

**TOWN COUNCIL MINUTES  
BUDGET/MANAGEMENT COMMITTEE  
Town Hall Council Chambers  
July 14, 2008**

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

Also Present: Robert M. Conlon, Councilor  
Maureen Duffy, Town Auditor  
Ed Harrington, Councilor  
Victor Pap, III, Councilor  
James Wilson, Chief Financial Officer

Recording Secretary: Janet Murray

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

**08 093- Health Insurance Appropriation**

Mr. Wilson gave a presentation regarding this appropriation. He stated that the town is waiting for further information from a number of sources to determine the final numbers: actual expenses for June, and the quarterly reconciliation for April, May, and June between what Harvard Pilgrim has paid out compared to the \$1.2 million level monthly payments made by the town. The difference is billed to the town, negative or positive.

He pointed out that there is an appropriation and a re-appropriation further supplementing the revenue stream for the health insurance claims trust fund by \$1.1 million.

He stated that there is the IBNR (incurred but not reported expenses) that is a subject of the consultant and auditor to be reviewed at the beginning of August.

The negative \$400,000 balance is now a positive \$700,000 including the appropriations mentioned above.

Mr. Wilson stated that the deficit may not be as high as initially reported. He expects it to be about \$1.2 million.

Mr. Wilson stated that the FY 09 appropriation deals with the projected actual expenses unless there is a change in the policy. He stated that he anticipates the town's share to be \$14 million and the employees' share to be \$7 million.

Councilor O'Connor asked about the audit. Mr. Wilson stated that he would push for a mid-August time frame for answers.

Mr. Wilson stated that if numbers have not been received by tomorrow, they must be counted in the FY 09 calculations.

Councilor O'Connor asked about money collected from June.

Mr. Wilson stated that collected money from June will count for July.

Councilor Whitaker asked if the catastrophic coverage is still in place. Mr. Wilson stated that the coverage is due in November. He expects that the premium will increase. The current cost is about \$250,000.

Mr. Wilson stated that the Fulton School is still a number in motion. The closing could possibly be completed by the end of July or beginning of August.

A MOTION was made by Councilor O'Connor to forward item number 08 093 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

#### **08 097- Re-appropriation for Health Insurance Deficit**

Mr. Wilson stated that the re-appropriation is the result of unexpended funds in their budgets as of June 30 which were identified in various line items.

Mr. Wilson pointed out that in his own department he had several employees resign. The position of Tax Collector was not filled and Mr. Wilson assumed the job responsibilities.

Mr. Wilson stated that certain debts were re-funded to obtain a better interest rate. This resulted in savings of \$126,000 in FY 08. \$125,000 of this savings is being used towards the health insurance deficit.

A MOTION was made by Councilor O'Connor to forward item number 08 097 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

#### **08 094- Community Preservation Committee-Community Housing Request**

Mr. Wilson gave an overview of the financial piece of this project. He stated that it is a request for \$125,000 for purposes of contributing to a community housing program. He noted that the fund balance is \$141,185, which is the mandatory expenditure.

Mr. Flynn, chairman of the Community Preservation Committee (CPC) appeared before the Committee. He stated that the project is as follows: two existing houses to be rehabbed, two additional buildings with three apartments each to be constructed. He stated that permits were granted today for rehab of the first unit.

The work is being done by Neighborhood Housing with Father Bill's Place as the project manager.

The original request was for \$250,000. The \$125,000 vote was not unanimous.

Councilor Mathews, the Council's representative to the CPC, spoke to this issue. He stated that he had made a substitute motion to reduce the amount to \$125,000 because this is the first project from Neighborhood Housing Services (NHS), and the state funding to the CPC will most likely be reduced. He also did not want to see the housing fund balance depleted. He stated that the project has other sources of funding.

Mr. Flynn stated that this project is not actually the first NHS project before the CPC. Zero Pond Street was the first, but it was not approved.

Councilor O'Connor asked if the project would be affected by the fact that only \$125,000 was allocated rather than \$250,000. He questioned if this is the only source of funding for this project. Mr. Flynn stated that it is not. There are at least four sources of funding for this project.

Councilor Molisse asked about Weymouth residents and occupancy. Mr. Flynn stated that it is the standard 80%. He stated that potential tenants who list Weymouth as their last address would be placed in these units although this is not guaranteed.

Councilor O'Connor asked what was the total number of people and how long they are allowed to stay. Mr. Flynn stated that residents may stay as long as the resident meets the requirements of the program administrator.

Councilor O'Connor asked when the project would be completed. Mr. Flynn stated that the project is expected to take approximately three years.

Councilor Molisse expressed concern regarding this project as he believes that this area is saturated with this type of housing. He is not opposed to affordable housing; however, he is concerned by the fact that there is no guarantee that Weymouth residents would be given preference.

Mr. Flynn stated that this project is for affordable housing. He stated that 80% of the median income in Weymouth is \$57,000 for a family of three.

Councilor O'Connor stated that he agreed with Councilor Molisse's comments. He stated that he is concerned about other housing in the town that could utilize funding from CPC.

Councilor DiFazio asked if the Weymouth Housing Authority (WHA) had applied for any funding. Mr. Flynn stated they had not.

A MOTION was made by Councilor O'Connor to CONTINUE discussion on this measure and to POSTPONE the public hearing and was seconded by Councilor Mathews.

Mr. Wilson stated that there are time constraints regarding the requirements for the public hearing. He noted that the funds are available.

Councilor Whitaker asked if there was any additional cost associated with postponing the public hearing.

Mr. Wilson stated that public notices are done on a regular basis and are grouped together.

The MOTION PASSED on a 3-2 vote.

**08 087 – Free Cash Re-appropriation for Worker’s Compensation**

A MOTION was made by Councilor Molisse to RECONSIDER item number 08 087 and was seconded by Councilor O’Connor and UNANIMOUSLY VOTED.

Mr. Wilson stated that this measure was originally for the amount of \$85,000 but was then amended to \$65,000. The actual amount is actually \$70,000.

A MOTION was made by Councilor O’Connor to forward item number 08 087 for the amount of \$70,000 to the full Town Council with FAVORABLE ACTION and was seconded by Councilor Molisse and was UNANIMOUSLY VOTED.

At 7:40 pm, there being no further business, A MOTION was made by Councilor O’Connor to ADJOURN and was seconded by Councilor Molisse and UNANIMOUSLY VOTED.

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