

**TOWN OF WINCHENDON
BOARD OF SELECTMEN
EXECUTIVE SESSION MINUTES
MONDAY, APRIL 27, 2020 6:30 P.M.**

-- Conducted by Remote Meeting –
Zoom Meeting ID:

Present:

Audrey LaBrie, Chairwoman
Barbara Anderson, Vice-Chair
Amy Salter
Michael Barbaro
Rick Ward

Keith R. Hickey, Town Manager
Linda Daigle, Executive Assistant

List of Documents Presented at Meeting:

- N/A

EXECUTIVE SESSION:

Exemption No. 3 – 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 - Subject: Town of Winchendon Unions

Executive Session was called to order at 7:55 p.m.

Hickey informed the Board that he was exploring ways to bridge what he expects the significant budget gap in FY21. He's met with all five of the collecting bargaining units asking them to forego their wage adjustment for Fiscal year 2021 which would save the Town about \$112,000. What he was offering to them was to net out their difference with their wage adjustment and whatever increase in their health insurance to make it very simplistic, apples to apples, whatever someone making in FY20 would make the same take home pay in FY21 with the exception of any changes in state payroll taxes and things of that nature. He has heard back from one union and they are not willing to forego their adjustment in FY21. He expects to hear back from the other four this week to get a sense of where things stand. He explained to the unions it was the anticipated budget gap he was trying to plan for but couldn't promise anyone there would be no layoffs even with wage concessions; he just didn't know what the gap was going to be but wanted to give them the opportunity to work together to come up with potential budget savings so if there was some type of impact on the Town's labor force, it would not be quite as significant if they were willing to accept no raises in FY21.

Prior to sitting down with the unions, Hickey said he sat with Department Heads. They voted unanimously to forego any raises in FY21; so we will save a little bit of money there. He wanted to make the Board aware of this.

One of things he wanted to raise tonight to potentially entice the unions is if the Board of Selectmen would be willing to extend the current three year contracts ending in FY22 for an additional year if the union was willing to defer their wage adjustment in FY21. He hasn't had any conversations with anyone at this point, but it may potentially be a way for some of the unions to agree if they know they will get a 2.5% raise after their contract was to expire.

Anderson thought it was a great idea but worried the Town might not be able to do it not knowing how bad things might be. Hickey agreed and is concerned about it as well. He doesn't like not knowing where they will stand in committing ourselves, but just looking for opportunities to lessen the impact for everyone involved. He wanted to raise the issue with the Board and seek guidance on what kind of direction to give.

Barbaro had no problem with extending the contracts out if they needed to and if not, he'd like to keep status quo if at all possible, having some flexibility. He explained it would be a last resort but if we don't need to, we won't. If the budget comes in and the state says we are going to hold you harmless and the numbers in the cherry sheet will stay, then we don't need to forego raises.

Hickey said if the budget could be balanced and what he was planning on trying to do with the budget is come forward with some amendments to have a no tax increase in FY21 due to the impact of COVID-19. Obviously this would be by cutting a lot of the capital and ways to do it without impacting employees. The impression he is getting from the governor in his economic ground table and conversations being had, the shortfalls will be pretty significant. If he didn't want to touch employees, he wouldn't; but he doesn't think it is realistic at this time.

Salter offered her thoughts on a signed contract not liking to go back on a contract; "they are signed for a reason." She doesn't think they should put anything out there about future or adding things on, it is what it is. If we propose a solution, if the union is not interested, bottom line is that each department has a budget and they will choose how to spend it.

Ward offered he tended to agree with Mrs. Anderson but didn't see how to negotiate this with ifs and buts. One union already said no and thought it should be across the Board. If it isn't going to be Town-wide, including the schools, he doesn't think they should go down that path. Anderson wondered if the Unions understand the implications of what that would mean. Hickey replied when he met with all five unions, he wanted them to all hear at the same time, the same thing, so no misunderstanding. He explained to them that he sees a significant deficit he will have to fund and he couldn't promise no layoffs even if the union waives their FY21 adjustment and if they didn't, there would be certain layoffs. He did it in a way that was not threatening or confrontational but to have them realize the significant impact they are seeing. To Salter's point, he wanted them to be part of the solution. One of the five has chosen to spin the wheel to see if their budget will be impacted. Salter added maybe they will feel different once we have the numbers and they see it.

Hickey noted he was concerned with him sitting down with them may have been a bit premature not knowing where we stand and what the impact may be. Before any decisions and any cuts, he would sit with union stewards and review what he would be doing if they forego their raises and what would happen if they do not so they would see what the additional cuts would be. He's not sure what the school will do; he's focusing on the Town this evening. The School side offers three times the budget savings if they don't take the negotiated raises. There would be a significant savings on the school side, but between the School Superintendent and school employees.

LaBrie thought it might be a little premature, but thought members of the union and union representatives may be thinking about this already. She doesn't think the Town Manager is that far ahead of the curve. She agrees it's tough to offer when you don't know what is to be offered. She asked what other members felt about all unions in agreement or none should be affected. Anderson replied that this is so delicate and feels very confident the Town Manager has the best interest of the Town; he is clever with numbers and she errs on the side of giving Mr. Hickey the leeway to do what he needs to do trusting his judgement. Salter agreed. She doesn't feel one union should be penalized though because another one is refusing. She doesn't think it should be all or nothing and each union, each department, can see what would happen. The Town Manager knows the budget the best, what the impacts would be sharing this with Department Heads and they can make the decision together.

Barbaro commented if Mr. Hickey goes back to the Unions and offers to extend their contracts, they may agree. He also believes the Town Manager has the best interest of the Town and he should be able to negotiate how he sees fit. If four out of five save the Town, there would be an impact instead of just one.

Ward commented he has no problem with Mr. Hickey negotiating making offers, but still believes all the unions have to buy in because it will prove difficult to make layoffs knowing one union supported it and the other didn't wondering how you would measure that fairly. Salter thought each department would have to work with their own budgets and if they can't make their payroll, they would have to make cuts within their department.

Hickey added that any type of negotiations that needed to occur would come back before the Board for their approval. What is going to impact the community the least is what he is looking at. He will keep an open mind and not be vindictive in what he will be suggesting to cut.

LaBrie asked about the state allowing us to defer taxes and wondered if they were giving them the flexibility to handle our budget different because of this uncertainty. Hickey said they have been given direction that we are able to have Town Meeting after July 1st and that we can spend 1/12th of the budget until the budget gets approved. There was some discussion on waiving the early payment discounts for the retirement and insurance discounts.

LaBrie confirmed that there is a sense from a majority of the Board that Mr. Hickey will use his best judgement with this issue this evening and that any contract changes would come before the Board. She asked if there were any further questions from the Board.

Anderson thanked Mr. Hickey for thinking of different ways to get creative with the budget with these unprecedented times.

Hickey thanked them for their time and working with him for solutions. He will keep them in the loop and is open to any suggestions from either of them.

ADJOURNMENT:

Barbaro moved to close Executive Session and to reconvene into Open Session for adjournment; Anderson seconded. With a roll call vote of all aye, Executive Session adjourned at 8:32PM

The Remote Zoom Meeting for Open Session was reconvened.

Anderson moved to adjourn from Open Session; Ward seconded. By a vote of all aye the meeting adjourned at 8:35.

Respectfully submitted,



Linda Daigle
Executive Assistant