

**TOWN COUNCIL MINUTES**  
**Budget/Management COMMITTEE**  
**Town Hall Council Chambers**  
**May 29, 2008**

Present: Kenneth J. DiFazio, Chairperson  
Patrick O'Connor  
Kevin Whitaker  
Michael Molisse  
Arthur Mathews

Also Present: Robert Conlon  
Ed Harrington  
Thomas J. Lacey  
Victor Pap, III  
Michael Smart  
James Wilson, Chief Financial Officer

Recording Secretary: Janet Murray

Chairperson DiFazio called the Budget/Management Committee meeting to order at 6:45pm.

**08 078-Reappointment to the Cemetery Commission-Liz Cicchese**

A MOTION was made by Councilor O'Connor to forward item number 08 078 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 079-Reappointment to the Community Events Committee-Charles McMurray**

A MOTION was made by Councilor O'Connor to forward item number 08 079 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 080-Reappointment to the Commission on Disabilities-Richard Johnson**

A MOTION was made by Councilor O'Connor to forward item number 08 080 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 081-Reappointment to the Scholarship Fund Committee-Donna Shea**

A MOTION was made by Councilor O'Connor to forward item number 08 081 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 082-Reappointment to the Weymouth Housing Authority-Ernest Remondini**

A MOTION was made by Councilor O'Connor to forward item number 08 082 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 083-Appointment to the Cultural Council-Charlene Terravecchia**

A MOTION was made by Councilor O'Connor to forward item number 08 083 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 084-Appointment to the Cultural Council-Judith Alukonis**

Ms. Alukonis appeared before the committee and introduced herself.

A MOTION was made by Councilor O'Connor to forward item number 08 084 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**08 085-Appointment to the Cultural Council-Lori Ann Powers**

Ms. Powers appeared before the committee and introduced herself.

A MOTION was made by Councilor O'Connor to forward item number 08 085 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

**Deliberate the following measure:**

**08 030-Unpaid Bills**

Mr. Wilson stated that this measure is to pay unpaid bills for 2007 in the amount of \$6169.14. The current balance in free cash is \$181,000. The bills are broken down as follows:

- Mileage charge \$3.52
- American Arbitration (2007) \$175.00
- Deductible for claim (2006) \$5631.52
- Education Inc. (2007) \$359.10

Mr. Wilson stated that he has certified that all goods and services have been received.

A MOTION was made by Councilor O'Connor to forward item number 08 030 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and was UNANIMOUSLY VOTED.

**Update on Budget Deficit**-James Wilson, Chief Financial Officer

Mr. Wilson gave a Power Point presentation regarding the budget deficit.

Councilor Lacey noted that without a copy of the presentation he is at a disadvantage.

Councilor DiFazio commented that up until 2006 the town was running with a surplus.

Councilor DiFazio asked when the \$500,000 deficit occurred. Mr. Wilson stated that it was in October of 2007 and was paid for from the tax levy.

Councilor DiFazio asked if there was a way to anticipate a correction after a positive jump from \$2 million to \$5 million. Mr. Wilson stated that yes it is not unusual to anticipate a change. He stated that there was nothing to suggest such a large change to negative \$5 million.

Councilor Conlon asked if, once a claim has reached the stop/loss threshold, why does the town have to pay and then be reimbursed. Mr. Wilson stated that the stop/loss policy requires proof of payment for the claim prior to reimbursement.

Councilor Molisse asked if Mr. Wilson's office monitors the claims. He stated that this is now being done. Mr. Wilson pointed out that last year he was directed by the previous administration not to do this.

Mr. Wilson stated that the town is not allowed to review individual claims as a result of HEPA regulations. Harvard Pilgrim is the town's claims administrator. He stated that reviews of aggregate claims are conducted. He pointed out that there were 18 catastrophic claims in the last year totaling \$2.9 million. Five (5) of the 18 claims qualify for Stop/Loss. Four (4) of the five (5) claims will continue into 2009. He also pointed out that there were eight (8) large claims over \$80,500 each.

Councilor DiFazio asked why Weymouth's costs are higher than other surrounding towns. Mr. Wilson stated that he did not know about the other towns. He also stated that the figures given are actual costs. He noted that it would seem that Weymouth employees are utilizing their benefits more frequently.

Councilor O'Connor asked about co-payments. Mr. Wilson stated that the employee's co-payment is \$5 for office visits and \$25 for emergency room visits. Councilor O'Connor noted that the emergency room co-payments for other towns are much higher. He pointed out that co-payments are set by collective bargaining. Prescription drugs are on a tiered system.

Mr. Wilson answered questions from Councilors regarding the specifics of the town's insurance plan.

Councilor Mathews asked about the impact if the town's employees joined the GIC. Mr. Wilson stated that the town could see a savings of \$2 million if this change occurred.

Mr. Wilson stated that there are approximately 1700 employees and retirees.

Councilor Conlon asked how many town employees are enrolled in Harvard Pilgrim. Mr. Wilson stated that Harvard Pilgrim is the only insurance offered by the town. Mr. Wilson stated that not all employees are enrolled in the plan.

Mr. Wilson stated that there are two other deficits: Worker's Compensation deficit of \$78,000, seeking an appropriation from Free Cash, and a snow removal deficit of \$570,000 for which a measure will be submitted prior to 7/15/08.

Mr. Wilson stated that if the town repeals the provisions of Chapter 111 for the retired teachers, this process would involve a submittal of a measure to council, a public hearing would be required, and notice mailed to all teacher retirees affected by the change. The earliest that this could happen would be January 2009. He stated that potential savings in 2009 would be \$1 million and in 2010 it would be \$2 million.

Mr. Wilson stated that there is a public employee committee (PEC) which has been formed. It is made up of a representative of each of the town's 17 unions and 1 representative for retired teachers. He stated that 70% of the representatives must vote to accept GIC. He stated that each representative has a weighted vote based on the number of people being represented. He pointed out that this change would result in changes that would not go into effect until 2010.

Councilor Lacey asked if the acceptance of GIC by the town employees is related to the repeal of Chapter 111. Mr. Wilson stated that it did not.

Councilor O'Connor stated that he did not believe that it was fair to ask the retired teachers to change insurance plans several times.

Councilor Molisse asked if the town is able to bond for the \$3.4 million deficit. Mr. Wilson stated that this is not allowed.

Councilor Mathews asked if it would be possible to grandfather- in retired teachers already in the system if/when the change to GIC occurs. Mr. Wilson stated that there is nothing in the statute to prevent this. He stated that he would review this as a possibility.

Mr. Wilson stated that a 5.2% budget reduction would be needed to resolve the \$5 million deficit. This reduction does not take into account any increases from contract negotiations currently underway.

Councilor Mathews stated that health insurance rates are increasing significantly every year. He urged the town employees to seriously consider joining the GIC.

Councilor O'Connor stated that he is a member of the GIC. He stated that he pays \$180 per month. He noted that his co-pays are \$15 for office visits and \$50 for the emergency room, and \$10 for prescriptions. He pointed out that these co-payments are reasonable.

Councilor O'Connor stated that he is disappointed that there is not currently a plan in place to resolve the budget deficit-moving forward.

Mr. Wilson acknowledged that changes are necessary.

Mr. Wilson asked if Councilor O'Connor is making a recommendation to take the \$3.4 million and \$3.1 million deficits and request the Mayor to cut the budget \$6.5 million which is a 7% across the board cut. Councilor O'Connor stated that this is not what he is suggesting.

Mr. Wilson stated that his is the only concrete plan which he could present to the Mayor. He stated that he won't know until August what the certified deficit will be.

Councilor O'Connor stated that he believes that it is devastating to the town to have to make budget cuts in FY 09 to make up for the FY 08 deficit.

Councilor DiFazio asked if the expectation from administration is that the Council needs to vote on the budget before the committee, knowing that there would be supplemental budgets.

Mr. Wilson stated that a supplemental budget will be necessary. He stated that he will not get very far with the Department of Revenue until the \$3.1 million deficit is resolved. This will require coming back to the Council. Additionally, a projected deficit for FY 09 would also need to be brought back to the Council.

Councilor DiFazio expressed concern that the Budget/Management Committee would be voting on a budget which is not real.

Mr. Wilson stated that he is not aware of any non-recurring revenue available to offset the \$3.4 million FY 08 deficit. He also stated that the deficit must be resolved before the tax rate can be set.

Councilor Conlon asked if South Shore Tri-Town Development Corporation's water rates could be increased. Mr. Wilson stated that the town is not responsible for establishing these rates.

Councilor DiFazio stated that he has placed all budget items on the agenda so that they were available to voted on if necessary.

Councilor O'Connor asked what the balance in the Stabilization Fund is currently. Mr. Wilson stated that it is approximately \$1.2 million. A change in the amount of money in the Fund affects the town's bond rate.

Councilor Harrington asked if it has been considered to restructure the town's debt service. Mr. Wilson stated that this had been previously done in December.

Councilor Mathews stated that he is not comfortable in voting on the FY 09 budget tonight. He would like to ask the School Committee and School Administration to appear before the Budget/Management Committee.

Councilor Whitaker stated that he did not believe that tabling the budget vote will accomplish anything.

Councilor O'Connor stated that he agreed with Councilor Mathews. He stated that he is not comfortable voting on a budget when it is clear that the budget does not address or resolve all of the outstanding issues.

Councilor O'Connor made a MOTION to TABLE the budget items and to invite the School Department and School Committee to appear before the Budget/Management Committee and was seconded by Councilor Mathews.

Councilor Molisse stated that he is in favor of the motion to table the budget items.

Councilor Whitaker stated that he did not believe that inviting the school committee and administration back to Budget/Management would provide any additional information. He pointed out that there is a statutory time frame to produce a budget.

Councilor DiFazio stated that committee members need to be prepared to meet multiple times during the month of June in order to review the budgets again.

Councilor DiFazio stated he believes that it is important for the schools to return to the committee. He acknowledged that neither the Council nor the Committee has any control over exactly how the School Department spends their budgeted funds.

The MOTION to TABLE the budget items and to invite the School Department and School Committee to appear before the Budget/Management Committee PASSED on a 4-1 vote.

Council President Smart pointed out to the Committee that although the amount of the deficit is much larger than usual, it is quite common for the Council to vote on a budget with the expectation that there will be supplemental budgets.

**Vote the following measures:**

**Capital Improvement Plan for Fiscal Years 2009-2013**

**Fiscal Year 2009 Budget Measures:**

**08 026-General Government Annual Appropriation**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026 and was seconded by Councilor Mathews and PASSED on a 4-1 VOTE.

**08 026A-Town Council**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026A and was seconded by Councilor Mathews and PASSED on a 4-1 VOTE.

**08 026B-Mayor's Office**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026B and was seconded by Councilor Mathews and PASSED on a 4-1 VOTE.

**08 026C-Reserve Fund**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026C and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026D-Municipal Finance**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026D and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08026E-Town Solicitor**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026E and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026F-Information Services**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026F and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026G-Town Clerk**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026G and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026H-Planning and Development**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026H and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026I-Town Hall Maintenance**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026I and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026J-Administrative Services**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026J and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026K-Human Resources**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026K and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026L-Police Department**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026L and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026M-Fire Department**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026M and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026N-Licensing and Inspections**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026N and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026O-Department of Public Works**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026O and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026P-Health**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026P and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026Q-Library**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026Q and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026R-Veterans' Services**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026R and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.



**08 026S-Parks and Recreation**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026S and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026T-Elder Services**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026T and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026U-Civil Defense**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026U and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026V-Commission on Disabilities**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026V and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026W-Youth and Family Services**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026W and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026X-Debt**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026X and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026Y-Pensions and Benefits**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026Y and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 026Z-Schools**

A MOTION was made by Councilor O'Connor to TABLE item number 08 026Z and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 027-Revolving Accounts Annual Authorization**

A MOTION was made by Councilor O'Connor to forward item number 08 027 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 028-Gift Accounts Annual Authorization**

A MOTION was made by Councilor O'Connor to TABLE item number 08 028 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 029-Reserve Fund Transfer-Voting Machine Upgrades/Clerk's Office**

A MOTION was made by Councilor O'Connor to TABLE item number 08 029 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 031- Appropriation to Overlay Accounts**

A MOTION was made by Councilor O'Connor to TABLE item number 08 031 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 032-Sewer Enterprise Fund Annual Appropriation**

A MOTION was made by Councilor O'Connor to TABLE item number 08 032 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 033-Wetlands Replication Sewer Retained Earnings**

A MOTION was made by Councilor O'Connor to TABLE item number 08 033 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 034-Water Enterprise Fund Annual Appropriation**

A MOTION was made by Councilor O'Connor to TABLE item number 08 034 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 036-Tank Painting-Reed Avenue**

A MOTION was made by Councilor O'Connor to TABLE item number 08 036 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 037-Great Pond Water Treatment Plant Increase**

A MOTION was made by Councilor O'Connor to TABLE item number 08 037 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 038-Community Preservation Committee Annual Appropriation**

A MOTION was made by Councilor O'Connor to TABLE item number 08 038 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

**08 039-Abigail Adams Birthplace Supplemental Request**

A MOTION was made by Councilor O'Connor to TABLE item number 08 039 and was seconded by Councilor Molisse and PASSED on a 4-1 VOTE.

At 9:45pm, there being no further business, A MOTION was made by Councilor Mathews to ADJOURN and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

Approved by: \_\_\_\_\_  
Kenneth J. DiFazio, Chairperson