

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
TOWN HALL HEARING ROOM
6/5/13

ATTENDEES:

Bayer		Jenkins	White	McKenna*
DeCoursey	Connors*	Simmons*	Gibian*	
Tosti*	Foskett	Deyst	Ronan	
Ferrara*	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman	Turkall*

* Indicates present

VISITORS: Town Manager Adam Chapdelaine, Deputy Town Manager Andrew Flanagan, Permanent Town Building Committee Member Michael Boujoulian

END OF YEAR TRANSFERS: Tosti, using Flanagan's memo (Ref 1) which provides 8 separate department transfer request, read each request and asked for questions. All but 3 of the requests involved expense to or from salaries within the department.

Members had received most of this material by email. Members asked if the \$110k for repairing damage to the practice field behind Stop & Shop caused by snow dumping would become an annual expense. Chapdelaine said the DPW is considering other options but all seem to be expensive. Members also asked why the stipends for maintaining the parking meters are required. Flanagan said that the work is not in the job description and that the stipends were decided on after some discussions. Tosti quoted Foskett as saying that the repair kits for the parking meters had been proposed for the Capital Plan, never made it, but necessary to keep the meters working while other options are explored.

VOTED to approve all the transfers listed in the table on page 3 of Ref 1. Unanimous. This vote includes \$162,500 from the Reserve Fund.

VOTED to approve a last minute transfer request of \$3,200 from Registrar Expenses to Registrar Salaries (Ref 2). Unanimous

COMMUNITY SAFETY BLDG: Flanagan requested (Ref 3) an additional transfer from the Reserve Fund. Chapdelaine stated that the bulk of this was caused by additional unexpected problems with the bldg envelope. Boujoulian explained that the window delay was caused by the contractor's slow response to the architect's discovery that the windows chosen by the contractor did not meet specs. Legal proceedings are possible.

VOTED to transfer \$249,138 to the Community Safety Building Project Capital Account and that \$100,000 of this amount must be reserved as a Project Contingency Budget and may only be spent with the approval of the Town Manager, Chair of the Finance Committee and Chair of the Capital Planning Committee. Unanimous.

COMMITTEE: .VOTED to allow the Chair to approve transfers from the Reserve Fund of up to \$10k, and with approval of 2 of 3 Vice Chairs transfers up to \$25k. Unanimous
The next mtg will be in early September.

RESERVE FUND Balance: \$439,335- \$162,500 - \$249,138 = \$27,697

Peter Howard 6/5/13 Revised 6/11/13

cc FinCom Members, Town Web Site

Ref 1 Flanagan to FinCom, End of Year Transfers

Ref 2 Flanagan to FinCom, End of Year transfer - Board of Registrars

Ref 3 Flanagan to FinCom, Reserve Fund transfer - Community Safety Building
(Includes Memo from Architect to PTBC)



**Town of Arlington
Office of the Town Manager**

Andrew P. Flanagan
Deputy Town Manager

730 Massachusetts Avenue
Arlington MA 02476-4908
Phone (781) 316-3010
Fax (781) 316-3019
E-mail: aflanagan@town.arlington.ma.us
Website: www.arlingtonma.gov

TO: Finance Committee

FROM: Andrew P. Flanagan, Deputy Town Manager

CC: Adam W. Chapdelaine, Town Manager
Ruth Lewis, Comptroller

DATE: May 31, 2013

RE: End of Year Transfers

Attached for your information and review is a summary of end of year transfer requests. Please note that the attached summary and departmental backup information does not include an additional transfer that will be needed in order to address a budget shortfall associated with the Community Safety Building Project. A revised budget will be available on Monday, June 3rd and I will provide additional information in a separate communication at that time.

The Department of Public Works has requested a transfer for \$150,000 from the Reserve Fund which is needed to fund remediation efforts from the winter storms, Hurricane Sandy and the Microburst. Approximately \$50,000 will be needed to fund the cleanup of storm debris along the Minuteman Bikeway. It is estimated that an additional \$100,000 will be needed to remediate the AHS Practice Field behind Stop & Shop. This field was used as a snow storage area during the months of heavy snowfall.

The Fire Department is requesting a \$40,000 transfer, \$30,000 from Fire Department Expenses and an additional \$10,000 from Fire Alarm Expenses. This transfer is necessary in order to offset the retirement buyouts of three firefighters.

The Police Department has identified that \$65,000 will need to be transferred from Police Salaries to Police Expenses. The Police Department absorbed the cost of replacing twenty heat pumps throughout the Community Safety Building (\$49,000) and the costs associated with providing temporary cooling systems (\$16,000), both expenses were not included as part of the building project. It is important to note that the Police Department will have the funds available to transfer from their salary accounts despite the significant overtime costs associated with the response to the tragic events that occurred on April 15th.

The IT Department and Comptroller are both anticipating the need for internal transfers. The IT Department has had a vacancy for several months and a member of staff out with an extended illness and as a result has needed to contract with a vendor for additional support. The IT Department has

requested a transfer of \$10,000 from IT Salaries, the balance created by the vacancy, to offset the unanticipated expense of contracting for additional support. The Comptroller is expecting that \$2,500 will need to be transferred from Comptroller Expenses to Comptroller Salaries to fund the additional hours for one Telephone Operator due to the illness of another operator.

The Treasurer has requested a \$2,000 transfer from Treasurer Salaries to Parking Salaries. This is necessary as a result of having to fund stipends for the two Building Maintenance Electricians that are responsible for maintaining and repairing the Town's parking kiosks. Additionally, the Treasurer is requesting to transfer \$8,000 from Treasurer Expenses to Parking Expenses in order to purchase a diagnostic maintenance kit for the Town's parking kiosks. This kit will include parts that are necessary to keep the kiosks operable for at least the next year.

The Library is requesting a \$10,000 transfer from their expense line to fund the unanticipated retirement of a long tenured employee. Lastly, the COA Enterprise Fund will need a \$7,500 Reserve Fund Transfer due to costs incurred as a result of an unexpected employee illness which resulted in a fourteen week absence from work.

FY 2013 END OF YEAR TRANSFER REQUEST SUMMARY

Department	Amount Required		Transfer Source									
	Expense	Salaries	Comptroller Expenses	IT Salaries	Treasurer Salaries	Treasurer Expenses	Library Expenses	Police Salaries	Fire Expenses	Fire Alarm Expenses	Reserve Fund	
Comptroller		\$2,500	\$2,500									
Information Technology	\$13,000			\$8,000							\$5,000	
Parking	\$8,000	\$2,000			\$2,000	\$8,000						
Library		\$10,000					\$10,000					
Police	\$65,000							\$65,000				
Fire		\$40,000							\$30,000	\$10,000		
COA Enterprise		\$7,500									\$7,500	
DPW Expenses	\$150,000											
Total	\$236,000	\$62,000	\$2,500	\$8,000	\$2,000	\$8,000	\$10,000	\$65,000	\$30,000	\$10,000	\$162,500	



Town of Arlington
Comptroller's Office

869 Massachusetts Avenue – Arlington, Massachusetts 02476
Telephone (781) 316 – 3330 Fax (781) 316-3951

Ruth Lewis
Comptroller

TO: Andrew Flanagan, Deputy Town Manager
FROM: Ruth Lewis, Comptroller
DATE: May 29, 2013
SUBJECT: Transfer Request

I am requesting a transfer from the Comptroller's expenses to Comptroller's salary due to a long-term illness of one of the telephone operators and I had to call in the part-time operator to cover more hours.

If you have any questions please give me a call.



*Town of Arlington, Massachusetts
869 Massachusetts Avenue
Arlington, MA 02476
David Good, Chief Technology Officer*

*Telephone Number: 781-316-3343
Facsimile Telephone: 781-316-3339*

To: Andrew Flanagan

From: David Good, CTO

Date: May 28, 2013

Subject: Information Technology Appropriation for FY2012-2013

Dear Andrew,

I am requesting that \$8,000.00 be transferred out of my salary line item and into expenses

The salary amount of \$8,000.00 was made available due to the midyear retirement of Barry O'Neil.

I am also requesting transfer out of the reserve fund for an additional \$5,000.00 to pay for consultant labor which was needed to cover for employees that have had serious medical issues during this fiscal year.

Thanks for your help with this matter,

Dave Good, CTO



Office of the Treasurer & Collector of Taxes

*Town of Arlington, Massachusetts
730 Massachusetts Avenue
Arlington, MA 02476*

*Telephone Number: 781-316-3031
Facsimile Telephone: 781-316-3039*

Stephen J. Gilligan
Treasurer & Collector of Taxes

MEMORANDUM

To: Allan Tosti, Chairman - Finance Committee

From: Stephen J. Gilligan, Treasurer & Collector of Taxes *Stephen J. Gilligan*

Date: May 23, 2013

Re: Request - Transfer Of Funds Within Treasurer's Budgets.

This memorandum requests authorization for transfer of funds from the Treasurer's FY2013 Budgets. Specifically the transfer request is:

From:

Treasurer Budget-Salary – Line Item No.: 0100-0113881-5100 \$ 2,000.00

To:

Parking Budget – Salary – Line Item No.: 0100-0119781-5100 \$ 2,000.00

Purpose: Pay stipend to Town Electricians for maintenance of Parking Meter Kiosks. Stipends approved by Director of Human Resources.

From:

Treasurer Budget Salary – Line Item No.: 0100-0113881-5100 \$ 8,000.00

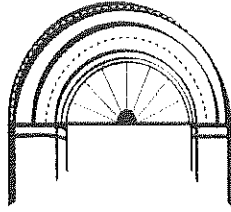
To:

Parking Budget Expense – Line Item No.: 0100-0119782-5236 \$8,000.00

Purpose:

Pay for Parking Meter Diagnostic Kit. Alleviate capital budget expenditure.

Thank you.



ROBBINS LIBRARY
founded in 1835

May 28, 2013

Dear Finance Committee:

I am requesting a budget transfer of \$10,000 from the library electricity expense line to the library salary line. This is due to the unanticipated retirement of Warren Smith, an employee that has been with the Robbins Library for more than 40 years, which will cause the library salary line to exceed what was budgeted for FY 2013. The demand for electricity was not as heavy as anticipated and the library electricity expense line projects to have a surplus at the end of FY 2013.

Sincerely,

Ryan Livergood
Director of Libraries


Arlington Police Department

Frederick Ryan
Chief of Police



POLICE HEADQUARTERS
112 Mystic Street
Telephone 781-316-3900

Town of Arlington
MASSACHUSETTS 02474

Date: May 29, 2013
To: Andrew Flanagan
Deputy Town Manager
From: Frederick Ryan
Chief of Police 
Re: FY13 Budget Transfers

As you know, we continue to experience numerous mechanical failures in the Community Safety Building. The unanticipated failure of the cooling tower, numerous heating/cooling pumps, and temporary cooling costs were not budgeted for in the current fiscal year. The current fiscal year temporary cooling expenses are projected to be approximately \$16,000 and the replacement of the heating/cooling wall/ceiling pumps is projected to be approximately \$49,000.

Due to police officer vacancies we are projecting an approximate \$90,000 surplus in the Police Personnel Services budget. Therefore, so as to balance the current FY13 police expense budget, we request that \$65,000 be transferred from Police Personnel Services (0121081) to Police Expenses (0121082).

Thank you for your attention to this matter and please do not hesitate to contact me if you have any questions.

Proactive and Proud



Arlington Fire Department Town of Arlington

Administrative Office
112 Mystic Street, Arlington, MA 02474
Phone: (781) 316-3801 Fax: (781) 316-3919
Email: rjefferson@town.arlington.ma.us

Robert J Jefferson
Fire Chief

Memo to: Andrew Flanagan, Deputy Town Manager
From: Robert J Jefferson, Fire Chief
Date: April 26, 2013
Subject: Anticipated budget shortfall and transfer request

In anticipation of the end of the fiscal year, I respectfully request a transfer of \$40,000 into the FD personnel budget. I feel that based on end of year projections these transfers can come from FD expense and fire alarm repair budgets. Please transfer \$30,000 from the expense budget and \$10,000 from the fire alarm repair budget.

The personnel salaries budget is estimated to be approximately \$40,000 underfunded. This shortage in the personnel budget is caused by two recent unexpected retirement buyouts totaling over \$60,000.

Please contact me with any questions or concerns. Thank you.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE BOARD OF HEALTH**

Town of Arlington

27 Maple Street
Arlington, Massachusetts 02476

Christine Connolly, MPH, CHO
Director of Health and Human Services

Tel: 781 316-3170
Fax: 781 316-3175

MEMO

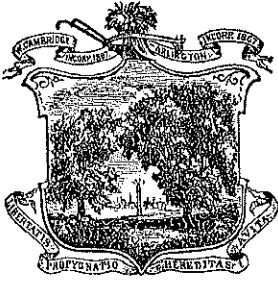
TO: Andrew Flanagan, Deputy Town Manager

FROM: Christine Connolly, Director of Health and Human Services

DATE: May 21, 2013

RE: COA Enterprise Transfer Request

The COA Transportation budget requires a \$7,500 reserve fund transfer due to an unexpected fourteen (14) week absence of the full time van driver out on Family Medical Leave Act. The Van operates five days per week from 8am through 4pm and we maintained operations to serve Arlington Seniors by utilizing three (3) part time drivers. We were successful in maintaining this much needed service during that 14 week period, and able to control expenditures by paying each driver for the actual time on the road vs. a stated schedule.



PUBLIC WORKS DEPARTMENT
TOWN OF ARLINGTON
51 Grove Street, Arlington, Massachusetts 02476
Phone: (781) 316-3108 Fax: (781) 316-3281

Memo to: Andrew Flanagan, Deputy Town Manager
From: Mike Rademacher, DPW Director
Date: May 30, 2013
Subject: End of Year Transfer Request

Andrew-

As discussed previously, I would like to request an End of Year Transfer from the Reserve Fund for two unscheduled Projects in FY13. The first is the restoration of the soccer field adjacent to the DPW facility which was damaged during snow removal operations this past winter. The second project involves the cleanup of excessive storm related tree damage along the Minuteman Bike Path between Swan Place and Lake Street. The requested funds are as follows:

Soccer Field Restoration - \$100,000
Minuteman Bike Path Cleanup - \$50,000

Please do not hesitate to contact me with any questions.

Thank you.



**Town of Arlington
Office of the Town Manager**

**Andrew P. Flanagan
Deputy Town Manager**

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E-mail: aflanagan@town.arlington.ma.us
Website: www.arlingtonma.gov**

TO: Finance Committee
FROM: Andrew P. Flanagan, Deputy Town Manager
**CC: Adam W. Chapdelaine, Town Manager
Ruth Lewis, Comptroller**
DATE: June 5, 2013
RE: End of Year Transfer – Board of Registrars

The Board of Registrars, through the Town Clerk, has requested that \$3,200 be transferred from Board of Registrars Expenses to Board of Registrars Salaries. This is a result of needing additional office support in FY 2013.



**Town of Arlington
Office of the Town Manager**

Andrew P. Flanagan
Deputy Town Manager

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Arlington MA 02476-4908
Phone (781) 316-3010
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E-mail: aflanagan@town.arlington.ma.us
Website: www.arlingtonma.gov

TO: Finance Committee

FROM: Andrew P. Flanagan, Deputy Town Manager

CC: Adam W. Chapdelaine, Town Manager
Ruth Lewis, Comptroller

DATE: June 5, 2013

RE: Reserve Fund Transfer – Community Safety Building Project

As previously mentioned in my memorandum to the Finance Committee on May 31st, there is a need for an additional Reserve Fund Transfer as a result of a budget shortfall associated with the Community Safety Building Project. The Town Manager with the Permanent Town Building Committee is recommending that a total of \$249,138 be transferred from the Reserve Fund to the Community Safety Building Project Capital Account. It is recommended that \$100,000 of the \$249,138 be set aside as a Project Contingency in which funds can only be expended with the approval of the Town Manager and the Chairs of the Finance and Capital Planning Committees. The following is a breakdown of the proposed transfer:

Community Safety Building Project - Recommended Transfer	
Significant Unforeseen Conditions	\$43,514
Professional Services through 8/30/13	\$105,624
Project Contingency	\$100,000
Total Transfer Request	\$249,138

It is recommended that the Finance Committee take the following vote to approve the transfer and set aside the \$100,000 as a Project Contingency:

That the Finance Committee votes to transfer \$249,138 to the Community Safety Building Project Capital Account and that \$100,000 of which must be reserved as a Project Contingency Budget and may only be spent with the approval of the Town Manager, Chair of the Finance and Capital Planning Committees.

This past March, the Finance Committee voted to transfer \$130,622 from the Reserve Fund to offset a budget shortfall of \$232,678. At that time, it was anticipated that the transferred funds would be

needed for the following: to complete payment of approved change orders, fund potential future change orders, fund the purchase and installation of a replacement cooling tower and to fund professional services through 5/31/13 and to maintain a construction contingency. Those funds were in fact expended for the purposes described above.

The Reserve Fund Transfer Request that is currently before the Committee, in addition to establishing the Project Contingency, will extend our professional services agreement (\$105,624) through 8/30/13 and fund anticipated change orders (\$43,514) relating to unforeseen conditions.

4 June 2013 DRAFT

John Cole
Chairman, Permanent Town Building Committee
Town of Arlington
730 Massachusetts Avenue
Arlington, MA 02474

Re: Project Budget Update (rev. 0)
Arlington Community Safety Building Renovations, Phase Two
Arlington, MA

Dear Mr. Cole:

As you are aware, the construction process for Phase Two of the Arlington Community Safety Building (ACSB) Renovations has been significantly delayed by a combination of numerous unforeseen construction conditions and a failure by the contractor to obtain key project components in a timely fashion. The unforeseen conditions and performance of the contractor have necessitated additional professional services from the design team. The original Substantial Completion date of 14 March 2013 has now been estimated by the contractor to be delayed until 6 August 2013. We suspect the actual completion date could be 30 August 2013.

At the 5 March 2013 meeting with the Permanent Town Building Committee, we reported that due to the number of identified and potential construction changes and extended professional services, the project cost would likely exceed the \$2,884,824 funds previously appropriated by the Town. At that time, \$252,708 was estimated for previously approved, identified and potential change orders and \$126,962 for extended professional services through 5/31/13. The Town Manager requested that the Finance Committee transfer \$232,678 in additional funds to the project budget to help cover these additional costs. The Owner's project contingency was also increased to \$95,000 for future unforeseen conditions, resulting in a project budget of \$3,092,637.

In early March, masonry work was still underway. Since 5 March 2013, additional significant unforeseen conditions have been uncovered and repaired including further deterioration and original deficiencies in the existing masonry walls and structural inadequacies in the atrium framing. These repairs have exceeded the budgeted cost by \$43,514. The contractor's delivery of the windows and curtainwall has been further delayed. The first products are now expected on site 6/3/13, further extending the estimated Substantial Completion date to 8/6/13. Providing ongoing professional services from 5/31/13 to 8/30/13 adds an additional \$105,716 to the project costs. Today, masonry work is largely completed and the structural repairs to the atrium framing are nearing completion. The new cooling tower is in place and is being connected. Window and curtainwall installation is expected to commence next week. However as this key installation has not begun, we recommend that the Town continue to maintain a minimum project contingency of \$95,000 until the project is further along. The combination of these additional expenses that could not have been anticipated in early March and extended professional services has resulted in the current project shortfall of \$149,138.

Along with the delay in project completion, the general contractor has submitted requests for additional contract time of 152 days and extended general conditions costs of \$200,062. The Town has agreed to grant the contractor 41 additional days due to unforeseen conditions and

Mr. John Cole
Permanent Town Building Committee
Project Budget Update
Arlington Community Safety Building Renovations, Phase Two
Arlington, MA
4 June 2013 (rev 0) **DRAFT**

Page 2

has rejected the contractor's claim for extended general conditions fees. Although we feel the Town's position is solid, it is possible that the resolution of this issue may be decided by arbitration or litigation. Given this possibility, it would be prudent for the Town to establish a budget of approximately half of the contractor's claim, or \$100,000 should an unanticipated legal judgment against the Town be made.

To summarize, the project budget is again insufficient to cover the project expenses. In order to cover the unforeseen expenses and maintain an adequate contingency for potential future expenditures, we recommend that the Town seek \$249,138 in additional project funding from the Finance Committee.

The budget summary is below:

3/5/13 Project Budget (hard and soft costs)	\$3,092,637
Additional unforeseen construction costs	\$43,514
Extended professional services (through 8/30/13)	\$105,624
Subtotal Additional Project Costs	\$149,138
6/4/13 Project Budget	\$3,241,775
Reserve for potential legal settlement	\$100,000
Revised Project Budget with Settlement Allowance	\$3,341,775
Deficit	(\$249,138)

Please do not hesitate to contact me if you require any additional information.

Sincerely,

Ammondson Architects, Inc.

Eric Ammondson, AIA, LEED AP
President

enclosure (Owner's Project Budget, rev. 8)

cc: file