

**BOARD OF SELECTMEN
SPECIAL SESSION MEETING MINUTES
August 1, 2007**

CALL TO ORDER: Chm. Woods called the meeting to order at 7:05 pm. The following persons were present: Chair Julie Woods, Vice Chair Kevin Kuros, Clerk Michael Potaski, Sel. Jim Dwyer, Town Manager Jill Myers and BOS Assistant Tracy Leavitt. Sel. Dan Stack was absent.

ANNOUNCEMENTS: Chm. Woods complimented all who were involved with the Bernat Mill Fire response.

OLD BUSINESS

BOS/Town Manager Goals & Objectives: Continued Discussion from 7/9/07 and 7/23/07: The BOS had completed a survey form distributed at a prior meeting to develop goals for/with the Town Manager and for the BOS.

Chm. Woods began the discussion by stating that uniform priority was the budget for FY09. Chm. Woods then asked the Town Manager to read the articles/section relating to the budget review process and responsibilities from the Charter; Article 6 sections 4, 5, 6 and 7 of the Charter. Sel. Kuros mentioned having as much information as possible ahead of time would enable us to have a better handle on the forecasted deficit we are facing. Ms. Myers agreed that more analysis will be completed up front, and the department budget review process is set to begin next month. She noted that she plans to present a balanced FY09 budget, and any items to supplement the deficit will be presented as a supplemental or contingency budget. Ms. Myers noted that department heads will put forth a reduced budget along with an impact statement on what the percentage decrease will mean to them, and then present a needs budget as well. Chm. Woods asked Ms. Myers when she would be able to have the documentation and a good fiscal picture to allow the BOS to really discuss whether or not there would be support for an override and be able to provide a thorough understanding of the consequences of cuts if there was no override. Ms. Myers responded by saying staff's timeline is mid September.

Sel. Dwyer feels the first step to be taken prior to establishing a budget is to establish reasonable staffing requirements per departments. Sel. Dwyer went on to say that the budget should be a cap of the departmental revenues. He feels all line items should be attached were appropriate to a departmental budget. Sel. Dwyer stated the base budget should be the present budget plus the mandatory increases in the mandatory expenses. He requested a status report of all funded articles that have not been expended and whether or not it is planned to expend those within the timeframe allotted be included. In regards to the override Sel. Dwyer does not feel that people will be supportive unless a menu override is put forth.

Sel. Kuros asked if we are currently in the position to charge back to departments. Ms. Myers stated we are in a position to charge the special revenue funds and the enterprise funds. She then stated it is not feasible to charge her time over a various general fund departments because the revenue that comes in is considered a local receipt and gets bulked.

Sel. Potaski spoke in regard to debt service. He asked why we do not see when a past debt has been paid off returning that money to tax payers. Ms. Myers informed the Board that on the top part of the revenue page is the revenue form debt exclusions and then the debt department line

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item is in the operating budget. Ms. Myers stated that when the debt is retired it comes off the revenue and expenditures.

Chm. Woods asked the Board if they agreed that in the beginning of the budget process that they would make a request to the Town Manager for some information they would like to look at. The Board agreed to make that a BOS goal and send a formal letter to the Town Manager annually to request the information. Chm. Woods then asked the Board if there is a consensus among them to support the Town Manager's decision to present a balanced budget, the Board agreed. Chm. Woods noted at some point the Board will need to have a discussion in regards to the menu item approach to an override. Chm. Woods mentioned three parts of the budget process that the BOS currently does not have a role in; Union Contracts (actual negotiations by the TM with consensus on BOS priorities, but the BOS ratifies the contracts), School Budget and Capital Projects.

Sel. Kuros mentioned that the Board has had previous discussions regarding (department) turn backs. Sel. Kuros asked the Board if they feel comfortable saying we want to see almost no turn backs or are we comfortable with, for example, a \$500,000.00 turn back each year. Sel. Potaski responded by saying philosophically we should not punish departments for being good stewards. Ms. Myers reminded the Board that this information is considered when she meets with the department heads.

In regards to Capital Projects Chm. Woods thought this may be an area the BOS could adopt a policy to weigh in on the Capital Planning Program. Ms. Myers read section 8 of the Charter, Capital Planning Program and informed the Board that the Plan is presented to the BOS and FinComm, which should allow for discussions. The FY08 process was abbreviated as the Capital Committee did not have full membership until late fall, and made the recommendation in late January. That should not be the case for FY09 according to her discussions with the Committee. Sel. Potaski reminded the Board that in the role of Chief Executive Officers we have the responsibility to review and respond. Sel. Potaski then asked if we can, in a municipal budget, have a line noting un-funded requirements, were we list all the elements of the Capital Investment Program currently unfunded. Ms. Myers said that may be a scenario or part of the Plan, but the budget document traditionally depicts items recommended for funding.

Chm. Woods asked the Board if they would like to put on the agenda for discussion the Capital Improvement Plan when received. The Board agreed. Chm. Woods suggested that the Board ask staff to draft a letter to the Capital Planning Committee to be reviewed at the next meeting informing them that we have had a bit of discussion tonight and what we perceive to be our responsibility and to be supportive of the recommendations by the time they finish their work and see if they would be interested in having a conversation like that at some time.

ACTION ITEM: Draft correspondence to the Capital Planning Committee from the BOS

Chm. Woods noted that the last part of the budget that the Board does not have a role is the School Budget. Ms. Myers reviewed section 2 of the Charter, School Committee budget, and the review process, including her discussions with the Supt. and Business Manager prior to the School Committee's submission. Sel. Potaski said the School Committee does have a statutory

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authority to set their budget but, as Chief Executives of the Town, the BOS has the responsibility to look at elements of the budget and question is this reasonable and proper in support of an educational outcome or is it wasteful spending. Sel. Dwyer agreed we need to weigh in and this is definitely an area where conversation with the BOS is essential. Chm. Woods suggested having a meeting with the School Committee to better understand their budget process. The Board discussed briefly that the School Committee would be beginning union negotiations as early as the end of the month. The Board the agreed to send a letter to the School Committee to inform them that the Board would like to exercise their right to participate and send a deli gate to the union negotiations.

ACTION ITEM: Draft correspondence to the School Committee from the BOS

Ms. Myers stated that the process for the Board from here is to list a priority of goals for the Town Manager and the BOS for continued discussion at the next meeting.

ADJOURNMENT: at 9:15 p.m.

MSDV by Sel. Dwyer, seconded by Sel. Potaski to adjourn. The motion passed unanimously.

Minutes respectfully submitted by, Tracy Leavitt, Assistant to the Board of Selectmen

Minutes approved by Board of Selectmen:

Chairman Julie A. Woods

Sel. James F. Dwyer

V. Chairman Kevin J. Kuros

Sel. Dan Stack

Clerk Michael Potaski

MSDV: Moved, Seconded, Discussed & Voted
RCV: Roll Call Vote