

TOWN COUNCIL MEETING MINUTES
Budget/Management Committee
November 30, 2015-Monday

Present: Michael Molisse, Chairman
Jane Hackett, Councilor
Rebecca Haugh, Councilor
Brian McDonald, Councilor
Patrick O'Connor, Vice Chairman

Also Present: Susan Kay, Mayor
Mark Abrahams
Nick Bulens, Planning Department
Richard Swanson, Auditor
James Clarke, Director of Planning
Chip Fontaine, DPW Engineer
Braydon Marot, DPW
Paul Haley, Chair/Board of Assessors
Kevin Spellman, Vice Chair/Board of Assessors

Recording Secretary: Mary Barker

Chairman Molisse called the meeting to order at 6:00 PM.

A motion was made by Councilor Haugh to take measures 15 118 and 15 132 out of order and was seconded by Councilor Hackett. UNANIMOUSLY VOTED.

15 118-Community Preservation Committee-Back River Trail-Town Landfill Improvements

Jim Clark and Nick Bulens presented the request for \$350,000 to fund the full amount of the project. Under the rules, the entire amount of the project must be voted and then 50% reimbursed to Community Preservation fund by a state-administered federal grant program. \$300,000 will come from the General Fund and \$50,000 from the Unreserved Fund Balance Account, as amended in the request. Mr. Clarke outlined the project; this will continue the trail from North Weymouth through Great Esker to Whitman's Pond in accordance with the Master Plan 2005. Permitting will be complete in 6-8 months with bids out in 2016, with construction expected to begin July/August, 2016. Reimbursement will be provided once a cancelled check is provided to the state after work is complete.

Councilor Hackett noted her concern that the choice of funding exhausts a specific fund until reimbursement has been received. Mr. Clarke responded that another category can be used if another project were to come forward. Auditor Swanson confirmed there are sufficient balances in the corresponding accounts for this measure. Mr. Bulens will present the measure for public hearing.

A motion was made by Councilor Hackett to forward measure 15 118, as amended, to the full Town Council with a recommendation for favorable action and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

15 132-Community Preservation Committee-Puritan Road Flood Mitigation/Ecological Resilience Project

Mr. Clarke introduced Andrew Fontaine and Braydon Marot from DPW Engineering Department (replacing Walter Flynn who is ill), to present the request for \$10,700 from CPC to complete a study of the culvert on Puritan Road. This will determine the optimum mitigation method to address the flooding and increase the functionality of the wetlands. They received some grant funding and this request is for the balance of the cost of the study. The results of the study will determine what action will be taken. Findings and options will be presented at a public hearing. During the presentation, at 6:10 PM, Councilor McDonald arrived. Auditor Swanson reported that he reviewed MUNIS and there is sufficient funding for the measure; however, the account balance referenced in the measure needs to be amended to \$927,687.10.

Councilor Haugh thanked the presenters on behalf of her district. She asked if they can estimate the cost of the mitigation and if grant funding is available. Mr. Merit responded that they are unsure until the analysis is completed and improvements are determined.

A motion was made by Councilor Hackett, to forward measure 15 132, as amended, to include the fund balance as corrected to the full Town Council with a recommendation for favorable action and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

15 130-FY16 Supplemental Budget

Mayor Kay, Mark Abrahams and Nick Bulens appeared before the committee. Mayor Kay noted that she has been assured by DOR that they are not required to raise and appropriate from excess capacity from new growth. Since it was in excess of \$500,000, it was determined it should be used to supplement departments who did not get fully funded during the budget process. Mr. Abrahams noted that two weeks ago he presented a supplemental budget containing two parts. Part one was the Southfield appropriation for the debt repayment and part two was the departmental supplemental budget. In meeting with Councilor Hackett and Auditor Swanson to consider whether it was necessary to appropriate the money for Southfield- it was confirmed that DOR concurred they did not have to raise and appropriate for Southfield, so that part was withdrawn and the measure amended for a departmental supplemental budget of \$542,000. A presentation was made in powerpoint format.

The final FY16 budget will be determined after the recap sheet is submitted and DOR sets the tax rate. The FY16 excess capacity is due to certify new growth above the budgeted new growth. A packet was provided to the committee at the last meeting documenting the departmental requests. The difference between the original budget and the proposed new growth is the supplemental funding request.

Councilor Hackett noted that the Southfield appropriation of \$989,000 was removed but the revenue projection is not revised, so how do the revenues and expenditures balance? Mr. Abrahams responded that of the \$989,000, \$418,000 is the special assessment. Councilor Hackett noted that in May the new growth from Southfield was offset by the amount of the bond. Her concern is that the \$2.8 million was intentionally reduced to incorporate the bond payment. Mr. Bulens responded that \$2.8 new growth was reduced by the bond payment. \$1.5 is the new growth actually budgeted (less the intergovernmental payments).

Councilor Hackett reviewed the May 18, 2015 budget presentation. She understands the expenses. The enabling legislation was changed to allow Weymouth to collect the tax revenue. The supplemental budget raised and appropriated for a bond payment that was already included in the original budget on the revenue side. The revenues have not been reduced yet, because the invoice hasn't been received (expected mid-January). Mayor Kay noted that they spoke with Mr. McKinney to review. Councilor Hackett asked if this is the way the bond payment will be structurally handled going forward. It will be budgetary from then on. She is not concerned voting it forward since there is sufficient funding within the budget to accommodate it. She is concerned with the terms used throughout the budget. During this discussion, Vice Chairman O'Connor arrived (6:30 PM). Nick Bulens reported that the way it is accounted on the recap sheet is the way DOR wants it shown. Councilor Hackett noted the appropriation number is less but the revenue is still the same. The Mayor pointed out that it balances. Councilor Hackett reviewed the positions requested; there are 4.5 and one is for the school department.

At 6:32 PM, Chairman Molisse called a brief recess. The meeting resumed at 6:39 PM.

Mayor Kay noted it was a unique setup and DOR has established the specific way they want it shown. Nick Bulens noted \$1.8 of the \$2.89 is what was certified new growth from Southfield. They are telling DOR in the recap sheet in 'other amounts to be raised' that the \$1.8 raised is an expense the town is obligated to pay (the bond payment), so they aren't getting credit for the income and it won't influence the Chapter 70 funding. They will be certified for the new growth this year, but for the actual income they are acknowledging that it is not discretionary and they will be netting it out. If they are netting it out, they do not want to show it as income coming in.

Councilor Hackett asked if the method is the same manner as it was handled in May. It was confirmed that it is. Mr. Abraham noted the numbers are not rounded any longer, but there are further steps; after the tax classification hearing is complete and DOR certifies Weymouth's, Rockland's, and Abington's tax rates.

A motion was made by Councilor O'Connor to forward measure 15 130 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

15 133-FY 16 Tax Classification

Mr. Haley presented the request with Vice Chairman Kevin Spellman and the assessor staff. He first reviewed the appreciation of the various classifications. There was an increase in condos and less in commercial values. Single family home values increased by 6.1%, condo values by 7.5% and the average commercial / industrial property increased by 2.7%. They were wrestling with how to apportion the shift to the commercial side. They have shifted as much as 75% in 2005 and heard last year from residents, businesses and the Council that they are hoping that commercial / industrial owners would get some break this year. The board recommends the Council vote to shift again, at 45%. Without any shift, the impact to residential owners would be quite significant (15-26%). He is unsure Weymouth can go to “no shift” like many surrounding towns. Many in town are concerned with empty storefronts. The new growth was captured. Much of the new growth is due to several new projects. There was not a lot of new growth and calculations are based on full tax levy.

A motion was made by Councilor Hackett to forward measure 15 133 to the full Town Council, with no recommendation pending the close of the public hearing, and was seconded by Councilor Haugh. Councilor McDonald asked what the average tax payer will pay with no shift of the tax burden. Mr. Haley responded that the average value is about \$320,000 and would be about 250 or 6/5% increase. It's very close to what was requested in the recent override.

Councilor McDonald asked if the shift hinders the business climate and noted the empty storefronts throughout the town. Mr. Haley responded that it contributes to it. Weymouth taxes to the full levy limit, but due to comments from the public, have made a concession. Councilor Hackett noted that competition for commercial with the development of Southfield, is also a factor. In the enabling legislation, TIF's were not ruled out and the developer has stated for the record that the tax rate has not been a hindrance to commercial development. The town also has the option to consider TIF's. She agrees the tax rate is one factor in an overall redevelopment policy and that they would be shifting the burden to the residents without increasing the services offered, on the promise of possibly bringing in new growth.

Councilor McDonald noted that if the recommendation is moved forward it could bring new growth and may not necessarily be a bad thing. Vice Chairman O'Connor noted that it will be considered a tax increase by residents. In essence, they are utilizing a shift that was created by legislature and giving a break to homeowners. The average increase will be 1.4 per \$1000 value with no shift. This is something that is necessary for the future long term benefit to the town. Empty storefronts are still owned and taxed. Councilor Haugh noted that the override opened eyes. Weymouth is still the lowest tax rate on the South Shore. She reviewed data over ten years. The commercial owners have consistently been hit with the shift.

Chairman Molisse asked about the revaluation. Mr. Haley noted another full revaluation will not be done for a few year. The data presented is based on sales. There are options if

the town chooses another shift, but it needs to be done so that collections can be performed. Chairman Molisse noted that appraisals appear to be lopsided. Mr. Spellman reviewed the process. Councilor Hackett noted the current shift is 1.55. Staying at that, the commercial rate would still go down. Mr. Haley responded not all; the data is interpretive and a different shift could be implemented. UNANIMOUSLY VOTED.

ADJOURNMENT

At 7:07, there being no further business, a motion was made by Councilor Hackett to adjourn the meeting and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

Respectfully submitted by Mary Barker as Recording Secretary

Approved by Chairman Michael Molisse
Voted unanimously on 19 January 2016