

**MINUTES OF THE
BUDGET/MANAGEMENT COMMITTEE**

May 13, 2004

PRESENT: Ken DiFazio (Chairman), Sue Kay (Vice Chairwoman), Colin McPherson
Paul Leary and Michael Molisse

OTHERS: Richard Swanson, Jane Hackett and Jim Wilson

Chairman DiFazio called the Budget/Management Committee meeting to order at 6:30 p.m. at the McCulloch Building, 182 Green Street.

APPROVAL OF PRIOR MINUTES

Councilor Kay MOTIONED to approve the budget/management committee minutes of April 22, 2004. Councilor Molisse seconded. VOTED UNANIMOUSLY

Councilor Kay MOTINED to take measure # 04 109 out of order as Mr. McLeod will not be able to get here until 8:00 p.m. Councilor McPherson seconded. VOTED UNANIMOUSLY

04 103 – Appropriate \$120,000 from Free Cash for School Department

Mr. West-Superintendent, Karen Berry-School Committee, Mr. Joe Rull-Assistant Superintendent, Mary-Jo Livingston

Mr. Rull followed up on the previous meeting and said the school committee sensed some frustration regarding the presentation on MUNIS reports. The provided 3 different options of munis reports for the council to review and decide which one they would prefer for next year.

- a) Is the original version that was submitted with the FY05 budget.
- b) A version the way the DOR requires them to report
- c) A 3rd version that groups things differently by object codes. This could be provided by each cost center.

Councilor McPherson said the detail from FY04 to FY05 was coded differently. If you are moving people around to different locations then the data in munis is meaningless because you can't compare them. It was very difficult to see what has changed. There should also be a summary of changes with the budget. He suggested that they consider who the readers are and what they need to know.

Councilor Kay stated that she liked version "C" and agrees with Councilor McPherson that this was hard to follow. She also appreciates their quick action.

Councilor DiFazio said he would like to discuss the administration re-organization and the busing issues.

Karen Berry stated that she would prefer not discussing them as the school committee is taking up those issue this evening.

Chairman DiFazio said they will provide a list of questions tomorrow.

Councilor McPherson what the difference would be in reimbursement of SPED at 35% versus 50%. Mary-Jo Livingston said at 35% the reimbursement would be \$330,000 and at 50% it would be \$471,000 for a difference of \$140,000

Councilor Kay asked 35% of what? Mary-Jo Livingston said there has often been a misconception of this. It is not 35% of the tuition. If the tuition were \$100,000 the first thing that happens is you would deduct 4 times the foundation rate which this year is \$29,320.00. That leaves a balance of approximately \$70,000 which is split 35% reimbursed by DOE and the other 65% the schools pay.

Councilor Leary said you get reimbursed 50% then measure # 04 103 would not be necessary.

MaryJo said the budget was done back in January and the 35% what they felt was required for FY05. Since then they have placed out 10 students. This means the dollars that they will need in FY05 and the dollars budgeted may not be represented exactly.

Councilor Leary MOTIONED to recommend a negative report to the full town council. Councilor Kay seconded.

Discussions:

Councilor McPherson wanted to be clear on what they were voting on. They have a measure before them to prepay FY05 expenses with FY04 free cash. Our understanding is there is a possibility that the school department will receive additional reimbursement beyond the 35% for SPED. If we approve this and they get a 50% or more reimbursement then we have prepaid FY05 expenses and they receive the extra money from SPED. He questioned when we would find out the percentage 35 vs. 50, but we won't know until the senate votes their budget. He asked if there were any downside to not approving this.

Councilor Kay stated she does not feel they should go forward with this.

Chairman DiFazio said the only down fall is there is a potential that the administration could spend the money elsewhere. Mr. Wilson said as the CFO they have never spent all the free cash in the beginning or middle of the year and as you can see it is now the end of FY04 and we still have free cash. The administration has taken a prudent view of free cash and try to reserve as much as possible.

Councilor McPherson asked if it was necessary to spend all the free cash by June 30th and Mr. Wilson said no, it will go over into FY05 as a beginning.

Karen Berry asked if next year comes and they are in the same spot where they do not have enough money if the council to be sensitive to their obligations.

VOTED 5-0 not to pass the measure

Councilor Kay MOTIONED to take measure #04 110 out of order. Councilor Leary seconded. VOTED UNANIMOUSLY

04 110 – Re-appointment to Board of Zoning Appeals, Martin Joyce

Mr. Joyce was present and answered any questions the councilor had.

Chairman DiFazio said he had one matter in district 3 where he was voting on it and Councilor DiFazio felt he did a very good job.

Councilor Molisse said Mr. Joyce conducts himself very well and always visits the sites which he feels is very important.

Councilor Kay will also be supporting him and feels he does a great job.

Councilor Leary said he really cares about the people and is always a gentleman. He will be supporting this appointment.

Councilor Shanahan agrees and will also be supporting him.

Councilor Kay asked him to explain the role of zoning board member. Mr. Joyce said if you are a developer and you need a special permit then you would make your appeal to the board and the board determines if they agree with you. They also have to stay within the guidelines to approve or reject.

Councilor Mathews thanked him for his work and stated he has done a great job. He will have more questions for Mr. McLeod as the people are not happy with the decisions of the board. He will be supporting Mr. Joyce.

Mr. Joyce said other measures who may wish to deny something, if we deny it, it could very well be appealed which would result in a court case. An example is Castle Storage on Rt 3A, things just were not falling into place.

Councilor Leary MOTIONED to recommend favorable action on measure # 04 110 to the full town council. Councilor Molisse seconded. VOTED UNANIMOUSLY

04 104 – Acceptance of \$10,000 gift from Abington Savings Bank for Weymouth Day

Mrs. Hackett said that Weymouth Day is scheduled for October 2, 2004 and this money would make our total available to \$35,000. The Mayor will also be submitting an additional measure to the council for \$25,000. The administration is very excited about this. The Community Events Committee under the direction of Caroline LaCroix and Shelby Tillet have been working on this. They have received a very good response externally for parade participation. This parade will have children participating in but rather watching it. There will be different marching bands etc. It will begin in Jackson Square and go to the new high school where there will be a festival. There has been discussions regarding a carnival however the logistics are difficult at a carnival likes to come for 3 days not 1. There will be a float contest among different civic groups. They want something that will appeal to the entire family. There is certainly a desire by families to have these types of events.

Councilor Kay asked what affects has Weymouth residents had with loosing their jobs at Abington Savings Bank. Mrs. Hackett said she was not sure but the Mayor, Jim Wilson, Mr. Halkiotis and Jane are checking to make sure they are in compliance with the TIF as a percentage of Weymouth residents need to be employed there. Abington savings has followed through and been active participants in the community. They also gave \$10,000 to the school department and provided some training and several others things small in nature.

Councilor Leary said its easy to be generous with other peoples money. He has not seen one job created as part of the TIF.

Councilor Leary MOTIONED to recommend favorable action on measure # 04 104 to the full town council. Councilor Molisse seconded. VOTED UNANIMOUSLY

04 105 – RFT of \$15,000 to the Fire Department for utilities

Mr. Wilson said half of this is for utilities and the other half is for vehicle maintenance. He provided a spreadsheet for all committee members. The analysis showed 12,000 deficit. There will also be a second reserve fund transfer to deal with vehicle maintenance deficit. That will cover April, May and June for another \$12,000 and it will be divided up again between utilities and maintenance. They didn't budget too low, everything just ran high this year. In the past 11 years Mr. Wilson has never had to do a reserve fund transfer for utilities.

Councilor Kay asked why the telephone expenses at Station #1 were so high and Mr. Wilson said they did a reconfiguration on the telephone lines and next year you will see a reduction.

Chairman DiFazio asked if they have taken this into consideration for the FY05 budget and Mr. Wilson said yes.

Councilor Leary MOTIONED to recommend favorable action on measure #04 105 to the full town council. Councilor Kay seconded. VOTED UNANIMOUSLY

The balance in the reserve fund is \$240,000.

Discussions on the FY05 Budget

04 087 – Operating #7 Appropriate \$108,556,047 FY05 Operating Budget

04 088 – Operating #8 Appropriate \$6,665,841 FY05 Water Budget

04 089 – Operating #9 Appropriate \$11,049,518 FY05 Sewer Budget

Chairman DiFazio stated that he has a list of questions from Richard Swanson, Sue Kay and himself. After reviewing them they will generalize a final list and submit them in writing to the administration.

Please see attached list. The following are the answers to some of the questions. The rest will be submitted tomorrow.

#3) Mr. Wilson said in FY01 there were 21 people plus Jim Wilson who was not in the budget and in FY05 there are 24 people who are all now in one place. Unpaid bills can not be in the budget as it can not be a lump sum and requires a 90% vote of the council. Water and Sewer has one position at about \$44,000 if the position stays in municipal finance then the maximum would be \$24,000.

) gas is regulated by a key. Everyone has one with an id on it. It is centralized fuel for all town vehicles except for the motorcycles.

Richard Swanson said there are approximately 150 employees that not charged to the general fund. He would like these to be shown by titles (teachers, paraprofessionals, nurses, etc).

Chairman DiFazio requested a reorganization chart of the school department comparing FY04-FY05 of the administration building and their salaries with total costs.

Jim Wilson stated that will be briefing this committee on foreclosures more frequently. It looks like the town will be getting the Sportsman Club.

The administration will provide all FY04 pre-funded items.

Jim Wilson said the SPED reimbursement may be closer to 60% or even higher. 35% was appropriate when the school department put together their budget back in January 2004.

Chairman DiFazio asked why the appropriation for \$120,000 to refund FY05 was not part of the budget and Mrs. Hackett said because they needed more time.

Chairman DiFazio asked if they expect the \$200,000 police grant for FY06 and Mr. Wilson said it is usually budgeted at \$60-80,000. There is no history to support repeating and there is no match.

Are there any new revenue sources for FY06? It was stated no, the SBA reimbursement and the TIF goes up \$200,000 but that is all they are aware of.

How did you calculate new growth for FY05. Mr. Wilson received a list of permits from ACONE.

Chairman DiFazio asked how the overlay account works and Mr. Wilson said each year stands on its own. When the assessors say they have no more outstanding cases for that year, then they close out the year. They review this annually and we will review the liabilities in 2006.

What are the prospects of find the \$1200 for the town clerk's office and It was stated that it is going to be done.

In the FY05 school salaries it was asked that the salaries for Superintendent and Assistant Superintendent reflect the jobs.

Will there be any supplemental budgets this year and it was stated no. The only changes will be in the circuit breakers and not in state aid.

Chairman DiFazio asked when the school department does a transportation plan, why don't they plan for 65 at full capacity and not at 50 at the Middle schools.

Councilor Kay has several questions regarding the IT department and will email them to the administration and committee members.

Councilor Mathews asked if they are planning an auction this fall and will the fund go to FY05 or FY06. Mr. Wilson said the statute says if we receive funds in foreclosure they are available immediately. If we receive them prior to foreclosure they go into real estate taxes and if we foreclose that is a different situation.

Councilor Kay asked about the public comment for cable. Mrs. Hackett said the public comment period closed on Tuesday. Councilor Kay asked what the process was now. Mrs. Hackett said she would need to talk to Shelby who is the contact person for this.

Chairman DiFazio said the next meeting will be next Wednesday to review these responses. Jim Wilson said he will not be available then and Paul Leary said he will not be available on Thursday.

Chairman DiFazio hopes to have this budget out of the committee by the end of next week.

Councilor McPherson said he doesn't see a lot left to talk about besides a few dangling questions and hopes it does come out next week.

Chairman DiFazio suggested that everyone air any concerns at the full town council.

Councilor Kay has concerns with the IT department and said she will probably vote no with an explanation to the town council.

Councilor McPherson said this happen to him last year were he support parts of the budget and not others. He suggests if anyone has a concern to state it clearly for the record and vote it out of committee. It's up to the town council to make cuts not the budget/management committee. It's only up to us to ask questions and gather information to report back.

Councilor Kay agrees other than she still has concerns about some questions that will be submitted. She does not want to hold up the budget but her intent will be to split the question when it comes time for a vote.

Councilor Leary asked why do we need a unanimous vote anyway. We don't.

Chairman DiFazio will report everyone's concerns to the full town council.

Chairman DiFazio said the next meeting will be next Thursday at 6:30 p.m.

04 109 – Re-appointment to Board of Zoning Appeals, Richard McLeod will be taken up on Monday the 17th before the town council meeting as Mr. McLeod is not here this evening.

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ADJOURNMENT

Councilor Molisse MOTIONED to adjourn at 8:10 p.m. Councilor Kay seconded.
VOTED UNANIMOUSLY

Respectfully submitted by,

Lee Hultin, Recording Secretary

Approved by: _____