

**Minutes of Joint Meeting
Board of Selectmen, Finance Committee and School Committee
November 17, 2005**

Guests: Senator Pam Resor, State Rep Pat Walrath

Bob Nadeau opened the meeting at 7:00 p.m. with the FY07 Budget Message

- Budget process, last year's constraints
 - Budget sub-committee defined
 - Good news Prop 2½ Tax Levy \$571,400 and bond premium adjustment \$109,600
 - Bad News – Reval year overlay increases to \$175,000, Assabet Assessment Adjustment \$225,000, FY05 Health Care Adjustment \$183,000
 - Budget impacts before health ins. = \$98,000 surplus
 - FY07 Health Ins. increase 8%
 - Bob stressed the importance of containing the rate of health ins. increase – Health Ins. vs. Jobs.
- Expected increase for health insurance for FY07 budget is \$588,000.

Discussion – state law prohibits unilateral changes to contracts without approval of all 8 unions. Paul Howes not aware of this state law and looking for ways to work together to try to solve this problem.

Discussion – change the makeup of the Insurance Advisory Committee?
Topic for budget sub-committee Dec. meeting

Bob N – Bottom line FY07 deficit of \$490,000. Requires approx. 3% reduction.

3 tiered budget process:

Level services – provides benchmark current services

Level funded – best case scenario, still requires layoffs and reduced services

3% Reduction – Guidance budget to see where impacts are

Discussion – 65% Schools 35% Town

Paul Howes questioned who sponsored this? Sally Bubier explained this was discussed by budget sub-committee. Ron Calabria explained that the 65/35 split is the % of employees in Maynard's government and the % of levy funded expenses. Paul Howes requested more discussion of the percentages.

Bob N – Budgets are due January 1st, continue to revise, pursue impacts on our local budget and will continue to keep residents informed.

Rep Walrath – Bond premium adjustment request is in the house supplemental budget not the senate side. Not guaranteed.

Health Ins – Is the town self-insured? (Yes). Are retirees on medicare? May want to pay their premiums. Health Ins. mandate is because 5 towns and school districts have gone into deep financial problems. Per Jim Johnson at DOR the health ins. deficit should be handled the same way as snow and ice. If the town has any outstanding medical bills they have to be shown on the tax recap.

Ron C – questioned how does this bill benefit towns?

Rep Walrath can't answer why it was done this way and said we need to speak to Jim Johnson at DOR. It was voted on both sides because more & more communities in deficits.

Ron C – The town's entire ability to do anything is wiped out from 3 items:

\$109,600 bond premium adj.

\$225,000 Assabet adj.

\$183,000 Health ins. accrual

Rep Walrath – Senior Tax Relief circuit breaker – help seniors w/ property taxes

Fuel assistance – lots of talk about heat bills for residents, maybe next supplemental budget

Sen. Resor – Chapter 70 Discussion

Unfairness of the formula - Dec. 1st meeting in Marlboro.

Paul H – School committee's perspective – done cutting, wants to partner up to fight battles

Supt. Masterson – Questions about foundation budget being underfunded

Bob N – Request to extend time period to have to pay back money to Assabet.

Sen Resor – this is another issue for DOR

Ron C – We are asking for help but also have been trying to help ourselves. Recognize \$ is tight but running out of ideas.

Meeting with Sen. Resor and Rep. Walrath concluded with a plan to meet again in February

Continuation of meeting of 3 boards...

Bob N – WAVM update – won't hear anything until mid-Dec.

Supt Masterson – new legal angle by UMASS attorneys to our benefit

Dave Owen – Dept. heads meeting Tuesday morning 11/22, distributing FY07 budget forms

Ann Pratt – At a point where school cannot continue to cut. Put our energy into figuring out how to fund what needs to be funded. Asking budget sub-committee that her proposal not be dropped.

Paul H – slides never spoke to a 4% increase

Ron C – school level service budget = 3.9% increase

Paul H – Discussion of how we share the burden of cuts 65/35.

Ron C – we'd have to go into a lot more detail

Sally B – 3% budget reduction is a math problem based on the preliminary numbers.

Ron C – opportunities for new growth, more state aid, improved economy, more economic development

Sally B – discussion regarding Health Ins. Advisory Committee

Dave O – suggested BOS convey to Health Ins. Advisory Committee to meet more often

Brian Smith – willing to help with this committee

Bob N – follow up letter to thank Sen. Resor and Rep. Walrath and to summarize topics

Respectfully submitted,

Amy Januskiewicz
Finance Committee