

**TOWN COUNCIL MINUTES
BUDGET/MANAGEMENT COMMITTEE
Town Hall Council Chambers
June 20, 2005 - Monday**

Present: Kenneth DiFazio, Chairperson
 Susan Kay
 Colin McPherson
 Michael Molisse
 Paul Leary

Also Present: James Wilson, Chief Financial Officer
 Franklin Fryer, Town Clerk
 Richard Swanson, Town Treasurer
 Jane Hackett, Chief of Staff
 Robert Leary, Fire Chief

Recording Secretary: Susan DeChristoforo

Chairman DiFazio called the Budget/Management Committee Meeting to order at 6:35 PM.

04 215 - Review of Polling Places - Handicapped Access

Councilor McPherson informed members that Mayor Madden had submitted a new measure 05 588 re. polling places which was a Reappropriation Request in the amount of \$16,500, which included a list of improvements to the Polling Places. Based on this new information he was recommending no action at this time on 04 215 with the Budget-Management Committee acting on this measure at a future meeting.

A MOTION was made by Councilor Kay of NO ACTION on Item #04 215 Review of Polling Places/Handicapped Access with the Budget/Management Committee and that the committee would act on this measure at a future date and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

05 051 - Town Auditor Employment Contract

Councilor DiFazio stated that the Town Auditor's contract was returned to the committee for review and has not been implemented as yet.

Councilor McPherson asked the Town Auditor for his comments on the contract and at that time it was agreed he would go to his office to obtain copies of his draft agreement and Councilor McPherson's email noting his comments on Mr. Swanson's Employment Contract - for the members review and consideration.

A MOTION was made by Councilor McPherson to TABLE action on Item #05 051 until later in the meeting for the purpose of giving Mr. Swanson additional time to secure a copy of Councilor McPherson's email/comments pertinent to this contract for the members review and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

05 082 Appropriation Request - \$40,000-Fuel Depot

CFO Jim Wilson came before the Committee and told members that Mayor Madden was requesting an appropriation of \$40,000 from Free Cash to replenish funding for the Fuel Depot account, which presently contained a balance

of \$405. He informed members that fuel costs were running between \$35,000 and \$40,000 per month due to the extremely harsh/cold Winter that was experienced this past heating season. He also commented that at this point he didn't think they would need all of the \$40,000, but close to it.

Mr. Swanson asked if there was anyplace else they could obtain the additional funding and Mr. Wilson responded that there was no place else to take it. It was also noted that they had until July 15th for a public hearing.

A MOTION was made by Councilor Molisse to recommend FAVORABLE ACTION to the full Town Council on Item 05 082 Reserve Fund Transfer in the amount of \$40,000/Fuel Depot and seconded by Councilor Kay and UNANIMOUSLY VOTED.

File Note: It was noted that a public hearing would be required for this expenditure.

05 083 - Reserve Fund Transfer - \$13,000 Fire Utility Expenses

Fire Chief Leary came before the Board to address his request for a Reserve Fund Transfer. He informed members that he estimated that he would need an additional \$12,800 for the funding of Fire Utility Expenses to get him through the end of the fiscal year. These monies would cover the costs of utilities for the Fire Department and would include such items as gas, heat (in all the stations) and electricity. He said he had rounded off the \$12,800 figure to \$13,000.

Discussion:

Councilor McPherson asked if he were sure this amount would be adequate and he responded 'yes'.

Councilor Kay asked if he could explain why there had been an increase in this line item since the budget was originally approved and he told her that utility costs had risen over those from last year, when they originally set the budget.

A MOTION was made by Councilor Molisse to forward the Reserve Fund Transfer request to the full Town Council and recommend FAVORABLE ACTION on Item 05 083 Reserve Fund Transfer in the amount of \$13,000 - Fuel Utility Expenses and seconded by Councilor Kay and UNANIMOUSLY VOTED.

(File Note: No public hearing will be required on this item)

05 084 - Reserve Fund Transfer - \$20,000 - Fire Dept. Overtime

Fire Chief Leary acknowledged that he had asked for a reappropriation of funds in the amount of \$75,000 a few months ago and at that time he had hoped it would cover this expense through the end of the fiscal year, adding that 'it came close' (about 3 weeks short). He went on to say that due to 'extraordinary circumstances', referring to the large fire at the Sacred Heart Church this past week, they incurred an unanticipated additional expense in the Overtime account of approximately \$10,000.

Fire Chief Leary further informed the Committee that on the same day they received a check from the Democratic National Convention in the amount of \$22,500, reimbursing the monies they expended back in July - and this has helped to alleviate the overtime burden. He went on to say that they are currently experiencing a shortfall of \$42,000 - but he commented that with this request for \$20,000 plus \$22,500 from the DNC, Overtime costs would be covered. He further informed the members that they are expecting a bill of \$20,000 in Overtime plus \$10,000 in fire expenses, but with the combination of this transfer and the DNC funds, those two amounts combined will cover their Overtime costs through the end of the year.

Councilor Kay wanted to know about the \$2,000 deficit that she noted in the account when the Reserve Fund Transfer was submitted. She wondered how the system allowed that to happen.

Mr. Wilson/CFO explained that state and federal law requires the Town to pay for employees that worked within 7 days of completion of the work week - so theoretically they are not able to hold back any amounts on the payroll (either on 041 or 042 accounts). This situation caused them to go into deficit on week 50 in the amount of \$2,700.00, but he commented, luckily the monies from the Democratic National Convention was received and changed the deficit balance into a 'positive' balance.

Councilor Kay said she also understood they would be receiving reimbursement from the Archdiocese of Boston for expenses incurred due to the fire.

Chief Leary acknowledged this information was correct, explaining that they would be submitting a bill to the Archdiocese for all of the Overtime expenses. He went on to explain that these expenses came about, due in part, to the hiring back of firefighters to assist with the fire at the church. He told members that these firefighters acted as guides and performed duties of this nature. Additionally, he said, they had a detail stationed at the church for an additional couple of days. This terminated on Monday afternoon (following the fire) at 3 PM. Lastly, he wanted the committee to know that a separate invoice would be submitted to the Archdiocese for equipment lost due to the fire.

Councilor Kay next asked about the Overtime costs of \$26,900 for the week ending March 28th.

Town Auditor Swanson explained that this figure was actually an accumulation of three (3) weeks of Overtime.

Councilor McPherson next asked about the total expended this year for Fire Dept. Overtime and CFO Wilson told the members that they appropriated and expended \$545,352.00.

Councilor McPherson said it was his impression that the costs had risen to about \$700,000 this year - and asked if they had transferred money out of Overtime to Regular time and Mr. Wilson told him that the money had actually gone in the other direction; i.e., the money was transferred out of salary line items 'to' the Overtime account.

Councilor Kay pointed out to Councilor McPherson that the total Overtime expended would end up close to that figure; i. e., \$600,000.

(Councilor Leary arrived)

A MOTION was made by Councilor Molisse to forward the Reserve Fund Transfer request to the full Town Council and recommend FAVORABLE ACTION on Item 05 084 Reserve Fund Transfer in the amount of \$20,000 - Fire Department Overtime and seconded by Councilor McPherson.

Discussion:

Councilor McPherson asked if this recommendation would completely deplete the Reserve Fund and Mr. Wilson told him that it would not, adding there would be about \$8,000 remaining.

UNANIMOUSLY VOTED.

05 051 - Town Auditor Employment Contract (Cont'd)

Mr. Swanson passed out copies of the 'draft' agreement as well as Councilor McPherson's comments.

Councilor McPherson explained to the committee that he was unhappy with the original language in the agreement as he found it to have many ambiguities, adding that he felt his amended version was much clearer, concise and easier to understand - but still said the same things. He viewed it as a 'cleaned up version' of the Agreement.

Councilor McPherson suggested members compare the two versions, specifically asking them to look at Item #5 in the original agreement, pointing out it was an unfinished sentence. He reiterated that he took the essential points of the contract and put it in clearer language.

Councilor DiFazio asked Councilor McPherson if his version actually condensed the original agreement by having Items 1 through 4, instead of Items 1 through 5 and Councilor McPherson said this was correct.

A MOTION was made by Councilor McPherson to AMEND the Town Auditor's draft employment agreement by substituting Items 1 through 5 in with Items 1 through 4 based to his modified version, have it retyped and forwarded it to Jim Wilson/CFO and George Lane/Town Solicitor for their review and approval and then to vote on it at their next meeting and was seconded by Councilor Molisse.

Discussion:

Councilor Leary asked for an explanation regarding the difference between the hourly rate \$42.80 and \$41.96 and Mr. Swanson explained that the correct hourly rate should read \$42.80. He explained that the difference reflected an \$.80 salary increase given to non-union employees, which became effective on January 31, 2005; clarifying that \$41.96 was his hourly rate as of 6/30/04.

Councilor Kay asked if this amount was retroactive and Mr. Swanson told her that he had received his retroactive check which covered the \$.80 increase (reflecting the 2% non-union pay increase in his hourly rate) between 7/1/04 through January 31, 2005. He noted that his contract became effective February 1, 2005.

Mr. Swanson was asked if there was enough in the budget to pay for the retroactive increase that became effective in February through the end of the fiscal year and he responded 'yes'. He went on to inform the members that there was more than enough to pay for this in the FY05 Town Council budget, adding there was thousands of dollars remaining. He pointed out that his position was originally budgeted as a full-time employee for the full fiscal year. He further clarified that there was a lot of money remaining in this account which would be returning to Free Cash.

Councilor Leary wanted to amend the motion to include that they would be voting to eliminate Paragraph 5 and using the hourly rate of \$42.80 instead of \$42.96.

Mr. Swanson wanted to clarify one last time that they were actually eliminating Paragraphs 1 through 5 and using instead Councilor McPherson's version, which included Paragraphs 1 through 4 instead, which was based on the language in Councilor McPherson's email and reaffirmed that they would be using \$42.80 as the hourly rate.

It was agreed that the amended motion would read that Mr. Swanson would draft the new language as agreed by the committee and then it would be forwarded to CFO Wilson and Town Solicitor Lane, who would report back to the Budget Management Committee with their comments/findings.

Chairman DiFazio took Councilor McPherson's motion as AMENDED by Councilor Leary:

A MOTION was made by Councilor McPherson to AMEND the Town Auditor's draft employment agreement by substituting Items 1 through 5 with Items 1 through 4 in his modified version, with Mr. Swanson drafting/typing the new language and then forward it to Jim Wilson/CFO and George Lane/Town Solicitor and to the full Town Council at their next meeting and recommend FAVORABLE ACTION on Item 05 051 at the hourly rate of \$42.80.

UNANIMOUSLY VOTED

ADJOURNMENT

At 7:00 PM, there being no further business, a MOTION was made by Councilor Molisse to ADJOURN and was seconded by Councilor Kay and UNANIMOUSLY VOTED.

Approved by: _____
Kenneth DiFazio, Chairperson