

**BOARD OF SELECTMEN  
MINUTES OF MEETING  
MARCH 19, 2019**

The meeting took place in the Selectmen's Meeting Room located in the upper level of Town Hall. In attendance were Chairman Carl F. Kowalski; Vice Chairman Daniel L. Salvucci; Clerk Brian J. Bezanson; Member Randolph G. LaMattina; and Town Administrator Francis J. Lynam. Member Scott J. Lambiase was absent. Chairman Kowalski opened the meeting at 7:00 p.m.

Chairman Kowalski asked everyone in attendance to stand and recite the Pledge of Allegiance. This was followed by a moment of silence dedicated to those killed as a result of a terrorist attack in New Zealand.

Chairman Kowalski announced the meeting is being recorded and televised by WHCA.

Mr. Salvucci **MOVED** to approve bill and payroll warrants. **Second** Mr. Bezanson **so voted 3-0.**

Mr. Salvucci **MOVED** to accept correspondence in the Read File. **Second** Mr. Bezanson, **so voted 3-0.**

Chairman Kowalski opened public forum and no one in attendance came forward to address the Board.

Mr. LaMattina arrived at 7:03 p.m.

**CHAIRMAN'S REPORT**

Chairman Kowalski announced that the Board will be meeting tomorrow night at 6:00 p.m. During the meeting, the results of the Community Assessment Survey will be presented by Dr. Melinda Tarsi. Chairman Kowalski noted that the survey shows that we like our town, we like the quality of life, we think it is a good place to live, we would like to improve our schools and the roads and we would like to avoid layoffs and keep our taxes low. When asked if an override would be supported, 62 percent of those that participated in the survey are in favor of an override. 69 percent of those people would like to see a portion of the money given to the schools; 56 percent said they would like to see a portion of the money go to the police and fire departments; and 47 percent said they would like to see some of the money go to the DPW. Chairman Kowalski also discussed comments that have been made that question the need for the assistant town administrator. He reminded everyone that since she has been hired, Mrs. Green has obtained \$676,000 in grant money, some of which will lower our payments on things in the future, such as energy.

**TOWN ADMINISTRATOR'S REPORT**

Mr. Lynam advised the Board that he will hold his report until tomorrow evening.

**OLD BUSINESS**

**Vote to Authorize Issuance of Bonds**

Treasurer-Collector Mary Beth Carter advised the Board that the amount funded is \$5,775,000. The Town received 8 bids, with the winning bid being that of Fidelity Capital Markets. Because the market was very favorable, Mrs. Carter said the Town will save approximately \$50,000 over the next 11 years. Mr. Salvucci **MOVED** to authorize Treasurer/Collector Mary Beth Carter to proceed with refunding of the Police Station, Town Hall and Fire Department debt as follows:

Voted: That in order to reduce interest costs, the Treasurer is authorized to issue refunding bonds, at one time or from time to time, pursuant to Chapter 44, Section 21A of the General Laws, or pursuant to any other enabling authority, to refund all of the Town’s \$9,680,000 General Obligation Municipal Purpose Loan of 2011 Bonds dated May 1, 2011 maturing on and after June 1, 2020 in the aggregate principal amount of \$5,775,000 (collectively, the “Refunded Bonds”) and that the proceeds of any refunding bonds issued pursuant to this vote shall be used to pay the principal, redemption premium and interest on the Refunded Bonds and costs of issuance of the refunding bonds.

Further Voted: that the sale of the \$5,235,000 General Obligation Refunding Bonds of the Town dated March 28, 2019 (the “Bonds”), to Fidelity Capital Markets, a division of National Financial Services LLC, at the price of \$5,836,956.07 and accrued interest, if any, is hereby approved and confirmed. The Bonds shall be payable on June 1 of the years and in the principal amounts and bear interest at the respective rates, as follows:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2020	\$425,000	5.00%	2026	\$480,000	5.00%
2021	470,000	5.00	2027	485,000	5.00
2022	475,000	5.00	2028	490,000	4.00
2023	480,000	5.00	2029	485,000	3.00
2024	485,000	2.00	2030	480,000	3.00
2025	480,000	5.00			

Further Voted: that in connection with the marketing and sale of the Bonds, the preparation and distribution of a Notice of Sale and Preliminary Official Statement dated March 7, 2019, an Addendum to the Notice of Sale and Preliminary Official Statement dated March 12, 2019, and a final Official Statement dated March 18, 2019 (the “Official Statement”), each in such form as may be approved by the Town Treasurer, be and hereby are ratified, confirmed, approved and adopted.

Further Voted: that the Bonds shall be subject to redemption, at the option of the Town, upon such terms and conditions as are set forth in the Official Statement.

Further Voted: that we authorize and direct the Treasurer to establish post issuance federal tax compliance procedures in such form as the Treasurer and bond counsel deem sufficient, or if such procedures are currently in place, to review and update said procedures, in order to monitor and maintain the tax-exempt status of the Bond and notes.

Further Voted: that the Town Treasurer and the Board of Selectmen be, and hereby are, authorized to execute and deliver a continuing disclosure undertaking in compliance with SEC Rule 15c2-12 in such form as may be approved by bond counsel to the Town, which undertaking shall be incorporated by reference in the Bonds for the benefit of the holders of the Bonds from time to time.

Further Voted: that each member of the Board of Selectmen, the Town Clerk and the Town Treasurer be and hereby are, authorized to take any and all such actions, and execute and deliver such certificates, receipts or other documents as may be determined by them, or any of them, to be necessary or convenient to carry into effect the provisions of the foregoing votes.

**Second Mr. Bezanson, so voted 4-0.**

## **BUDGET REVIEW**

### **Joint Meeting with the Finance Committee to Review the Budget Process**

Mr. Lynam announced that he met with the Finance Committee last week where there was much discussion on how to approach the budget for FY20. The discussion centered on a reduction that would bring us within the levy limit, with the reduction applying to all departments. Discussion also resulted in a recommendation of the school budget being reduced by approximately \$677,000, with all other departments reduced by \$2,623,221.

Finance Committee Chairman Richard Anderson advised that the committee has continued to evaluate the most effective approach to conclude the budget cycle and, acting on the recommendation of Mr. Lynam, they suspended meetings with the department heads so they could spend the entire March 5<sup>th</sup> meeting drafting a budget for Article 2. Mr. Anderson explained that the deficit was calculated at 6 percent of the total budget, and that cuts were based on the percentage that each department was allocated in the previous budget. The committee felt that this was the fairest distribution of the liability. However, most recently the committee recommended, by a narrow majority, to fund a larger percentage of the school's assessment and to redistribute to all other departments the additional liability. Mr. Anderson went on to say that he believes the Finance Committee has come up with a responsible draft budget; and thanked Mr. Lynam and the Town Accountant for providing all of the necessary information required for the budget process. He also thanked the department heads for all of their help in the process as well.

Mr. Lynam discussed the budget document that Mr. Anderson spoke of, outlining the cuts to each department, focusing on the amounts that would be cut in the best case scenario and the amounts that would be cut in the worst case scenario. He also discussed the budgets that cannot be reduced, such as the law account, unemployment compensation, health insurance and OPEB.

He went on to say that these reductions will have significant impacts on all town services. Implementing this budget will be devastating to the town, as this is worse than Proposition 2 ½. The cuts to this budget would wipe out anything we have done over the last 20 years, making a lot of our services part time. Mr. Lynam stated that the elephant in the room is the cost of education. The budget requests from Whitman-Hanson this year were 16.4 percent higher than last year. That was reduced to 15.1 percent when expenses associated with health insurance were reduced. The schools are the lions share of our budget and it is something that we cannot keep pace with. Our new growth is approximately \$970,000. In order for us to live within the revenue stream we have, our total increases to all departments would have to be equal to or less than \$970,000. Every department contributes to the services that people have come to expect and every department will be significantly impacted by this. We will be requesting an override and identifying how budgets will be impacted by it. This budget assumes that we adopt a budget for FY20 that does not include an override, and you can see the conditions created by that. Mr. Lynam went on to say that he hopes that the citizens understand that we are not asking for wish list items or that we are asking to be made completely whole. Even with an override there will still be budget reductions. Mr. LaMattina asked what the amount is for the override. Mr. Lynam stated that we are proposing \$2.5 million. Mr. LaMattina asked what the sustainability of that is over the next 5 years. Mr. Lynam stated that he does not know that anyone in this room can provide a 5-year budget forecast.

Mr. Lamattina asked if we can provide any forecast. Has this Board done anything over the last 7 or 8 months to bring us closer to an answer as to what sustainability will be in this town and the answer is no. As a Board, we should be embarrassed as we sit here on March 19<sup>th</sup> with no answers for anything. He went on to say that we have done one thing this year – one policy. And other than that, we have approved 4 car dealerships. We do not have a personnel plan, we do not have a policy study, there's been no progress on the selectmen's handbook, but we do hear that the assistant town administrator brought in \$676,000 in grant money. Mr. LaMattina said that he was frustrated by that statement because as he looks around this room, he sees a young firefighter who risked his life in a multiple alarm fire and he is one of those who is probably looking at being laid off. He then asked what the value of that is. Firemen, policemen and DPW workers are all looking at layoffs. Recognizing school committee members in the audience, Mr. LaMattina stated that \$3.6 million dollars was not even feasible when the town only brought in \$970,000 worth of growth. He then asked School Committee Chairman Bob Hayes how the town is supposed to deal with that. He also asked why we are not using the statutory method when we fund the foundation budget because, by his calculations it would save the town approximately \$450,000. Mr. Lamattina stated that he has asked this question of Mr. Small and has not received an answer. He then suggested the Board rethink entering into the regional agreement because it is a broken system – it is not working for this town. Something needs to be done. He went on to say we can read some numbers off of a piece of paper but we can't provide any answers to the department heads as to what is going to go on with their department. We are getting to be a joke. Imagine being that person whose job is on the line in July. By this time, we should be able to provide some answers and we are not. Are we going to ask for a \$2.5 million override knowing it does not get us beyond the next year?

Mr. Salvucci asked what the increase is to the budget, not including the schools. Mr. Lynam stated approximately \$500,000; however, most towns set aside 70 percent of their annual growth to the schools which in this case would be about \$680,000, so we would still be looking at a deficit. Mr. Salvucci then asked Mr. LaMattina why he suggested de-regionalizing. Mr.

LaMattina stated that he did not suggest de-regionalizing. He wants the language in the agreement to reflect that they will follow the statutory formula. They have not been following that formula and that is why the Town of Whitman does not receive all of its Chapter 70 money. Mr. Hayes said the problem is the unfunded mandates. Mr. LaMattina advised Mr. Hayes that Whitman is not receiving its proper share. Mr. Hayes advised Mr. Lamattina that that is a state issue. Mr. LaMattina disagreed and stated that it is a school committee issue and the committee members from Whitman should be pushing for it. Mr. Small stated that he spent two hours on the phone today with the DESE and was not able to get any answers. Finance Committee member Rosemary Connolly stated that earlier today, she was able to get the information that Mr. LaMattina is asking about. Mr. Small stated that the way the assessments to the towns has been determined is based on population, but agreed that there is another way to do it. If the Board recommends that Town Meeting not accept the agreement, they are willing to go back to the drawing board.

Mr. Salvucci stated that the budget for town departments is approximately half of the \$970,000 in new growth, but the remaining balance is not enough to cover what the school district is asking for. He then said you have to look at controllable numbers. Mr. LaMattina pointed out that South Shore Voc Tech is thriving because they get their assessments; and stated that we are not funding the WHRSD properly. Mr. Salvucci asked Mr. Lynam if two overrides could be added to the ballot – one for the schools and one for the town. Mr. Lynam said yes, but we've been talking about an override and a debt exclusion for the town.

Chairman Kowalski stated there's more than one elephant in the room and Mr. Lamattina has been eloquent in addressing one of them. The fact is, due to where Whitman is located, we have not had the growth that we need and because of that, we need an override. If the citizens of the town want to continue receiving the services they have become accustomed to, they are going to have to pay for it. He went on to say that although he appreciates what Mr. LaMattina said earlier, the Board of Selectmen could not fix the deficit over the past year because the town could not raise that kind of money. Chairman Kowalski also explained the importance of both a debt exclusion and employees agreeing to a wage freeze for the next year or two; and because the Board of Selectmen has been successful in keeping taxes low and avoiding layoffs for many years, the town is in the position that it's in and because of that, something has to change. Chairman Kowalski went on to say that the school district has to help out as well because it is difficult for the town to fund a greater increase over last year when it's in a situation like this.

In returning to Mr. Salvucci's previous comment, Mr. Lynam advised that most communities contribute 70 percent of their new growth to the school budget. At \$970,000 in new growth, \$680,000 should be going to the schools. Mr. Salvucci stated that \$680,000 doesn't touch what they are asking for. Mr. Lynam stated that \$500,000 on our side of the budget is excessive as well, but we can't outrun the cost of education. We have to determine how we are going to support all of the budgets for the town. He went on to say that an override will get us through next year, but the schools can't tell us what their budget will be next year. Mr. Salvucci stated that the biggest budget item that the Board of Selectmen and the School Committee can control is payroll. We always look at what we can afford for salary increases without crippling the town and the School Committee needs to do the same.

Mr. Small returned to the podium and explained the cost of special education transportation and how the state does not reimburse any of the cost. These are unanticipated expenses and we never know what we are going to be looking at for this cost.

Chairman Kowalski reminded everyone that when the Board of Selectmen voted on the school assessment last year, Mr. Lynam told everyone that we would need a substantial override this year. That issue has been discussed several times over the past year in order for us to get the word out to the taxpayers that the town was in a crisis and an override would be necessary. The Board of Selectmen and the Finance Committee are going to have to educate the people as to what things will look like if an override does not pass. He went on to say that a budget containing cuts to all departments will have to be presented at Town Meeting in order to get the word out that if an override does not pass, this is what things will look like. If an override and debt exclusion are passed, and employees agree to a wage freeze, then it will allow us to replenish for next year.

Mr. Anderson stated that recognizing the need for a sustainable budget is nothing new to the Finance Committee. There is a definite need for a long-term financial plan but in the meantime, we need guidance from the selectmen as to which scenario we should move forward with. Mr. Lynam stated that when the first scenario was created, all budgets were treated equally and the schools were getting an increase of 4.19 percent or \$555,758.00, while all other budgets were being reduced. This was an attempt to hold the schools harmless and, at the same time the Finance Committee voted in the majority to give the schools a 10 percent increase which was devastating to all other departments.

Scott Figgins of the Whitman Fire Department addressed the Board and stated this committee previously gave the schools a double digit increase, going against the recommendation of the town administrator. Tonight the Board is saying the townspeople need to know how devastating cuts to the departments will be to the town. As of yet, nothing has been presented to the town. We are looking at losing half of our department and you want us to take a wage freeze. We agreed to wage freezes in the past and we have given up things for those wage freezes. If an override passes, there is no guarantee that money will come to our department or reinstate our wages. He went on to say that we've all been transparent in putting out there what we will lose because of budget cuts, but the schools are getting an increase while the other departments will suffer due to those cuts.

Chairman Kowalski stated that wage freezes can be permanent or increases can be postponed. If it comes down to agreeing to a freeze and saving jobs for your department, or refusing a wage freeze which results in some members of your department losing their job, he hopes that the members of the department would seriously think about it because he does not want to see any employees of the town go away.

Mr. Lynam stated that he met with representatives of each of the unions to discuss a wage freeze. He also asked the schools to do the same. He does not know what came from the schools discussions, but with respect to the town unions, there was some support and some skepticism; and he has been informed that one of the unions has met and voted against a wage freeze. He went on to say that in the past when the town unions did not receive a salary increase, it was not the same for school employees.

Mr. Hayes advised that the unions were notified and are talking internally. The School Committee has heard nothing further.

Mr. Lynam advised that he met with the Hanson town administrator and town accountant earlier today and was told the most that Hanson can support is a 6.5 percent increase. A 6.5 increase from Whitman is \$862,500.00, with Hanson at \$579,367. In answer to the question asked by Mr. Figgins regarding the override, Mr. Lynam said that an override needs to increase our ability to fund operations all the way around and allow us to address some of our capital needs. We need

to come up with a solution that allows us to budget from year to year and set aside money for capital expenses.

Mr. LaMattina questioned whether a \$2.5 million override is enough and Mr. Lynam answered that it's probably not.

Finance Committee member Rosemary Connolly suggested departments receive some sort of support in applying for grants. Mr. Lynam stated that the town is notified regularly what grants are available. The DPW and Fire Department have applied for grants and been successful, along with grants for technical assistance. Most grants available are for technology, public safety and public works. Unfortunately, those grants are not enough to bail us out because most require additional costs. Mr. Hayes stated that the school department receives a tremendous amount of grant money that funds a lot of teachers.

Shawn Kain addressed the Board and stressed the importance of best practices, a strategic plan and a 5-year plan being put into place.

Mr. Bezanson stated that we could have met every day all year long and would not have come up with a 3 to 4 million dollar deficit, and to say that this Board is not doing its due diligence is outrageous.

Mr. LaMattina said he is sorry Mr. Bezanson feels that way.

Mr. Bezanson stated that Mr. Lamattina's speech was a soap box speech.

Mr. Lamattina asked Mr. Bezanson what he has done in the last year and stated this Board has done nothing in the past year.

Mr. Bezanson stated that no one in this room has mentioned the taxpayers in this town.

Everyone here is worried about what they have or what they do. He went on to say the taxpayers are the people who foot the bill, and asked why they don't ever get any consideration. They need to be presented with the information at a pre-town meeting. This is why he suggested that all departments provide the Board with how many people they would lose, etc., so that it could be presented to the town. Mr. Bezanson said that we need to learn that it isn't our money that controls things, it's the taxpayers' money.

Chairman Kowalski advised Mr. Bezanson that most of the discussion this evening has been about the kind of town people want to live in and the type of town we've given them to live in so far. He also agreed with Mr. Bezanson's statement that the Board could have met every day and not come up with the money.

Ms. Connolly stated that she agrees with Mr. Kain that putting best practices in place would allow us to consider the taxpayer.

With respect to Mr. Bezanson's comment about providing information, Mr. LaMattina reminded Mr. Bezanson that it is March 19<sup>th</sup> and we are going to end this meeting without any department head or employee knowing what is going on. He then told Mr. Bezanson to admit this is a failure; and that it was known last year that this is what we would be looking at and we did nothing.

Mr. Bezanson then asked Mr. LaMattina what he has done. Mr. LaMattina held up a budget that he said he prepared with the taxpayer in mind which also protects services. He then stated the Board should have done a better job, perhaps by staying on top of Mr. Lynam and Mrs. Green to make sure they got more done in order to get information out to the public in a timely manner.

Mr. Bezanson advised Mr. LaMattina that they have been working on the budget since last year.

Mr. LaMattina asked Mr. Bezanson what the Board has done and if he has any tangibles. Mr.

Bezanson then asked Mr. LaMattina what he has done and reminded him that he is a part of this

Board as well. Mr. LaMattina held up his budget and said he would go to town meeting with it and that it contains \$2.6 million in cuts.

Mr. Salvucci asked if he could take a look at Mr. LaMattina's budget. Chairman Kowalski suggested they do that after the meeting and then asked for a motion to adjourn.

At 8:35 p.m. Mr. Salvucci **MOVED** to adjourn the meeting. **Second** Mr. Bezanson, **so voted 4-0.**

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Brian J. Bezanson, Clerk

At 8:35 p.m. Mr. Salvucci **MOVED** to adjourn the meeting. **Second Mr. Bezanson, so voted 4-0.**

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Brian J. Bezanson, Clerk