

FY2012 Budgetary Hearings

Appropriations Committee

Chairman Medeiros, Tramontozzi, Infurna, Boisselle, Wright, Seaboyer, Forbes, Mortimer, McAteer-Margolis, Bird, Conn
In attendance: State Representative Paul Brodeur, State Senator Katherine Clark, State Senator Tom McGee; Beebe Estate President Betsy Friedberg and Treasurer Sally Stubbs; Memorial Building Board of Trustees Chair Jim Herrington, Operations Manager Kathy Pigott-Brodeur; Mayor Robert J. Dolan; Chief Assessor Don Dragt; Park Commissioner Mike Interbartolo, Park Superintendent Joan Bell, Recreation Director Frank Olivieri; IT Director Jorge Pazos

Appropriations Committee called to order by Chairman Medeiros at 7:40 p.m. In addition to the budget, Order No. 11-125, there are three orders before the committee. Alderman Forbes motions to open Public Participation, 2nd by Alderman Infurna. All in favor. No one comes forward. Alderman Mortimer motions to close Public Participation, 2nd by Alderman Forbes. All in favor.

Order No. 11-98, Requesting that our State Delegation come before the Board of Aldermen to discuss the FY12 State Budget. (AL-3), (A-5)

Alderman Seaboyer motions to suspend the rules, 2nd by Alderman McAteer-Margolis. All in favor.

Representative Brodeur, Senator Clark and Senator McGee come forward. Senator Clark thanks the board for asking them to come. The outlook is not particularly bright; local aid is proposed to be cut by \$313,000 but there is a slight uptick of \$16,000 in Chapter 70 funding for schools. The state budget will be tough across the board. Cuts in schools, senior centers, mental health and other human service programs impact local communities. The state delegation's number one commitment is to help local communities get through these tough times. Senator McGee says all levels of government are struggling – federal, state and local. The state has to make substantial cuts again and the legislature is facing tough decisions. He is beginning in his new role as Transportation Committee Chairman; there is a substantial increase in funding of 30% across the board. The investments not made in roads and bridges were exacerbated this past winter. \$200 million is a real number and will allow Melrose to use those dollars this year. Representative Brodeur says the House started its budget proceedings today in the Ways and Means Committee. Some line items are level funded. There is a decrease in the per capita number but there is movement to increase it. There have been substantial cuts in mental health line items. The commitment the house has made to no new taxes or fees means cuts will come. He expects it to be a fairly long process. Discussion about funding vocational schools is forthcoming.

President Conn says he appreciates the delegation for coming; he understands this is

one small piece of the larger picture. Mayor Dolan sent down a budget with cuts in local aid in mind, so Melrose should be okay. He appreciates that Representative Brodeur filed a bill to look at the funding for vocational schools. The current formula is inequitable; Melrose has subsidized other cities and towns. Speaker DeLeo filed a bill relative to health insurance; he hopes the delegation will support the effort to give cities and towns more flexibility.

Alderman McAteer-Margolis motions to place the order on file, 2nd by Alderman Infurna. All in favor.

8:27 p.m. Alderman Seaboyer motions to recess, 2nd by Alderman McAteer-Margolis. All in favor.

8:33 p.m. Appropriations reconvenes.

Beebe Estate	7,900.00	Beebe Estate President Betsy Friedberg
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Ms. Friedberg thanks the aldermen for their support. The Beebe Estate is doing the best it can with a lean budget. The furnace made it through the winter but the balustrade, the signature of the house, has had some issues. The Trustees are looking at ways to address it. The tenants are wonderful – MAAV and the Friends of the Fells. They still accept private rentals as well.

Alderman McAteer-Margolis motions to move the bottom line of \$7,900.00, 2nd by Alderman Forbes. All in favor.

Memorial Building	152,818.50	Trustees Chair Jim Herrington
		Operations Manager Kathy Pigott-Brodeur

Alderman Boisselle motions to move the bottom line of \$152,818.50, 2nd by Alderman Forbes. Mr. Herrington thanks the board for supporting the hall. Business continues on a robust path. They expect it to grow 10-12% in FY2012. Next year is the 200th Anniversary. Ms. Pigott-Brodeur thanks the board for the opportunity to manage the building. When she first took the job the building held 138 events. This year there are 218 events. So far 32,000 people have attended events this year. There are a lot of community events taking place including two state emergency management meetings, Treasurer Grossman's event, employee benefits fair, and two flu clinics. Hopefully a new sound system will be purchased using revenue generated by the Restoration Fund. Other improvements include the repair of leather chairs, a sprinkler system and painting the interior. Ms. Pigott-Brodeur acknowledges the two employees who work really hard to keep the building clean and do repairs.

On the motion to move the bottom line, All in favor.

Mayor	257,470.59	Mayor Robert J. Dolan
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Alderman Mortimer motions to move the bottom line of \$257,470.59, 2nd by Alderman Boisselle. Mayor Dolan says the budget is increased by 2.6% in the salary line; all others are level funded. The Professional Services line item funds the mail sorter and John Cornetta, who is used in almost every department in City Hall.

President Conn says one of the Administration's strengths is coming up with forward looking ideas. Membership in the various organizations has generated ideas that created

Parks 262,248.97 PC Chair Mike Interbartolo
Parks Supervisor Joan Bell

Alderman Mortimer motions to move the bottom line of \$58,124.97, 2nd by Alderman Boisselle. Ms. Bell says this is the last year of the mowing contract. Mr. Interbartolo says the new contract will go out to bid in the fall. Ms. Bell says two structures at Gooch Park will be removed tomorrow; they are deciding what to replace them with.

On the motion to move the bottom line, All in favor.

Mount Hood 1,473,019.57 PC Chair Mike Interbartolo
Parks Supervisor Joan Bell

Alderman Mortimer motions to move the bottom line, 2nd by Alderman Forbes.

Mr. Interbartolo says this budget doesn't cost the City anything; funding comes from revenue generated at Mount Hood. \$250,000 goes back to the City. Expenses will exceed income with the new fields bond. There is a list of capital improvements that add up to nearly \$2 million. Projections including the bond payments will leave them in the red. Improvements include replacing the golf carts, windows, renovating the kitchen and expanding the 19th hole into a three season room, annual cleaning of first pond, security cameras and gates to control access, repairs to the tower at \$100,000, renovation of the 11th hole and improvements to the practice range. Revenue has only increased 1.8% in three years. There is a strong base of golfers but the club is reaching the number of rounds the course can support. The cost of a membership and greens fees have not increased. There are a few expenses missing from this MUNIS budget; \$108,000 reimbursement to the City for indirect costs. Next year Mount Hood is expected to pay \$62,000 in bond interest. This year is Mount Hood's 75th Anniversary; there will be a celebration in the fall.

President Conn says he understands Mr. Interbartolo's concerns. When the Board of Aldermen voted on the bond, the information provided to them was that the City was very optimistic and had little question that the golf course could afford the bond. The belief was that this bond could go forward without ill effect to the golf course. He hopes it's true. Mr. Interbartolo says he sent a cautionary email but was not invited to speak before the Board of Aldermen. President Conn says he hopes Mr. Interbartolo is wrong. There is no question that the group up there is doing a fantastic job. He is optimistic that as the fields' project goes forward the golf course will continue to be as successful as it is. He appreciates his concerns and the information he has provided. He asks about the \$50,000 to be spent on capital improvements next year. Mr. Interbartolo says they are required to do so by contract. It is usually spent on minor improvements such as cart path repairs, benches, and irrigation.

Alderman Wright asks about the contract with Golf Course management. Mr. Interbartolo says they are in the fourth year of a five year contract. A new RFP will go out next year, hopefully earlier in the year than the last time the bid went out; the timing impacts reservations in the club house for January, February and March. There are still good active companies out there. This contract was better than what the Park Commission requested. Alderman Wright asks about the legal counsel line item; Mr. Interbartolo says there is ongoing litigation on a couple of issues. Ms. Bell says those funds are carried over.

Alderman Infurna moves to recommend Order No. 11-128, Mt. Hood Enterprise Budget for Fiscal Year 2012 in the amount of \$1,473,019.57, 2nd by Alderman Mortimer. All in favor.

IT	360,037.46	Director Jorge Pazos
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Alderman Mortimer motions to move the bottom line of \$360,037.46, 2nd by Alderman Forbes. Mr. Pazos says the budget is the same as last year. It predominantly supports all other departments' software and technology needs. The department's time is split 60/40 between the City and the schools. The School Stipend line item funds the network manager at the schools; he supports the financial system.

On the motion to move the bottom line, All in favor.

Department Equipment	99,355.00	Director Jorge Pazos
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Alderman Mortimer motions to move the bottom line of \$360,037.46, 2nd by Alderman Forbes. Mr. Pazos says the lion's share of this budget funds the leases for copiers in the building, Connect Ed in the schools, computer purchases and printer upgrades. Copiers purchased off the state list have a maximum page allotment. To save on toner costs the number of printers in the building has been reduced. The IT Comp line is the school only pc – the figure is based on student population, not usage. It's a very close number.

On the motion to move the bottom line, All in favor.

Aldermanic	124,348.16	Board of Aldermen
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Alderman Mortimer motions to move the bottom line of \$360,037.46, 2nd by Alderman Boisselle. President Conn says it is essentially level funded; the increase is less than 2%.

On the motion to move the bottom line, All in favor.

Alderman Mortimer motions to adjourn, 2nd by Alderman McAteer-Margolis. All in favor.

Appropriations adjourns at 10:16 p.m.

Maribeth Harrington
Clerk of Committees