

## **Warrant Committee FY06 Meeting Minutes September 7, 2005**

Handout(s) distributed tonight are:

1. FY05 Budgeted Revenues/Expenditures versus Actual
2. GL History for General Fund: Fund Balance Accounts FY05

Member(s) absent: Hobbs, Paolillo

Also present: Town Administrator Tom Younger, Asst. Town Administrator Jeff Conti, Town Accountant Hagg, and Town Treasurer Carman

Chairman Widmer called the meeting to order at 7:33 PM. He welcomed Liz Allison as the newest member of the Warrant Committee.

### **Acceptance of Minutes**

The Committee discussed the minutes of the June 22, 2005 meeting.

- *Selectman Solomon made a motion, Member Tillotson seconded said motion, and the Committee unanimously voted to accept the minutes of the June 22, 2005 meeting.*

### **Report of the Nominating Committee**

Members Brusch, Doblin, and Oates made their recommendations to the Warrant Committee:

Ralph Jones  
Robie White  
Phil Curtis

- *Selectman Solomon made a motion and the Committee unanimously voted to accept the Nominating Committee's recommendations.*

### **Fiscal 2007 Budget**

September 21, October 5 and 19 are Warrant Committee meeting dates. Please keep them open in order for the Committee to meet and discuss the upcoming Town Meeting.

Chairman Widmer and Vice Chair Jones, and Members Curtis, Brusch, White, Town Accountant Hagg, met about how to approach the FY07 budget process. Some major issues discussed were collective bargaining, health care, pensions, and keeping the present level of services and revenues (assuming 2 ½%). We would need roughly a \$3 million override to preserve the present level of services plus no additional capital (which is currently \$2.2 million including Chapter 90, but not Pleasant Street). If we wanted an increase in capital, the override needed could escalate to roughly \$4 million.

Chairman Widmer asked how the Warrant Committee should go forward with the FY07 process. Do we want to try for an override? If so, how would it be done (bundled, menu, etc.)? When should we do it? If we produce a budget without an override, where are we going to find \$3 million? There are a lot of questions with no easy answers. Let's set in motion tonight a process that begins examining all these issues. One of the things we've done in the past is to begin a process to look at additional long-term needs in the Town, more policy issues (health care, vehicles), cost cutting initiatives, etc. As a starting point, let us examine if there are some ways/ideas for coming up with \$3 million that are not through our typical cuts? Would it be desirable to examine what functions we as a Town perform, and what ones we feel are critical for the Town going forward, and what ones might be worthy of a discussion regardless of the fiscal constraints we are in. For example, what would it cost for pay-as-you-throw? It's important to have that kind of discussion on a set of issues as we head into this year to determine if there are any ideas to go forward on, and if not, at least be able to say to the Town Meeting that we have looked at different and comprehensive alternatives.

Member Curtis pointed out that this means we are looking at completely changing the way we do business. What are the core services the Town must provide in our opinion? Those agreed upon are: police, fire, schools, roads/bridges, and some general government. People rely on a lot of things that are not included in these core functions. We provide a relatively high level of core services. Do we continue at a high level with core services, or do we weaken the core to allow peripheral services?

Selectman Solomon believes one area to be discussed is producing core services on a regional basis.

Member Doblin would like to look at outsourcing some services that the Town has no additional value or quality in producing. We need to look at the downstream costs, more than just hourly wages. Year-around employment of people who specialize in seasonal issues should also be looked at as well.

Chairman Widmer also discussed consolidating some of the smaller department services, as in general government.

At the next meeting, Member Gibson will inform the Committee of the final agreement with the teacher's union contract.

Vice Chair Jones thinks we should look at solid waste collection. It's a big item whose options should be investigated.

Member Curtis updated the Committee on Health Insurance Committee issues. The goal is to come to the Board of Selectmen in October with a recommendation. It is fair to say that health insurance is a difficult issue to tackle. However, there are potentially significant immediate savings that the

Town can achieve. It would not be easy, but there is potential to save a lot of money. He very seriously doubts there will be realistic savings for FY07's budget.

Town Administrator Younger spoke generally about the topics for future discussion. He would like to look at outsourcing, specifically the rink, the pool, and scheduled maintenance. This is a balancing act with the residents and what the Town can afford.

Member Oates thinks the biggest ticket items are ones we should identify and look at. For instance, have we saved money in legal services since we changed Town Counsel.

Member Heigham thinks real regionalization will take amendment of many statutes. Beyond that, to regionalize fire and police, we are fighting powerful unions that will not go along with it.

Member White and Vice Chair Jones spoke on different approaches discussed with fire regionalization. Selectman Solomon added the Fire Chief would like to explore this issue as well. Let's begin with talking to our Fire Chief and Department. Member Doblin added a lot of things are done regionally in other parts of the country, as in a county regionalization. Member White added we are systematically meeting with Department Heads to discuss regionalization.

Regionalization of core services

Outsourcing

Recreation Department

Consolidation of services

Long-term pension obligations (FY08 needs to be reported on the B/S)

Solid waste collection and disposal (looking at more than pay-as-you-throw)

Health insurance

Fuel

Member Oates would like to also look at debt exclusion issues: Senior Center and Wellington. Member Gibson mentioned Hurricane Katrina could influence when the State puts the School Building Assistance Program back online. That could possibly change when the Wellington School project moves forward.

Member Oates also noted we should look at even the little things such as minor settlements. Selectman Solomon offered a cost comparison for legal services between FY04 versus FY05. Member Hofmann asked for a 5-year summary for settlements, not just the attorney bills. Town Accountant Hagg added we paid less than \$3K in settlements for FY05.

Chairman Widmer asked the Committee if they would like to pursue some/all of these topics. Member Curtis says we will not really know the costs of outsourcing until we put out some RFP's to determine those amounts. We need to go

forward on these discussions, even if they do not produce a lot of direct savings for FY07.

Member Allison asked if the Warrant Committee has looked at what the best practices are of local communities dealing with similar issues. Selectman Solomon thinks the Municipal Benchmarking Study might assist us on this topic. Town Accountant Hagg mentioned the DOR's Bureau of Local Accounts has a management department that will come out and discuss issues with us if needed. She will look further into that before the next meeting.

Member White wants us to look at what does it really cost us to perform a function, for example fixing a car. We ought to come up with some kind of calculation of base salary rate and index that up to the long-term real cost to a community. Member Gibson added we have the element of predictability with in-house budgeting if we do not outsource some things. Vice Chair Jones thinks we can look at long-term contracts.

Member Callanan asked if the Town could try a pilot program giving the Town Meeting members a specific, practical example of what is happening. This could illustrate our serious intent.

Town Accountant Hagg pointed out that when we sell the fire stations, it has to be used for capital projects or debt service. It cannot be used for operating costs to offset the FY07 budget.

### **Selectmen's Update on Town Meeting (October 24)**

*Special Town Meeting Issues in Progress: disposition of the Belmont Center fire station, possible revenues from Woodfall Rd. and how they will impact the Senior Center, and a security system for the Town Hall Complex*

Selectman Solomon noted the Belmont Center Planning Group would be coming to the Board of Selectmen in late September with some recommendations that should include the Fire Station.

Woodfall Rd. – sale of four lots: Assuming the Town and Belmont Country Club would be exchanging some land to extend the road, the sale of four lots creating some potential revenue. There has been a recommendation that the proceeds for Woodfall Road be used towards building the new Senior Center. With Woodfall Road proceeds being used for the Senior Center as well as contributions, it could prevent a debt exclusion for that project. This will be discussed at Monday night's Board of Selectmen meeting (9/12). Town Accountant Hagg added these proceeds would also be put in a fund to offset capital projects (anything that is bondable for over five years) or debt service.

Member Hofmann would like to have the whole list of potential capital projects reviewed and prioritized now that building costs are all increasing.

**Other**

Vice Chair Jones thanked and congratulated Chairman Widmer's for his term as chair.

Member Heigham made a motion and it was unanimously voted to adjourn the meeting at 9:21 PM.

Respectfully submitted,

Kristina Frizzell, Recording Clerk