

WARRANT COMMITTEE

The Warrant Committee's presentation of the fiscal 2004 budget to the June Town Meeting culminated a long and difficult process that required staffing and programmatic cuts in both the school system and Town departments. Nevertheless, because of a series of steps taken by the Warrant Committee and Town leaders, Belmont fared better than many neighboring communities.

Belmont's budget difficulties were primarily caused by a huge reduction in state aid from fiscal 2003 of approximately \$1.2 million or 17.5 percent. Fortunately, in its budget planning the Town anticipated this sharp drop and therefore did not have to make further budget reductions, as other towns did, when the size of the state aid cuts became final.

While municipal and school administrators have achieved much efficiency over the years, the Warrant Committee recognized that the fiscal crisis presented an opportunity, and responsibility, to develop and pursue a range of cost cutting initiatives. The Warrant Committee has regularly reported to Town Meeting on the progress of these initiatives. As projects have been completed, other new ideas have been added to the list.

The two most notable successes in the fiscal 2004 budget were 1) the consolidation of several departments into a new Department of Public Works; and 2) a change in health insurance providers which will save several hundred thousand dollars a year. Also, the Town established a revised policy on town-owned vehicles based on the recommendations of a subcommittee of the Warrant Committee. And in November the Special Town Meeting approved a targeted early retirement program developed by the Town administrator under special state legislation.

Even with the budget cuts, the Town was able to take the important step of creating an Information Technology Division to address the needs identified by the Information Technology Advisory Committee. A director has been hired.

The Warrant Committee is continuing to build on the work begun three years ago to project five-year trends in revenues and expenditures. This has been an important step forward in the Town's financial planning. Belmont is in the midst of a long-term financial squeeze because year-to-year spending is growing at a greater rate than year-to-year revenues. The five-year projections have helped the Warrant Committee and Town leaders gain greater control over the Town's finances.

Building on this work, in June 2003 the Warrant Committee formed a special subcommittee to consider ways in which the Town's budget process could be further improved. As a result, the Warrant Committee, Board of Selectmen and School Committee are working even more closely together in developing the fiscal 2005 budgets for the Town departments and schools with an objective of raising key policy issues earlier in the process. Also, the Warrant Committee, in collaboration with the Board of Selectmen and School Committee, is holding a series of public meetings to inform Town Meeting members and citizens of the long-term financial pressures confronting Belmont.

In September the Warrant Committee re-elected as its officers Michael Widmer, Chair, Robie White, Vice Chair, and Linda Oates, Clerk. Patricia Morley resigned from the Committee for personal reasons. Her keen mind, sound judgment and dependability will be missed.

One responsibility of the Warrant Committee is to review and approve all requests for transfers from the Reserve Fund. Established by Town Meeting, this fund is intended to be used for emergency and unforeseen expenditures. The transfers during fiscal 2003 are listed below:

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Balance</u>
7/1/02	Annual Appropriation		\$400,000
4/30/03	STM Transfer from Old Capital Projects		\$85,770
<u>Transfers</u>			
11/13/02	Wellington Brook Grate (FEMA grant match)	\$51,500	
1/15/03	Town Hall Renovations/Settlement	\$82,000	
2/1/03	Fire Department Overtime	\$55,000	

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Balance</u>
3/1/03	Council on Aging - PT Salaries	\$998	
5/20/03	Public Safety Communications	\$17,000	
6/25/03	Snow Deficit	\$98,809	
6/25/03	Legal Expenses	\$61,000	
6/25/03	BOS - Professional Services	\$25,000	
6/25/03	Buildings & Facilities	\$40,000	
	Subtotal of Transfers		\$431,307
	Final Reserve Fund Balance		\$54,463

Respectfully submitted,
Michael Widmer, Chairman