

MINUTES OF THE TOWN COUNCIL
BUDGET/ MANAGEMENT COMMITTEE
Town Hall Council Chambers
Tuesday, June 6, 2006

Present: Kenneth DiFazio, Chairperson
Susan Kay, Vice-Chairperson
Paul J. Leary, Councilor
Michael Molisse, Councilor
Patrick O'Connor, Councilor

Also Present: Kevin Whitaker, Councilor
Jack Carey, Councilor-at-Large
Jane Hackett, Chief of Staff
James Wilson, Chief Financial Officer
Denise Coleman, Human Resource Director
Karen Berry, School Committee Vice-Chair
Joseph Rull, Superintendent of Schools
Mary Jo Livingstone, Associate Superintendent of Schools

Recording Secretary: Mary Briggs

Councilor DiFazio called the Budget/ Management Committee Meeting to order at 6:45 PM. He noted as the agenda is quite long, it won't be possible to get through all, so it will be laid out in sections in this order: 06 120, Supplemental Appropriation, and will entertain a motion to take out of order; then the Administration's presentation of the supplemental budget; this will complete hearing all budgets, and then onto Auditor Swanson's questions, which also encompass the supplemental budget. When finished, the FY07 and supplemental budget will be opened for discussion among the Committee, and potentially voted on, depending upon how the discussion goes. He also noted that Superintendent Rull and School Committee Vice-Chair Berry would be in attendance later in the meeting, to speak to the supplementary budget, and that presentation will be prior to any vote on the budget.

Councilor Molisse made a MOTION to take item 06 120 out of order, and was seconded by Councilor Kay. Councilor Leary asked how the withdrawn items will be handled.

Ms. Hackett reported that the Mayor has directed the withdrawal of several items officially through the Town Council Office, to dispose of these items before addressing the other appropriations measures:

- 06 085 - Free Cash Appropriation for Non-Union Employees
- 06 086 - Retained Earning Appropriation for Water Non-Union Employees
- 06 087 - Retained Earning Appropriation for Sewer Non-Union Employees

06 088 - Free Cash Appropriation for Non-Union Employee Tuition Reimbursement
06 090 - Free Cash Appropriation for Collective Bargaining Agreement - Superior Officers
06 091 - Re-appropriation - Collective Bargaining Agreement - Superior Officers

Councilor Molisse withdrew his MOTION to take item 06 120 out of order.

A MOTION was made by Councilor Leary recommending NO ACTION on items 06 085 through 06 091 to the full Council on items which were withdrawn in writing on June 1, 2006 by the Administration and was seconded by Councilor Kay and UNANIMOUSLY VOTED.

Councilor Molisse made a MOTION to take item 06 120 out of order, and was seconded by Councilor Kay and UNANIMOUSLY VOTED.

At 7PM, Councilor O'Connor arrived.

06 120 - FY07 Supplemental Appropriation - Public Hearing Required

Ms. Hackett will report on the philosophical process of the supplemental budget. As the Commonwealth went through its budgetary process, additional revenue became available to the Town through the DOR Cherry Sheets, after the Senate House Ways & Means released its budget, with an increase in assistance to the town, and a decrease in the assessment, resulting in a net adjustment of \$650,000. The April 1st budget submitted by the Mayor to the Town Council utilized \$3.3M in nonrecurring revenue. There was no pre-funding of expense line items in this budget submittal; however, there were expenditures of \$121M, and revenue of \$118M, and in order to balance the budget and maintain level services, an additional \$3.3M in revenue was required. When the budget was submitted, the Mayor reported that if additional revenues were to become available, it was his intent to seek to decrease use of one-time revenues in order to build a sustainable budget into FY07. Auditor Swanson questioned the \$3.3M figure when the budget was presented; in his review he found a difference of \$2.7M. The Administration's Budget Response #1 noted a line by line comparison of FY06 and FY07 non-recurring revenues.

Chairman DiFazio asked which list these items are from. Ms. Hackett noted it was in the Budget Response #1 dated April 6, 2006, which was in response to Auditor Swanson's first round of questions. In that submittal, it was itemized - \$1M from the sale of town-owned land, \$75K for police details, \$300K for overlay for abatements, and \$1.38M from Tri-Town Development Corp., which totals \$2.7M. Also outlined were two additional expenses expected to occur- the non-union raise of \$160K and the Superior Officers' Contract which was not settled yet but impact anticipated to be \$430K, for a total utilization of one-time revenues for FY07 of \$3.345M.

Once the Mayor received the update from DOR on what the town's estimated receipts and surcharges would be, he went back to his original intent to reduce utilization of nonrecurring revenues to balance the budget, and looked at this as an opportunity to fund all FY07 expenses with FY07 revenues. He partially accomplished this with the supplemental budget, by recommending the economic impact of the FY07 Superior Officers' Contract, the 3% FY07 non-union raise, and the \$20K for tuition reimbursement be paid from FY07 revenue. In addition, in his concern for a sustainable budget, the School Department's budget is going into FY08 with a \$200K unadjusted deficit. The School Department noted this cut, in textbooks and supplies could only be accommodated once. He decided to apply \$200K in the additional revenue to the School Department budget, and advocating it be used to purchase textbooks and supplies.

The secondary benefit to this is to reduce from \$4.3M in FY06 to \$2.7M FY07 in non-recurring revenue. All expense line items are included in the budget, which has not been the case over the last few years. The final benefit the Mayor saw by going forward this way was that it freed up available FY06 free cash to take care of FY06 one-time expenditures: \$175K liability in School Department utilities, \$75K to purchase School Department vans, and \$175K to purchase Police cruisers. As they cover Auditor Swanson's questions, they will see where balances are in free cash and the reserve fund for the remainder of the year.

Ms. Hackett noted that the Mayor's philosophy and the manner in submitting the supplemental budget is to fund all known FY07 expenses with FY07 revenues, and in so doing, still has \$2.7M in nonrecurring revenue utilized in this budget which needs to be addressed before going into FY08, or there needs to be further reductions.

Mr. Wilson reported on the expense side of the supplemental budget, and Ms. Coleman will review the proposed CBA for the Superior Officers. He noted that the Cherry Sheets have been revised, and is attached as requested to the Supplemental Budget. The Mayor has used the Senate Ways & Means numbers for revenue purposes, believing those numbers, particularly with regard to Chapter 70 funding will hold through the budgetary process. There are four differences between the 4/1 submittal and the 6/1 supplemental submittal, which are:

1. Chapter 70 increase reimbursement to the state of \$456,726
2. Charter Tuition increase \$38,931
3. Charter School Capital increase of \$4,507
4. Veterans Benefits increase of \$1,944

The total of the increase to the budget, from submittal April 1st to June 1st is \$5,102,108 on the receipts side. On the second page, for the expense side, the lines are the recommendations to be expended. He first asked for an amendment to be made on the expense side, under Reserve Fund, the correct number on the April 1st submittal should read "\$423,680", and the June 1st it should read "\$420,421". The far right column, however, is accurate.

Mr. Wilson then skipped to the last three lines, which were derived from the Cherry Sheet. On the revenue side there are three changes, which are :

1. Mosquito Control Project decrease of \$24
2. Retired Teachers Health Insurance decrease from \$3.38M to \$3.23M for a net decrease of \$149,828
3. Charter School tuition increase of \$591,000 to \$622,000 for a net increase of \$31,589

Mrs. Coleman joined Mr. Wilson to review the non-union raises, tuition reimbursement, the Superior Officers' Contract, and the Medical Technology Incentive. He noted before she began her presentation, that in the past, line items were itemized indicating where specific funding was going, but for smoother flow, the presentation will be first, then all items will be added up at the end. There are 14 budgets in town, with 4 line items on each, for a total of 64 line items.

Ms. Hackett noted that state aid funding is still below what it was in 2003. Additionally, the Retired Teachers Health Insurance although showing a decrease, has still increased over \$.5M from FY06.

Councilor Leary asked if there was any danger to using the Senate Ways & Means numbers as opposed to the Governor's. Mr. Wilson responded that the Chapter 70 and Retired Teachers numbers are expected to hold, and they are the largest portion of this budget.

Ms. Hackett then provided the cost drivers of the non union raises, Superior Officers' Contract, tuition reimbursement and Medical Technology incentive will be next. There are three measures before Committee on these: the FY07 financial impact, and the medical technology and Superior Officers are divided out in two measures, neither of which is an appropriation request. They are only to accept; the funding is available within the Police Department salary line to fund the FY05 and FY06 impact. It is the intent to have Ms. Coleman report on the details of the above items.

Ms. Coleman began with the proposed 3% non-union raise of \$164,663, representing a COLA adjustment for the non-union population. (Chairman DiFazio noted that measure 06 085, which was withdrawn, includes the back up.) Councilor Kay asked why there was a difference in this total and on the withdrawn measure, and Ms. Coleman noted one employee was not included in the total and should have been.

Auditor Swanson noted he was included in the first list, and is not in this. He believes the omission was Solicitor Lane on the first measure. He then questioned that if his name is not on the second list, whether the total is accurate.

Ms. Hackett responded that there is room within the Town Council budget for the 3% increase, and does include the Auditor. This was an error of omission, but not with the intent to omit anyone.

Chairman DiFazio asked if Administration will file an amendment to correct this. Councilor Leary asked the same question-- because of the difference in requests.

Mr. Wilson noted that if the 3% of the Solicitor salary is added to the bottom of the summary page of the original measure, it is a correct total appropriation request of \$164,663. He noted that there are sufficient funds within the Council line item to cover the salary schedule increase for the Auditor, and an amendment is not required.

Ms. Coleman next reviewed the COLA for DPW- Water retained earnings, 3% adjustment of \$9384.

Councilor Kay asked if this was a part of the supplemental budget, and Ms. Coleman responded that as in the case of the previous measure, it was withdrawn and is replaced. Mr. Wilson noted Water and Sewer are not a part of the supplemental, but impact the water and sewer budget. The impact is unknown until the Water Superintendent position has been filled.

Ms. Coleman reviewed the tuition reimbursement for non-union employees, and explained that it is a new benefit offered. Participation will be allowed in a degree program directly related to the employee's position within the town. (06 088 from the former measure- withdrawn but has pertinent back up).

Auditor Swanson asked for a best estimate of how far the \$20,000 funding will go. Ms. Coleman responded that it should be for one fiscal year, then a review will be conducted to determine if it will be continued-- annually if funding is available. Tuition reimbursement will be offered at a maximum of \$500 for a grade "C" or better. He then asked if the reimbursement policy has been reviewed. Ms. Coleman responded that it had not. With Town Council's initial approval it will then go to a formal approval process as is required whenever a benefit is changed or added.

Auditor Swanson then went back to question if the funding for the 3% non-union also includes the step increases. Ms. Coleman responded that it reflects a 3% adjustment off the FY07 steps.

Councilor Kay noted the tuition reimbursement appears to reflect reimbursement to about 40 employees or 40 classes. Ms. Coleman agreed.

Councilor Leary asked what will happen to any extra money if it is not used. Ms. Coleman noted if money remains, a determination will then need to be made whether to put it into free cash or into FY08.

Mr. Wilson noted that any funds left in line items revert to free cash.

Ms. Coleman then reviewed the Superior Officers' Contract (former measure, 06 090-withdrawn, but with appropriate back up). The CBA is in two parts, one is for the Medical Technology portion and the rest is the MOA. The medical technology incentive which is now under measure 06 102, but the backup is under 06 091). She gave a summary of the agreement which includes: clothing allowance increased by \$100 to 550 per employee, sick leave salary augmentation plan (language changes- not financial impact), association business leave to allow for one employee to attend IBPO national convention once every four years.

Councilor Kay asked for the change in the sick leave augmentation plan. Ms. Coleman noted it is a language change, but the only impact is the COLA.

Continued MOA: Vacations time frames language changes, education incentive, longevity- hired after 7/2004 entitled to longevity (consistent with officer's compensation), extra work detail changes-simplifying pay rates to \$39/hr (inclusive of alcoholic beverage serve rate and rates for extending detail from midnight to 7AM). Prior rate was plus \$2/hr. alcoholic beverage rate, and plus \$8/hr. for extending details midnight to 7AM, from the original \$32/hr. rate.

Chairman DiFazio noted this is a significant increase to the base rate. Councilor Kay asked Ms. Coleman to provide percentages of details paid for both categories.

Ms. Coleman also noted a change in the weekend rate to time and a half for town construction details, but excluding Captains working these details.

A Violence in the Workplace policy has also been incorporated, as has been in several other town agreements this year (DPW for example).

Councilor Kay and Councilor Leary requested clarification of Article 17, excluding Captains from working outside details paid by the Town or School Department, unless the detail list is exhausted but does not mention overtime. Ms. Coleman noted anytime there are overtime details paid by the Town but not an outside vendor, the pay rate is time and a half. Cost effectiveness in staffing details is the driver, and the differences between paying officers vs. rated officers. The \$39/hr is the detail cost to any vendor other than the town. Town or School details are paid at time and a half of their rate.

There was a brief discussion, during which Mr. Wilson explained the difference between town and vendor detail rates, and the different officer rates within the Police Department and the ways in estimating cost averages (estimations come in on bids or in emergency procurement requests). Although Captains are technically not excluded in details for time and a half, the seniority list will have to be exhausted before they are asked on any town project. Councilor Whitaker asked if the town was obligated by contract to use Weymouth officers for any town projects. Mr. Wilson responded that the town, by ordinance in the Municipal Code, requires the Chief to make a determination to hire a detail if it is a public safety issue, regardless of the source of the project. Councilor Whitaker wondered if Weymouth could price its department out of the market with regard to state highways in the town, and asked how Weymouth compares to State Police, and surrounding towns. Ms. Coleman was unsure of state rates; but noted that Weymouth is comparable to what Boston negotiated more than a year ago.

Councilor Whitaker asked if the administrative fee increase discussed during deliberations could be compromised from continuing if any of the above measures were voted. Ms. Hackett did not believe so, and would be meeting with the Chief next week.

Ms. Coleman then noted the addition of the Violence in the Workplace policy which was incorporated, and the schedule of formalized training for members promoted into the bargaining unit wage schedule. The Superior Officers are paid at a 14% pay rate above the police union, with three classifications. The police have already received their rate increases, so these go into effect immediately. The differential between sergeant and officer is changing by 15%, which is in line and competitive with surrounding towns. Ms. Kay asked why the differential was offered, and which towns were used for comparison. It was offered because the town had been paying less than other towns. She believed Quincy was one of the towns, but will provide a list to the committee.

Shift differentials were included in overtime pay, as it is with the officers' contracts.

Ms. Coleman then reviewed cost impacts, broken out by fiscal year. In total, FY05 (2%, clothing allowance, and longevity) is \$47,665.

Councilor Kay questioned the 7/2004 date in longevity factoring. She questioned the length of time before longevity is earned. Ms. Coleman noted that an employee earns \$40 for each year, after having completed ten years of consecutive service. Most of the Superior Officers will have completed service in town prior to being promoted into the Superior Officers union.

Ms. Coleman went on to the impact of FY06 (3%), which is \$59,963, with FY05 cost is a total of \$107,628. FY07 (4% + sergeant rate differential) is \$103,830, and the compound cost is \$211,459.

Auditor Swanson noted that the cost impact when you are dealing with a 4% increase - factoring in all of the other special items, you are realizing a 7% increase. This is not a COLA. Most of the other departments approved contracts of 2, 3, and 4%.

Ms. Coleman noted that it has been a consistent 2, 3 and 4% for most agreements, and is also in line with other bargaining units for total package increases. Most are consistent.

Auditor Swanson noted that if you compare it to the non-union groups, who traditionally receive a 3% increase, then it doesn't seem equitable to compare that to union packages which have a combined package increase closer to 8%. He noted it might be prudent during the next rounds of negotiations to look at smaller salary increases and utilize the other line items as bargaining chips.

Ms. Coleman agreed that in future negotiations, the indirects should be reviewed as well. In terms of the non-union, it has been consistently 3%, but is offering a tuition reimbursement, in terms of other benefits.

Councilor Leary noted that a 4% increase is not a COLA- it's a raise. The 3% non-union is not negotiated, and is more likely a COLA.

Chairman DiFazio noted that in negotiations, the focus should be more on the cumulative increased amount, and not on competing between bargaining units, since the indirect drivers are different.

Ms. Coleman understood, but brought up the levels of responsibility differ between groups and is also a determination.

She then reviewed the Medical Technology Incentive- MOA in effect from 7/1/04-6/30/07, which provides a stipend to Officer for certification to operate a defibrillator as a first responder. Each vehicle is equipped with a defibrillator, and every Superior Officer trained on it. The stipend is equal to 1.5% of each salary grade within the bargaining unit. The impact of each year, with only the FY07 in the supplemental budget is \$28,844 for FY05, \$17,074 for FY06, and \$17,757 for FY08.

Councilor Kay noted this is an additional agreement, but entitles the officers to be paid a stipend as "first responders". What does that do to the fire department members who are also considered "first responders"? She noted the FD has 3 classifications for medical pay; EMT's, paramedics, and first responders. She was unsure if they are different than the PD, she does not have the job description. Councilor Kay asked if there is a need for both. Ms. Coleman noted that it could, depending upon who arrives at a site first. Councilor Kay asked if 911 calls still go through the PD first and Ms. Coleman advised she would obtain the information for the Committee.

Chairman DiFazio asked if this is in line with other communities. Ms. Coleman was not sure. Councilor Carey noted that as a first responder, he knows there are degrees of training.

Chairman DiFazio asked if the FY05 and FY06 portions of this will be taken up under a separate measure at a later time, and Ms. Hackett noted it was presented as a package review, but will be addressed later.

Ms. Hackett noted there are supplemental budget appropriation items to be taken up: A reserve fund adjustment of \$5,743 to match Braintree's contribution to Wey-Bra. Elder Services is an error in the budget, which was double allocated. Total expenditure adjustment is a net increase of \$502,108 and \$80,000 is appropriated from the Waterways fund to meet some of the costs for the Harbormaster program.

The School Department representatives were invited to the table to speak to the \$200,000 appropriation. Mr. Rull and Ms. Berry asked if the Committee had questions. Chairman DiFazio noted that at the School Committee's public hearing on the budget, it was noted that if any further appropriation were to become available, the School Committee members stated their priority would be to reinstate the \$250,000 cut in textbooks and supplies. He asked if that is what the School Committee will do with the funds.

Mrs. Berry noted that was her initial intent; however, when the Committee was notified, it would be receiving the additional \$200,000, the Superintendent solicited from the educators in the town where the funding should go, and the majority felt it would be better utilized restoring teaching services. Mr. Rull noted that a tiered approach was used to cut; in reinstating, the top priority is to reinstate 3 of the 10 positions which were reduced. Primary, middle and high school teachers were the first priority, and then reinstating the operational expenses which were cut from the middle and high school levels, and placed them at less than level funding. These proposals were presented at a recent School Committee meeting; however, no action has been taken yet, but it will be at the direction of the School Committee.

Mrs. Berry noted that the Committee, when it learned that Chapter 70 funding may be becoming available, reconvened its Budget Subcommittee to discuss ways to reinstate cuts.

Chairman DiFazio noted it was not the intent of the Committee to assert influence over the spending but to ask.

Councilor Carey asked if restoring the teaching positions will affect classroom numbers positively. Mr. Rull noted that the budget is put together prior to having all of the information, particularly with regard to course selections at the high school. There are some courses that may not be able to run without teachers. If courses cannot run, it will increase sizes in other classes, or students will have to opt for studies. Position at the lower level will not affect size, but offerings such as sciences for grades 1-4.

Councilor Kay asked if restoring positions means there were layoffs planned. Mr. Rull noted there is one layoff, the rest are through attrition, and there are non-renewals. Teachers in the first three years are hired under non-status and subject to renewal each year. The layoff position is a

status teacher, as well as some paraprofessionals. A cutback is expected in Title One grant funding. The School Department has been told it will probably only receive 85% of the grant funding, and as a result layoff notices have gone out.

Councilor Kay asked if Circuit Breaker funding has been increased and Ms. Livingstone noted that while it has not been increased, it is at the level it should be.

There was a brief discussion on what constitutes attrition, and other factors such as decreased enrollment driving reductions.

Councilor Whitaker asked if retirements were all reported. Mr. Rull noted 27 were in the budget, and about that many letters of notice have been received; however, there still may be an additional few. Teachers are not contractually obligated to give notice as of a specific date. Councilor Whitaker asked how much funding it would require if the goal is to reduce layoffs, and Mr. Rull responded it would be about \$43,000 per position; 3 would be \$129,000, based on an average teacher cost. Councilor Whitaker asked if the CIP request for \$175,000 for replacement of rugs is still a priority or is there a way to divert these funds back into funding teaching positions. Mr. Rull noted that CIP requests are not part of the operating budget. Most of the projects for FY06/07 on CIP are on the radar, with the funding source being the Host Community Agreement.

Chairman DiFazio asked the Administration if it is possible to take money from the CIP and redirect it to the School Department to prevent layoffs. Ms. Hackett noted that the Mayor does not have line item authority towards any appropriation to the operating budget of the School Committee. His position is clear; the intent is to pay all FY07 expenses with FY07 funds. Taking one-time funding sources such as the HCA to pay teacher salaries is not an option.

Councilor Whitaker noted that the reductions managed in the amounts of the deficits by the School Department in the utilities indicates a willingness to make changes, and should be responded to in kind; the town should make the effort to not lay off teachers. Being self insured, there are costs to the town associated with layoffs in the workforce.

Councilor DiFazio asked the Administration how the FY07 financial impact of the Superior Officers Contract and the non-union raises were expected to be paid prior to them being aware there would be a supplemental budget. Ms. Hackett noted at that time, there were three measures before the Council to fund them from FY06 free cash. He then asked if the items which will now be paid from the freed up free cash are itemized. Ms. Hackett responded that \$175,000 for School Department utilities deficit, \$75,000 for SPED vans, \$150,000 for cruisers, leaving a balance in free cash of under \$20,000. Paying FY07 costs in FY07 freed up \$375,000 in 06 free cash. Without the supplemental funding, there would not have been enough in free cash to pay the School Department's utility deficit.

Councilor O'Connor asked when the FY06 free cash appropriations were submitted was the Administration aware that the supplemental budget would be submitted. Ms. Hackett responded that the Superior Officers' Contract was not settled at the time the April 1st budget was submitted. Once it was signed, the town is then obligated to fund, and sources were recognized

as free cash and the salary line item of the police department. At the same time, the van driver unit also had a CBA before Town Council, and the Mayor then decided to go forward with a 3% increase to the non-union group in fundamental fairness. When it was submitted, it was included in the \$3.3M figure. That's when the Senate Chapter 70 funding was made public, and the Mayor decided to pull the non-union raises, and the Superior Officers Contract in FY07, and give the School Department an additional \$200,000 which he hopes and will advocate for as a member of the School Committee, will go towards reinstating the textbook and supplies.

Councilor DiFazio noted then, without the additional funding, the town would be looking for a way to pay the utility deficit, as well as not purchasing cruisers. Ms. Hackett noted the cruisers have been held off. They are usually purchased in the fall after the budget has been certified and the tax rate set.

Ms. Hackett reiterated the Mayor's philosophy in having current year expenses funded from current year revenues, and noted this is the first time since FY01 that all current year expenses have been placed in the operating budget with no pre-funding, and no known liabilities. That being said, it is still short \$2.7M (\$121M in expenses, and \$118M in recurring revenue).

Councilor O'Connor noted he is new to the budget process, and asked if it is common practice to shuffle items between fiscal years. Ms. Hackett noted that FY01 was a relatively simple budget; however, since then either forward-funding or funding raises through free cash have been done.

Chairman DiFazio noted that the town will be going into FY08 behind by \$2.7M. Ms. Hackett noted this is true. With the sale of town-owned land (\$1M in the current budget), the Mayor, Mr. Wilson, and Mr. Clarke believe there is a recurring component of that revenue received. Whether to apply it to the operating budget or to match with Community Preservation funds will need to be investigated. The year started with over \$3M in the stabilization fund; now there is \$1.1M. Councilor Carey notes he's been involved since 1986, and this is nothing new.

Councilor Whitaker noted that while he appreciates the effort to reduce the reliance on nonrecurring revenues, he would like to find other revenue sources. He notes the School Department is attempting by increasing and instituting fees for different services, and maybe the town could look at fee increases as well, such as increasing the fees associated with fire alarm testing and carbon monoxide alarm enforcement, and using the money generated to further reduce the reliance on nonrecurring revenues. He would like the Council to investigate what might be available, similar to what the School Department is doing. In reviewing the history, the town is in a worse off position, and times are tough.

Mrs. Berry reported to the Committee that she would be remiss if at this point she did not note that the School Committee was anticipating the use of the full amount of the Chapter 70 funds. While she appreciates the creative ideas of the Committee, and the Mayor's recommendation, it has always been the intent of the School Committee that should additional funds become available, they would be looking to stay on task with some of the difficult choices they had to make.

Ms. Hackett noted that in FY06, a new fee schedule was implemented across the board, including doubling the trash fee. There are two areas the Mayor is currently looking at for additional fee increases which are the police detail fee, and the CO alarm fee. There has been tremendous difficulty implementing the CO legislation, and it is premature to implement anything right now. There isn't anything else to look at; reorganization and restructuring, streamlining and eliminating functions has been done; departments have been consolidated and services have been discontinued. It is at critical mass; now it is time to build a sustainable organization. It's time to find a way to financially support the services needed on a daily basis.

Mrs. Berry reported that the fees the School Committee has had to implement are particularly hard on the parents; they are being asked to absorb costs they've never had to before, and some are an increase. While she understands what Ms. Hackett is saying, it is still difficult. The parents are being asked while absorbing their own utility increased costs to bear a part of the School Department's burden for those same charges in the town. Fees are particularly difficult to put on working class parents. If there is any additional money, she would appreciate being able to take some of the sting from the parents.

Councilor O'Connor echoed the sentiments on fees, but noted it affects every department in the town, across the state, and the country. He asked what else the town could do to effect economic stimulus.

Ms. Hackett responded that the Mayor has some interesting statistics to share on that. Weymouth is virtually negative in new growth, and is one of the last in the Commonwealth. The town is overdeveloped and has been. The Town is 95% developed; from 2002 through the present, Weymouth has been rated exceptionally low-- 2.5% increase per year for new growth is \$1.27M for potential new growth for next year, with a \$1.7M built in deficit, contractually obligated increases in salaries, health insurance, etc.

Councilor Kay noted that the permitting process attributes to the revenue process, and without a huge construction project, there won't be a real increase. She believes Weymouth's new growth figure has increased significantly. Ms. Hackett responded that last year the significant new growth was a result of the Riverway Plaza and Avalon Bay. Councilor Kay asked if South Shore Hospital was prior to then, and Ms. Hackett responded that was negotiated as an in lieu of tax agreement, and not part of new growth. Outside of the redevelopment of NAS, there is not much proposed new growth. (Alexan at Arbor Hill is a potential but is still in litigation.) The Mayor is looking to use Greenbush for revitalization of the town squares in Jackson Square and the landing, with matching funding from the HCA., with help from Rep. Mariano and Senator Hedland for the Redevelopment authority for the redevelopment of Columbian Square. With 95% build out, and a tax increase of 2.5% per year, with an excellent collection rate—it is a very aggressive tax title and back tax process. Calculations indicate \$1.7M going into next year, with a \$2.7M deficit.

Chairman DiFazio had a comment regarding the School Department. Both he and his predecessor on the Budget Committee, Colin McPherson, both agreed that with state aid flat over the last several years, and without an increase next year or additional one-time funding sources, the town cannot continue to increase salary expenses at the rate it has. If the economy

flattens in Massachusetts, the School Department will be facing exactly the same thing next year. While frustrating, it seems usually the funding is found 6 months after the budget is voted.

Mrs. Berry responded that the argument is true across the board, with every department, and wishes luck to the first individual to decide that there will be no raises in negotiations. It's a cycle that needs to be addressed.

Ms. Hackett advised that the Committee cannot lose sight of the fact that it is going into FY07 with less state net aid than in FY03, and without adjusting for inflation. The burden is being shifted by the state to deliver local services onto the property tax with no new growth. Councilor Kay offered that the HCA and LNR will have to come up with money annually. responded The Mayor has been candid in that he does not anticipate surplus revenue coming back to the town in FY08 from the redevelopment of the NAS. There are going to be significant start-up costs and those are several years down the road. The town will be in the same position once again and it isn't the School Department or the Mayor's fault. Yes, raises have been given out, and the Mayor's philosophy is that he is going to pay people who are here. There have been disagreements in a percent amount, but by and large, the contracts have been reasonable. Councilor Kay noted then you will be looking at offering services versus offering salaries. Ms. Hackett noted that it is the benefits- the retired teachers' health insurance is paid at 90%, which is not done for any other department and amounts to \$3.6M.

Councilor DiFazio wrapped up the supplemental budget portion.

At 8:55 PM, a MOTION was made by Councilor Molisse to break for five minutes, and was seconded by Councilor Kay and UNANIMOUSLY VOTED.

At 9PM, the Committee reconvened.

Councilor Whitaker advised the Committee by email that he has been in touch with the State Ethics Commission regarding a potential conflict of interest he has regarding the School Department and Municipal Finance Department portions of the budget. He would like to be able to vote the budget by department and not by bottom line, so that in those areas where he has a conflict, he can recuse himself from the vote and still be able to participate in the rest of the process. Councilor DiFazio thanked him for the information and noted his concerns will be addressed later in the meeting, and at 9:08 PM, Councilor Whitaker left the meeting.

Auditor Swanson had a prepared list of questions on the budget, dated 5/23 and noted that many of these have already been addressed. He reviewed each item by number. He was hoping to get an update on the spreadsheet the Chief of Staff periodically issues on free cash, Reserve Fund activity and Stabilization Fund and what the balances will be if all of the measures before the Council are passed. Ms. Hackett responded that there will be \$1.1 M in the stabilization fund and \$19,000 in free cash \$193,000 in the Reserve Fund. She will provided an updated spreadsheet tomorrow to the Council (including everything that has been submitted). Auditor Swanson questioned the Stabilization Fund, if the Administration was planning on paying back the loan given to Chapter 90 by June30th. Mr. Wilson noted it will be, as they are required to. The current balance in that is approximately \$193,000 and they are waiting for the second of two installments

from Mass Highway. A current measure before Council that the Mayor submitted; the state has run out of money for Chapter 90 reimbursements, so the towns are left with a deficit in those accounts. The town's deficit is about \$4000 but because they elect to utilize a stabilization account, the Mayor has requested a \$4000 addition to the stabilization fund to pay off the loan, essentially so the town goes into FY07 with no loans on the books. The town originally borrowed \$793,000 and received reimbursement in the first round leaving a balance of \$193,000. The second payment is expected to bring the \$109,000 due June 26th. Auditor Swanson noted that if the Mayor chose not to fund Chapter 90 in FY07, \$1.1M in the Stabilization Fund would be available to raise and appropriate for other measures.

LNR is budgeted for both years for \$1.38M, and his concern is budgeting the same item for two years. If the money comes in prior to June 30th doesn't it have to be booked as FY06 revenue and apply it to the 01 fund? It seems it would have to match up the revenue to the budget if the date of the check is before June 30. If it came in after June 30, clearly it would be FY07 revenue, and would penalize 06 free cash. (Budgeted but not realized in FY06; reverse impact in FY07) Mr. Wilson agreed. Auditor Swanson thinks it is inappropriate to use the same item for two years to balance the budget. It would be different if it were two different payments, but it's not. Mr. Wilson explained that this money is as result of the Host Community Agreement which is still under negotiation. Presuming the agreement is negotiated and the payment is made to the town by the 30th. There are three payments associated, a \$1.38M, \$600,000 and \$700,000 which must be booked in a separate non-general fund account, a settlement account (have similar settlements with MWRA and MBTA, Microsonics and Sithe).

Regardless of when the money comes in, it will be booked to that account. The timing of the transfer from the special account to the general fund is a matter of choice. If it is not booked before June 30th, then it will have an adverse impact on free cash in FY07. If it is booked it will have a positive impact on FY07. If however, it is booked in FY06, then the town is not permitted, by law to utilize that same funding source in FY07, meaning it will require going back to the drawing board on the budget. It will be booked to the 5006 fund. Chairman DiFazio noted then that conclusion would be to book it in FY07, rather than redo the budget. Ms. Hackett noted that it isn't a matter of when the money comes in, but when it gets transferred. Councilor Kay asked if one of the terms of the MOU, was payment to be made prior to June 30th. Ms. Hackett responded that it was, however, the agreement has not been finalized. Mr. Wilson noted that the DOR requires the town to book 100% of the tax levy. No community collects 100%, so it is an estimated receipt. The difference is a variance, which can be made up from other sources. Councilor Kay asked what about the credibility of the MOU. The negotiations are ongoing, and hopefully will be settled soon. Ms. Hackett noted that in the agreement is that the payment will be made by June 30th, it's hard to complain until the date has passed. It has been a struggle.

Auditor Swanson noted this will be reviewed by the independent auditor at the end of the year, so he is satisfied leaving it this way.

He then addressed the Director of Administration and Community Service position, at \$62,000, for 3 days per week. Is the position still viable since the person who is responsible has not been seen in the Town Hall in months, and whether the duties and responsibilities still exist in light of the fact that the Human Resources and Library Departments are now reporting directly to the

Mayor. If the Director is now simply overseeing Youth & Family Services (staff of 1), Elder Services, which is run by a very competent director, and Parks & Recreation which is being overseen by a manager who has been there for many years--has any consideration been given to eliminating this position and using the funds for something else. Ms. Hackett responded no. The position has not been vacant for nine months. Part of the job description which established the position allows for special assignments to be given as the Mayor sees fit. The Director has been on such an assignment, to conduct an operational analysis of the Department of Public Works, including Water & Sewer divisions. While she has been doing the assignment, there has been somewhat of an increase in the direct interaction between the Director of Elder Services and the Mayor, through the Chief of Staff, as well as with the Civil Defense component, although all activities with the LEPC have continued to be coordinated through the Director of Administrative & Community Services. She has continued oversight over Parks & Recreation division, Youth & Family Services, and Veterans divisions. Without going into detail there have been significant personnel issues in those divisions which the Director has been involved in managing, as well as preparing the operating budget for the entire department. All of her offices and agencies are off-site, so she will not have been visible in the Town Hall; however, she has still managed to oversee the maintenance at the town buildings. The Mayor's position is that this is not a vacant position. A core component of the position is special assignments, and on which she is currently assigned. She will continue to conduct the operational analysis and likely implementation of new organizational structure, standard operating procedures which are being developed in conjunction with the (S) Project and the Administrative Consent Order from the Department of Environmental Protection, which the director is overseeing. 40% of her salary for FY07 has been allocated to the Water and Sewer Departments, equally, as indirect costs. Ms. Hackett went through a brief review for the Committee on how indirects are allocated to the Enterprise funds, via the budget books. It is shown as expenses on the Enterprise fund, then as revenue line item on the general fund.

Councilor Kay asked if it is the intent to have the Director in a different department in FY07, why would there be a need for a Director of Administrative Services as she works 3 days per week. Ms. Hackett is not sure of the hours, although she notes there are days she works late into the evening. Councilor Kay responded that if she is paid for 28 hours at an M-16 rate, does she then work additional hours. Ms. Hackett responded, yes, as do all non union employees with responsibilities. Councilor Kay notes in the way the town works with classification and compensation plans, it's usually pretty definite in how it's set up. This particular position was reclassified based on job description and duties. While she agrees that the Mayor can put someone on assignment, this has become a long term assignment. Once you work in a department for 12 months, it becomes a job, and no longer an assignment. Ms. Hackett disagreed. The Mayor assigned her 7 months ago, and some initial changes have taken place; however there is more to do than the Mayor realized. As things progress, simultaneously, the Water & Sewer Superintendent was lost, as was the Water Treatment Facility operator, and the Water Treatment Plant Facility manager position became vacant. In the interim, the town also received its initial assessment on the (S) report. Councilor Kay did not disagree with the need to do this; her issue is if that's the decision, then this individual is clearly the choice for the position, but what's happening to the rest of her position. Ms. Hackett noted that she is still administering the Parks & Recreation, Youth & Family Services, as well as Veterans divisions. Councilor Kay questioned that if the job, which was set for 28 hours per week, accrues so many

more hours in a different department, then is it still the same job and does it warrant the 28 hours. Ms. Hackett responded, "absolutely." She noted also there are fewer people in her division now than when she first took the position (40% reduction in staffing). A core function of the Director of Administrative and Community Services is special assignments as the Mayor sees fit. This is a long term assignment, and her ability to come in at this level and conduct an analysis was a factor in her classification. Councilor Kay asked if the position with whom this individual is working with at DPW, is it the intent to replace with another employee? Ms. Hackett noted they are not sure, but it may be a consideration. Councilor Kay asked if the Director returns to her original position, will the individual who was doing both jobs now need to be replaced? Ms Hackett approached it from another angle. Say in December the Mayor removes her from assignment at the DPW, and Water & Sewer and sends her to Fire Dept. She is also working on several things the Committee may not be aware of as far as analysis during the course of her tenure. There is a tremendous amount that was part of the reorganization which ended in FY05, and in which the Mayor noted her skill in this area, which is currently utilized at the DPW, and will be utilized elsewhere down the line. Councilor Kay concluded that the Mayor is very serious about organizational plans, and ordinances based on the organizational plans. The department for which the individual was hired for is part of the organizational plan and it isn't being followed. Ms. Hackett noted that the Mayor temporarily is having the Director of Elder Services report directly to him, which Councilor Kay responded was part of an ordinance. Councilor Leary asked if the job obviously requires more than 28 hours is comp time involved. Ms. Hackett responded that comp arrangements are handled on an individual basis if the individual chooses to request to execute the right to comp time. The Mayor would authorize comp time for Department Heads.

Auditor Swanson noted this concludes his questions on measure 06 039, Operating Budget, and with the Chair's permission would like to skip to 06 036, Authorization for Use of the Overlay Accounts, and in Administration's response #2, a copy of the letter from the Board of Assessors was provided. Mr. Swanson did not have additional questions on all of the remaining measures, but those he did have were:

06 037 - police details was reviewed further tonight. Ms. Hackett noted there are potential bargaining issues, and that's one of the reasons the Chief is trying to effect an increase in the fees.

06 038 - sale of Town-owned Land - has a date been set for the auction, and is the Director of Planning in agreement with the \$1.1 figure; is it realistic. Mr. Wilson responded that the auction date is July 19th, and that they co-chair the Committee together and are in agreement with the figure.

06 041 Donation Accounts - Auditor Swanson noted he raised the question during the review of the School Department's operating budget that the Town Council is obligated by ordinance to vote to accept donations, and whether that extends to the Council's authority to approve of the School Committees donation accounts. Mr. Wilson responded that the DOE has ruled very specifically that the only authority over School Department's donation accounts is the School Committee. No other entity, including the Mayor, may determine the use of those funds.

06 043 bonding on School buildings- Ms. Hackett notes these are based on estimates from the CIP and that Mr. Slattery and Mr. Richards came before the Budget/ Management Committee to summarize each at that time. The estimates were derived from discussion with vendors. Mr. Wilson noted so far the estimates have been very good; he has been pleased with them. Ms. Hackett noted in a prior Budget/Management meeting, that the estimates include paving which was not listed. Chairman DiFazio asked if there is a document supporting the numbers, and Auditor Swanson noted that since they are large numbers, it would be reasonable to request some back up to the documentation from Mr. Slattery. The Chair agreed.

06 042 Councilor Kay asked to go back to this measure. In the backup documentation it talks about account 5210 for Parks & Recreation. Did it mean to say 5209 (at Nash School)? It is a typo and should read 5209.

06 044 bonding on Non-School Buildings - Auditor Swanson also asked for back up on these items.

Auditor Swanson asked if Mr. Slattery was a member of the Steering Committee, on which Jeff Richards chairs. Ms. Hackett notes he is not; but by ordinance it has a rotating schedule. The Steering Committee has the Director of Planning and Community Development on it, but when a School Department project is being overseen, there is a designee made by the School Department who sits on the committee. Mr. Slattery and Richards work very well together and the Steering Committee has been an untold success story also in forming technical advisory committees, such as with the water treatment plant, and the high school advisory. Mr. Wilson noted that with every budget they have been charged, they have come in at or below; their track record is outstanding.

06 046 in the Enterprise - withdrawn measure for pay raises is now absorbed in the numbers here. Mr. Wilson noted that there is most likely going to be some reorganization in the Water & Sewer department, and a part of it will be bringing in a new Superintendent. Once the salary has been negotiated, it will probably require an additional appropriation. When that measure comes in, it will also include the non-union raises as well. The intent is to get the organization accomplished and bring all requests together, which may include the 3%. Ms. Hackett also noted that non-union will receive a 3% increase effective in the paychecks dated July 1st; there is enough money in vacated positions to cover that, in the short term. They do not want to come forward for a supplemental budget until all the numbers are known. Chairman DiFazio asked if this measure takes care of 06 087, and Mr. Wilson responded that is correct –measure number 06 087 is sewer.

06 048 - Auditor Swanson had the same questions as on 06 046-- Chairman DiFazio noted this one replaces 06 088.

He noted the next measures #25, 26, and 28 were voted last night. He had no questions on #27.

Chairman DiFazio asked the Committee to address Councilor Whitaker's request for separate line items to vote the budget, before discussion and vote on the measures. Councilor Kay noted if the budget is split, it won't take that long to vote the bottom lines of each, and then when it goes to the full Council, it will allow any Councilor to recuse themselves. If you single out any one

just for Councilor Whitaker, you may have to do others. If the Committee recommends separately to full Council, then it can be voted as is. Councilor DiFazio requested that the Committee check the Executive Summary in the first book. Mr. Wilson noted the vote must be taken off the Appropriation Requests. Councilor DiFazio noted that when he received the email request from Councilor Whitaker, he and the Vice-Chair went through the list and found there are 19 separate department budgets which can be broken out and voted separately. He recommended taking 06 036 and voting by department, 20 items; Councilor Kay noted it should be 06 039, General Fund.

Councilor O'Connor asked if that is the way it will be voted tonight, in 20 separate parts. He suggested that if there is no conflict of interest to the Committee, why not wait to break out the budget until it is before full Council.

Councilor Kay and Chairman DiFazio both agree it can be voted as it; however, Chairman DiFazio noted this has come up in the past, and suggests that as a Council, they should standardize what they do. In the past there has been discussion of doing it; it has merit in that it gives the individuals the opportunity to break it down a bit.

Councilor Kay noted that if it is not split here, then the Committee will be making a recommendation to the full Council on the bottom line budget, \$121,174,118. In order for anyone to address a specific concern on any one budget, say to reduce a particular department's number, and ultimately reducing the bottom line number, it is recommended to break out the budget. This approach opens up options. If only the bottom line is voted, any reduction is made only to the bottom line. To take Councilor Whitaker's case in point, he wants to refrain from voting specific parts. If the bottom line is voted, and he has a conflict, then he can't vote the bottom line. If however, it is separated, he can specify the areas he does not want to vote. Councilor O'Connor asked if the Committee were to vote whatever action and recommend the full Council separate it out. Councilor Kay agreed not every budget has to be voted separately now; the Committee can report back to the Council that it was discussed, and would recommend it be broken out. Councilor Leary asked if a member chose to abstain on a certain department's budget, if they could he still vote the total. Chairman DiFazio noted he can. Councilor Whitaker's email indicates such.. He can recuse himself and the discussion when the Municipal Finance budget is up, and then return and vote the bottom line, based on the opinion Councilor Whitaker was given.

Councilor O'Connor then asked why not just take out Municipal Finance? Chairman DiFazio noted that this is Councilor Whitaker's request and it needs to be treated carefully; it could potentially apply to other Councilors. Councilor Kay noted they can go back to Council recommending allowing division of the motion as requested by one of the Councilors, or the bottom line can be voted tonight. She recommends giving Councilor Whitaker the option. In addition, the rules indicate that he can do either question. Chairman DiFazio asked if there is no interest in breaking out the budget for the vote; Councilor Kay states she is interested, but it doesn't matter if it's tonight, or before full Council. Chairman DiFazio noted that if there's a chance of it happening, he would like it to come from the Committee directly to the Council. He does not want to be splitting it up at the Council level; he would like to know that's how it was voted to be recommended. Councilor Kay noted that the full Council has the option to

divide, regardless of the Committee's decision. Chairman DiFazio noted that if nothing is done at Committee level, and it's divided just for Councilor Whitaker, it's a simple matter; he needs to exclude from two departments--School and Municipal Finance. Councilor O'Connor asked could those two parts be taken out for Councilor Whitaker, to which the Chair agreed. Councilor Kay is concerned that if this is done then the other Councilors have not been given the same option--the Chair agreed.

Councilor Kay responded that the motion is normally the bottom line; if you divide the motion, you are dividing the bottom line. Either you are going to divide it or you're not. A MOTION was made by Councilor Kay to recommend ACTION on the budget, individually by bottom line. (bottom line department, not bottom line budget) This was seconded by Councilor Leary who questioned whether it will be voted tonight; the Chair noted that was the intent. Councilor O'Connor thinks it will be easier to just separate the two areas from the budget which are the conflict, but notes he is new to the process. He notes Councilor Whitaker brought this up in November, and feels if there were other conflicts by a Councilor, they would have been brought up before now, or to the Mayor or Ethics Commission, and not a few days before the budget is expected to be voted.

Councilor Kay notes she isn't trying to drag this out, and it's not her choice to separate Schools and Municipal Finance; she doesn't want to present that; she believes giving Councilor Whitaker the mechanism which allows him and anyone else on the Council level the ability to do that. She doesn't mind if that is the Committee recommendation at Council level, without the Committee having to go through each individual bottom line. In the process, the Committee does not necessarily have to vote each this evening. Councilor O'Connor asked if the motion includes voting or not voting the budget. Councilor Kay will motion to vote the budget, but will agree to modify to recommend to the full Council to divide the question, she could support that also. It's just cleaner to recommend. Councilor O'Connor agrees that they should vote the budget.

The recommendation to the Council, in the form of a MOTION that is already split allows the Council then to address them individually.

Mr. Wilson made a suggestion to the Committee: procedurally; if this Committee does not go to the full Council with a detailed recommendation, a detailed addition and subtraction on the floor will occur. Additionally he cautioned the Committee that all of the figures must add up. If the questions are going to be divided, divide them so that the numbers add up specifically such that there will not be issues with rolling the budget for FY 07. Chairman DiFazio asked if the Committee were to use the total amount for each line item, as presented, would it be acceptable? Mr. Wilson agreed, any other way will be a procedural nightmare. He just indicated to the Chief of Staff; he will be sitting on one side of the room taking numbers and she will be doing the same on the other side.

The Chair asked Auditor Swanson what his opinion is and he responded that it seems the Committee is addressing one measure, 06 039, requesting lump sum \$121M for FY07, and to break it out will require 20 measures to be voted on, such as, 06 039 A, 06 039B, Mayor, IT Department, etc... It will allow for an individual Councilor to recuse himself from a vote on a particular measure, but the Committee now is addressing the total request. Chairman DiFazio

noted they have the ability to take the total measure and break it out. Auditor Swanson questioned if it's possible to do this- how can we prevent breaking out future measures such as bond requests. Chairman DiFazio doesn't think this is likely, but Mr. Wilson notes this is a logical conclusion and it can happen. Councilor Kay notes this is a right, and can happen. There was a brief discussion on circumstances in which this can happen, such as unpaid bills, free cash, transfers, etc. It's just rules.

On the MOTION to divide measure 06 039 into 21 sub-parts, (lettered), and dictated by the total line items that are in the Appropriation Request section on the table, UNANIMOUSLY VOTED.

06 036 - Operating Measure - Authorization for Use of Overlay Account Funds. Councilor Kay made a MOTION to recommend to full Council for favorable action, and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 037 - Police Detail Account - Authorization to Use Funds for FY07. Councilor Kay made a MOTION to recommend to full Council for favorable action, and was seconded by Councilor Leary. Mr. Wilson noted a typo - the word "from" fund after 75,000. UNANIMOUSLY VOTED.

06 038 - Councilor Kay made a MOTION to recommend to full Council for favorable action, and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 - Operating Measure- General Fund Appropriation Request - FY07 Annual Budget - Councilor Kay made a MOTION to split the question and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 A - TOWN COUNCIL - FY07 Annual Budget -A MOTION made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 B - MAYOR'S OFFICE - FY07 Annual Budget - A MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 C - RESERVE FUND - FY07 Annual Budget - A MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 D – MUNICIPAL FINANCE - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 E – TOWN SOLICITOR - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 F - ADMINISTRATIVE AND COMMUNITY SERVICES - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 G - HUMAN RESOURCES - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 H - INFORMATION SERVICES - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 I - TOWN CLERK - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 J - PLANNING AND DEVELOPMENT -FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 K -POLICE DEPARTMENT - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 L - FIRE DEPARTMENT - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor Leary and UNANIMOUSLY VOTED.

06 039 M - LICENSING AND INSPECTIONS - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 N - DEPARTMENT OF PUBLIC WORKS - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 O - HEALTH DEPARTMENT - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 P - LIBRARY - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 039 Q – DEBT SERVICE - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 039 R - PENSION AND BENEFITS - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 039 S - SCHOOL DEPARTMENT - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 039 T –STATE AND COUNTY ASSESSMENTS - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 039 U - OVERLAY FOR ABATEMENTS - FY07 Annual Budget - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 039 – Operating Measure- General Fund Appropriation Request FY07 Annual Budget - “That the town raise and appropriate the sum of \$121,174,118 to provide...” (Read in entirety by Mr. Wilson) a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 041 - Donation Accounts - Annual Authorization to Receive Revenue and Expend Funds - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

06 042 - Revolving Accounts - Annual Authorization to Receive Revenue and Expend Funds - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor. Amended to read “account 5209” in Parks and Recreation and UNANIMOUSLY VOTED.

06 043 - Bond Authorization for Extraordinary Repairs to Town Owned Buildings - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor. This is waiting for more information and UNANIMOUSLY VOTED.

06 044 - Bond Authorization for Extraordinary Repairs to Town Owned Buildings - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O’Connor. This is waiting for more information and UNANIMOUSLY VOTED.

06 046 - Operating Measure - Sewer Enterprise Fund Appropriation Order - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 047 - Sewer Enterprises Fund-Residual Account - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 048 - Water Enterprises Fund-Annual Appropriation - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 049 - Water Enterprises Fund-Residual Account - a MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

Measures: 06 085
 06 086
 06 087
 06 088
 06 090
 06 091 have been withdrawn and were already addressed.

06 120 - FY07 Supplemental Appropriation - Public Hearing Required - Councilor Kay requested for a point of information whether this needs to be voted as a whole. Mr. Wilson responded this would be voted as full item; it is not line items. A MOTION was made by Councilor Kay to forward to full Council with a favorable recommendation, PENDING A FAVORABLE PUBLIC HEARING, and was seconded by Councilor O'Connor.

Councilor Kay noted Councilor Whitaker may have a conflict of interest here, where School funding is a part. Mr. Wilson responded that State Assessments cannot be split. Ms. Hackett noted for the purposes of this vote, it should not be broken out, and can be figured out before it gets to full Council. There was a brief discussion regarding the only change that can be made is to reduce, not knowing what the School Department is using the funding for, and that Councilor Whitaker can opt to recuse himself from the vote. UNANIMOUSLY VOTED.

Councilor Kay made a MOTION to go into Executive Session for reasons of real estate negotiations. Mr. Wilson noted this will be voted in two parts, first the authority to sell each of the parcels, and the second phase is setting the minimum bids, which necessitates Executive Session. Councilor Kay withdrew her MOTION.

Chairman DiFazio noted only items 06 121 and 06 122 will be addressed tonight since it is getting late.

06 121 - Sale of Town Owned Land - Mr. Wilson noted that as voted in a prior measure, \$1M in revenue is dependent upon the sale of town owned land. The eight parcels listed are tax title properties (gone to court, foreclosed, and the town now owns and can now sell at fair market value). All internal procedures were satisfied, Department Heads notified, and determined no use to his/her department. The Mayor has received no requests for those properties from any Department Head, and has signed off on the properties--seeking authorization to sell the parcels. Chairman DiFazio asked if within 06 121, there is a second portion which will be the minimum bid set in executive session, and Mr. Wilson responded "yes." Councilor Leary asked if the Grange on Front Street hadn't already been done. Mr. Wilson noted it had; there was an act of the Legislation needed to clear the title and when it was done, it was declined by the successful bidder, and was placed back on the list. He noted the values were Town assessed values; the law states that the assessed values trigger 30B auctions. They have to comply with the statute and the ordinance, dispose of the property as surplus and then sell in accordance with 30B, Section 16. Councilor Kay asked about the Executive Summary for 1389 Main St...Mr. Wilson noted this must be discussed in Executive Session.

At 10:35 PM, A MOTION was made by Councilor Kay to enter Executive Session to discuss the minimum bid amounts, and to come out to vote the measure, and was seconded by Councilor Molisse. Auditor Swanson took a roll call vote: Councilor DiFazio-AYE, Councilor Leary-AYE, Councilor Kay-AYE, Councilor Molisse-AYE, and Councilor O'Connor-AYE. 5/0 UNANIMOUSLY VOTED.

At 10:45 PM, the Budget/ Management Committee meeting returned from Executive Session.

06 121- Sale of Town Owned Land-Reserve Fund Transfer- A MOTION was made by Councilor Kay to recommend favorable action to the full Council, and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED. Chairman DiFazio noted he will discuss how to present this to the full Council with Mr. Wilson.

06 022 - Sale of Town Owned Land - Reserve Fund Transfer - Mr. Wilson reported the Mayor is requesting \$15,000 be transferred from the Reserve Fund, Fund 002, to fund the expenses associated with the auction. A copy of the proposed contract has been provided with the breakdown; the NTE amount of the contract is \$12,000 and \$3,000 for deed recording, fees for permitting and the land transfer costs. A MOTION was made by Councilor Kay to recommend favorable action to the full Council, and was seconded by Councilor Leary. Councilor O'Connor asked what the 5% commission charge represents, and Mr. Wilson explained it is a 5% buyer's premium, and is included in the NTE amount. If one of the properties is purchased for \$100,000, 5% of that goes to the auctioneer. UNANIMOUSLY VOTED.

06 102 - Collective Bargaining Agreement for the Superior Officers - Ms. Hackett noted the money is available in the salary line item of the Police Department to fund FY05 and FY06 financial impacts of this measure and measure 06 103. A MOTION was made by Councilor Leary to forward with a favorable recommendation to the full Council, and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

06 103 - A MOTION was made by Councilor Leary to forward with a favorable recommendation to the full Council, and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED. Ms. Hackett reported that the defibrillators were donated by the Weymouth Rotary three years ago and do not need to be purchased.

At 10:55 PM, there being no further business, A MOTION was made by Councilor Leary to ADJOURN and was seconded by Councilor O'Connor and UNANIMOUSLY VOTED.

Approved by: _____
Kenneth DiFazio, Chairman