

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETINGS
7:30 PM O'NEILL ROOM, COMMUNITY SAFETY BUILDING
1/25/05

ATTENDEES:

McGaffigan*	Fey*	Dunn*	O'Neill*	Mahoney*
DeCoursey*	Connors	Simmons*		
Tosti*	Foskett*	Deyst*	Ronan*	
Ferrara*	Franclemont*	Jones*	Olsen*	
DuBois*	Howard*	Fanning	Carman*	Kneeland*

* Indicates present

VISITORS: Paul Bayer, Town Manager Brian Sullivan, Deputy Town Manager Nancy Galkowski
5 YEAR PLAN REVIEW: Sullivan, using numerous handouts, reviewed the proposed budget for FY07 with special line-by-line attention to the 5 yr plan. He answered numerous questions from the committee. He estimated new revenues to increase 3.4%. This does not include the recent increases proposed by the governor. About half of the increase would be needed to fund estimated increases in health insurance. He is negotiating with employees to keep within the limits promised to the voters by the override. The department budget statements will be available in mid-Feb in a form intended to improve public understanding of the town government activity & budget.

HEALTH INSURANCE ALLOCATION TO DEPARTMENTS: Foskett, using a handout, recommended showing the real costs of labor in each department by including pension & health insurance in department budgets. This budgeting change has been a long term FinCom request. To protect employee privacy, these charges would be aggregated. Sullivan said that this budgeting approach was tried in Brookline w/o much impact. After some discussion, he promised to study it for Arlington & to report back to the FinCom

RESERVE FUND TRANSFER: Tosti provided copies of a request from the Treasurer's office for \$76,409.34 to cover retirement costs for Bilafer & Finnegan. This is after subtracting \$24,420 salary not paid while positions are vacant. The Committee expressed dismay at the \$21k of sick leave buyback. Tosti to draft a plan to cap this practice for all departments. The Chair and Vice-Chairs already approved \$25k for Finnegan in Sept and \$25k for Bilafer in December. VOTED to transfer \$51,409.34 to the Treasurer's office as requested.

SYMMES: Foskett reported that there are 2 appeals to the development plan approved by the ARB. One concerns height; the other is not specific. The developer is negotiating with the people who filed the appeals. The 5 yr plan has already been adjusted to reflect some delay. The cost to the Town in delayed revenue alone is \$250k to \$400k per year.

MINUTEMAN TECH: DeCoursey, who attended the school's budget review, reported that the budget increase is 2.8%. Arlington sent 166 students this year, an increase of 9. Our preliminary assessment is \$2,764,825, an increase of 7.4%. This is \$16.6k/student. Deyst proposed including the Minuteman budget in the school budget & discouraging Arlington students from attending. Assistant Superintendent Markham will be invited to a future FinCom mtg.

ARLINGTON SCHOOLS: Ronan reported that the School Committee approved a preliminary budget of \$35,319,943 as shown on the Manager's 5yr plan. She will request copies of the budget for the FinCom.
USE OF RESERVE FUNDS: Foskett stated that Ed Starr has conducted an historical study of municipal revenue variations w/ implications for reserve fund policy. He would like to discuss results w/ FinCom. Kneeland to arrange.

COMMITTEE: New members Ryan Ferrara & Dean Carman were welcomed. A vacancy exists in Pct 17 despite advertizing. Next mtg Wed 2/1.

RESERVE FUND BALANCE: $\$350,000 - \$101,409.34 = 248,590.66$

Peter B Howard Secretary 1/26/06 Revised 2/1/06

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