health care. She has assumed it will be signed this evening. Al Butters asked when the last time they were negotiated? Liz said she doesn't know. They are under the Health and Welfare Trust – did not adopt 32B. Prior to her coming, she did not think they have been negotiated. They do negotiate every year for health insurance. They are actively doing a plan design change.

Liz detailed the savings in the budget, and what they cut. They cut staff in the front office and two custodians as one is retiring, and the other is a layoff. They do their own taxes and payroll. The very bottom is athletics.

Liz said they will look at where athletics comes in on assessments and they will decide what has to be eliminated in order to meet budget. They realize it is a critical part of what they do; however, they also know they have to have teachers in front of students. You can't do this to the kids. They may have to streamline and cut back. May be other ways to look at it, but for budget purposes it is the dollar amount and it is those sports.

She said they looked at the amount of kids in each sport. She doesn't want to say one sport is better than the other. If you cut the boys, you have to cut the girls. Be fair. Liz said they looked at the seasons as well, so that there is something for them to go to.

She listed all the sports and the dollar amounts. She said Monday night people asked about fundraising, etc. She said you have to look at it. You wouldn't fundraise for a teacher. AV would be cut to part time. Co-curricular activities would be music. Percussion and guard – winter. She said that maybe it can be streamlined other places but this is how they did it.

Liz discussed various cuts that could happen. She talked a little about the circuit breaker funding which is State and special needs.

Norfolk School Committee and Ingrid Allardi were present. Jim commended them and thanked them

for being team players. They graciously took cuts to help us reach the 8%.

Jim said we are the first out of the gate. He said we could defer the budget until mid to late June because we don't know where the State is with their budget process. We are inclined not to do that and continue forward. If we start the process, your odds increase because we talked to the two towns and Plainville and Wrentham are not eager to do a large percent. Norfolk has decided to go forward and set a number. Jim said what you are asking us is to go to the 8%.

Pat Snead questioned the sports and which ones would be cut and the fees that parents paid. He said hockey is one of the most expensive sports.

Dave Benton mentioned the 10%. He said we don't have any other town on board with us, and we aren't even sure if they'll agree to 8%.

Arlie Sterling said our growth at KP has been just under 7%. Do you see that trend changing? Liz said she doesn't think so.

Jim said to the two KP school committee members, that we have been asking about collaborating and working with you and we have never received an answer. We want to work with you, and we need to be involved more in the process. We would have a much more feeling about what is going on. It would prevent these difficulties. Jim said if he and Jack didn't take it upon themselves to meet with Liz, we wouldn't be here tonight. We need to help and better understand. There isn't a down side to this. We know the authority resides with you.

Pat Snead said negotiations is 7%. That's a difficult number. Everything has been flatlined. Pat asked why is it that the costs that you are in are moving at such a rate – 7% while everyone else is taking pay cuts or no raise. You just keep going. We are at 3% and you are 7%.

Rob said that enrollment is killing them. Pat said people looking at this have a hard time understanding the increases. We need community buy-in. If we have to live with it, fine. But let's be sure of it.

Jack talked about the excess and deficiency. Towns vote a budget based on a figure and then KP uses the E&D and it makes it different.

Jim said they have averaged about 2.2% over the years. They are in the same scenario – level funded state funded and they are managing.

Rob said it's hard to be involved when a Norfolk kid is more expensive by a lot than a Plainville kid. It has worked horrifically against regional schools. We pay \$9,500 per student while Plainville pays \$7,500 and Wrentham pays \$8,500. We pay a considerable amount more.

Rick Stillman said 7% per year is not sustainable. If this keeps going on, it's not sustainable. If you do everything you can do, what else are we left with? An operational override?

Jim said at the end of the day we have taken every cent we can take and nothing's working, what do we do. That is why we need to be true partners in the process, not just the dance. The KP School Committee is liable.

Susan Jacobson said the School Committee needs to think out of the box. She has three kids and

the sports is going to create the haves and have nots. Sue said it is a selective process, and it should be across the board. She said her kids play 5 sports. Four of their sports are going to be cut. It isn't for everyone.

Pat Francomano, Chair of KP School Committee answered questions addressed by Dr. Zielinski. People have to make their own choices. Send your kid to KP because of the wonderful teachers, the college accessibility, etc.

Shawn Dooley, Chair of Norfolk School Committee thanked everyone. He said staff worked hard to get here today. The School Committee would like, since they are cutting an additional 67K out of their budget, to address to KP administration, business manager and school committee that there are things we would like to see happen. It is a business and should be treated as such.

Ingrid Allardi, School Superintendent said that they have a short term and long term plan drawn up. They have a sound business plan to show where they will be in 3, 5, 10 years etc. In this tight budget, they need to plan conservatively. They will plan this way on K-6 level, and it should be presented to town residents. We have had tough economic times in Norfolk. Taxes continue to increase. We don't have the business and malls. We would like to encourage taking a stake in the game. We understood that everyone is hurting. They took a pay freeze with a 1% and 2% cola. Ingrid said they send a loud strong message to the negotiating team and teachers that this is what we need to have happen. We can't keep going 7%. We were able to do something for the teachers and administration to show that they realize everyone is hurting. Ingrid said they will not sacrifice the teachers, if KP teachers aren't willing to help out as well.

Rob said town employees, Police, Fire and DPW took a pay freeze. Liz said that they did a 4.3% increase, which is a conservative initial request. They have had a slight decline in students, initial teaching positions were reduced in 2008 and they have eliminated teachers and other things as well. Ingrid said it is a tight budget at 4.3%. Several grade levels are at max. They don't have capacity and did reduce some on expense side. Ingrid said they do recognize that we are K-12, and we recognize that KP is tight, and we cut another \$67K. This is a very tight budget and will be difficult for them to absorb. Ingrid said the sprinkler system at HOD school needs replacement. It would be about \$40K to repair and replace. They will delay that for another year. Ingrid also mentioned other cuts they have made.

The Board thanked Ingrid and Shawn for being good team partners.

Jim mentioned cuts that we have made. We eliminated the call back system for the Fire Department. \$300,000 free cash was dedicated which is a cardinal sin. We are getting to your number, but creating a problem in our own budget next year. We are going to be \$300,000 in the hole. We have never touched the Stabilization Fund, and we shouldn't be but we are to help you. Jim stressed that we will not be here next year. You need to figure out why this occurs every year, and what you are doing wrong. Other budgets do not have this problem. You need to realize that we were finally doing well and were bringing back things to our budgets for the first time in years, that we have now cut to help you. It will not happen again, and that is a mutual position of the Board of Selectmen.

Jim said he is reinforcing that we need to fix this. We cannot keep doing this. Arlie Sterling agreed. He said we have already made a 67K cut at schools. Arlie said that we have given up over \$450K to someone who has increased at 7% every year.

Marc Waldman said we have not had any significant growth numbers during this recession. There will be some growth that is not the norm if these developments happen. Jim said it is safe to say that we will be in a better position next year.

Pat said it was interesting to hear the differences between the towns. Rob thanked the elementary school committee. Pat echoed the sentiments and thanked elementary and the Board of Selectmen and Advisory Committee for ongoing commitment to KP and education. Pat said we need to have some type of joint task force such as members of the Advisory Committee, Town Administrator, Board of Selectmen, School Committees, Supts, Business Managers, and go line by line and see what we can accomplish. He offered that.

Jim asked if they would join us at town meeting if we went with 8%. Shawn said yes. Rob said he thinks 8% is astronomical to the other two towns, but let's start there and see who wants to play. Scott agreed.

Marc said that procedurally can we keep town meeting open and schedule June 25th, keep town meeting open and reconsider. Vote it in June. Jack thinks that you have to reconsider that night.

Shawn will check with the AG's office in the morning to see if they can do it contingent upon another town's vote.

Arlie thinks using stabilization funds is significant step. It is a very hard place to be. \$100,000 – we should decide what level of funding we are going to use. Maybe do the stabilization in the article before it. It is a 2/3 vote.

Marc said that all 3 towns may come to a different number. Marc said if Wrentham comes in at 7, then we should go with 7 rather than 8. Pat said he will try, but that's all he can do.

At this point, the meeting ended.

TOWN ADMINISTRATOR REPORT

Town Meeting Warrant Discussion

Jack reviewed the Warrant with the Board.

ACCEPTANCE OF MINUTES

Scott Bugbee moved to accept the minutes of March 26, 2013, and April 9, 2013. Rob Garrity seconded, and it was **so voted**.

At 9:47 p.m., Rob Garrity moved to go into executive session to discuss strategy with respect to collective bargaining or litigation if an open meeting may have a detrimental effect on the bargaining or litigating position of the public body, and the chair so declares. Scott Bugbee seconded, and it was a roll call vote: Scott Bugee **aye**; Jim Lehan **aye**; and Rob Garrity, **aye**. There will be no votes and the Board will only return to open session to adjourn the meeting.

At 10:15 p.m., being no further business, Rob Garrity moved to adjourn the meeting. Scott Bugbee seconded and it was **so voted**.

This is a true and accurate report of the Selectmen's Meeting of April 24, 2013.

Scott Bugbee, Clerk