

**BOARD OF SELECTMEN MEETING
MINUTES FEBRUARY 8, 2016
APPROVED**

Present: John G. Petropoulos, Chair; Anna Eliot, Vice Chair; Stuart M. Schulman, Clerk; Peter S. Cunningham, Member

Absent: Joshua A. Degen, Member

Also Present: Mark W. Haddad, Town Manager

Mr. Petropoulos called the meeting to order at 6:00pm and reviewed the agenda.

ANNOUNCEMENTS

Mr. Cunningham said that he wanted to acknowledge the work the DPW had done to keep the streets clear.

Mr. Schulman announced that the Annual Taste of Nashoba was scheduled to be held on March 22nd.

Mr. Haddad said that Fox 25 was out the week before to recognize the Fire Department as part of the Firehouse Friday which was scheduled to air this coming Friday at 8:30am.

TOWN MANAGER'S REPORT

1. Mr. Haddad said that the Economic Development Committee recommended that John Konetzny of 600 Main Street be appointed and ask that you make that appointment. Mr. Cunningham said that Mr. Konetzny had a good background to do this and asked what prompted his interest in being involved. Mr. Konetzny said that Groton has good reputation and they need to build on that and not go backward. He said that he always wanted to be more involved and thought this was up his ally. He said that he attended the EDC meeting the week before adding that he likes to read Planning Board minutes and likes to keep up with what's going on in town. He added that he was an economic major. Mr. Cunningham asked if he saw areas for potential. Mr. Konetzny said that Indian Hill and the Groton Inn were exciting adding that they needed to keep pushing it. He said that Groton was not a convenient town to live in and they needed more reasons for people to want to come here. Ms. Eliot said that she enjoyed meeting him last week. Mr. Petropoulos asked if there was anything he would like to achieve. Mr. Konetzny said that he was learning about the Prescott building adding he had his own views for it. He said he didn't want to see the downtown to become quieter than it was.

Ms. Eliot moved to appoint John Konetzny to the Economic Development Committee with a term to expire on June 30, 2016. Mr. Cunningham seconded the motion. The motion carried unanimously.

2. Mr. Haddad said that the Town Accountant had prepared the 2nd quarter report. He said that in comparison to this time last year they were slightly ahead with revenues and operating expenses were tracking right where they should be. He said that employee benefits were at 72% adding that they pay pension in July and the reason that would show higher. Mr. Haddad said that the departments were tracking expenditures well and thought the Town was financially in great shape. He said that collections were still coming in at 98%. Mr. Haddad said that PILOT payments were ahead already adding that the Groton School had made their payment already. Mr. Schulman said that snow and ice must be down. Mr. Haddad said that they were in deficit on materials but were under on wages and contractor expenses because they hadn't needed them for plowing. Mr. Petropoulos said that other departmental revenue was at 50% adding they were well ahead of that last year. He asked if that was a seasonal piece. Ms. Dufresne said that it was a timing piece adding it depended on when she sent them out. Mr. Robertson said that police wages and salary looked like they would not make it at the

end. Mr. Haddad said that the first 6 months is always tracks heavier as it covers a lot of vacations, holiday payments, etc. He said that that was usually dialed back in January through March. He said that the 3rd quarter report would how it being down a little adding that Ms. Dufresne does a great job tracking this and was in constant contact with the departments.

3. Mr. Haddad said that he wanted to review the Board's goals and objectives to see where they were. He said they had been informed by the Charter review that they will not be ready for Spring Town Meeting which would delay the findings for a year as the recommendations needed to be provided to a Spring Town Meeting. He said that they were way ahead on this item adding that they had met with the non-profit entities last Thursday who decided they would like to provide an annual report to the Town Meeting on how much they add to the community. He said that they were improving communications with the public and based on a recommendation from the Charter Review Committee were looking at increasing the amount of information they make available to the public. He said that they had begun to put video ties to Vimeo on the website, meeting minutes were important to put up right away adding that they were also working with the IT director on some other means of providing information. Mr. Haddad said that they would be bringing a policy to the Board later on this month.

Mr. Haddad said that the City of Boston has a program where they track metrics through SAP. He said that they wanted to meet with them to see how they track their delivery of services. Mr. Petropoulos said that was happening everywhere. He said that they didn't have to buy the software to do this but wanted to see how they rolled it out.

Mr. Haddad said that he thought that the group had been working very well together adding that they had a workshop scheduled for next Wednesday at 5:30pm. He said that they had talked about the Prescott School over the last two meetings and were working on that objective.

Mr. Haddad said that they were working on additional parking in the downtown with construction to begin this spring. He said that they needed to schedule a joint meeting with the Planning Board before moving forward. He said that he didn't believe there was anything to report on as far as utilities on Main Street goes.

Mr. Haddad said that one of their goals was to work on regional purchasing adding he needed to work with Mr. Degen on that. He said that the Affordable Housing Trust had a meeting coming up adding this goal was a work in progress. Mr. Schulman said that it was a challenge to create housing that's affordable but to also find people that meet the qualifications for affordable housing. Mr. Haddad said that there had been a number of times they were unsuccessful in qualifying applicants because of their income. Mr. Cunningham asked if they could get that changed. Mr. Haddad said that a change like that would need to come from the State. Mr. Petropoulos asked if this topic could be added to a future agenda so that they may all be able to understand it better.

4. Mr. Haddad said that Mr. Degen had raised an issue on the status of the Country Club liquor licenses. He said that the Town was holding the licenses but they were being utilized by Luke and Katie Kenney who leases both the Tavern and the Function Hall from the Town. He said that these licenses had been used by the Kenney's since May 2015. He said that in December of 2015 the Board of Selectmen renewed the licenses to the Town, with the proviso that these licenses be transferred to the Kenney's by June 1, 2016. He said that Mr. Degen feels as though there should be some sort of fee paid to the Town for the 7 months they leased the property in 2015. He said that the ABCC requires two licenses because there are two separate buildings. He said that the original licenses held by the Town in 2015 for the Club were classified as a Club-Non Profit license since they are held by the

Town, He said that the license fee charged in previous years was \$500/license. The fee charged for a full liquor license for restaurant and/or function hall is \$3,000. He said that he was recommending that they Board not charge the Kenney's for these licenses in 2015 for a number of reasons. He said that the lease didn't discuss the license fees and because they provide many uses of the building to the Town at no cost including free use of the hall for summer camps during the summer. He said that moving forward, he wanted to recommend that the Selectmen institute a seasonal license since it was only open a portion of the year adding this was allowed under state law. He said that based on his review of other communities, he was recommending establishing a fee of \$1,000 for a Seasonal License. Mr. Haddad said that Mr. Degen felt as though the seasonal license should be \$1,500 adding he was fine with whatever the Board decided. Mr. Haddad added that Mr. Petropoulos asked him to reach out to Gibbet Hill and Ixtapa. He said that Gibbet Hill thought this was fair and after a few attempts had not heard back from Ixtapa. Mr. Haddad said that he looked to the Board for direction on this.

Mr. Cunningham asked if there was anyway to quantify what they had done. Mr. Haddad said it was way more than \$3,000. Mr. Petropoulos said that they were doing two things there; they were setting the fees for 2016 and waive fees for 2015. Mr. Cunningham added that the new fee would take effect June 1, 2016.

Mr. Cunningham moved to waive the 2015 fees for the Function Hall and Tavern. Mr. Schulman seconded the motion. The motion carried unanimously.

Mr. Cunningham moved to approve a seasonal liquor license fee for the Tavern set at \$1,000. Ms. Eliot seconded the motion and asked if it would be for six months. The answer was yes.

Ms. Eliot offered an amended to the motion to have the seasonal license fee be set at \$1,500 for six months. Mr. Cunningham said that he would accept the amendment and incorporate it into his motion. The motion carried unanimously.

5. Mr. Haddad said that the Invasive Control Committee had requested that the Board change the name of the Committee to the Invasive Species Committee and asked the Board to consider making that change.

Ms. Eliot moved to change the committee name from Invasive Control Committee to Invasive Species Committee. Mr. Cunningham seconded the motion. The motion carried unanimously.

6. Mr. Haddad said that he wanted to remind everyone that the Finance Committee and Board of Selectmen were meeting on Saturday. He said that the school budget being requested was going to be \$4M with Groton's assessment at just over \$3M. He said that the budget that he presented to the Board and Finance Committee was \$25K under the levy limit adding they set aside rollover costs for the school of \$776,100. He said that they had received some new information relative to the budget that the NVRTHS assessment had come in lower, the NABOH assessment was slightly higher than expected and a couple of new employees had come in salary wide less than budgeted. He said that this now put them \$75K under the levy limit. He said with these changes, the tax rate would go from \$19.32 to \$19.30. Mr. Haddad said that in order to address the school budget increase they would have to spend the \$75K (money left under levy limit capacity) which would increase the tax bill by 60 cents. He said that in order to meet the school's request they would also need an override which would add \$1.42 to the tax rate Mr. Haddad said that would increase the tax rate to \$20.76, an increase of \$1.98 on tax rate or \$792 on the average tax bill of which \$568 will be tied to the override. Mr.

Haddad said that the Assessors were reassessing the values which could change all this but he wanted to give them an idea of what they were looking at adding he thought this was a worst case scenario.

OTHER BUSINESS

1. Mr. Petropoulos suggested deferring this so that Mr. Degen could participate.

Mr. Petropoulos said that a request had come in for historic budgets in an unlocked format to be posted to the website in addition to the pdf's that were currently on there. He said that he asked Mr. Haddad to place these on the website instead of contacting the Town for them. He said that Mr. Haddad was concerned about making unlocked versions available and they agreed to ask the Board. Mr. Petropoulos said he didn't see any risk in having them out there as this was information someone could request at any time. Mr. Schulman said that he too was nervous about this adding he didn't think any damage can be done but people could make decisions based on changed versions. He said that too many versions could lead to confusion adding there was danger in making documents like this available. Mr. Cunningham asked how many people out there wanted to do this. Mr. Petropoulos said that there were at least two adding that Mr. Haddad had agreed that these could be made available on a case by case basis.

Mr. Kevin Forsmo said that he was one that was interested in the budgets. He said it made it easier to go back and look at alternatives. He said that if they were willing to make them available upon request it didn't make sense to not make them available online. Mr. Schulman said that he had no objection to providing people with a copy but again making those generally available made him nervous. Ms. Eliot said that she was nervous about having this conversation without their IT director present. Mr. Petropoulos said that the IT department was there to provide services they ask of them and for the public. Mr. Schulman said that putting it on the website was like playing with fire. Mr. Cunningham said that the budgets were developed within the context of the times adding he didn't strongly object but thought it would be nice for people to call and ask for them. He said that he was not sure he wanted this to be put on the website and asked if they could make it a future agenda item and talk to Mike Chiasson.

LIAISON REPORTS

Mr. Cunningham said that the Council of Aging Planning Committee was working on their public presentations and would have dates for those soon.

MINUTES

Ms. Eliot moved to approve the regular session meeting minutes of January 25, 2016. Mr. Cunningham seconded the motion. The motion carried unanimously.

Mr. Schulman moved to exit regular session and enter into Executive Session pursuant to M.G.L. c30A, §21, Clause 2 "to conduct strategy session in preparation for negotiations with non-union personnel or to conduct collective bargaining sessions or contract negotiations with non-union personnel and not return to open session adding this was relative to Town Manager contract negotiations. Mr. Cunningham seconded the motion. Roll Call: Cunningham-aye; Degen-aye; Eliot-aye; Petropoulos-aye; Schulman-aye.

Approved: _____

Stuart Schulman, Clerk

respectfully submitted,
Dawn Dunbar, Executive Assistant

Date Approved: 2/29/16

**BOARD OF SELECTMEN
EXECUTIVE SESSION
MINUTES FEBRUARY 8, 2016
APPROVED & RELEASE**

Present: John G. Petropoulos, Chair; Anna Eliot, Vice Chair; Stuart M. Schulman, Clerk; Peter Cunningham; Joshua A. Degen (via phone)

Also Present: Mark Haddad, Town Manager; Dawn Dunbar, Executive Assistant

Mr. Schulman at 7:25pm moved to enter into Executive Session pursuant to M.G.L. c.30A, §21, Clause 2 "To conduct strategy sessions in preparation for negotiations with non-union personnel or to conduct collective bargaining sessions or contract negotiations with non-union personnel" relative to the Town Manager's contract and not return to open session. Mr. Cunningham seconded the motion. Roll Call: Eliot-aye; Degen-aye; Cunningham-aye; Schulman-aye; Petropoulos-aye.

Mr. Petropoulos said that he had put all their proposals and Mr. Haddad's proposals in a spreadsheet so that it was all in one place. He asked if they wanted to discuss Mr. Haddad's latest proposal. Mr. Degen said that he read it and thought it was pretty straight forward.

Mr. Haddad left the room at 7:28pm so the Board could caucus.

Mr. Schulman said that he also put all offers into a spreadsheet. After explaining what he plugged into the spreadsheet, he and Mr. Petropoulos decided they arrived at the same answer via different avenues. Mr. Schulman said that he played around with the numbers in the spreadsheet and asked where the Board wanted to go with this. Mr. Cunningham said that one of the hang-ups related to the bonus not being calculated into the base salary. Mr. Schulman said that Mr. Haddad was okay with that in year 3. Mr. Cunningham suggested blending it and integrating it in years 2 and 3. Mr. Petropoulos said that it was about how big the number was and accrual.

Mr. Degen asked if they could touch on the car issue adding it was a non-start for me. Mr. Schulman said he didn't disagree adding it was a huge bump. Mr. Cunningham said that he looked to see if a vehicle was necessary for the job. Mr. Degen said that a lot of the hang-up was Mr. Haddad wanting a car adding he only needed one to get to work. He said that there could be a vehicle share if one was needed for something in town but could not see giving him an allowance. Mr. Petropoulos said he didn't think it was a car issue but more of a cost issue. He said that Mr. Haddad was looking to have costs deferred through compensation. He said Mr. Haddad felt as though he was not paid what he should be. Mr. Petropoulos said that Mr. Haddad had come in at an 8.2% increase where they were at 4.5%. Mr. Schulman said that if they were to take out the car it would bring Mr. Haddad's proposal down to 4.7%.

Mr. Cunningham said that in year 1 the increase would be 4.5% which would be a bump on the base there would be no bonus year one and no car allowance but health insurance would be at 20%. Mr. Cunningham said that he was including the bonus in the base for year 1. He said that beginning in year 2 they would start rolling the bonus into play. He said that he understood sequencing the health insurance in the third year because of current union contracts but suggested they leave it at 75/25 in year 2 and 70/30 year 3. Mr. Degen said that with everything else including health insurance at 80/20, 75/25 and 70/30 over 3 years he thought it was a good contract. He said that Mr. Haddad was a performance based individual. Mr. Schulman said that Mr. Haddad would argue that the bonus should go against his base. Mr. Cunningham said that he was suggesting that the bonus go to base in year 1 and then work from there. Mr. Petropoulos said that it was negligible adding its 4%. Mr. Cunningham said that the reason in public service people wanted the bonus added to their base was because it would be used in calculating retirement. Mr. Petropoulos said that there were a lots of ways to get your base salary up. Mr. Cunningham said that they had that discussion a number of years ago when getting rid of the automatic step increases. Mr. Degen said it changed because of their availability to sustain payroll costs. Mr. Cunningham said that this would show a concession in the first year and would be handled differently in years 2 and 3. Mr. Petropoulos said that it was a low cost concession adding that the long term goal was to get rid of it. Mr. Cunningham said that Mr. Haddad had agreed to do it.

Mr. Schulman said that they were gradually moving toward a desired outcome without a horrible financial impact. He said that they were proposing a 4% raise and 0% bonus in year 1; a 2% raise and 2% (bonus not tied to the salary)

in year 2 and a 0% raise and 4% bonus (not tied to the salary) in year 3. Mr. Petropoulos said that the last round was 2% and 2% which was essentially the same thing. Mr. Schulman said that it came out a little higher on his spreadsheet.

Mr. Degen said that he thought it was a bad message to send with the thoughts of a \$2.2M override. He said he thought it was important for them to set a standard. He said that he was tired of adding this to the base and thought their last offer was solid. Mr. Cunningham said that they won't meet the schools relief based on this. He said that it did lend to future bargaining of the unions adding those would be hard discussions. Mr. Degen said he didn't see any harm in rejecting Mr. Haddad's offer and laying theirs back out on the table. Mr. Petropoulos asked what would happen if they took year 1 at 4% and compounded it over the next 3 years with 2% year 1, 2% year 2 and 0% year 3. Mr. Schulman said that the salary would be \$137,904 at end of 3 years. Mr. Schulman said that Mr. Haddad wanted a bump in the first year and would take nothing in year 3. Mr. Petropoulos said that if they grant him a 3% bonus and 5% increase in health insurance the cost to the Town would be 2.2%.

The discussion was recapped as follows:

Year 1 – 4% raise added to base. 80/20 health insurance

Year 2 – 2% raise and 2% bonus pool (not added to the base). 75/25 health insurance

Year 3 – 0% raise and 4% bonus pool (not added to the base). 70/20 health insurance

Mr. Petropoulos said that they were not trading anything for health care. Mr. Schulman said that was correct adding it was only \$900 more. Mr. Petropoulos said that they could go to 3.5% and have it even out. Mr. Cunningham said that they were trying to have year 2 more susceptible. Mr. Cunningham said that \$900 wasn't going to buy them a library at the Middle school. Mr. Petropoulos said that with reduced health insurance and 3.5% revenue growth and 7% health growth that was not sustainable. He said he was worried about memorializing a 4% growth rate in salary. Mr. Degen said that they would be starting in the first year with 4% raise. He said that if Mr. Haddad were to pay 30% in health insurance he would support this. Mr. Schulman said that they didn't say that the last time. Ms. Eliot agreed adding that was going backwards. Mr. Degen said that they needed to draw a line in the sand.

Mr. Petropoulos said that year 3 would be crappy for Mr. Haddad adding that his bonus on year 3 would only mean a 2% raise over the last year. Mr. Schulman said that Mr. Haddad had partially agreed to that. Mr. Petropoulos thought it was a disincentive for an employee. Mr. Cunningham said that if he were to get a 4% increase in year 3 added onto \$137,904 Mr. Haddad would be up to \$143K. Ms. Eliot said that he would be paying 30% health insurance. Mr. Degen said that he would like to strive for balance and the reason he suggested 3% and 2% year 1; 2% and 2% year 2 and 2% and 2% year 3 with 30% in health insurance right out of the gate. He said it showed stability. Mr. Cunningham said he thought it needed to be gradual increases especially with health insurance. Mr. Schulman said that it would cost them \$140 more each year which is about 2% per year adding it really was not bad.

Mr. Petropoulos said that a different approach would be what you want the growth to be and back into that number. Mr. Degen threw out the number of 2.7%. Mr. Petropoulos asked if that was a combo of bonus and salary. Mr. Degen said to tell Mr. Haddad that this was the maximum level of growth they wanted to stay at. He said that this was what they were trying to achieve adding they should leave their offer on the table. Mr. Cunningham said that they had done that and seen Mr. Haddad's counter proposal. Ms. Eliot asked if they were considering all of it. Mr. Cunningham said that he was not going to reject the whole thing. Mr. Petropoulos said that they could offer a counter proposal and incorporate parts of his. Mr. Petropoulos said that they could say they will grow his compensation and increase his health insurance to a certain point. He said if the Board agreed to that then they could construct an offer. Mr. Degen said he agreed but they needed to get Mr. Haddad to agree to something. Mr. Cunningham said that they could offer 3.5% in the first year added to the base, with no bonus and no increase to health insurance. He said that year 2 would be 2% raise and 2% bonus not added to the base and in the third year 0% raise and 3.5% bonus pool not added to the base. He said health insurance would be 70/30 in all 3 years. Mr. Schulman asked if they were getting anywhere with this conversation.

Mr. Cunningham said that they needed to address the salary in the first year and it being applied to the base as somewhat of a concession. Mr. Schulman said it was only about \$1,300 over 3 years that they were talking about. Mr. Degen said it far exceeded the message they sent to Mr. Haddad about growth. Mr. Degen suggested sticking with 2% raise adding that a 2% bonus would be added to the base in year 1. He said that a bonus was not guaranteed. Mr. Schulman said that it sounded as though this would keep the original offer but add 2% bonus to the

base. Mr. Degen said that they should stick with the 2% bonus across the board with it being added to the base in year 1 but not added to the base in years 2 and 3. He said that Mr. Haddad's health insurance contribution over 3 years would be 20/25/30. Mr. Petropoulos said it wasn't much. Mr. Degen said it wasn't but it was guaranteed. He said it also ties it to meeting goals adding it was a concession. Mr. Schulman said a minor concession.

Mr. Schulman said that they were back to where they had started; year 1 – 4% and no bonus. Year 2 – 2% to the base and 2% bonus not added to the base and year 3 – 0% and 4% bonus not tied to the base. He added no car allowance, okay the life insurance, vacation and extra personal day. Mr. Degen said it added up to be 11% growth over 3 years adding that health insurance contribution would be 20/25/30 over 3 years. Mr. Petropoulos said it was the same net at the end of the day. Mr. Degen said that was assuming full bonus was given. Mr. Degen said that they needed to decide how far they were willing to go with the contract adding that they had been at 8.2%. Mr. Schulman said that it was closer to 9%. Mr. Degen said that they should still tell Mr. Haddad they can only hit a certain amount. Mr. Schulman said that the performance bonus was not growth, just money.

Mr. Cunningham said that he was back to where he was before. Year 1 - 4%, 0% performance; year 2 - 2%, and 2% bonus and year 3 - 0%, and 4% bonus with health insurance left at 20/25/30 adding there would be no car allowance.

Ms. Eliot moved that they make the above tonight's offer.

Mr. Schulman asked Mr. Petropoulos if he would support this. Mr. Petropoulos said he would not. Mr. Cunningham said that Mr. Petropoulos had been clear that he wouldn't support this all along. Mr. Petropoulos asked what the accrual strategy was asking if the bonus in year 2 accrued to the base salary. Mr. Cunningham said that it would not. Mr. Petropoulos asked the same question about year 3. Mr. Cunningham said that the bonus in year 3 would not accrue to the base salary. Mr. Schulman said that he would be willing to say that in year 1 there would be 2% raise and 2% bonus that would go to base; year 2 would be 2% tied to the base and 2% performance (not tied to the base); and year 3 a 0% raise and 4% bonus that does not get added to the base. Mr. Degen said that that was a lot more palatable to him. Ms. Eliot said that she was having trouble with it because Mr. Haddad had made a counter proposal. Mr. Schulman said that they had done that but were basing some of it on performance. Ms. Eliot said that she would like to have another plan if he didn't accept. Mr. Degen said that they should hear Mr. Haddad's concerns before they come back with another proposal.

Ms. Eliot said that she wanted to amend her motion to include that they would be prepared to offer 4% if Mr. Haddad rejected their offer. Mr. Petropoulos said it would in essence be a 2-tiered offer. Mr. Schulman reluctantly seconded the amended motion adding he didn't want to paint himself in a corner. Mr. Schulman retracted his second.

Ms. Eliot removed her motion and amendment.

Mr. Cunningham moved that they offer Mr. Haddad a 3 year contract. Year 1 - 2% compensation; 2% bonus added to base; year 2 - compensation 2%; 2% bonus not added to base; year 3 – 0% compensation and 4% bonus not tied to the base. Health insurance contribution over the 3 years would be 80/20, 75/25, 70/30. There would be no car allowance, they would agree to 5 weeks' vacation, agree to extra personal day and agree to life insurance policy to be paid for by the Town. The grievance procedure would be based on a recommendation made by the Charter Committee. Ms. Eliot seconded the motion. Roll Call: Cunningham-aye; Schulman-aye; Eliot-aye; Petropoulos-nay; Degen-nay (3-2-0 in favor)

Mr. Degen said he really wanted continuity before they make another offer. He said he was not against what was being proposed but needed ground rules set. He said that they keep increasing their offer adding they were now up to 11% which was a huge increase. Ms. Eliot said she did not think it was when you take out 30% for health insurance. Mr. Degen said that was not true adding that he believed those numbers were included. Mr. Cunningham said that was assuming he received the entire bonus. Mr. Petropoulos said that he could not commit to an analysis there. Mr. Degen said he would have gone along with the motion if there was a health insurance increase in year 1.

Mr. Haddad reentered the room at 8:35pm.

Mr. Schulman said to Mr. Haddad that the Board was in general agreement that they don't agree to the car allowance request. He said that they did agree to 5 weeks' vacation, an extra personal day and life insurance. He said that Year 1 of the contract would call for a 2% raise of his annual salary and a 2% bonus that would accrue to his salary. Year 2 would call for a 2% salary increase and a 2% bonus doesn't accrue to the salary. Year 3 would call for a 0% raise of his annual salary and a 4% bonus that doesn't accrue to the salary. He said that the health insurance contribution would be 20/25/30 over 3 years.

Mr. Haddad said that they did not have a deal. He said that the Board had spent 9 hours caucusing and only 40 minutes with him. He said he thought he put a reasonable offer on the table and met the Boards objectives. He said he thought they needed a cooling off period. Mr. Schulman said that the Board was having difficulty meeting with consensus. Mr. Haddad said that he had met with three of them on his performance already adding that he was not going to be able to meet all his goals for a bonus. He said it was an unfair offer adding that negotiations so far had been awful and was nothing he had ever seen happen before. He said his new idea was to have a couple of them sit down with him, maybe Mr. Degen and Mr. Petropoulos if that was what the Board decided to work on coming to an agreeable contract. He said he didn't see this happening this way. He said that his offer was in line with other employees and with what other Town Managers were receiving. He said he didn't see the Board getting to a consensus. Mr. Cunningham said that they wanted to see the increase in the health insurance as this would be the direction they would be looking for the bargaining units to go. Mr. Haddad said that he was willing to do that in the third year. Ms. Eliot said that they discussed 4% compensation in year 1 with 20% health insurance contribution and no bonus. Year 2 was the same as before and year 3 was 0% compensation, 30% health insurance contribution and 4% bonus. Mr. Schulman said that the only thing different in year 1 was 4%. Mr. Haddad said that the car allowance was important to him.

Mr. Cunningham asked if the Board was available to meet on Friday at 7:30am. Ms. Eliot said she didn't think they were getting anywhere. Mr. Schulman said that the car allowance was a huge chunk. Mr. Degen said he had an idea he wanted to float. He said that they needed to come to grips as a group with what Mr. Haddad wanted for an annual increase adding they wouldn't agree to the car. Mr. Haddad said that he put an offer on the table and did a salary survey where the average salary was \$139K. He said that a 4% raise plus the car allowance would get him to almost \$140K where he thought the position should be. He said that he wanted to get to \$138,800 in the first year which equaled an 8.2% bump. Mr. Petropoulos said that the second year request was 3.8% and third year was 2.2% or 2.9% based on a bonus. Mr. Petropoulos said that 0% in the third year was not a good idea. Mr. Haddad said that he was willing to front load the contract. Mr. Petropoulos said that a car allowance was nothing but salary. Mr. Cunningham said that he thought they needed to meet on Friday. Mr. Degen asked Mr. Haddad if he would come in with another proposal. Mr. Haddad said no.

Mr. Cunningham moved to adjourn at 8:53. Ms. Eliot seconded the motion. Roll Call: Eliot-aye; Degen-aye; Cunningham-aye; Schulman-aye; Petropoulos-aye.

Approved: _____
Stuart Schulman, Clerk

respectfully submitted,
Dawn Dunbar
Executive Assistant to the Town Manager

Date approved: 3/21/16

presented by Mr. Petropoulos
February 8, 2016

Town Manager Contract Negotiation Summary

Assumptions

Health Care Cost Growth Rate	7%
Salary Index Growth Rate	2%

Rollup	Total Potential Compensation Growth	Round 1	Round 2	Round 3	Round 4	Round 5	Round 6
BOS Offer (1 Year)							
	Yr 1	3.0%	5.6%	N/A	N/A	N/A	N/A
	BOS Vote	Y (5)	Y (5)				
BOS Offer (3 Year)							
	Yr 1	2.0%	4.4%	4.5%	0.0%	0.0%	0.0%
	Yr 2	2.6%	1.9%	1.7%	0.0%	0.0%	0.0%
	Yr 3	2.0%	2.1%	2.0%	0.0%	0.0%	0.0%
	BOS Vote	Y (4), N (1)	Y (4), N (1)	Y (4), N (1)	Y (4), N (1)	Y (4), N (1)	Y (4), N (1)
TM Offer 3 Year							
	Yr 1	13.1%	8.2%	8.2%	8.2%	0.0%	0.0%
	Yr 2	6.8%	3.8%	3.8%	3.8%	0.0%	0.0%
	Yr 3	6.0%	3.4%	2.2%	2.9%	0.0%	0.0%
	BOS Vote	Y (0) N (5)	Y (0) N (5)				

BOS Offer Details		Round 1	Round 2	Round 3	Round 4	Round 5	Round 6
Option 1							
Year 1							
	Term	1	1				
	Starting Compensation	\$ 130,000	\$ 130,000				
	Base Raise	\$ 1,950	\$ 2,275				
	Health Contribution Change (town)	\$ (818)	\$ (270)				
	Bonus Potential	\$ 3,959	\$ 5,291				
	Total Compensation Potential (\$)	\$ 135,091	\$ 137,296				
	Total Compensation Potential Growth (\$)	\$ 5,091	\$ 7,296				
	Total Compensation Potential Growth (%)	3.9%	5.6%				
Option 2							
Year 1							
	Term	3	3				
	Starting Comp	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000
	Base Raise	\$ 1,950	\$ 1,950	\$ 2,800	\$ -	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ -	\$ -	\$ 610	\$ -	\$ -	\$ -
	Health Contribution Change (town)	\$ (818)	\$ (245)	\$ -	\$ -	\$ -	\$ -
	Bonus Potential	\$ 2,639	\$ 3,959	\$ 2,652	\$ -	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 133,771	\$ 135,683	\$ 135,862	\$ 130,000	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 3,771	\$ 5,683	\$ 5,862	\$ -	\$ -	\$ -
	Total Compensation Potential Growth (%)	2.9%	4.4%	4.5%	0.0%	0.0%	0.0%
Year 2							
	Assumed Salary Index Growth Rate	2%	2%	0%	0%	0%	0%
	Base Raise	\$ 2,639	\$ 2,639	\$ 2,652	\$ -	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ -	\$ -	\$ 610	\$ -	\$ -	\$ -
	Health Contribution Change (town)	\$ -	\$ (350)	\$ (438)	\$ -	\$ -	\$ -
	Bonus Potential	\$ 2,692	\$ 4,038	\$ 2,705	\$ -	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 137,281	\$ 138,277	\$ 138,129	\$ 130,000	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 3,510	\$ 2,613	\$ 2,267	\$ -	\$ -	\$ -
	Total Compensation Potential Growth (%)	2.6%	1.9%	1.7%	0.0%	0.0%	0.0%
Year 3							
	Assumed Salary Index Growth Rate	2%	2%	0%	0%	0%	0%
	Base Raise	\$ 2,692	\$ 2,692	\$ 2,705	\$ -	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ -	\$ -	\$ 610	\$ -	\$ -	\$ -
	Health Contribution Change (town)	\$ -	\$ (281)	\$ (468)	\$ -	\$ -	\$ -
	Bonus Potential	\$ 2,746	\$ 4,118	\$ 2,759	\$ -	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 140,028	\$ 141,118	\$ 140,858	\$ 130,000	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 2,746	\$ 2,842	\$ 2,729	\$ -	\$ -	\$ -
	Total Compensation Potential Growth (%)	2.0%	2.1%	2.0%	0.0%	0.0%	0.0%
	BOS Vote	Y (4), N (1)	Y (4), N (1)	Y (4), N (1)			

Town Manager Offer		Round 1	Round 2	Round 3	Round 4	Round 5	Round 6
Year 1							
	Starting Comp	\$ 130,000					
	Base Raise	\$ 10,000	\$ 5,200	\$ 5,200	\$ 5,200	\$ -	\$ -
	Health Contribution Change (town)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Car Allowance	\$ 6,400	\$ 4,800	\$ 4,800	\$ 4,800	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ 610	\$ 610	\$ 610	\$ 610	\$ -	\$ -

	Bonus Potential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 147,010	\$ 140,610	\$ 140,610	\$ 140,610	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 17,010	\$ 10,610	\$ 10,610	\$ 10,610	\$ -	\$ -
	Total Compensation Potential Growth (%)	13.1%	8.2%	8.2%	8.2%	0.0%	0.0%
	Year 2						
	Base Raise	\$ 10,000	\$ 5,408	\$ 5,408	\$ 5,400	\$ -	\$ -
	Health Contribution Change (town)	\$ 6,400	\$ 4,800	\$ 4,800	\$ 4,800	\$ -	\$ -
	Car Allowance	\$ 6,400	\$ 4,800	\$ 4,800	\$ 4,800	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ 610	\$ 610	\$ 610	\$ 610	\$ -	\$ -
	Bonus Potential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 157,010	\$ 146,018	\$ 146,018	\$ 146,010	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 10,000	\$ 5,408	\$ 5,408	\$ 5,400	\$ -	\$ -
	Total Compensation Potential Growth (%)	6.8%	3.8%	3.8%	3.8%	0.0%	0.0%
	Year 3						
	Base Raise	\$ 10,000	\$ 5,624	\$ -	\$ -	\$ -	\$ -
	Health Contribution Change (town)	\$ -	\$ -	\$ (382)	\$ (764)	\$ -	\$ -
	Car Allowance	\$ 6,400	\$ 4,800	\$ 4,800	\$ 4,800	\$ -	\$ -
	Life Insurance (additional \$100k)	\$ 610	\$ 610	\$ -	\$ -	\$ -	\$ -
	Bonus Potential	\$ -	\$ -	\$ 4,207	\$ 5,593	\$ -	\$ -
	Total Compensation Potential (\$)	\$ 166,400	\$ 151,032	\$ 149,233	\$ 160,229	\$ 130,000	\$ 130,000
	Total Compensation Potential Growth (\$)	\$ 8,380	\$ 5,014	\$ 3,215	\$ 4,219	\$ -	\$ -
	Total Compensation Potential Growth (%)	6.0%	3.4%	2.2%	2.9%	0.0%	0.0%



Feb 8th mtg

Jack Petropoulos <jack.petropoulos@gmail.com>

Proposed Contract Offer - Confidential - Not For Public View

1 message

Mark Haddad <mhaddad@townofgroton.org>

Sun, Feb 7, 2016 at 10:32 AM

To: "Jack Petropoulos (jack.petropoulos@gmail.com)" <jack.petropoulos@gmail.com>, Anna Eliot <annaeliot@verizon.net>, Stuart Schulman home <stuartschulman@hotmail.com>, Peter Cunningham-home <brecca@charter.net>, Josh Degen-Home <josh@joshdegen.com>
Cc: Dawn Dunbar <ddunbar@townofgroton.org>

Good Morning Members of the Board:

The Board has made the statement that you are trying to negotiate a contract with me that would set up the parameters for negotiations with the Unions in the Fall of 2017 for contracts to take effect in July, 2018. July, 2018 would be the third year of the Town Manager's Contract and the First Year of the new Union Agreements. Therefore, the Town Manager's Contract should incorporate those parameters in the Third Year. Years 1 & 2 of the Town Manager's Contract are years 2 & 3 of the current agreements, and , therefore, has no bearing on the current agreements. That said, in an effort to settle the Contract between me and the Board, I would like to propose the following:

Year 1 and Year 2 as provided to the Board in my proposal dated February 1, 2016.

Year 3

1. 0% Wage Adjustment (based on Years 1 and 2, this translates to an average increase in my base of 2.67% a year for 3 years).
2. Performance Bonus (one-time payment not added to my base, based on Town Manager achieving goals agreed to with the Board in Years 1 and 2. This review would take place in January of 2018 with the bonus to be paid on July 1, 2018. Up to 3% with Health Insurance Share increasing to 25%. Up to 4% with Health Insurance Share increasing to 30%.
3. Language would be added to the contract that would state that the Town Manager's Health Share would increase in years 1 or 2 should any Union agree to an increase in the share.

I look forward to meeting with the Board in Executive Session tomorrow evening.

Mark

Mark W. Haddad

Town Manager