

***Town Council Budget/Management Committee
April 1, 2013 at 6:30 PM
Town Council Chambers***

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

Absent: Councilor Michael Molisse

Also Present: Mayor Susan M. Kay
William McKinney, Chief Financial Officer
Kathy Deree, Town Clerk
Richard Swanson, Town Auditor
Michael Gallagher, Director of Administrative & Community Service
Chief Grimes, Police Department

Recording Secretary: Diane T. Hachey

Chairman DiFazio called the Budget/Management Committee Meeting to order at 6:30 PM.

13 028-Reserve Fund Transfer-Town Clerk for Senate Special Election

Kathy Deree noted that on April 30th and June 25th there are special elections for the senate seat and \$44,300 is needed for funding to support these elections.

Councilor Mathews asked about reimbursement from the state, Ms. Deree is still waiting to hear, but \$8,000 reimbursement is possible.

Councilor O'Connor motioned for favorable action on measure number 130 28, motion seconded by Councilor Mathews and voted unanimously.

13 029-Appointment to the Commission on Disabilities-Henry Goldman

Mr. Goldman was not present, and it was confirmed that an invitation was extended. Chairman DiFazio asked all members to take a moment to review the measure.

Councilor O'Connor spoke in favor of the appointment as Mr. Goldman is a strong advocate for the town.

Councilor O'Connor motioned for favorable action, motion seconded by Councilor Mathews, and voted unanimously.

13 033-Reappointment to the WETC Board of Directors-Glenn Heath

Councilor O'Connor motioned for favorable action, motion seconded by Councilor Mathews, and voted unanimously.

13 031-Free Cash-Police Department Replacement Vehicle

Chief Grimes is requesting a transfer from free cash to the Police Department (in the amount of \$30,000) to cover the expense of a new cruiser, resultant from a suspect who rammed the cruiser during a pursuit. It was noted that insurance reimbursement will be \$27,379.

Councilor O'Connor motioned for favorable action, motion seconded by Councilor Mathews, and voted unanimously.

13 032-Reserve Fund Transfer-Auto/Property/Liability Insurance

Mr. Gallagher presented that during the budget preparation the auto/property/liability insurance is unknown, and \$580k was budgeted. It has since been determined that there is a \$110k increase in the last few years. The town can cancel and reissue the current policy with Trident Insurance. Other agencies, in addition to self insuring, are being investigated. There will be a \$200k increase as of July 1, 2013, and \$5,000 is needed to pay the current bill. Mr. Gallagher noted that we are current until November of next year and should we cancel with the current agency, the town will incur a \$13k penalty.

Councilor O'Connor motioned for favorable action, motion seconded by Councilor Mathews, and voted unanimously.

13 027-Local Options Meals Excise

Mayor Kay presented that she never saw herself submitting a meals tax measure as she doesn't want to burden the community. The situation has changed and many other surrounding communities have adopted the tax since 2009 (Quincy, Hingham, Abington and soon Braintree). Implementation of this measure would realize \$500k in recurring revenue. The majority of complaints to her office center around the state of our playing fields, therefore she plans on applying the tax to aid in funding the maintenance of the town's fields-adding a Parks Superintendant to oversee the effort would also be included. The Mayor's Office conducted research with local eateries to cite the impact of instituting the tax. Mayor Kay gave examples of different fares purchased at local restaurants and the minimal impact the .75% excise tax would have on the overall bill. She further confirmed that restaurant owners do not foresee major impacts to their business. In fiscal year 2011 more than \$60m and in fiscal year 2012 \$82m in meals tax funding was distributed by the state, and unfortunately the Town of Weymouth did not receive any benefit from this funding.

Mayor Kay reviewed the logistics and noted that the funding received from the state on the meals tax would be deposited to the town's general fund and be budgeted under the auspices of the DPW. The Council would approve this increase to the DPW during the annual budget review process.

Chairman DiFazio stated that he has heard concerns from constituents that the funding may not solely be dedicated to field maintenance. Mayor Kay assured the committee that that is her intention and a discussion ensued regarding depositing the tax into a separate account (similar to the SPSF) for approval of each appropriation by Council. Mayor Kay reiterated that this would result in Council approval for each appropriation and assured the committee that should an unforeseen circumstance occur, which would necessitate her deviation from utilizing the funds for field maintenance, protocol dictates that she would be required to come before Council for approval.

Councilor O'Connor noted his opposition to any tax as constituents have been hit hard during these economic times, citing increased income taxes and the state meals tax. Although he is not anti-fields, he strongly believes that there are alternative avenues to increasing revenue. He cited a PILOT program for the water treatment plant as a viable option. He will be voting against this measure.

Mayor Kay stated that it is unfair to compare the town tax with the state tax. The town doesn't realize any of the state tax in the form of local aid, she further noted her appreciation of his suggestion for the PILOT program although that funding couldn't specifically be earmarked to field maintenance.

Councilor Smart inquired as to the funding being deposited into a SPSF, much like is in use for mitigation money from Southfield. Mr. McKinney noted that each appropriation would require a 2/3 vote. Councilor Smart requested that administration provide the effect of this revenue for comparison of pre and post figures.

Chairman DiFazio announced that the committee does not plan to vote on this measure this evening, as the public hearing is scheduled for later at the Town Council meeting.

Councilor Mathews can see both sides of the issue, and would like to hear from the public later this evening. He further asked about future Mayor's wishes for earmarking of meals tax receipts. Mayor Kay replied that the decision would be up to the individual.

With no further business to attend to, Councilor O'Connor motioned to adjourn at 7:20 PM - motion seconded by Councilor Mathews and voted unanimously.

Respectfully Submitted by: Diane T. Hachey

Approved by: Chairman Kenneth DiFazio