

## **Minutes of Council Budget Subcommittee Meeting**

**January 3, 2017**

**The meeting was called to order at 5:30 p.m. and introductions were made.**

**Members present:** Matthew Kelly, Thomas Mercer, Peter Padula, Jeffrey Nutting, Jamie Hellen, Kerri Bertone, Maureen Sabolinski, Peter Light, Joyce Edwards, Miriam Goodman, Kevin O'Malley, Anne Bergen, George Conley, Linda Huemphre, Timothy Smith, Michael Dufour, Denise Schultz

The Town Administrator updated the group on the current status of the FY17 budget stating that currently there may be a shortage in the Fire Department salary account due to vacancies in the Fire Department. The school stated they will use some reserves to balance the budget, but the amount has yet to be determined.

The Town Administrator stated there is \$1,500,000 available for capital at this time. More funds may be available later, but it is too soon in the fiscal year to make a determination. He stated that we reserve funds for winter expenses, as well as other unforeseen events. The draft plan will be ready in two to three weeks for review.

The Town Administrator briefly reviewed the fiscal policies of the Town. These are guiding principles to keep the Town's fiscal health in order. Peter Padula asked for clarification on the OPEB policy, and the Town Administrator explained the plan to slowly fund it. He also stated that the pension unfunded liability was about \$40,000,000 and that puts pressure on the budget each year until it is paid off. Currently, it is scheduled to be paid off in 2031.

The Town Administrator briefly reviewed the budget process and suggested that in the future the School Committee may want to adjust their budget timeline so their budget request is forwarded to the Town Administrator prior to his recommended budget to the Finance Committee and Town Council.

The Town Administrator suggested that the FY18 budget will be balanced, but the schools will again use reserves and the FY19 will be a challenge. The SPED costs continue to be unpredictable, and one suggestion was made to consider a SPED stabilization account. Peter Padula asked the schools for an explanation for what is driving up the costs, and Miriam Goodman explained the SPED outside placement issues.

The Town Administrator suggested that the School could expect about \$1,500,000 and the Town \$1,200,000. The final amounts will not be known until the Governor's budget is presented, and we review local receipts.

Kevin O'Malley requested that a consultant or a group begin discussions about proper funding of the school budget in the long run.

The Town Administrator suggested the only avenue is an override. There was a discussion about the issues, and it was decided to revisit the issue in late spring.

**Motion by Peter Padula to adjourn, Second by Matthew Kelly Vote yes**

**Meeting adjourned at 6:40 p.m.**

Respectfully,

**Submitted by:** Town Administrator Jeffrey Nutting