



# Watertown Town Council

Administration Building  
149 Main Street  
Watertown, MA 02472  
Phone: 617-972-6470

## ELECTED OFFICIALS:

Mark S. Sideris,  
Council President

Vincent J. Piccirilli, Jr.,  
Vice President &  
District C Councilor

Caroline Bays  
Councilor At Large

Anthony J. Donato,  
Councilor At Large

Susan G. Falkoff,  
Councilor At Large

Anthony Palomba,  
Councilor At Large

Angeline B. Kounelis,  
District A Councilor

Lisa J. Feltner,  
District B Councilor

Kenneth M. Woodland,  
District D Councilor

## **TOWN COUNCIL MEETING TUESDAY, OCTOBER 9, 2018 AT 7:15 P.M. RICHARD E. MASTRANGELO COUNCIL CHAMBER MINUTES**

### 1. ROLL CALL

Council President Sideris called to order a regular meeting of the Town Council at 7:15 p.m. in the Richard E. Mastrangelo Chamber, Administration Building. Those present were Councilors Caroline Bays, Anthony J. Donato, Susan G. Falkoff, Lisa J. Feltner, Angeline B. Kounelis, Anthony Palomba, Vice President Vincent J. Piccirilli, Jr., Kenneth M. Woodland, and Council President Mark S. Sideris. Also present were Michael Driscoll, Town Manager, Thomas Tracy, Town Auditor and Assistant Town Manager for Finances, and Marilyn W. Pronovost, Council Clerk.

### 2. PLEDGE OF ALLEGIANCE

### 3. PUBLIC FORUM

There were no speakers for the Public Works; President Sideris closed the Forum.

### 4. EXAMINATION OF RECORDS OF PREVIOUS MEETINGS

[Minutes of the September 25, 2018](#) Town Council Meeting

Councilor Piccirilli moved to approve the minutes as written; Councilor Woodland seconded the motion. The motion passed unanimously on a voice vote.

### 5. PRESIDENT'S REPORT

A Proposed [Comment Letter on the States Focus 40 Plan](#).

Mr. Magoon stated the MBTA is doing some long-range planning for a plan to include major employment districts to expand or improve bus service; Watertown is such a community.

Councilor Piccirilli moved to authorize President Sideris to sign the letter and send it; Councilor Feltner seconded the motion. The motion was adopted unanimously on a voice vote.

6. MOTIONS, ORDINANCES, ORDER, AND RESOLUTIONS

First Reading on a [Proposed Amendment to the Fiscal Year 2019 Budget](#)

Mr. Driscoll stated that the Amendment includes items not included in June when the FY 2019 budget was adopted or as later revised. The matters include

- ♦ New growth numbers
- ♦ 2019 Cherry Sheet estimates
- ♦ Revision in the Town Manager Account to reflect the salary adjustment
- ♦ \$500,000 Transfer to the Capital Projects Stabilization Fund.

The public hearing for this matter will be on October 23, 2018.

7. REPORTS OF COMMITTEES

Committee of the Budget and Fiscal Oversight Regarding the [Review of the FY2017 Audit with Recommendations for the FY 2018 Audit](#) – Vincent J. Piccirilli, Chair

ACTION ITEMS:

1. That the Town Council Accept the FY2017 Annual Audit Prepared by Melanson Heath
2. That the Town Council Refer to the School Committee the FY2017 Single Audit Report and the FY2017 Management Letter for Review and Action.
3. That the Town Council Appoint Melanson Heath to Perform the FY2018 Audit Per Their Proposal

Councilor Piccirilli read the Committee Report. Councilor Woodland moved to accept the report; Councilor Kounelis seconded the report. The motion was adopted unanimously on a voice vote.

Councilor Piccirilli moved for the Town Council to accept the FY2017 annual audit prepared by Melanson Heath; Councilor Woodland seconded the motion. The motion was adopted unanimously on a voice vote.

Councilor Piccirilli made a motion that the Town Council refer to the School Committee the FY2017 Single Audit Report and the FY2017 Management Letter for review and action; Councilor Woodland seconded the motion. The motion was adopted unanimously on a voice vote.

Councilor Piccirilli made a motion that the Town Council appoint Melanson Heath to perform the FY2018 Audit per their proposal; Councilor Woodland seconded the motion. The motion was adopted unanimously on a voice vote.

8. NEW BUSINESS

There were no new business requests.

9. COMMUNICATIONS FROM THE TOWN MANAGER

[Preliminary Budget Overview](#) for Fiscal Year 2020

Mr. Driscoll provided a preliminary budget overview for FY 2020.

Current Financial Condition

- ~ Real and Personal Property Taxes represent 76.6% of the Town Budget
- ~ State Aid represents 8.66% of the Budget
- ~ Local Receipts (Such as Payments for Services, Fines) represents 9.02% of the Budget
- ~ Other Sources and Revenue represents 6% of the Budget
- ~ The Town received \$1.8 million more in revenue than anticipated which represents 1.37% of the budget
- ~ The payment for capital projects and debt retirement represents 8.11% of budget expenditures
- ~ The Town spent about \$1.5 million less than budgeted representing 1.3% of budget expenditures
- ~ The Unreserved Fund and the General Stabilization Fund represent 13.41% of the budget providing a strong reserve

Other Information to Budget Process

- ~ The current permanent debt of the Town is a little more than \$35.2 million
- ~ The Sewer Enterprise has a deficit of about \$289,000 due to lower consumption
- ~ The Water Enterprise has a positive revenue of about \$301,000
- ~ The carryover balance is about \$750,000 for the Water Fund and about \$4.2 million for the Sewer Fund
- ~ The Overlay balance is about \$500,000 (Overlay Accounts are monies that are used for anticipated tax abatements, tax exemptions, or uncollected taxes)
- ~ Special Revenue Accounts (Monies used for specific purposes) have a budget of a little more than \$8.7 million
- ~ The Community Preservation Balance is about \$1.9 million
- ~ The Capital Projects Accounts have a balance of about \$17.5 million as of the end of FY 2018

[FY 2020 Budget Forecast](#)

Community Goals

- ~ Fully funded Retirement System on July 1, 2019
- ~ A long-range financial plan beginning FY 2020 for Other Post Employment Benefits (OPEB) Liability
- ~ Building for the Future School Improvements

### Revenues

- ~ New Growth for FY 2019 is around \$5.8 million – the larger than anticipated growth is due to the increased assessment for the Marriott and the Linx buildings plus 3 R & D buildings occupied by Life Science
- ~ The anticipated property tax levy limit for FY 2020 is \$109.5 million; the 2.5% growth is \$2.7 million and new growth is anticipated to be \$3.5 million. The anticipated property tax levy limit is expected to be \$114,686,859.
- ~ State Aid is anticipated to be \$12.3 million, this amount is a level funding estimate
- ~ Local Receipts are estimated at \$13.2 million mainly due to an anticipated increase in Hotel Excise
- ~ The Other Financing Sources will be reduced from \$8.5 million to \$6.05 million primarily due to the use of \$1.2 million from the sale of the East Branch Library for the School Projects
- ~ The anticipated revenues are \$146,276,052, an increase of \$4.051 million from the previous year, or a 2.84% increase.

### Expenditures

- ~ Assumptions: School budget increase will be 5%; Departmental increases will be 2.5%; the MBTA assessment will have a 2.75% increase
- ~ The Departmental Budgets including the schools will increase from \$89 million to \$93 million. The amount is based on a \$2.4 million increase for the schools and a \$1.5 million increase for other departments.
- ~ The Insurance and Employee Benefits increase is 7.5%; however, over the last 10 fiscal years, as a member of the Group Health Commission, the increase is 1.42%
- ~ Long Range Planning:
  - ♦ Have a fully funded pension plan as of 7/1/2019
  - ♦ Begin the full funding of OPEB, the appropriation will increase by \$2.6 million from \$10.2 million to \$12.7 million due to the increase in growth
  - ♦ Begin the funding of the School Improvement projects within the confines of Proposition 2 ½ for the Elementary Schools
- ~ Debt and Interest payments for FY 20 are anticipated to be \$9.9 million
- ~ Capital Projects are \$1.8 million with \$1 million scheduled for Street and Sidewalk Improvements
- ~ Total expenditures are anticipated to be \$147 million
- ~ Revenue is anticipated to increase by \$4 million and expenditures by \$4.872 million leaving a deficit of about \$820,000 at this time
- ~ A balanced budget will be proposed in 2019 and either the revenues will increase or the spending will decrease

### Other FY 20 Issues

- ~ Funding for the High School which is subject to the MSBA schedule
- ~ Community Preservation Committee creation and use of Funds
- ~ Collective Bargaining with the two Police Unions

- ~ The creation of agreements with remaining unions whose agreements terminate on July 1, 2019
- ~ Hazard Mitigation Plan
- ~ Maintenance of the Town's AAA Bond rating

#### 10. REQUESTS FOR INFORMATION/REVIEW OF LIST OF PENDING MATTERS

Councilor Feltner requested an update on how the [National Grid walkout](#) is affecting the DPW road and utility upgrade projects.

Councilor Kounelis requested information regarding the adverse effects of the improvements for [Filippello Park](#) on the neighborhood, especially parking. Councilor Bays requested information regarding the effects of [recycling](#) and the recycling company's ability to sell recycled products.

#### 11. ANNOUNCEMENTS

Councilor Piccirilli announced that the Budget and Fiscal Oversight Committee will be meeting to establish the Budget Priorities for FY 20 on November 5, 19, and 20 at 7:00 pm. He requested that all councilors submit their priorities by 5:00 pm, Friday, October 26, 2018.

Councilor Donato announced

- ~ There would be a Planning Board meeting on Wednesday October 10, 2018 at 7:00 pm; that people should attend as the Board will be discussing retail marijuana regulations, LEED Certification, solar requirements, affordable housing changes and height elevation in the RMUD
- ~ The Council on Aging and the Senior Center will be holding their 2<sup>nd</sup> Annual Holiday Bazaar on November 8-9. They will be collecting gently used holiday decorations and gift items during October at the Senior Center.
- ~ The Watertown Recreation Department and the Commander's Mansion will be hosting the Annual Little Monster Bash at the Commander's Mansion on October 27, 2018 from 5:30 p.m. – 8:00 p.m.
- ~ The Watertown Boys and Girls Club will be hosting their annual 5K race on November 4, 2018 at 10:00 a.m.
- ~ The Watertown Food Pantry provided a list of items it is seeking on Facebook. If anyone is able, please support the Watertown and St. Patrick's Food Pantries.

Councilor Palomba announced that on

- ~ Monday, October 15, 2018, the Public Works and Rules and Ordinances Committees were meeting to discuss trees
- ~ Wednesday, October 17, 2018, the Improbable Players would be presenting their play "The End of the Line" presented by actors in recovery at the Mosesian Arts Center
- ~ October 25, 2018, the Media and Outreach Committee would be meeting to begin providing draft recommendations.

Councilor Palomba stated that he would like to apologize to Ed Lewis, Chair of the Environment and Energy Efficiency Committee about his recent error of informing people about the Watertown Aggregate Plan, a plan to lower energy costs using renewable energy. He mentioned that unless the item was on Watertown stationary, people should not be signing up for alternative plans as it is not endorsed by the Town.

President Sideris announced that on October 22, 2018, the Oakley Country Club would be having its Golf Day and that anyone interested should contact Tom Tracy at [ttracy@watertown-ma.gov](mailto:ttracy@watertown-ma.gov).

He also announced that he will place on the agenda the creation of an Ad Hoc Committee to Interview the Community Preservation Committee Candidates.

#### 12. PUBLIC FORUM

There were no speakers for the Public Forum

#### 13. RECESS OR ADJOURNMENT

Councilor Piccirilli moved to adjourn the meeting; Councilor Woodland seconded the motion. The motion was unanimously adopted on a voice vote. The meeting adjourned at 8:55 p.m.

#### ADDENDUM

I hereby certify that at a regular meeting of the Town Council for which a quorum was present, the above minutes were adopted by a vote of \_9\_ for, \_0\_ against, \_0\_ present on October 23, 2018.

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Mark S. Sideris, Council President  
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**TOWN COUNCIL MEETING  
TUESDAY, OCTOBER 9, 2018 AT 7:15 P.M.  
RICHARD E. MASTRANGELO COUNCIL CHAMBER  
LIST OF DOCUMENTS**

1. Minutes of the Town Council Meeting – September 25, 2018 – Item 4
2. Comment Letter on the State’s Focus40 Plan – Mark Sideris, Council President, to Focus40 Team – October 10, 2018 – Item 5
3. Proposed Amendment to the Fiscal Year 2019 Budget – Michael Driscoll, Town Manager, to Town Council – October 4, 2018 – Item 6
4. Committee of the Budget and Fiscal Oversight Report Regarding the FY2017 Audit; the FY 2017 Management Letter; and the Reappointment of Melanson Heath as Auditors for FY 2018 – October 1, 2018 – Item 7  
Attachments:
  - A. Proposed Town of Watertown Fraud Policy
  - B. Response to Audit Firm’s Side Letter Dated August 22, 2018 – Thomas Tracy, Town Auditor and Assistant Town Manager for Finance and Nancy Heffernan, Treasurer/Collector, to Michael Driscoll, Town Manager – September 28, 2018
  - C. Response to Audit Firm’s Side Letter Dated November 8, 2017 – Thomas Tracy, Town Auditor and Assistant Town Manager for Finance and Nancy Heffernan, Treasurer/Collector, to Michael Driscoll, Town Manager – February 9, 2018
  - D. Melanson Heath Cost Proposal – Frank Biron, President, Melanson Heath, to Michael Driscoll, Town Manager – August 17, 2017
5. Fiscal Year 2020 Town of Watertown Preliminary Budget Overview – October 9, 2018 – Item 9
6. Forecast Remarks Regarding the Fiscal Year 2020 Preliminary Budget Overview – Michael Driscoll, Town Manager, to Town Council – October 9, 2018 – Item 9
7. Request for Information Regarding the Effects of the National Grid Walkout on Watertown DPW Projects – Councilor Lisa Feltner – Item 10
8. Request for Information Regarding the Adverse Effects of Improvements to Filippello Park on the Neighborhood, Especially as it Relates to Parking – Councilor Angeline Kounelis – Item 10
9. Request for Information Regarding the Recycler’s Ability to Sell Recycled Products – Councilor Caroline Bays – Item 10