

Dan Dunn Precinct 21 and member of the Finance Committee.

Thank you Mr. Moderator.

I rise in support of this resolution.

The employees of our town have been doing a great job. They're keeping us safe, teaching our children, maintaining our infrastructure, and helping maintain the framework of this community that we love.

They're doing it more cheaply than a number of other communities, and they're doing it by finding and removing inefficiencies and taking advantage of technology that increases productivity.

I think that most town employees understand what is going on here. They're working hard, doing their jobs well, and watching the financial health of the town at the same time. They know that there are painful financial realities that the town has to face, and that GIC is a way of making them significantly less painful. The savings available from joining the GIC are large enough that the unions can negotiate a deal that is a financial win for them – the town has been linking entry into the GIC with both health insurance concessions and wage increases that result in a net increase in compensation.

Unfortunately, the leadership of one of the unions did not see that reality. Earlier this year, the town manager sent a letter to all unions inviting them, again, to negotiate a new contract that would include joining the GIC. The teacher's union, the AEA, replied that it would come to the table, but it would NOT discuss entering the GIC. This is not speculation or hearsay. It's in the packet you got from the town manager. On the union letterhead, it says he will meet, and I quote, "to discuss potential health care options other than the GIC." I understand that in the last 48 hours the AEA has agreed to discuss the GIC, and I welcome that change in position. The town and unions can now come to the table and negotiate a deal.

Still, the home rule legislation may be necessary later this year. We don't have the time, we don't have the additional years to wait for the unions to come around. Let me explain the urgency.

This year's budget was a hard one for the town. It was, however, softened somewhat by the savings from the 5-year plan, almost stretching it into a 6-year plan.

Next year is going to worse. The structural budgetary issues that make our expenses grow faster than our revenues will make the budget gap wider. Plus, we

won't have the benefit of the extra 5-year plan money. The current forecast is a \$6million deficit.

You've got the budget in front of you. You know that \$6m in cuts will mean.

The smart thing to do is to write another 5-year plan and go to the voters with a carefully-sized override request.

When we do this, one of the first questions my neighbors will ask me is, have we really done everything we can to control costs? If we don't join the GIC, or find some comparable health insurance savings, my answer will be no.

We can't write a meaningful 5-year plan without entering the GIC. I can't see an override passing without entering the GIC.

My argument is not one about the past. I simply don't care who said or did what or when. My argument is about the present situation, and the town's future.

I hope this resolution works and the unions feel the pressure to get a deal done.

We don't have time to out-wait this problem. We need a deal now, and to get Arlington into the GIC before the deadline. If we don't get a deal, we will be back here in the fall, and I will be asking you to support the home rule legislation.

I encourage you to support the resolution.