

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
May 1, 2017, Monday**

Present: Michael Molisse, Chairman
Jane Hackett, Councilor
Rebecca Haugh, Councilor
Brian McDonald, Councilor

Absent: Patrick O'Connor, Vice Chairman

Also Present: Ted Langill, Chief of Staff
Brian Connolly, Chief Financial Officer
Richard Swanson, Town Auditor
Joseph Callanan, Town Solicitor
Robert Luongo, Director of Planning
Jody Lehrer, Community Development Coordinator
Jane Kudcey, Housing Coordinator
Nicholas Bulens, Administrative Services Coordinator
John MacLeod, Director of Asset Management

Recording Secretary: Mary Barker

Chairman Molisse called the meeting to order at 6:03 PM.

Budget Kick-Off Meeting

A Motion was made by Councilor Hackett to take measures 17 023 and 17 024 out of order and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

17 023-CPC request for Funding-Memorial Wall

This matter was referred to the Budget/Management Committee on April 18, 2017. Chief of Staff Langill reviewed the request in conjunction with John MacLeod. The measure is for an appropriation of \$213,792.64 from the Community Preservation Fund Balance Reserve for Historic Resources account, and \$586,207.36 from the Community Preservation Unreserved Fund Balance for the preservation of the Veteran's Memorial Wall in the amount of \$800,000. The Community Preservation Committee approved the measure at its meeting on April 6, 2017.

The site is located on the National Register of historic sites. The scope of work was reviewed; it includes plaque and wall restorations, brick repointing, wall and storage painting and accessibility upgrades. Plans and specs are complete and Massachusetts Historic Commission has approved them. Timeframe for the project designed so it doesn't impact the town's Memorial or Veterans Day observances. They will try to coordinate the repair of the horseshoe with Chapter 90 funding.

Auditor Swanson reported that he reviewed the balance sheet accounts and confirmed they match the funding request.

Councilor Haugh supported the measure and noted that it is a great way to honor those who served. She asked about relocating the summer events which are typically held on the amphitheater. Mr. MacLeod responded that options have been discussed.

A motion was made by Councilor Hackett to forward measure 17 023 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Haugh.
UNANIMOUSLY VOTED.

17 024-CDBG & Home Budget Authorization-Fiscal 2017-2018

This matter was referred to the Budget/Management Committee on April 18, 2017. Mr. Luongo presented the measure with Jody Lehrer and Jane Kudcey; that the Town of Weymouth accepts the Fiscal Year 17-18 estimated HUD grants in the amounts of \$635,910 for CDBG and \$136,672 in HOME Investment Partnership Grant Funds. Furthermore, that the Director of Planning and Community Development, having received the approval of the Mayor, be permitted to expend said grants in their entirety as described on the attached funding allocation list.

Projects include low and moderate home improvements/barrier removal Washington at Broad/King's Cove. Housing rehabilitation includes health and safety items. The HOME project is a consortium with City of Quincy. Funds are allocated to administration, CHODO set aside, operating expenses and projects.

Auditor Swanson reported that he has reviewed the backup.

A motion was made by Councilor Hackett to forward measure 17 024 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Haugh.
UNANIMOUSLY VOTED.

Review/discuss revenues, reserve fund, overlay for abatements, debt, pensions, benefits, revolving and gift donation accounts, local aid and state assessments as well as unpaid bills.

Deliberate the following measures:

17 025-General Government Annual Appropriation

17 025C-Reserve Fund

17 025BB-Overlay for Abatements

17 025X-Debt

17 025Y-Pensions and Benefits

17 026-Revolving Accounts Annual Authorization

17 027-Gift Accounts Annual Authorization

17 025AA-State and County Assessments

Chief of Staff Langill reviewed the budgets for the preceding departments and provided written responses to the Auditor's questions. Several items were noted in the review:

- Revenue- in year 4 of 5 per the definitive agreement. Councilor Hackett asked where the funds are booked (to Stabilization Fund).
- Cell phone revenue – based on lease agreements
- License revenue includes alcohol, food, entertainment, and auto dealerships. Councilor Hackett asked when these were last evaluated. Mr. Langill responded that it is in the process of review, as well as consolidation of all fees to one area.
- Medicaid reimbursement is lower than anticipated, but would like to see a 3-year pattern before making any changes.
- Tax lien revenue is zero because it was shifted to the levy last year and is now part of the Real Estate Levy.
- Interest/Penalty was backlogged and an effort was made to catch up-as a result, the year-to-date amounts are artificially higher.
- Reimbursement for MSBA is \$1.7 Million, scheduled for 2022.
- The transfer from collection of trash and recycling is due to collection and transfer to the general fund to offset costs. Only a third of the cost is covered.
- CPA transfer to General Fund is for Emery debt schedule.
- There was an error in the tax levy calculation that was corrected in the presentation.
- New growth underestimated the last several years.
- \$2M in property tax outside of new growth. Councilor Hackett pointed out it could not have been realized without a change in the enabling legislation.
- Special Assessment \$450K – used to pay off the parkway bond. Councilor Hackett asked if LStar is billed. She also asked how long is the obligation. Mr. Langill will provide the information.
- Free cash projections more accurate this year.
- Local Receipts collection-- projection \$1M increase
- Meals tax 1% surcharge netting \$600K. \$650K was collected last year. Funds are committed to fields. \$125K line item in budget for park/field maintenance. As fields are built/updated, they will need to be maintained.
- Debt Service- increase in short-term debt. Some has been refinanced and is an overall aggressive plan. Rating is currently AA. Two reviews are expected this year. It will be 3 years before they can entertain a change to it.
- Contributory retirement- actuarial issue- period covers 2014/15- paying for the loss of two years, so they will see an increase in gains going forward.

ASSESSMENTS:

- Charter school enrollment-FY18 projecting 251 in 7 different charter schools. Reimbursement is not keeping up (not fully funded at state level). Increase in tuition- 100% first year, 25% after. Creating cherry sheet- negative number on state aid. Chapter 70 funding is not going up either. The only aid Weymouth receives as a minimal school is

the per pupil amount. Councilor McDonald noted that the town loses money when kids go to the charter schools. Councilor Haugh asked if any student returns from Charter to Weymouth, does the payment stop? Payment is quarterly. She would like additional information on charter funding when the school budget is reviewed. Should they be laying off teachers if students are leaving to Charter Schools. Mr. Langill responded that the programs/teachers are shifted from school to school as program needs determine. Auditor Swanson asked how the charter schools match up with Weymouth for per pupil cost. Councilor Hackett asked about pre-enrollment. Charter schools report to the state. It's not based on acceptance but application. She also would like a list of charter schools Weymouth students are attending. It was noted that 98% are attending South Shore Charter School.

REVOLVING ACCOUNTS:

- They reviewed the limits to accept / expend. There is an increase in community services- will offset expenses rather than letting it continue to grow and use it on existing needs.
- The gift account was reviewed. Exceeding limit to exceed and spend requires council approval.
- Free Cash – snow deficit is slightly higher than last year. All OT has been paid out to employees. The remaining bills are for goods and services and the outstanding balances are scheduled to be paid in the next warrant. \$15K in other professional services is for equipment repairs. It reverts to an 02 account to avoid having to revote any change or corrections.
- There are no unpaid bills to report.
- PILOT- Councilor Hackett asked if discussions are planned to revisit the PILOTS. There is no end date on the current and it's a terrible agreement. The current quarterly payment for South Shore Hospital is \$700K.
- Pensions/benefits/health insurance. Mr. Langill noted that the GIC is talking potential increase. They been good getting employees to consider plans that provide as good coverage at cheaper price, and have capped some plans.
- Compressor- Councilor Haugh asked where the revenue will be collected.

ADJOURNMENT

At 7:10 PM, there being no further business, a MOTION was made by Councilor Hackett to adjourn and was seconded by Councilor Haugh. UNANIMOUSLY VOTED.

Respectfully Submitted by Mary Barker as Recording Secretary

Approved by Michael Molisse as Chair of Budget/Management Committee
Voted unanimously on 19 June 2017