

MINUTES OF THE TOWN COUNCIL
Town Hall Council Chambers
May 16, 2005

Present: Thomas J. Lacey, President
Michael Smart, Vice-President
Paul J. Leary
Kenneth DiFazio
Susan Kay
Michael Molisse
Arthur Mathews
Gregory Shanahan

Not Present: Joseph Connolly
Gregory Hargadon
Colin McPherson

Also Present: James Wilson, Chief Financial Officer
Franklin Fryer, Town Clerk
Jane Hackett, Chief of Staff

Recording Secretary: Janet Murray

President Lacey called the Town Council Meeting to order at 7:30pm.

ANNOUNCEMENTS

Councilor Smart noted that the South Weymouth municipal parking lot had been cleaned up nicely by DPW.

Councilor Smart noted that Solicitor Lane had informed the Council that the deadline to vote on the Reuse of the South Weymouth Naval Air Station is 90 days from the date that South Shore Tri- Town Development Corporation voted their approval of the plan.

Councilor Molisse stated that this Saturday, May 21, 2005, there would be a town- wide clean up. He noted that individuals may call the Mayor's Office for more information.

Councilor Shanahan stated that there will be a clean up of Great Esker Park from 9-12 on May 21, 2005. He noted that individuals may call 781-340-6175.

Councilor DiFazio stated that Legion Field is currently closed, except for the tennis courts. This is due to the soil deliveries to re-grade the field.

Councilor Kay stated that residents need to send their comments to the Council regarding the proposed reuse of the South Weymouth Naval Air Station.

Councilor Lacey stated that the Memorial Day Parade on May 30, 2005 will start at 9:45am in Jackson Square and end at the Town Hall.

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Councilor Lacey also stated that he and Councilor Smart have been meeting with the Mayor regarding the impacts to the community from the redevelopment of the Air Base.

Councilor Kay noted that the town is looking for a mitigation format for these impacts.

MINUTES

Town Council – April 4, 2005

A MOTION was made by Councilor Smart to APPROVE the minutes of the April 4, 2005 Town Council Meeting and was seconded by Councilor Mathews and UNANIMOUSLY VOTED.

Budget/Management – April 4, 2005

Councilor Leary stated that Barbara Wight's name is spelled incorrectly in the minutes.

A MOTION was made by Councilor Smart to APPROVE the minutes of the April 4, 2005 Budget/Management Committee Meeting, as amended, and was seconded by Councilor Mathews and UNANIMOUSLY VOTED.

COMMUNICATION FROM MAYOR, TOWN OFFICERS, AND TOWN BOARDS

05 080 – Reappointment – Historical Commission – Edward Walker

A MOTION was made by Councilor Smart to REFER to Budget/Management Item #05 080 and was seconded by Councilor Kay and was UNANIMOUSLY VOTED.

05 081 – Reserve Fund Transfer - \$1,300 – Parking Tickets

A MOTION was made by Councilor Smart to REFER to Budget/Management Item #05 081 and was seconded by Councilor Kay and was UNANIMOUSLY VOTED.

REPORTS OF COMMITTEES

Budget Management Committee – Chairman DiFazio

On April 1, 2005 Mayor Madden issued the FY 06 town budget to the Town Council. On April 4, 2005 the budget was referred to this Committee. The Committee has performed a line item review of all town departments, as well as Operating Measures 1-13 and Capital Requests 1 and 2. Based upon the review, the committee has voted unanimously on all measures to refer the budget to the Town Council with Favorable Action. As well, the Committee concurs with Mayor Madden that this budget is fluid in nature. He noted that more information is possible as time passes. At the most recent meeting on May 12, 2005, new information was received by the Committee from Administration.

After deliberation by the Budget/Management Committee, it was unanimously voted that all Town Councilors should be made aware of the information and review the FY 06 budget prior to voting. Therefore, it is the Committee's recommendation that based upon new information received as well as the real possibility that more information may be forthcoming regarding local aid levels, that the budget be referred to the Town Council at this time. This is being done so that all Town Councilors may receive the latest information as well as an expected report to be issued by Mr. Swanson concerning tonight's presentation by the Administration. Finally, as the Chair of the Budget/Management Committee, Councilor DiFazio will report back to the Town Council, a full report subsequent to the information to be received this evening and after the issuance of the report by Mr. Swanson.

05 034 – Operation Measure #1 – Appropriation to CIP Account

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 034 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 035 – Operating Measure #2 – Gift and Donation Account

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 035 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 036 – Operating Measure #3 – Order to Expend and Receive Funds in Certain Revolving Accounts

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 036 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 037 – Operating Measure #4 – Authorization for Use of Stabilization Account

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 037 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 038 – Operating Measure #5 – Operation for Use/Sale of Town Owned Property

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 038 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 039 – Operating Measure #6 – Appropriation Police Details

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 039 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 040 – Operating Measure #7 – Payment Property, Casualty and Other Insurances

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 040 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 041 – Operating Measure #8 – Payment of Fire Alarm Lease

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 041 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 042 – Operating Measure #9 – Postage

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 042 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 043 – Operating Measure #10 – Fiscal Year 2006 Appropriation

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 043 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 044 – Operating Measure #11 – Water Enterprise Fund Appropriation Order

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 044 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 045 – Operating Measure #12 – Sewer Enterprise Appropriation Order

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 045 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 046 – Operating Measure #13 – Sewer Enterprise Fund Appropriation Order

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 046 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 047 – Capital Request #1 – Water Enterprise Fund

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 047 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

05 048 – Capital Request #2 – Bond Authorization – Route 18 Water Mains

A MOTION was made by Councilor DiFazio to RECOMMEND FAVORABLE ACTION on Item #05 048 and was seconded by Councilor Leary and was UNANIMOUSLY VOTED.

BUDGET DISCUSSION

Councilor Lacey stated that Administration is here to present additional information. He also stated that the Council will not vote on the Budget this evening.

Mr. Wilson and Ms. Hackett appeared before the Council. Mr. Wilson stated that the Mayor is constantly reviewing funding information as it pertains to the budget. In addition to his review of information from state and other sources, he is mindful of the fact that he may have to adjust the budget from time to time and forward this information to the Council. He noted that there are three issues:

1. What issues still need to be faced in FY 2005?
2. What issues remain in budgetary considerations for FY 2006?
3. Given those issues, what free cash is available to deal with these issues?

Mr. Wilson stated that there are two funding sources. The first is the Reserve Fund which has \$45,452.64. The second is the SBA Academy Avenue project reimbursement which is scheduled to be paid by the state. It was expected to be reimbursed in three payments in 2005, 2004, and 2003. The amount of the payment will be \$931,388.00. The audit was completed today and there may be additional funds due from this project. At this time, there is a total of \$976,840.64 in available funding.

The known liabilities in the amount of \$768,040.76 are as follows:

- \$ 41,644.24 – snow removal deficit (if all free cash is applied to the \$1.1 million deficit)
- \$525,000.00 – FY 06 53rd week of payroll
- \$ 96,000.00 – FY 06 3rd payment for two Fire Engines
- \$ 22,000.00 – DPW Vehicle Maintenance
- \$ 46,785.52 – Prior years unpaid bills
- \$ 33,011.00 – Departmental Requests (not all will necessarily be granted)
- \$ 3,600.00 – CBE Traffic Supervisors Contract

The projected cash position on 06/30/05 is free cash surplus of \$208,799.88. There is currently \$976,840.64 in available revenues and there are \$768,040.76 in known liabilities.

Mr. Wilson stated that in his FY 06 Free Cash projections he is assuming all budgets will be fully expended and revenues will equal projections. He stated that this is an unusual and conservative position to take. With the \$208,799.88 surplus as of 06/30/05 and \$305,000 in bond premium from the high school project, which does not show on the town records, the total FY 06 free cash position is projected to be \$513,799.88.

Using information from 04/25/05 projected Cherry Sheet; the revenue position going into FY 06 would be \$114,613,241. In the budget projection, we had presumed a \$376,000 SBA reimbursement for the Academy Avenue project. It is actually closer to \$276,000. Expenses, including expenses as adjusted by the 4/25/05 document from the DOR, will increase our expenses to \$115,086,341. There is a know liability of \$11,000 for FY 06 CBE Traffic Supervisor contract. These adjustments will result in a potential \$595,100 revenue shortfall.

The projected Free Cash position of \$513,800 and the projected Revenue Shortfall results in an (-\$81,300) issue which must be resolved prior to 12/31/05 with the establishment of the FY 06 tax rate.

Councilor Mathews questioned if the State Delegation of Senator Hedlund, Representatives Murphy and Mariano would appear before the Council. Councilor Lacey stated that he has been working to get a date set for them to appear. He noted that he is attempting to coordinate this meeting to also have representatives from MEPA and MHD appear regarding traffic concerns related to the South Weymouth Naval Air Station project. A date has yet to be finalized.

Councilor DiFazio noted that during FY 06 there will be contractual salary increases that will need to be funded.

Councilor Lacey stated that he has concerns regarding collective bargaining and the economic impacts that this will have on the budget.

Councilor Lacey commented that Free Cash is certified in the fall. He asked for clarification regarding whether the Council is being asked to approve a budget that is not balanced.

Mr. Wilson stated that the budget as presented on April 1, 2005 is balanced. This budget is what the Council will be asked to vote on. However, he noted that new information, that has since been received, shows a possible worst case scenario of an \$81,000 shortfall.

Councilor DiFazio noted that the Budget/Management Committee referred the budget back to the Council because of concerns regarding the procedural review of the budget.

Councilor Smart questioned how often the 53rd pay week occurs. Ms. Hackett noted that this happens every six years.

Councilor Leary asked for clarification on the budget being voted upon. Mr. Wilson stated that the budget is as of April 1, 2005.

Councilor DiFazio recommended that time is scheduled for debate regarding the budget at the next Town Council meeting.

NEW BUSINESS

A MOTION was made by Councilor Leary to ADD a late item to the agenda regarding letters written to South Shore Tri-Town Development Corporation by individual Councilors and the role of the Council in this process and was seconded by Councilor Kay and voted 7-1 as follows:

Councilor Connolly – Absent
Councilor Hargadon – Absent
Councilor Kay – Yes
Councilor Molisse – Yes
Councilor Shanahan – Yes
Councilor Lacey – No

Councilor DiFazio – Yes
Councilor Mathews – Yes
Councilor McPherson – Absent
Councilor Leary – Yes
Councilor Smart – Yes

Councilor Leary asked for clarification on the role of individual Councilors in writing letters. He noted that he thought it would be proper for any letter to at least be copied to the Council.

Councilor Lacey stated that there is no rule that speaks specifically to addressing this concern. He questioned if this should be referred to the Rules Committee for consideration.

Councilor Smart noted that in the past all Councilors have sent letters but the Council has been copied.

Councilor DiFazio stated that he did not believe that it was necessary to refer this to the Rules Committee.

Councilor Lacey stated that the process of working on the mitigation list through him and Councilor Smart has not changed.

Councilor Mathews cautioned all Councilors to be careful about what is said in public as it could affect the negotiating position of the Town.

ADJOURNMENT

At 8:45pm there being no further business, Councilor Smart MOTIONED to adjourn and Councilor Mathews seconded and was UNANIMOUSLY VOTED.

Approved by: _____
Thomas J. Lacey, President