

**ADVISORY AND FINANCE COMMITTEE
MEETING MINUTES
of
February 26, 2014**

A meeting of the Advisory & Finance Committee was held on Wednesday, February 26, 2014. The meeting was called to order by Chairman, John Moody at 7:00 p.m. and was conducted at the Plymouth Town Hall, in the Mayflower II Meeting Room, 11 Lincoln Street, Plymouth, Massachusetts.

PRESENT

Fourteen members of the Committee were present:

John Moody, Michael Hanlon, Linda Benezra, Michael Hourahan, Marc Sirrico, Harry Salerno, Charles Stevens, Cornelius Bakker, Ethan Kusmin, Shelagh Joyce Robert Morgan, Christopher Merrill, Nancy McSpadden, and Richard Gladdys

ABSENT

One member of the Committee was absent:

Michael Duffley

AGENDA ITEMS

Chapter 44, §31D - Snow & Ice Deficit Spending Request \$500,000

Dennis Westgate Assistant DPW Director presented a request for \$500,000 snow and ice deficit spending authorization.

Linda Benezra moved to approve as presented for \$500,000.

Marc Sirrico, second. The motion carries unanimously.

STM Article 1- Amend Collective Bargaining Agreements for Firefighters.

Assistant Town Manager, Michael Galla and Selectmen Anthony Provenzano presented information regarding STM Article 1- Amending the Collective Bargaining Agreement for Firefighters based on the JLMC award. Mr. Galla provided a Power Point presentation to the Committee and highlighted some areas as follows:

Town Side - Nine Units, Five Unions

- *COBRA formerly AFSCME*
 - *DPW, Library, Dispatch, and Meter Enforcement Officers/Crossing Guards*
- *OPEIU*
- *SEIU*
- *Superior Officers*
- *Patrolmen*
- *Firefighters*

Negotiation Process

- *Ground Rules*
- *Typically 3 sessions*
- *Varied time limits – from 10 meetings to a couple of years*
- *Reaching impasse*

- *Mediation option*
- *File to JLMC for public safety only*

Different Avenue for Police/Fire/Superiors

- *The JLMC History and process*
- *The steps for JLMC*
- *The decision from the JLMC Panel*
- *Next steps when the Town and Union receive the JLMC decision*

Firefighter JLMC process

- *Town's issues and wages (in decision)*
- *Firefighter's issues and wages (in decision)*
- *JLMC Award/Decision with explanation*

JLMC Award/Decision

- *2% total increase for all FF back to 2012 (split)*
- *3% total increase for all FF for this fiscal year*
- *2.5% increase this summer (July 1, 2014 beginning of FY15)*
- *1% increase on the last day of FY15 for all FF (so the impact is in FY16 and we haven't built that budget yet)*
- *A step 6 FF who was promoted to Lieutenant shall be given step 2 (not step 1) and a step 4 Lieutenant who was promoted to Capt. shall be given a step 2 (not step 1)*
- *FF & Lts who are promoted go up a step on each annual anniversary*

JLMC Award – Approx. Financial Impact

- *\$121,628 = the funds to pay for changes the award will make to base salary, night shift differential, holiday pay, and overtime.*
- *\$369,402 = the funds to pay for those same payroll costs in FY14.*
- *\$625,779 = the funds to pay for changes the award will make to those same payroll costs in FY15*
- *\$tbd = the funds to pay for the 1% salary adjustment provided by the award on the last day of FY15 (so the impact is in FY16 and we haven't built that budget yet).*
- *Sources of Funding: Raise and Appropriate on the Property Taxes and not put funds into Stabilization Fund*
- *Firefighters will now give 24 hours notice to the Department before taking a vacation day(s)*
- *Circuit Breaker – The Town cannot apply it this year. Town can apply it next year, at the end of calendar year 2014, IF the Firefighter's use, on average, more than 8 days of sick time*
- *Jury Duty – Firefighters will provide proof of jury duty summons to the Dept (so they can be released at 10 p.m. the night before the jury duty).*

Special Town Meeting Action

- *Article 1A – Asks Town Meeting to approve the JLMC awarded language changes to the*

Firefighter's union contract (notice on vacation, jury duty, circuit breaker)

- *Article 1B – Asks Town Meeting to fund the JLMC awarded Firefighter's raises of \$121,624 and \$369,402 for FY13 (last year) and FY14 (this year) from funds geared for Town Stabilization Fund.*

Annual Town Meeting Action

- *Article 7*
- *Operating Budget had already been built when JLMC decision arrived*
- *Need to increase the salary line items to pay the approx. \$625,779 increase in Firefighter salaries/night shift differential, holiday pay, overtime pay.*
- *Funding Source – raise and appropriate*
- *Police in midst of JLMC process*
- *Superior Police Officers in midst of JLMC process*
- *Me Too clauses aka Parity clauses in SEIU, OPEIU, Non Union, Teachers (language differences)*

There was some discussion regarding vacations as well as parity clauses relating to Non Union personnel. Mr. Provenzano indicated there are non-union personnel covered by the Personnel Bylaw that would also be looking for parity should this pass town meeting. Ms. Barrett indicated the Teachers also have a "me too" clause but there had not been a number calculated should the clause be invoked. Mr. Galla said there is no automatic increase, the "me too" clause would simply require negotiations with groups that have such a clause.

Mr. Morgan inquired about town meetings failure to vote favorably on the JLMC award. Mr. Provenzano said the Selectmen are statutorily bound to provide a favorable recommendation to the legislative branch. However, should town meeting not vote favorably on the JLMC award it would send both parties back to the table for further negotiations.

Richard Serkey, Precinct 2 Town Meeting Member spoke against the JLMC award and said he is opposed to funding the CBA and said far too long this has been a "rubber stamp". Mr. Serkey encouraged town meeting to send a message to JLMC that, "Plymouth's pockets are not as deep as they think they are".

Linda Benezra moved approve as presented.

Marc Sirrico, second.

Discussion:

Mr. Hanlon encouraged members to vote against recommending this award to town meeting. Mr. Gladdys was in agreement with Mr. Hanlon.

Ms. Benezra said she is struggling with this and added Firefighters put their lives on the line every time they report to duty. Marc Sirrico said he sees the validity in everyone's comments however, he was is in agreement with Ms. Benezra.

Nancy McSpadden suggested stronger negotiators on the town side to provide a balance.

Shelagh Joyce added, "It is amazing that they refused drug and alcohol testing"

Ethan Kusmin said he agreed with Ms. Benezra and cited public versus private jobs and pay scales. Mr. Kusmin added salaries are higher in the private sector and provided an example using the position of the finance director in which he indicated would be compared to the CFO of a corporation in the private sector.

The motion fails (5-8-0). Richard Gladdys, Michael Hanlon, Michael Hourahan, Shelagh Joyce, Nancy McSpadden, Christopher Merrill, Robert Morgan and Charles Stevens voting in opposition.

STM Article 1A -Funding the (JLMC-12-2380) Award - Firefighters

Director of Finance, Lynne Barrett, presented STM Article 1A -Funding the (JLMC-12-2380) Award – Firefighters. Ms. Barrett indicated to fund the JLMC award for the firefighter's contract for fiscal years 2013 and 2014 she is recommending a transfer of \$491,000 from Free Cash to this article based on my estimates from the payroll and the award. Ms. Barrett provided a summary of estimates below. In addition, Fiscal 2015 funding of \$625,000 will be requested as an adjustment to the Fire Department budget in Article 7 A of the Annual Town Meeting.

The \$491,000 comes from the amount of Free Cash we had originally planned on transferring to the Stabilization fund in Article 14A of the Annual Town Meeting.

| | Fiscal 2013 | Fiscal 2014 | Fiscal 2015 | Total |
|-----------------------------|-------------|-------------|-------------|--------------|
| Base Salary | 100,877.93 | 306,350.58 | 517,324.09 | 924,552.59 |
| Night Shift | 1,252.33 | 3,803.12 | 6,422.21 | 11,477.66 |
| Holiday Pay | 4,306.39 | 13,077.83 | 22,084.10 | 39,468.32 |
| Overtime | 10,836.00 | 32,907.25 | 55,569.38 | 99,312.63 |
| Base Estimate for vacancies | 4,356.00 | 13,264.00 | 22,380.00 | 40,000.00 |
| Base Equity of 6/30/2015 | | | 2,000.00 | 2,000.00 |
| | 121,628.64 | 369,402.78 | 625,779.79 | 1,116,811.21 |

Linda Benezra moved approve as presented.

Marc Sirrico, second. **The motion fails (5-8-0). Richard Gladdys, Michael Hanlon, Michael Hourahan, Shelagh Joyce, Nancy McSpadden, Christopher Merrill, Robert Morgan and Charles Stevens voting in opposition.**

STM Article 9 -Local Option Meals Tax

Paul Withington presented STM Article 9 the Local Option Meals Tax. Patricia McCarthy spoke in favor of adopting the Meals Tax for a special use being the 1820 Court House Government Center. Enzo Monti spoke as a citizen in the community and said what is attractive is that for a small investment we can get others to pay for the court house rather than placing the tax on the backs of the property owners. Mr. Monti said he would like other people to pay for Court House and added it would be nice if tourists contributed to the town.

Director of Finance, Lynne Barrett went over a Power Point presentation regarding the Meals Tax. Ms. Barrett said there is a termination date of 2040 and while being collected the meals tax would allow the town to pay for the 1820 Court House Government Center. In addition, Ms. Barrett said she used several assumptions when putting together the numbers for the cost of construction and rehabilitation with a 25 year debt service. With the use of the Meals Tax, the assumption for the residential taxpayer would be \$200 to \$370 and there is a possibility that the Meals Tax could pay for the entire project. Without the Meals Tax, the impact would be much higher at approximately \$1,800 over the 25 years, on the tax rate.

Local Option Meals Tax

A Town That Accept This Provision of the Law May Impose A Sales Tax on the Sale of Meals at the Rate Of .75 Percent (For A Total Of 7% Meals Tax Rather Than 6.25%)

*These Funds (Approximately \$1.2 Million/Year) Would Go Directly To Pay For the 1820 Courthouse Renovation and Town Hall Project Only
This Additional Meals Tax Has a Termination Date
To Be Voted At the April 5, 2014 Town Meeting
We Need Your Support*

Important Impacts of 1820 Project

Putting Town Hall Functions At The 1820 Site And Behind The Courthouse Is The Only Solution For 2 Critical Issues:

*Investing In the Downtown That Has a Gaping Hole on Court Street
Building a New Town Hall to Better Serve Growing Community
Brings an Anchor Business and Focal Point Back To the Downtown Area
Promotes Pedestrian Access to the Area Businesses and Restaurants
The Project Is a Model for Historic Preservation in the 21st Century and Suits the Scale and Character of Our Centuries Old Downtown
Incorporates Needed Public Restrooms for Tourists/Visitors
Respects Historic Preservation Balanced With Well Deserved Revitalization of the Area
Keeps Debt off the Property Taxes by Using This Funding Source for a Major Project*

Impact to Taxpayer

*The Estimate for the Average Taxpayer Over The 25 Year Period For The Cost Of The 1820 Project Is The Following:
With Meals Tax, Approximately \$200-\$370 Based On Timing and Structuring Of Debt to Fit Within Revenue Stream*

Without Meals Tax -\$1,800

That Is Based On The Following Assumptions:

Meals Tax Escalator Of 3% Per Year to 2040 based On DOR's FY2013 and FY2014 Collections

\$30 Million Borrowing Equal Principal with Decreasing Interest at A Rate Of 5%

2014 Home Values of \$8.6 Billion

2014 Average Value \$299,834

Keven Joyce Town Meeting member indicated that he is greatly in favor of a new town hall and added, "The town needs to have some skin in the game, sell some of the town property, put the funds towards the project, and reduce the number of years the meals tax would be required".

Donna Curtin spoke as a historian and indicated that she has had the opportunity to study past decisions in Plymouth. Ms. Curtin said this is a "pragmatic and painless strategy" this is a gift of out of town money and the burden is shared by those who choose to go out to eat. Ms. Curtin said, "I am happy to leave a small tip in the form of a few pennies for the good of my community".

Paul Withington reminded members that Plymouth is a destination town and said he would like to see how the money can help to reinvent the town.

Ken Tavares spoke as a taxpayer and citizen of the community and said from day one he has been concerned about how this project can be paid for. Mr. Tavares said the State has pointed out time and time again how much money is being left on the table which is over a million dollars and encouraged members to vote favorably.

Linda Benezra moved approve as presented.

Christopher Merrill, second.

Discussion:

Marc Sirrico said we need a town hall and we are a destination town and the meals tax will help defray the cost.

Robert Morgan said he voted against the Town Hall project and added that he should be consistent. He cited the two previous attempts to have the tax passed which failed and for those reasons he would be voting against the article.

Michael Hanlon simply stated, "This is a no brainer." Harry Salerno said it is a fair and efficient tax however this in no way mitigates the cost of the Court House and even if this wasn't going to be used for the project, the town should have the tax to utilize for other matters.

Christopher Merrill said this is an important tax and said he would like to see this extended beyond the 2040 date for the sunset clause. Ms. McSpadden said this will alleviate the burden on the taxpayers.

The motion carries (11-2-0). Robert Morgan and Shelagh Joyce voting in opposition.

STM Article 2 -Supplemental Budget - Town Operating

Ms. Barrett presented a request from the Harbormaster for a supplemental budget transfer from the Waterways account to the Operating budget for the following items.

1. Approval of \$5,400 from Waterways uses account to the seasonal/ part time personnel line item
2. Approval of \$ 1,800 from Waterways uses account to the overtime line item

Ms. Barrett indicated the first request is due to a full time Assistant Harbormasters attending the police academy in Fall 2013 for 20 weeks of training. During this time, part time personnel had to cover shifts that were left vacant while the full time officer was in training. This situation created a deficit in the seasonal part-time line item for the start of the 2014 boating season (April 2014-June 2014). The second request is to cover a small deficit that exists due to overtime paid out to full-time Assistant Harbormasters when they are called out to.

Director of Finance, Lynne Barrett, also presented a request for Supplemental Budget as she is expecting a shortfall in the Member Benefits Budget in the following line items:

Managed Blue
Employer Medicare
Medicare Part B. Reimbursement

Ms. Barrett explained the reason for the increase in these line items has been due to an increase in enrollments and settled contracts. Ms. Barrett presented a spreadsheet which depicted the expected shortfall and requested a transfer from free cash for \$203,000 to offset the shortfall. Any remaining amount needed will be addressed with end of year transfers and / or reserve fund transfer request at year end.

Cornelius Bakker moved approve as presented.

Charles Stevens, second. The motion carries unanimously.

STM Article 3 -Unpaid Bills

Director of Finance, Lynne Barrett presented an unpaid invoice for the Community Preservation Committee for \$3,500 from Cape Cod Appraisal from FY2011. Ms Barrett indicated the invoice was incurred as a result of an appraisal and went unpaid do to an administrative oversight. Funding for payment of the invoice will come from the FY2014 CPC Administrative Budget.

Charles Stevens moved approve as presented.

Cornelius Bakker, second. The motion carries unanimously.

ATM Article 14B – Airport Stabilization Fund up to \$245,767

Director of Finance, Lynne Barrett, presented ATM Article 14B – Airport Stabilization Fund. Ms. Barrett indicated the Plymouth Airport is requesting the support of Advisory and Finance regarding the transfer of up to \$245,767 from the Plymouth Airport Enterprise Fund, Retained

Earnings to the Plymouth Airport Stabilization Fund for future capital projects. The requested transfer will come from the DOR retained earnings calculation of the Airport Enterprise fund, minus the current FY 15 capital requests. The stabilization fund transfer would set aside these funds for future airport projects.

Christopher Merrill moved approve as presented.

Cornelius Bakker, second. The motion carries unanimously.

ATM Article 14C – Nuclear Plant Mitigation Fund, \$1,320,000

Director of Finance, Lynne Barrett, presented ATM Article 14C the Nuclear Plant Mitigation Fund. Ms. Barrett said similar to last fiscal year she is recommending funding towards the Nuclear Plant Mitigation Stabilization Fund. These funds are being set aside for future use as it relates to the Entergy Nuclear Power Plant and the effect that plant would have on the Town's budget. Ms. Barrett cited some possible future effects which could include the following:

1. *Decreases in the tax payment from Entergy because of closure or discontinued operations or changes in their tax payment that were not planned or budgeted for.*
2. *Loss of funding from Entergy for the annual operations of the town's Emergency Management Operation or any other funding that they provide to the Town that we don't provide for ourselves.*

The funding source for this year's contribution will be overlay surplus. This surplus is certified by the Board of Assessors as no longer being needed for abatements and exemptions for prior years. Once cases have been settled at ATB and the Town has collected the Real and Personal Property Tax from that fiscal year the Board can review and declare an excess based on a request from the Finance Director.

Linda Benezra moved approve a transfer of \$1,320,000 from the Overlay Surplus account to the Nuclear plant Mitigation Stabilization Fund.

Christopher Merrill, second. The motion carries (12-1-0). Michael Hanlon voting in opposition.

STM Article 5-Receipts Reserved for Insurance Recovery

Director of Finance, Lynne Barrett, presented STM Article 5-Receipts Reserved for Insurance Recovery for the School Department. Ms. Barrett said this is a request to transfer \$37,170.29 from the Receipts Reserved for Insurance Recovery over \$20,000 for the following purposes, based on a request of the School Committee.

1. Costs related to repairing the generator at South Middle School as a result of the February 2013 blizzard.
2. Costs related to building repairs and replacement of materials as a result of a frozen sprinkler head at Indian Brook Schools which occurred during the February 2013 blizzard.

Linda Benezra moved approve as presented.

Michael Hourahan, second. The motion carries unanimously.

STM Article 6 -Authorize Free Cash for payment of certain Capital Projects

Director of Finance, Lynne Barrett, presented STM Article 6 to authorize use of Free Cash for payment of certain Capital Projects. Ms. Barrett said due to the timing of borrowings and the final completion of projects there remained some costs that needed to be funded. Currently, there is a short term note outstanding to cover these costs. The projects are complete and require minimal funding for close out. Ms. Barrett is recommending paying off these amounts with free cash so not incur any additional debt. The total amount required from free cash is \$9,908.82.

The projects and amounts are identified below and a more detailed analysis of the project costs and funding can be found in the backup for Article 7 Rescind Unused Borrowing Authority:

| | |
|---|------------|
| Article 9B2 2011 ATM West HVAC Phase II | \$5,725.16 |
| Article 9B5 2010 ATM PCIS Roof | \$3,583.66 |
| Article 11 FATM 2011 Purchase of Beach Property | \$ 600.00 |

**Michael Hanlon moved approve as presented.
Christopher Merrill, second. The motion carries unanimously.**

STM Article 7 -Rescind Unused Borrowing Authority

Director of Finance, Lynne Barrett, presented STM Article 7 to authorize Free Cash for payment of certain Capital Projects. Ms. Barrett indicated based on the following completion and near completion of these projects, she is recommending the following amounts of authorized borrowing be rescinded:

| | |
|---|-------------|
| Article 9B3 2005 ATM West HVAC Phase I | \$1,500,000 |
| Article 9B2 2011 ATM West HVAC Phase II | \$ 505,000 |
| Article 9B5 2010 ATM PCIS Roof | \$4,360,000 |
| Article 9B6 2011 ATM Indian Brook HVAC | \$ 900,000 |
| Article 9B7 2011 ATM PSMA Brick Veneer Flashing | \$ 533,000 |
| Article 11 FATM 2011 Purchase of Beach Property | \$ 762,000 |

**Christopher Merrill moved approve as presented.
Cornelius Bakker, second. The motion carries unanimously.**

ATM Article 7A – Operating Budgets

Charles Stevens moved to reconfirm the amount of \$185,640,779 as the final budget number approved for the FY2015 Operating Budget.

Cornelius Bakker, second. The motion carries (10-2-1). Linda Benezra and Harry Salerno voting in opposition. Nancy McSpadden abstained.

ATM Article 35 - Bylaw prohibiting display of non-domesticated animals. Petitioned: Kati Carloni, et al

Lorraine Nicoterra, Vice President of the South Shore Humane Society spoke regarding ATM Article 35 - Bylaw prohibiting display of non-domesticated animals and presented the updated by-law language below:

23-19 (a) It shall be unlawful for any person to keep, maintain or have in his or her possession or under his or her control within the town any dangerous animal or reptile or carnivorous, wild animal or other animal or reptile of wild, vicious or dangerous propensities without obtaining an annual permit therefor from the Board of Selectmen.

(b) Under no circumstance will a permit be issued for the possession or display of any animal as described in 23-19 (a) if the animal is part of a traveling exhibition or show living in a mobile housing facility. An animal is deemed to be part of a traveling exhibition or show if, during the 15-day period preceeding any proposed use in a traveling exhibition or show, such animal was traveling in a mobile housing facility.

23-22 Exceptions

The provisions of 23-29, 23-20 and 23-21 shall not apply to any duly licensed menagerie, zoo, circus or bona fide educational or medical institution, including a veterinarian, or any duly licensed place where such animals are kept.

****Red (Underlined) type is new language. Yellow highlight is language to be deleted.*

Nancy McSpadden moved approve as presented.

Ethan Kusmin, second. The motion carries (7-6-0). Cornelius Bakker, Linda Benezra, Michael Hourahan, Shelagh Joyce, Robert Morgan and Charles Stevens voting in opposition.

Update - ATM Article 33 - Ensure Nuclear Waste is removed from Wet Pool Storage. Petitioned: Heather Lightner, et al

Mr. Moody provided an update on ATM Article 33 - Ensure Nuclear Waste is removed from Wet Pool Storage and indicated the Moderator and Town Counsel have ruled that the article would be out of order. Mr. Moody stated the legislative body does not have the authority to instruct the executive branch how to do their job.

Richard Gladdys moved that the Committee reaffirm their original decision regarding ATM Article 33 - Ensure Nuclear Waste is removed from Wet Pool Storage be recommended to town meeting.

Ethan Kusmin, second. The motion carries (10-1-1).

Cornelius Bakker voting in opposition. Robert Morgan abstained.

Old/New/Other Business

Mr. Moody spoke regarding about the first Presentation Forum being scheduled for March 20th at 7:00 p.m. Mayflower II meeting room at Town Hall and the second Presentation Forum will be the last week of March at the PCIS Little Theater, Precinct Caucuses will be scheduled the last week of March.

Michael Hanlon spoke regarding the scheduling of Precinct Causes meetings and indicated that he would like to have at a minimum of two seasoned members at each meeting.

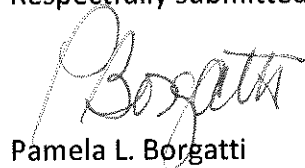
ADJOURNMENT

Cornelius Bakker moved for adjournment.

Richard Gladdys, second. The motion for adjournment carries unanimously.

The meeting adjourned at 10:35 p.m.

Respectfully submitted,



Pamela L. Borgatti