

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
7:30 PM O'NEILL ROOM COMMUNITY SAFETY BUILDING
1/29/07

ATTENDEES:

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

- Indicates present

VISITORS: Town Manager Brian Sullivan

BUDGET REVIEW: FinCom report will show a bottom line for pay raises in each department. Subcommittees should compute these based on 2.5% in FY07 and an additional 3% in FY08. This is in line with the offer being made to the unions which includes a 25% medical insurance copay for new employees. A Special TM will be called to consider any agreements reached w/ the unions. The librarians did settle for FY07 and were included in FY07 budget. Thus their bottom line will show only the FY08 pay increase. Note that last year's pay plan still applies. The budget book introduction shows estimated pay increases for reference. Also, members received corrected pages from Nancy Galkowski for Public Works.

5 YEAR PLAN: Sullivan reviewed an updated 5 year plan using a handout. This plan goes through FY2012. It shows the override funds lasting through FY11 with a \$5.5 deficit in FY12. It includes a sizable annual state aid increase of \$400k in FY08 & a \$600k annual increase thereafter. Sullivan thinks this is not too optimistic considering the recent decline in lottery earnings. He and other communities are still pressing to restore state aid. The increase in warrant article expenses is caused by increased appropriations to the retirees health insurance fund. This includes the health insurance copay increase for retirees (\$155k) recently voted by the BoS. It also includes the Medicaid Part D refund (\$375k). Though these contributions are small in the face of the huge liability, Sullivan thinks doing something will be in our favor with the bond raters. He expects that eventually there will be a state plan analogous to the state pension plan that started 30 yrs ago. Sullivan will consider the state health insurance plan. Joining it would require union approval & acceptance by the town of coalition bargaining.

SYMMEs: Sullivan expects to complete the sale in March. Construction should start this summer and be nearly complete in 2 yrs. As the real estate market cools, the developer may initially rent the units and wait for a more favorable time to sell. We are over the hump with the abutters. Sullivan still expects the project will require no tax rate increase.

Peirce Field: The industrial parties are totaling the bill. He thinks it will be \$6 to \$7m over budget.

Park Avenue Fire Station: On budget but behind schedule. May be finished in fall.

Fire Overtime: Still high. There have been injuries. The expenditures are being closely watched & analyzed.

Lateral Transfers: 2 firemen went to Cambridge. Sullivan has received a pledge from Cambridge not to do this again.

MINUTEMAN: DeCoursey, using a handout, reported that in district enrollment dropped 11.6% while ours dropped only 3.7%. Thus our assessment will increase about \$316k or 11%. A contributing cause is district members forbidding Minuteman to recruit in

their schools. Arlington has recently begun this practice. Laura Morrisette is on the search committee for a new superintendent.

School Renovations: Tosti reported on meeting he has attended. Thompson may get some state reimbursement, but Stratton probably won't. He is opposed to exceeding the debt exclusion limit even if state say it is legal. An alternative to rebuilding is substantial annual upgrades. Last summer both schools got new computers.

Central & Highland Fire Stations: Tosti also reported on this committee. There are 4 plans.

1 Move Central to Summer St and build new station on Broadway, closing & selling both Central & Highland.

2. Rebuild Highland & Central in place, make deal w/ Winchester for Morningside ambulance service.

3. Rebuild Central; close & sell Highland. Build new station on Summer St.

4. Rebuild Central in place, close & sell Highland, build & share new station w/ Winchester.

Tosti discussed pros & cons. Members made additional suggestions.

COMMITTEE: Next mtg 2/5. Advanced notice: No mtg 3/26, 3/28.

RESERVE FUND BALANCE: \$350,000

Peter B Howard Secretary 1/30/07, Revised 2/5/07

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