

*Town Council Budget/Management Committee
May 15, 2013 at 6:45 PM
Town Council Chambers*

Present: Chairman Kenneth DiFazio
Councilor Arthur Mathews
Councilor Patrick O'Connor
Councilor Michael Smart

Absent: Councilor Michael Molisse

Also present: Richard Swanson, Town Auditor
George Lane, Town Solicitor
Michael Gallagher, Director/ Administrative & Comm. Svcs.

Recording Secretary: Diane T. Hachey

Chairman DiFazio called the Budget/Management Committee Meeting to order at 6:50 PM.

13 068J-Administrative Services

Auditor Swanson posed the following questions to Michael Gallagher:

Kindly provide an updated Organizational Chart that covers all six Operations that are being reviewed this evening. Review each chart with Committee members as we progress through the review of each budget.

Mike Gallagher presented and did an overview of his organizational chart which was distributed, noting that he is responsible for Information Services, Human Resources, Legal, Building Maintenance and Emergency Management, which fall under the umbrella of Administrative Services.

What is the rationale for allocating the Mayor's secretary to Administrative Services? Should a portion of her salary be allocated to the budget of our CFO as well?

He noted that the Administrative Services secretary is funded 70% under his budget and the remaining 30% under the Mayor's budget. The rationale is that this individual assumes responsibility for all mail processing and completes some administrative functions for him. She doesn't support the Chief Financial Officer.

13 068U-Civil Defense

Auditor Swanson posed the following questions to Michael Gallagher:

Are there any applications in process to obtain grant funding from the Federal or State government for Fy14 Operations or updating of Equipment?

Unfortunately there are no grants that can be used for operations or equipment updating for Civil Defense- except LEPC (local emergency planning committee), of which a majority of expenses are reimbursed.

Other departments have realized equipment updating from grants such as smart boards, utility trailer, lightning trailer and supplies.

(Councilor O'Connor arrives here).

What will \$3,500 in miscellaneous expenses buy for Civil Defense for the year?

This funding will be used to purchase supplies such as radios, walkie talkies and general office supplies.

How many volunteers work with Mr. Mulveyhill and do they receive compensation of any kind?

32 unpaid volunteers are employed by the Civil Defense Department, who alleviate police and fire from certain duties during an emergency situation.

13 068 K-Human Resources

Auditor Swanson posed the following questions to Michael Gallagher:

Is the \$9,000 in Education Reimbursement intended to cover all departments excluding Schools? How is this program being promoted? How many employees have used the program in Fy13?

This funding is for non union employees for higher education. Reimbursement is 50% of tuition and is on a first come first serve basis. In past years this line item was funded more and has since been reduced. It was noted that only one employee took advantage of the program this year.

Councilor Mathews asked for the balance in this line item and what happens to the unused portion. To which Mr. Gallagher responded that the remainder falls to free cash, he promised to provide the current balance.

What is intended to be procured with \$2,500 in Office Equipment?

This represents a service agreement for a copier/scanner and fax machine.

Are all step increases included in the budget?

Yes.

The Fy13 actual expenditures are tracking so low for all line items {except Salaries and Education Reimbursement} how is it that the Fy14 budgeted line items are the same as Fy13?

Mr. Gallagher noted that he budgets for the department based on historical trends. Many of the line items in his budget are for hiring costs, training, advertising for positions, drug testing and medical examinations.

Councilor Smart asked Mr. Gallagher to investigate a 100% drug free work force as it reaps great benefits from an insurance standpoint.

Mr. Gallagher was asked about cell tower availability to which he noted that there are towers located in town hall, the incinerator at the treatment plant and one at the police station. The town has entered into an agreement for reimbursement of which we realize revenue in the amount of \$25-30k per year.

13 068 E-Town Solicitor

Auditor Swanson posed the following questions to Mr. Gallagher and Mr. Lane:

Salaries increase in Fy14 by 9.1%-----Is this due to our Paralegal working more hours?

Mr. Lane requested additional hours for the paralegal. This individual is max on the step chart and will not be receiving a step increase.

Her functions include tax title work, analyses, and numerous miscellaneous functions to take the burden off of the town solicitor.

The Special Counsel budget is \$74,500. Kindly explain to the Committee the nature of this work. How many outside law firms are under contract and for what billing rate?

This includes contracts with outside attorneys with specialties that the town may need—and is handled on an as-need basis. George Lane noted that as the sole attorney for the town, he bills \$140 per hour--towns with similar populations employ 5 or more attorneys to handle legal matters.

The Assistant Counsel budget is \$30,700. Who is the Assistant, what does the firm do and what is the billing rate?

This represents outside legal assistance, when needed, and is not a specific position, but can be classified as legal assistance.

Is the line item of \$30,000 noted as "Town Solicitor" intended only to be paid to Mr. Lane for services rendered not covered by his salary?

This represents reimbursement to Attorney Lane, outside those duties included in the code of ordinances, examples include BOLC meeting attendance, and civil service issues.

It was clarified that Mr. Lane is compensated two fold: base salary of \$56,200 and time over and above, which is billed at \$140/hour.

What does the \$33,000 in Professional Fees under Real Estate & Takings pay for?

This line item is allocated for tax title attorney, tax title exams and any legal services regarding real estate tax title and takings.

The actual expenditures for Judgments/Claims/Settlement are \$14,521 in Fy13. Discuss why \$45,000 may be needed for FY14 and what is the nature of these claims?

This line item is deceiving in that one cannot predict future claims made to the town. In years past, this was funded at \$150k and includes workers compensation claims etc.

13 068 F-Information Services

Mr. Swanson posed the following department questions to Mr. Gallagher:

Are all step increases included in this budget?

Yes, but he noted that this applies to four of his six staff only, as two are currently at the step chart maximum and will not be receiving step increases.

Kindly discuss the agreements in place under CPT/SOFT/M for \$110,500.

This covers service agreements for the following (in order of size):

- Tyler Technologies for MUNIS financial system
- Tyler Technologies for IBM database for the MUNIS financial system
- Tyler Technologies for the MUNIS GUI support system
- Microsoft office, exchange
- AMS Imaging for backup software
- CFA software for DPW maintenance for vehicles
- Sage Software for capital assets tracking program

There is \$50,000 budgeted for Other Professionals. What is the nature of the services these funds will pay for?

The town cannot afford a data base administrator so this service is contracted out for specialty. This covers expenses associated with database support, MUNIS support, firewall support and web design.

What Software will be upgraded for \$10,000?

This line item is reviewed on a year by year basis, and case by case basis, and will be utilized for upgrading of several of our software programs which need upgrading.

What are the components of GIS expense of \$15,000?

Mr. Gallagher noted that this represents support needed for software products for the town's GIS system and property viewer.

What are the components of the \$50,000 in M/C COMPUT?

This line item funds computer hardware support contracts and is also for purchasing PC server hardware. It was requested of Mr. Gallagher to supply the committee with a list of components of the town.

What is covered by the \$20,000 in Utilities expense?

This represents funding to cover the costs of leased lines for town buildings not connected to fiber, examples cited were the water treatment plant and the libraries.

Does the \$20,000 in Internet expense cover the entire town government excluding Schools?

The \$20k represents costs with the internet connectivity and the maintenance to the fiber network, which is used by both the town side and school side.

Mr. Gallagher noted that there is a charge back from the schools for this line item of which a portion of the costs are computed into the school's net school spending calculation.

Councilor Smart suggested, as he has in the past, that the schools and town IT functions are centralized. Mr. Gallagher confirmed that this has been investigated and noted that a vote of the town council and school committee would be required for implementation and believes that the two departments must be separate from a security standpoint. Efforts amongst school and town IT departments are collaborated on many levels, although they functionally remain as two separate departments. Councilor Smart believes that the savings would be great and it is not simply how much we spend, but the manner in which we do. Mr. Gallagher noted that he has saved the town more than \$130k in coordination of the schools and IT departments, from a support and expenses standpoint.

Councilor Mathews requested that Mr. Gallagher supply the committee with detail of expenses so the Budget/Management Committee can ascertain any overlap.

13 068 I-Town Building Maintenance

Auditor Swanson posed the following questions for this department to Mr. Gallagher:

For the Committee discuss what Town buildings are covered with this \$458,865 operating budget and what is the level of funding for each building?

The following five buildings are covered: Emery Estate, Town Hall, McCulloch, Teen Center, Hollis Street building and staffing needs for the aforementioned.

The actual Fy13 Expenditures shown are \$402,095, leaving only \$56,157 in funds through June 30th. Will this be sufficient?

Mr. Gallagher is confident that we can make it through the fiscal year with this funding, he noted that last year funds were turned back due to a mild winter.

Kindly update the Committee on the new keyless Office Security and the benefits derived from this investment.

The program has been implemented in stages, complete installation of all floors in town hall (with the exception of the 3rd floor) will be completed by the end of fiscal year 13. The police station and DPW offices are currently operational as well. The plans for next year are to install the keyless office security system at the teen center and McCulloch.

Some benefits realized from this program include turning on/off access to certain offices upon need and cancelling access for terminated employees.

Councilor Smart asked if LED's have been installed for utility lighting to which Mr. Gallagher responded that last year all town buildings were replaced with LED's, realizing a substantial cost savings, and they are investigating implementing the same for street lighting.

Office of the Mayor:

Mr. Swanson posed the following questions to Mr. Gallagher:

Kindly provide a list of all insurance policies noting the coverage provided, term of the contract and cost of each policy with the total agreeing to the budget of \$700,500.

This line item funds a policy for casualty and liability insurance for buildings, vehicles, employees and boards and committees (both town and schools). It was noted that Trident Insurance is the carrier and the contract runs from November 1 through October 30.

Claims also include constituent claims made to the town. Mr. Gallagher is investigating the possibility of self insuring to save the town money, as he noted that the town's past record in claims submitted results in a exorbitant premium.

What are the components of the PRK/CON/MA expense of \$80,372?

This represents the town's responsibility for the operation of Pond Meadow Park which is 50%, of which our neighboring town of Braintree covers the remaining 50%.

Chairman DiFazio noted that the Budget/Management Committee is half way through deliberations of the budget and the committee's schedule is to vote out the budget in mid June with a vote by Town Council at that time as well. A discussion ensued regarding accelerating this schedule. Rescheduling the school department deliberation from June 5 to the last week in May was discussed and will be scheduled with the schools. Allowing the Town Council opportunity to ask questions on the budget, due to stringency in the open meeting law, whereby non Budget/Management Committee members cannot be involved in the discussion, was agreed upon for the next Town Council meeting.

Councilor O'Connor updated the committee on developments at the state level on NSS. The Senate released their figures today for increases to chapter 70 funding by \$130.1M which is \$15.2M more than the budget passed by the House.

\$59,496,192 is the fiscal year 2014 NSS mandated requirement, the proposed allocation is \$59,075,587 with \$287,500 added to the fiscal year 2014 NSS requirement--which represents the town's catch up amount. The total amount with the added requirement is \$59,783,692 for a total appropriation of \$60,225,587. He noted that by calculating the surplus amount of \$441,895, the resulting NSS liability total would be (\$358,105). In order to even out the playing field for those communities not allowed to calculate retired teacher benefits to NSS, a proposal is under consideration to increase NSS by 25% via a phased in approach.

With no further business to attend to, Councilor O'Connor motioned to adjourn at 8:54 PM- motion seconded by Councilor Smart and voted unanimously.

Respectfully Submitted by: Diane T. Hachey, as Recording Secretary

Approved by: Chairman Kenneth DiFazio