Dedham Finance and Warrant Committee Minutes

June 26, 2019

Dave Roberts, Beth Pierce, Kevin Preston, John Heffernan, Susan Fay, Marty Lindemann, and Michelle Persson Reilly present.

Mr. Preston called the meeting to order at 6:32. He gave the opportunity for public comment. There was none.

The committee moved to discussion of year-end transfer requests. The first request is $60,000 from Fire Department stipends to Fire Department overtime. Fire Chief Spullane explained that since December, the fire department has seen a lot of mutual aid calls and other activity, leading to an increased need for overtime. The fire department also has members who are also active in the military, who can be called away.

Mr. Preston asked what this year’s Fire stipend was, to understand the magnitude of removing $60,000. Ms. Fay consulted the budget to find it was $367,000.

Ms. Terkelsen explained that laws regarding moving funds for year-end transfers have changed significantly this year, making it easier to move funds and reducing regulations.

Mr. Preston clarified that this means the year-end line item transfers are no longer on a case-by-case basis but instead based on a total sum. Ms. Terkelsen confirmed this.

Ms. Fay raised concerns with the amount we are spending on overtime. Our FY20 budget was 418,000. She asked if we are already higher this year than in next year’s proposed budget. Mr. Spullane answered that the 2020 budget was determined by applying the negotiated increases with the FY19.

Ms. Fay pointed out that this is a large increase to happen near the end of the year, and wondered if the estimates were off. Chief Spullane explained that the estimates were very accurate up until December, when many difficulties increased the overtime. Ms. Baker stated that overtime costs can be unpredictable and volatile.

Ms. Terkelsen explained that they try to avoid over budgeting overtime, because then they wind up making line item transfers to move it out of overtime.

Mr. Preston requested additional information studying the increasing rate of overtime to help better control overtime staffing.

Mr. Heffernan pointed out that if we were at $189,000 in the first 6 months of the year then the budget has jumped for 249,000 in the second 6th months, which is a very large jump for a short span of time. Chief Spullane replied that this is due to the aforementioned increased demands on the existing staff.

Mr. Preston requested more data in the future explaining spikes in the overtime budget.

Ms. Terkelsen explained the line item transfer request beneficiaries one at a time. The selectmen department is expected to shortfall by $33,000, due to increased needs for a part-time employee. This is largely due to the ongoing needs of the planning department.

There is a $10,000 transfer to central overtime to cover overtime needs. This covers overtime for committee secretaries, and most inspectors and similar positions.

$500 are being transferred to the planning department for Clerical/Admin costs. $1000 is being transferred to economic development for director wages due to a minor budgeting error. $600 is being transferred to the department of veteran’s services for Clerical/Admin costs

$130,000 are being allocated for snow and ice removal.

Ms. Terkelsen explained that some of the smaller departments did not confirm their salaries in the budget with the information presented in the software.

Mr. Preston expressed surprise at the overage in the snow & ice budget given the low rate of snowfall this year. He requested that the committee take some time in the offseason to get better educated on snow & ice removal costs. This is particularly because we spend more than comparable communities on snow & ice removal.

Mr. Lindemann clarified that this is on top of a $631,000 budget for snow & ice removal.

Mr. Preston pointed out that $100,000 is being transferred out of the Town Facilities budget. Ms. Baker explained that this surplus is due largely in part to an HVAC technician vacancy.

A further $41,000 is being allocated to the DPW truck repair line due to an vehicle accident. This cost is already somewhat mitigated by insurance.

An additional $53,000 in funds is being relocated from payroll to snow & ice contractors.

Mr. Lindemann motioned to accept the alternative year-end transfers per the distributed document. Mr. Roberts seconded. It was approved 7-0.

The committee moved to discussion of their reserve fund transfer. This is an appropriation of $160,560 to BPCC Consulting for expenses related to the ongoing services of T2 architects, Atlantic Construction and UTS; consultants working on the Ames project.

Ms. Baker explained that this is related to ongoing issues with the Ames project.

Mr. Lindemann confirmed that we are incurring roughly $80,000 a month in cost. He asked if these expenses would be included in a future lawsuit. Ms. Baker explained that any costs incurred after the delivery date for the building completion would be included in the claims.

The committee discussed the difficulties with the Ames construction project. The contract and insurance has been re-developed repeatedly.

Mr. Preston asked about the possible consequences of not funding this. Ms. Baker explained that it would result in the shutdown of the construction project.

Mr. Preston requested information on the transfer station at incinerator road, the Council on Aging bus, and progress on the Ames site construction.

Ms. Baker explained that the parks & recreation committee have invoked their ability to impose a cessation of use of the Striar property due to complaints on the topic of ongoing work there.

Mr. Preston raised the concern that the proposed Parks & Recreation Manor Fields project included a $2,000,000 expense to create ingress over a wetland. He noted that this was only necessary because of objections to using other means of ingress to the field areas. He pointed out that the now vacant ECEC property at the Curran center could supplant the need for this wetland.

Ms. Baker explained that Mr. Flanagan’s access to the area is due to a licensing agreement with a property owner on Sprague Street.

Mr. Preston stated that the chair and vice chair position of the finance and warrant committee are going to be available soon. The committee discussed future re-organization of the Finance and Warrant committee.

Mr. Lindemann motioned to approve the request for a reserve fund transfer of $160,560 to BPCC Consulting. Mr. Roberts seconded. It was approved 7-0.

The committee discussed scheduling their future meetings.

Mr. Lindemann motioned to adjourn. Mr. Roberts seconded. It was approved 7-0. Meeting adjourned at 8:05.