

Warrant Committee Meeting Minutes March 23, 2005

Handout(s) distributed tonight are:

1. *Compilation from All Town Departments*
2. *IT Preliminary Needs Assessment 5/04*

Member(s) absent: None

Also present: Acting Town Administrator Rebecca Vose, Selectman Will Brownsberger, Selectman Angelo Firenze, School Director of Finance & Administration Dr. Gerry Missal, School Director of Technology Dr. Lee McCanne, Town Director of Technology Dave Petto, School Committee Member Elizabeth Gibson, Community Development Director Glenn Clancy, and Town Accountant Barbara Hagg

Chairman Widmer called the meeting to order at 7:36 PM.

Presentation of Financial Software Request

Town Accountant Hagg gave a presentation of the financial management software status and issues. She reviewed the S & S limitations for the Town departments (*Handout 1*). The Town's current software vendor has committed to giving a 12-month notice terminating the current version support. To implement the new software on 1/1/06, we would need to sign a contract by 11/1/05.

Member Fitzgerald passed out a technology needs report done by the former Town IT Director Karen Martin (*Handout 2*). It highlights opportunities gained by implementing the new system.

Town Accountant Hagg mentioned a preliminary software system would cost around \$700K, not including the consultant. Data conversion is the driving cost.

Dr. McCanne added that this system is the core of how the Town does business. Decisions that we make on how much analysis is needed up front are directly related to the costs of examining this process.

Member Fitzgerald mentioned this is not an IT project; it is an operations project. We are getting to a point with the sun setting of the S & S system. We need to do the analysis to find what the Town's actual needs are for a new system.

Member Oates asked what kind of problems would or would not be addressed by getting the new system. Member Fitzgerald said we would need the department heads involved. There will be some packages in Town that will not change but connect into the new system.

Member Heigham is convinced this is necessary. He asked if Town Accountant Hagg is proposing a \$700K appropriation for FY06, and if so, where does it come from? She is recommending it from the Capital Budget. However, she would like to do a five-year purchase or a bond. We are not talking about a one-year system, so why should we pay for it in one year?

Member Curtis is leery about the overselling of this project. He knows data conversion is a nightmare. He is skeptical that some departments will embrace this new technology. This could end up being \$1 million project. We are moving along with a low-level band-aid. Are we actually going to get \$1 million worth of benefit from this new system? Dr. McCanne agreed, but that is why the analysis is so important. Selectman Brownsberger echoed that a sound analysis is the only way to start this project.

Ms. Gibson added that it would involve working with many departments. She senses it may be better to go slowly through this process. She has heard the concern expressed that six months would be too quick to convert data. Town Accountant Hagg reiterated this is doable. She has been involved in other, larger conversions that were done in a shorter time.

Member Tillotson pointed out that we will end up doing data conversion with either an upgrade with S & S or a new system altogether. He sees many benefits with a new system. He would hate to see departments think this is unimportant and will not willingly participate.

Member Fitzgerald clarified that the next step will be make sure that everyone is on board with a comprehensive study. A committee will need to be formed with the Town and School IT Directors, Town Accountant Hagg, a member of the Board of Selectmen, and a few Warrant Committee members. Selectman Brownsberger said we want to support Town Accountant Hagg in the initiative.

Member Bruschi said the Capital Budget Committee believes the consultant is part of the package. We have heard a presentation the past three years in a row. Now we have an IT department to work with this project. It does need to be funded in the FY06 Budget if it is implemented for 7/1/06. Mr. Petto reiterated that support is necessary added that on a daily basis we require support from S & S.

Vice Chair Jones asked if we have looked at outsourcing payroll. Member Fitzgerald said the actual costs of administrating payroll is about \$200K/year. At this point, we can go further into really looking at payroll. His "gut" thinks having payroll done by a service bureau is the most efficient way of doing it, but we have not done any actual analysis of costs on that. It may come down to it making more sense outsourcing it, but this software analysis can really look at this process.

The Board of Selectmen will put this issue on their next agenda. Selectman Firenze said we need representatives of the Warrant Committee, Town Departments, the Capital Budget Committee, and possibly a few Town residents.

Dr. Missal added they are totally in support of replacing the S & S software. He will also supported the short-term borrowing suggestion from Town Accountant Hagg. He does think that Town Accountant Hagg's schedule is overly optimistic. When we are in a very aggressive schedule, the one thing that gets shortened is training for the users. He offered to serve on the committee representing the School Department.

FY06 Budget Discussion

Mr. Clancy spoke of the needs for the roads and the FY06 Budget. The total value of the latest road contract was about \$3 million over two years. Of the \$1.7 million for this year, most of that is going to this spring's construction season. Mr. Clancy listed the tentative street allocations for this year's funds. Funding for the Trapelo Road design is also included in this budget. There is about \$160K not committed for this construction season. He does not expect a lot to be done in the spring of FY06, which is part of the overall plan and partly due to the funding.

Mr. Clancy would like to work on a few roads that other utilities have done their upgrades, so that we can come in behind them to do our part. Chairman Widmer clarified that in 7/1/06 some roads would be ready for construction. Member Heigham asked what has been done in FY05 so far. Mr. Clancy said Prospect Street, lower Clifton Street, Brighton Street (Eliot Road to the Cambridge line), and outside the contract with Capital Budget funds was the Clafflin Street parking lot. He is anxious to reconstruct School Street, but we are waiting on the MWRA and their plans.

Member Oates asked how much money should we be spending yearly to "get ahead" and not merely maintain roads. Also, she is interested in the trolley tracks now showing on Trapelo Road. Mr. Clancy answered that realistically the construction on Trapelo Road is 8-10 years out. We are hiring an engineer this spring to begin the process. It is the federally funded TIF program that we are expecting funds from next year. If we can get that process down to eight years, we will knock 20% of that project off down from 10 years. To get the job done and realistically what we can take on are what is included in how much money we need. It is about \$1.5-\$2 million per year. The important thing is to understand that these are not typical projects. The scope of these projects are twice the normal roadwork repair would normally be. He asked how much construction could the Town of Belmont residents take? We need to balance the staffing levels with the impacts we are making. About \$1.5 - \$2 million per year is what can be done. The pavement condition index (PCI) for Belmont's road system is at 49. The impact of the \$1.5 - \$2 million/year would take about 15-20 years to make an impact.

The roads being impacted by other utilities bothers Mr. Clancy most. We either need to focus on a pavement management program or Water Department marked streets, but we cannot do both due to funding. With a PCI of 49, Mr. Clancy thinks the roads are generally safe. He then explained what goes into the PCI factor, stating the ultimate integrity of the roads is okay.

Member Brusch asked if Mr. Clancy had more engineers and consultants, would he be able to correct more roads? Mr. Clancy said yes, but he is interested in making sure that money is spent wisely. She asked if he would need more engineering help for FY07. He said he could use more engineering support. We are spending considerable money for outsourced engineers. We cannot control who bids and ultimately who wins these bids. If we bring more engineering services in-house, we can accomplish more.

Chairman Widmer said the goal is to have a budget by the next meeting. Selectman Solomon and Selectman Firenze reviewed the latest TOB Budget Worksheet as of 3/21/05 (previously distributed). Member Stratford confirmed that in relation to the \$1.4 million for the Schools, this is shy \$180K to get to level service.

Vice Chair Jones would like to see how these numbers plug into the earlier forecast by Member White and Town Accountant Hagg for FY07 and FY08. He would also like to see the implications for GASB 45 included.

Member White said the assumption is that we are not going to do anything until at least FY08 regarding GASB 45. Selectman Brownsberger added that it is too soon and too unknown. Vice Chair Jones would like to get the actuarial study (costs about \$20K) done soon. We need to disclose that to our voters when we start thinking about an override.

Member Callanan would like a presentation to taxpayers that will show what it is we would like to be doing. Chairman Widmer said we have that now, but it is a question of how we want to roll that out. Member Callanan worries that people will be upset with Capital funds being shifted to the School.

Selectman Brownsberger pointed out the State will be spending \$8 million on Pleasant Street in April. He is hopeful that people will be satisfied with that progress in Town.

Essentially, Chairman Widmer pointed out the budget we are working with here builds in the assumption that an override will pass next year. He added that if we knew the override was not going to pass next year, we would be doing things differently. For starters, there would be no additional positions.

Member White added that it is a question of how *big* an override. We should be looking at every penny this year and how does this play out for next year. Selectman Brownsberger believes that the level of services the residents are receiving is low.

Vice Chair Jones pointed out this is a conscious decision to increase the level of service than next year. We are adding over 10 positions. For instance, why not amend existing contracts of the maintenance worker for more hours each week avoid the pension liability? We are making conscious decisions here. Town Accountant Hagg responded that those contracted services are done for nightly cleaning. Member Curtis is concerned this will turn into a union issue if we ask for a maintenance worker during the day.

Member Paolillo said we are never going to catch up unless we address the structural issue or have an override. Subcommittees can help address these fundamentally structural issues.

Chairman Widmer said next week we would focus on the overall level of the budget and the distribution of the funding. He would like to reach some agreement over all of this. If any other issues need to be raised by the subcommittees, they need to do that now.

Selectman Firenze mentioned that we need to be doing stuff today to offset the overrides and increases for the future. We can give the new Town Administrator some of those charges of looking into regionalization, structural issues, outsourcing and staffing levels.

Other

Member Heigham made a motion and it was unanimously voted to adjourn regular session and enter into Executive Session at 9:55 PM for the purposes of discussing land acquisition and collective bargaining. The Committee will not return to regular session.

Respectfully submitted,

Kristina Frizzell, Recording
Clerk