

Memo

To: Board of Selectmen
From: William G. Keegan, Jr., Town Administrator
CC: Assistant Town Administrator
Date: December 5, 2012
Re: Town Administrator's Report

It's been another busy week around Town but I will try and summarize a few items as I know there is a busy agenda for meeting on Thursday.

Fire Overtime Issue- Tonight I would like to explain a management action that have taken over the past week while working with Acting Fire Chief Spillane, Finance Director Murphy and the Firefighter's Union to address the escalated cost of overtime in the Fire Department. Due to a number of unplanned vacancies resulting from retirements, a transfer to another department, several injuries and illnesses, the Fire Department is temporarily working with a reduced staff. This has resulted in an unprecedented amount of overtime cost to the Department which, if left unchecked could top \$1 million dollars by the end of the fiscal year. A normal overtime year runs in the range of \$400,000 to \$450,000 per fiscal year. In response to this concern, I called for a series of meetings with the Fire Chief, Finance Director, Financial Analyst and the Fire Union President to go over the situation and to seek solutions. At the start of the discussions we were simply looking for ideas and ways that we could continue to provide safe fire service to the Town but also curtail the amount of overtime cost to the Department and the Town. In evaluating these situations it is always very difficult to maintain a balance between public safety and managing the fiscal responsibility of providing those services to the community. Over the course of those meetings I reached a conclusion on how we could best manage this situation. On Friday, November 30, 2012, I authorized Acting Chief Spillane to implement following program:

- At full staff the Fire Department normally has a compliment of 15 personnel per shift. That number has obviously been reduced based on the factors listed above. The Department normally operates using four pieces of apparatus. To maintain all four pieces of apparatus in service, the Department must have at least eleven (11) personnel plus one (1) shift

commander on duty during the shift. Therefore, if the compliment falls below 11 during the daytime shift of 8:00 A.M. to 6:00 P.M., Engine 4 will be taken out of service and the remaining personnel will be deployed to the remaining three (3) pieces of apparatus stationed in the Town. The compliment of in-service apparatus will then become two engines and one ladder.

- When this reassignment occurs, the response districts will be redefined throughout the Town so that no district will be left without coverage,
- Only two Department personnel will be allowed to take vacation on a given shift,
- This plan started on Monday, December 3, 2012.

I would like to point out that on Monday the plan went into effect and Engine 4 was reduced for the day shift because only 8 of the 11 personnel reported for duty. The members who were unable to report were out on authorized leave. However, on Tuesday the Department operated with a minimum staffing compliment of 11 and one shift commander and Engine 4 remained in service.

It's also important to point out that since the beginning of the fiscal year the Department has been operating with an average overtime cost of \$33,000 per pay period (every two weeks). Based on the program that we have put in place we hope to reduce that cost to \$22,000 per pay period for the remainder of the fiscal year. Even with this action in place, the Department may still require additional funding from the Finance Committee's Reserve Fund to supplement the Department's overtime account. Overtime for the Department could run as high as \$750,000 over the full fiscal year or about \$300,000 more than a typical overtime year. I am willing to support the request for additional funding, if it becomes necessary, so that Department can attempt to maintain this level of service (or better) for the remainder of the fiscal year. I also recognize that this situation has evolved out of some unique circumstances to the Department.

I want to reiterate that this was not an action which was taken lightly but one which, on balance, is the safest and most fiscally responsible action I could take under the present circumstances.

I will continue to work closely with Acting Chief Spillane to fill the vacancies in the Department as fast as possible. We are pursuing an opportunity to get our recruits into an academy which may occur as soon as January of 2013. I continue to remain ready, willing and able to listen to other ideas on how to manage this situation. New ideas are always welcome. I do appreciate the cooperation of the Department, the Firefighter's Union and Acting Chief Spillane in working with the Town to try and address this challenge. I fully realize that reducing Engine Coverage is never a popular action but we do hope that by taking this action, earlier rather than later, we will be able to manage overtime costs in such a way that it will minimize the amount of temporary coverage reduction throughout the community.

9C Cuts- On Tuesday, Governor Patrick took action under his authority as Governor to implement 9C Cuts for State Government which, if enacted by the Legislature will have an adverse effect on Dedham's Fiscal 2013 budget. At this stage it is too early to determine what level of impact will result here in Dedham as the proposed cuts involve many local aid categories including education. However, a preliminary estimate of a 1% reduction in unrestricted local aid would appear to be manageable at this time. That said, the impact on School spending requires further review and analysis and I am not able to comment until the final cuts are detailed and we are able to evaluate their impact on the budget.

Police Station Specifications- Specifications for the hiring of an Architectural/Engineering firm to develop preliminary plans for a new Police Station were advertised in the Central Register on November 20, 2012. So far, a number of firms have expressed interest in the project. A site visit is planned for December 13, 2012 and proposals are due in the Town Administrator's Office on December 27, 2012. The BPCC will then review the proposals with the Town Administrator and the Director of Facilities and conduct interviews in early January to determine the successful firm.

Budget Priorities for Fiscal 2014- prior to the Board's next meeting I will be presenting you with my proposed budget priorities for the next fiscal year. This is a departure from past processes where I have presented my priorities as part of the budget without an opportunity for the Board to react prior to the presentation. I will also present you with some of my ideas of issues that I would like to get the Board's reaction to regarding Articles that I would like to submit for Town Meeting action in May. I would like to start this process as early as possible in order to respond to questions and to address any concerns you may have.

I would also ask for the Board's support to reemploy the Budget Task Force. In the last few years, and for no particular reason, we moved away from this process which I have found to be very valuable.