

TOWN OF NORTON
SELECT BOARD
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Select Board
Minutes of Joint Meeting
January 25, 2024

I. Call to Order by Chairman

The January 25, 2024 joint meeting of the Norton Select Board, Finance Committee, and School Committee was held at the Norton Middle School Library, 215 West Main Street, Norton, MA 02766, as well as remotely (Web: <https://us02web.zoom.us/j/83225589285>; Phone: 646-558 8656; Webinar ID: 832 2558 9285) and Mr. Kevin Snyder, Chair of the Select Board; Ms. Paula Daniels, Chair of the Finance Committee, and Ms. Sheri Cohen, Chair of the School Committee called their respective meetings to order at 7:00 P.M.

Member(s) present:

Select Board: Ms. Denise Luciano, Mr. Alec Rich, III and Mr. Steven Hornsby. Also in attendance: Mr. Michael D. Yunits, Town Manager and Mr. James Puello, Town Accountant.

Finance Committee: Mr. Paul J. Schleicher, Mr. Zack Tsilis, Mr. Cody Thompson, Mr. Frank J. Parker, III, Ms. Tracy Mahan, Ms. Sandra Ollerhead, and Mr. Kevin Bugaj. Ms. Bonnie Yezukevich arrived at the meeting at approximately 7:10 P.M. Mr. Stephen Evans arrived during the meeting.

School Committee: Mr. Nicholas Schleicher, Ms. Justine Callanan, Mr. Deniz Savas and Mr. Daniel Sheedy. Also in attendance: Dr. Jennifer O'Neill, Superintendent of Schools, Ms. Kristine Hadfield, School Business Manager, and Mr. Wade Lizotte, Director of Facilities.

II. New Business

Joint Meeting to Discuss FY25 Budget

Mr. Yunits started off by stating that it is a bit early in the budget process because Town budgets are not due until February 7th and the School Department's budget isn't due until March 18th. He stated that they have been on a good roll the past few years and don't know how long that is going to last since construction has started to slow down. Mr. Yunits noted that the solar on the Hill Street Landfill brings in \$80,000 in rent and \$300,000 in credits on electric bills every year. He mentioned that the health insurance also changed where they added deductibles, which was approximately \$1 million in savings that year. The Town Manager advised that the Town had also purchased the streetlights and converted them to LEDs; so, the Town's streetlight account went from \$100,000 down to \$60,000. He pointed out that the Town also regionalized its dispatch, which saved a significant amount of money between the cost of the operation of a dispatch center and the upgrade of equipment within that center. Mr. Yunits advised that all departments are going out to bid for natural gas and electricity, including the Town, the School Department, the Library, and the Norton Housing Authority.

Mr. Yunits moved on to discuss some of the increases in the budget, such as SEMRECC (the regional dispatch) where the assessment increased by \$150,000. He noted that there are also insurance increases due to the construction projects, which equates to approximately \$57,000 this year. Mr. Yunits advised that for the Council on Aging there is a possible staff increase of \$50,000 to \$70,000. He pointed out that there was also a town vote to establish a Public Works Department and are looking anywhere from \$250,000 to \$280,000 if that were to be implemented. Mr. Yunits emphasized that the Town has been fortunate where the health insurance has only gone up by about 1% each year and has also had health insurance holidays (approximate savings of \$1.4 million). Mr. Yunits noted that for licenses and permits, the revenue generated from that is \$642,000 less than it was this time last year. The Town Manager advised that they still don't know what the impact of the Supreme Court ruling is on tax foreclosures. He advised that the town has received to date anywhere between \$700,000 to \$800,000 for the sale of these properties; however, the Supreme Court ruling is saying that any increase in value for the properties the money has to go back to the previous owner, so they are still waiting on guidance from the State. Mr. Yunits stated that based on what is determined on that, once the money is certified as Free Cash the Town may have to look at putting these funds into the Stabilization Fund until the State figures this out. The Town Manager addressed the declining State revenues and reported that the Governor stated that they expect their revenues this year to be \$1 billion less than they expected. He informed the Board and Committees that the Town did receive some 9C cuts to earmarks that the State had given them and they cut everything in half. He informed everyone that the State aid probably wasn't going to have a huge increase this year. Mr. Yunits advised that if the Town and the School Department each had a 3% increase, they would be looking at under \$426,162 available; if they each increased by 4%, they would be short \$75,683; and if they increased each by 5%, the budget would be short \$537,526.

Mr. Yunits moved on to list the mandatory budget increases as follows:

- Bristol County Pension is up \$229,038;
- Estimate of 2% increase to health insurance would equate to \$160,000;
- SEMRECC \$150,000;
- Property insurance increases;
- End of the SAFER Grant that the Fire Department has, so that will be a cost absorbed by the Town in the amount of \$179,000.

He advised that he looked at the FY25 projected deficit with a 3% increase the above-listed items, the Town is short \$348,876; 4% would be short \$850,721; and 5% increase the Town would be short \$1,312,564. Mr. Yunits noted that this does not include Fixed & Shared or taking into consideration the fact that last year they used \$750,000 from Stabilization and \$1.9 million from Free Cash. Mr. Yunits pointed out that he provided everyone with the fund balances in the various accounts and itemized them as follows:

- Free Cash \$1,789,803;
- Stabilization \$3,170,114;
- Capital Improvement \$512,527 (required payments are \$302,102);
- Ambulance Reserve \$4,061,372;
- OPEB \$1,195,737;

Ms. Yezukevich arrived at this point in the meeting.

- Water Retained Earnings \$3,130,047;
- Sewer Retained Earnings \$2,863,315; and

- Dog Fund \$70,085.

Ms. Daniels asked in regard to the Ambulance Reserve Fund with the \$4,061,372 if they could use those funds to supplement the money the Town won't be getting from the SAFER Grant, which Mr. Yunits confirmed they could and advised that this is what they did last year. Ms. Luciano questioned if they could be presented with the FY24 budget figures, what they need for level-services for each department for the FY25 budget, and then a "wish list" column rather than providing a 4% increase across the board. Mr. Yunits replied that as soon as everyone submits their budgets, they will prepare something like that.

Dr. O'Neill began the School Department's FY25 budget presentation and noted that they are the largest employer of the Town with 415 employees across 5 schools, 258 of which are full-time educators. She noted that during FY23, they spent \$17,697 per student, and this figure includes \$3,000 of fixed costs, such as insurance. She referred to the figure for the "Total State Aid Funding" from FY22 and noted that the School Department received \$13,029,200 from the State and the community made up the rest. She informed the Select Board and the Finance Committee that what they put forward for the community this year a level-services budget. She explained that what she means by that is that they are looking at the exact same level of teaching and learning for the students and emphasized that a level-services budget is a financial increase, but the services and what they are asking for does not change; it is purely keeping what they have now. Dr. O'Neill referred to the Town Manager's FY25 budget presentation where he listed what it would look like for the School Department with percentage increases ranging from 3% to 5%, but she pointed out that to fund their level-services it is 12.01% budget increase. Mr. Paul Schleicher looked for confirmation that this is with no new positions, which Dr. O'Neill confirmed. She pointed out that the mandated education costs for next year is approximately a 15.61% increase. Dr. O'Neill advised that the mandated education costs include programs such as Special Education and staff, as well as out of district placements for their students that require more than they were able to offer them at Norton Public Schools, which includes transportation to get their students to and from their placements. She advised that they do have the Operations Service Division (OSD) number for this year and it is a 4.69% increase from last year.

Dr. O'Neill moved on to the "Budget Actions" portion of the School Department's presentation and broke down how the budget increased from the FY24 budget of \$34,706,443 to what is being proposed for FY25 in the amount of \$38,873,431 (an increase of \$4,166,988). She advised that the increase in salaries due to contractual obligations (which includes the elimination of ESSER 3 funds) equals \$2,610,449 and noted that in past years, these salaries were subsidized with COVID funds through the Elementary and Secondary School Emergency Relief (ESSER) grants. She advised that over the past few years, they have used almost \$2 million of ESSER funds to support salaries within their budget and this past year, they have used only \$500,000 to balance their budget. Dr. O'Neill advised that their teachers' contractual increase is 2.75%, their custodial staff is around 4%, administrative assistants is 2%, and their paraprofessionals who had a larger increase of 7%; she pointed out that these are hourly employees that were significantly underpaid for the amount of work that they do for their students. Dr. O'Neill spoke to the \$772,313 increase in out of district Special Education costs (net of Circuit Breaker). She explained that they are using Circuit Breaker funds to balance their budget. She mentioned that there is also an increase in out of district Special Education transportation (\$348,400) and mandated programming (\$73,100). She advised the Select Board and Finance Committee that the School Department is going out to bid for in-district transportation, which the School Department showed as an increase of \$46,577. Dr. O'Neill stated that they are also responsible for transportation for homeless students, which showed an increase of \$50,000. The next figure she itemized was the increase in operations and management costs, which include items such as paper towels, toilet paper, maintenance services,

etc. and this figure was estimated to be \$78,568. Lastly, Dr. O'Neill advised that they budgeted \$187,601 for their "Contingency for Unanticipated Special Education Costs". She explained that these numbers change so much from day to day and month to month; for example, this fiscal year, between the time the budget was approved in May and when they met in September, the School Department had 6 or 7 new cases that they were taking a look at and figure out how to pay for everything.

Dr. O'Neill moved on to discuss the General Education portion of the budget presentation. She pointed out that they are proposing using \$1,932,114 to fund the FY25 budget. Dr. O'Neill advised that they only have about \$1.6 million coming in from School Choice, but they have School Choice funds from last year leftover, so they will be taking \$300,000 from that. She moved on to discuss the Special Education portion of the budget and advised that they are using \$1.6 million of Circuit Breaker (CB) funds. Dr. O'Neill explained that Circuit Breaker are reimbursements from the State for students that are in out of district placements. She advised that for every student that is in a placement that is over \$40,000, the State will reimburse the Town a percentage of the cost differential. She stated that the average budget increase since FY15 has been 3.78%. The School Superintendent showed that with a 3% increase over FY24, it would be a \$3,125,794 deficit; 4% would be a \$2,778,729 deficit; and 5% would be a \$2,431,666 deficit. Mr. Tsilis recommended when presenting their budget that the School Department shows that with a 3% increase, these are the budget cuts that will be happening and to do the same with 4% and 5%. Dr. O'Neill agreed to the idea and stated that what they are looking at is [cutting] 15 to 20 positions and program cuts and reductions. She mentioned that another thing they may be looking at that they don't want to do is an increase in transportation fees and sport fees on parents.

Mr. Thompson calculated the numbers and based off of the \$1.9 million from the levy, but pointed out that just for the contractual salary increases alone is \$2.6 million. Additionally, he noted that at the Town level, they are also looking at mandatory increases in the amount of \$775,000; so, they really only have \$1.1 million in the Town budget, which leaves them just on the salaries \$1.5 million short and that is without anything else. Mr. Tsilis noted that there are contractual increases on the Town side as well. Dr. O'Neill informed the Board and the Committee that they sent out a survey to Norton families and asked them to fill it out and shared this information with them. The topic of fees impacting School Choice came up during the discussion and while Mr. Savas stated that it really wouldn't impact a family from deciding to come to Norton or not and Mr. Thompson argued that it would where if someone was determining between two towns and one doesn't charge fees for sports and Norton does, they are more likely to go with the other town. Mr. Savas pointed out that if they increase the bus fees, now they are also going to have parents say that they are just going to drive their kid(s) to school.

Mr. Paul Schleicher stated that if he just took the School Department's FY24 budget and calculated a 2.75% increase, it is less than a \$1 million and even if he added back in the \$500,000 of ESSER funds, there is still \$1 million and change missing there that he is not able to figure out. Dr. O'Neill explained that the 2.75% is just the cost-of-living increase and that within the contracts are steps and lanes that are additional salary increases. In response, Mr. Paul Schleicher noted that the contractual salary increases are well over 5%. Dr. O'Neill pointed out that there that is a cap for increasing that some faculty could potentially reach where with the steps and lanes increases, such as a teacher that has been there over 20 years with their doctorate, so the 2.75% is the only increase they would be getting. Mr. Yunits agreed and stated that it is the same for the Town side with regard to the steps and lanes and agreed with Dr. O'Neill's comment about incentive to keep their staff because the competition out there is high where municipalities are stealing people and it is very hard to replace them. Dr. O'Neil stated that with apartments going up on Mansfield Avenue, which are two-bedroom apartments, they are expecting more students that

would be going to the J.C. Solmonese Elementary School as well as the development near the L.G. Nourse Elementary School, which would also increase their enrollment.

Mr. Tsilis questioned how many students they currently have out of town that they cannot serve based on their needs and Ms. Cassandra Russo (Coordinator of Special Education) answered 32. Mr. Tsilis asked if this was higher or lower than last year and Ms. Russo answered that has slightly decreased from previous years. Ms. Russo pointed out that five years ago there were 60, so it has significantly decreased. Dr. O'Neil advised that they are going to be doing a district-wide enrollment study to see where their students are as well as school start times and transportation.

Mr. Thompson stated that they are trying to do level-services funding, which would mean no increase and Dr. O'Neil corrected Mr. Thompson stating that level-services funding is to provide the same level of services, but it would be a financial increase. Mr. Savas stated that there is no way around it and that they are in trouble. He expressed that they are requesting that the budget request be considered because the townspeople need to understand where they are at right now and described it as staring at a financial cliff.

Mr. Thompson brought up some positions that were brought back for only a year unless the residents of Norton realize the situation. Mr. Savas agreed with Mr. Thompson and brought up the fact that this was brought up at a past meeting where they even said that these positions that were brought back were not going to last and pointed out that he was against these positions coming back. Mr. Thompson agreed stating that because they were using non-recurring funds for these positions, now they are back to where they were before with these positions except only worse because it is compounding.

Mr. Snyder pointed out that that State is pushing for housing near public transportation and they aren't pushing for single-family homes. Mr. Yunits stated that the "affordable rents" are amazing where they are and Ms. Daniels agreed that they aren't affordable at all.

Ms. Daniels asked if the School Department knew what they were getting from the State per student yet. Dr. O'Neill replied that they got those figures last night and it is up 0.5%, so Norton is looking at getting \$30 per student in State aid, which is the minimum aid from the State and equates to \$65,490 (last year the same thing was assumed and then it went up to \$62 per student equaling around \$120,000).

Mr. Tsilis questioned what the School Department is proposing to do from here. Mr. Nicholas Schleicher stated that they are going back to basics and emphasized that the cuts are coming and that it is just a matter of figuring out where they can cut and what they can cut without ruining their academic reputation. Mr. Paul Schleicher brought to their attention that from what he has seen on social media, there isn't a climate for approving an override. Mr. Nicholas Schleicher agreed, but stated that they could put it on the ballot and find out, but he expressed that ultimately, he doesn't think it will happen. Mr. Sheedy stated that the math is the math and for years with different players involved this discussion has come up. Mr. Nicholas Schleicher heavily emphasized that the system is broken where they have approximately 275 students coming from other districts to Norton through School Choice and they are only getting \$5,000 per student where the residents are spending \$17,000 per student to educate those kids and someone is going to have to make up that \$12,000. He stated that with the system being broken, what the State is telling you as parents is that your kids are not as important as those in Lawrence because Norton is getting \$30 per student and Lawrence (or any other city such as Attleboro or Brockton) is getting say \$400 to \$1,200 per student. Mr. Paul Ruozzi of 325 Godfrey Drive stated that the Town does not have a commercial tax rate and asked if these other communities that do have a better financial situation.

Mr. Yunits explained that the town actually does have a split-tax rate where the commercial side does pay more than the residential side, but it doesn't bring in more revenue and rather shifts the burden slightly to the commercial side.

Mr. Thompson questioned if the Town is looking at an override and it passes, if there is a way to levy that and put it more on the commercial than residential. He clarified that he meant not this year because the tax rate is set, but the following year to see if they could shift that burden a little more, which Mr. Yunits and Mr. Hornsby stated they could. Mr. Paul Schleicher referred to the Town Manager's budget presentation and stated that with a 5% increase, they are looking at a \$1.3 million deficit and on the next page it shows Free Cash as \$1.7 million and added that with that being said, there would be enough to cover the deficit even though he understands they don't want to deplete their Free Cash either. Mr. Yunits replied that then you have to look at the increases for the Fixed & Shared Expenses and then you are looking at over a \$2 million deficit. Mr. Puello pointed out that \$1 million of that \$1.7 million of Free Cash has already been committed and accounted for. Mr. Paul Schleicher questioned how the \$1.7 million was already accounted for. Mr. Puello explained that because of the amount of revenue the Town collected the budget last year included \$1 million worth of Free Cash when they started, so they are assuming they are going to have \$1 million again.

Mr. Tsilis questioned if the School Committee has thought about bringing someone from the outside looking in to evaluate if it is financially worth it or beneficial to keep School Choice or to get rid of it. Mr. Tsilis clarified that obviously whoever is already enrolled would stay enrolled. Dr. O'Neill stated that if they did get rid of School Choice, that doesn't stop Norton students from going elsewhere. Mr. Savas clarified that even if they wanted to, they legally cannot kick out students that are already enrolled if they did decide to do away with School Choice. Mr. Savas stated that there are 248 students out of district and it is not like they are placed in a separate school; this is spread across 12 grades and what has to be taken into consideration is that it still costs the same for the electricity, the heat, the insurance for teachers, etc. because these are fixed costs. Mr. Tsilis interjected that it would actually matter because if they have less students, they could eliminate positions potentially and the costs associate with them. Mr. Savas said the problem is, it is not that simple because it is not like there are 10 School Choice students in one grade where they may be able to save \$50,000 by eliminating a position, but he explained that he understood Mr. Tsilis' point where he was suggesting looking at the real economics of School Choice.

Ms. Luciano asked how many Norton children go out of district using School Choice and Dr. O'Neill replied that it is very few overall and gave an estimate of around less than 10 students. Mr. Yunits stated that he didn't know if the School Superintendents of various districts get together and talk about this, but he pointed out that the Town pays \$141,388 in School Choice tuition and ever since it started in the 1990s, it has been the same amount of money. The School Committee members agreed that the reimbursement rate has not increased. A resident of 60 North Washington Street asked to bring the conversation back to the controllables after discussions amongst the Board and Committees veered towards the system of the State being a major factor in their current financial situation and posed the question of what the leadership in this room of town officials are suggesting. She stated that there seems to be a lot of apathy in the room and there has been a lot of talk about what the townspeople, such as herself, need to do and wants to know what is being proposed to solve the problem and the need of an override. School Committee members responded that this is where town meeting is so important and she responded that by town meeting it seems to late and that nothing can be done. Mr. Savas refuted that this is exactly what town meeting is for and you can see you want to take "x" amount of money from this budget and put it somewhere else. Ms. Cohen replied to this resident's question of what they are going to do and she stated that

for years she has said that the townspeople need to decide what kind of town they want to be and until then, the town officials are handcuffed. Mr. Thompson noted that the apathy that was referred to was more for the townspeople because the largest turnout of voters he has seen was 2,800 people and meanwhile there are 14,000 registered voters. He noted that an override will fail by say 200 votes and it is because 80% of the voters didn't come out to vote for it. Ms. Daniels pointed out how many of the 14,000 registered voters are voters with school-aged children too. Mr. Snyder pointed out that if they had passed the last override attempt, they would have approximately \$3 million more in the budget and would not be worrying about cutting positions and programs. Mr. Snyder heavily emphasized that it is going to take 100% of the people on the Select Board, Finance Committee, and School Committee to support an override in order for it to pass and he doesn't know if they have that percentage. Ms. Daniels asked if Mr. Yunits had seen any numbers from the Police Department or the Fire Department to get an idea of what type of increase they are looking for because they have mandates too and are going to need level-services funding as well. Mr. Yunits answered that he had not gotten any numbers from them yet, but he wouldn't be surprised if it was around 8%. Ms. Yezukevich stated that it would be helpful to see what cuts have been made since 2016 or 2017 and then they can do a comparison of what has been cut since then and if they did have the money, what the budget would be now. Ms. Cohen stated that if they do this exercise that this should be town-wide not just the School Department and Ms. Yezukevich agreed. Mr. Evans of the Finance Committee was in the audience and stated that it is also important to understand the additions as well because right now they talking that it is all cuts, but there has been some growth too, so they should be laying that all out.

Mr. Schleicher asked Mr. Puello with the next round of tax bills going out if the new town hall and senior center impacts would be included and see the impact. Mr. Puello replied that it will be next fiscal year that it really starts to peak out, but the current bill does include interest on the bonds that the Town just issued in October for the new town hall, senior center, and athletic complex. He advised that it will start going down a little bit over time after next year. Mr. Sheedy looked for confirmation that the debt-exclusion for the renovations for the High School should be coming off the books soon and Mr. Puello explained that there were three separate bond issuances that were done and he believed one was in 2011 and the other one in 2013, so some of them are going to come off in 2031 and some in 2033. Mr. Puello stated that the 2.5% limit they are bound to is a struggle because inflation has been a real issue the past few years, but they are limited to that 2.5% increase.

Ms. Cohen asked what the next steps are and Mr. Yunits stated that they all need to get their budgets in and see where they are at. Mr. Yunits reminded everyone that the budgets are due on February 7th [for the General Government]. Mr. Thompson referred the School Department's Budget Workshop scheduled for February 6th and asked if that was open to the public and Ms. Cohen confirmed that it and added that it always is. Mr. Schleicher proposed having another meeting like this soon and Ms. Daniels said that they would be meeting with the School Committee again on March 25th for their budget presentation and invited the Select Board to join as well. Mr. Snyder replied that he thought that would be a great idea.

Mr. Snyder asked the Town Manager to provide an overview of the process if they were to go for an override. Mr. Yunits explained that if they decide to go for an override, you can go about it one of two ways: 1) If you know you want and override and have the amount, you will need 35 days prior to the town election and have it put on the April ballot and then bring it to town meeting; or 2) Can go to town meeting first, and have a balanced budget passed or a budget that requires an override. He explained that if the override budget is the option passed at town meeting, then the Town will have an election after town meeting, and if it passes, then the Town will go with the override budget, but if doesn't pass on the ballot, then the Town goes with the balanced budget.

Ms. Yezukevich stated that in 2016, the override amount attempted was \$3.7 million and it lost by about 193 votes with a turnout of 4,400 voters and the last override attempt was for \$2.2 million and lost by 764 votes with a turnout of 4,800 voters and failed.

III. Old Business

There was no old business to discuss.

IV. Open session for topics not reasonably anticipated 48 hours in advance.

There were no topics not reasonably anticipated 48 hours in advance to discuss.

V. Adjournment

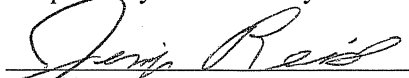
MOTION was made by Mr. Paul Schleicher at 8:48 P.M. to adjourn the Finance Committee meeting. Seconded by Mr. Evans. Vote: Unanimous. MOTION CARRIES.

MOTION was made by Mr. Savas at 8:48 P.M. to adjourn the School Committee meeting. Seconded by Mr. Nicholas Schleicher. Vote: Unanimous. MOTION CARRIES.

MOTION was made by Mr. Hornsby to adjourn the Select Board meeting at 8:48 P.M. Seconded by Mr. Rich. Vote: Unanimous. MOTION CARRIES.

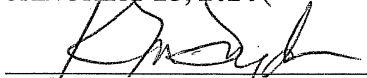
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Respectfully Submitted by:



Jennifer Reid, Office Administrator

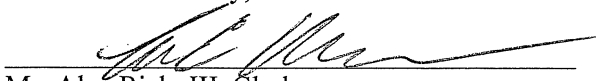
SELECT BOARD MINUTES OF JOINT MEETING JANUARY 25, 2024



Mr. Kevin Snyder, Chair



Mr. Steven Hornsby, Vice Chair



Mr. Alec Rich, III, Clerk

Ms. Megan Artz, Member



Ms. Denise Luciano, Member

Minutes Approved by Board on: February 15, 2024