

# WARRANT COMMITTEE MEETING MINUTES

## JANUARY 19, 2005

*Handout(s) distributed tonight:*

1. *FY06 Town Budget Book*
2. *FY06 Belmont Public Schools Guideline Budget*
3. *October 21, 2002 letter re: Appraisal of Three Fire Stations*
4. *Reprint of Article that appeared in the Belmont Citizen 9/9/04*

Members absent: Widmer, Paolillo, and Kobus

Also present: Acting Town Administrator Rebecca Vose, Selectmen Will Brownsberger, School Director of Finance & Administration Dr. Gerry Missal, School Superintendent Dr. Peter Holland, School Director of Technology Dr. Lee McCanne, and Town Accountant Barbara Hagg

Vice Chair Jones called the meeting to order at 7:36 PM.

### ***Acceptance of Minutes***

The Committee discussed the minutes of the December 8, 2004 meetings.

- *Member Hofmann made a motion, Member Heigham seconded said motion, and the Committee unanimously voted to accept the minutes as amended of the December 8, 2004 meeting.*

### ***FY06 Budget Discussion (Handouts 1 & 2)***

Town Accountant Hagg reviewed the Town's FY06 proposed budget that was given to the Board of Selectmen last night. NESWC has been renegotiated for FY06 with a one-year savings of \$450K. Pension and health insurance costs are projected with large increases. Utilities have skyrocketed recently too. An increase in salary amounts has been included in the projections. Town Accountant Hagg also reviewed the changes and projections in State Aid and Revenues. In the current year, the Capital Budget is budgeted \$2.2 million. For FY06, Town Accountant Hagg is proposing \$2 million due to some technology being moved into the operating budget.

In the last page of the Budget Book are Town Accountant Hagg's recommendations if more funding were available. She also reviewed the upcoming budget process and schedule.

Member Stratford requested a breakdown of the NESWC one-year savings. The \$450K is the first-year savings from the new contract with NESWC. After that, the collection contract will take up most of those savings. With the \$450K, \$125K is being recommended to go to the Post Employment Insurance Stabilization Fund; the remainder

to the operating budget. It is offsetting cost increases in other parts of the budget, for example the salary increases negotiated already.

Dr. Holland reviewed the School's FY06 proposed budget and assumptions that were given to the School Committee last night. There is level funding of federal grants for Title 1 and Special Education. There is no new School Choice adoption and the circuit breaker revenue is at FY05 actual. He also reviewed attritions, staffing reductions and consequent health insurance changes.

Dr. Holland compared the different functions percentages with the previous year. The largest factors driving the increase are fringe benefits, special education, utilities, and the 3.4 FTE critical needs positions. There is a lack of new funding resources, an increase in non-discretionary expenses, and greater demands from the MERA (MA Education Reform Act) and NCLB (No Child Left Behind Act of 2001). It puts the BPS system in a precarious position with maintaining or increasing the per pupil standards.

Selectman Solomon asked the average class size in the elementary schools. Dr. Holland responded the overall level is 19.2 for the elementary level. Selectman Solomon is concerned with having a class ratio of 26-27 in the future. The Committee further discussed the current and proposed staffing issues within the school system.

Member Doblin asked Dr. Holland for a list of proposed restorations in case of additional funding. Dr. Holland responded that the School Committee asked him to prepare such a list at their meeting last night.

Member Curtis noted that health insurance is crippling us in our budgets. We have to get together in a concerted effort to put a market (in comparison to what the public and private sector offers their employees) health insurance program in place.

Member Tillotson asked why School Choice is no longer in the budget. Dr. Holland responded the High School currently has about 1,200 students, and that is about max without crowding the school. Also, some students are not ready for the expectations that Belmont offers.

Member Callanan asked if there is a possibility to join with the Collaborative in health insurance. Dr. Holland noted it is all a collective bargaining issue. We did attempt to join the West Suburban Collaborative a few years ago, but negotiations broke down at the last minute. Currently, the HMO costs an employee 10% of the health insurance costs, with PPOs costing 20% for the Town/School employee.

Member Doblin is troubled with using the one-year savings toward ongoing operating costs instead of a one-time expense. Should we have put the whole thing into a capital account? It seems artificial when looking at our proposed operating costs. Member Bruschi agreed it bothers her to use the money that way. Member Hofmann also agreed that we need to be more realistic with our operating costs this year.

Vice Chair Jones reminded the Committee of the Board of Selectmen FY06 Budget Hearings on 1/29 and 2/12. The Warrant Committee will meet again on 1/26 and 2/2.

### ***WC Reserve Fund Transfer – Human Relations \$8,000***

HR Director Diane Jenkins is requesting \$8K for unanticipated advertising expenses with the Town Administrator and Assistant Town Administrator both leaving this year.

- *Member Heigham made a motion, Member Brusch seconded said motion, and the Committee unanimously voted transfer \$8,000 from the Warrant Committee Reserve Fund to the Human Relations Advertising Account.*

### ***Discussion of Special Town Meeting (February 7<sup>th</sup>) Agenda***

Selectman Solomon briefly reviewed the eight articles on the STM Agenda.

The Wellington School Appropriation Article has been discussed and voted on at an earlier meeting, but Member Brusch added that it might need to be re-voted by our Committee when the article's wording is finalized.

Member Brusch anticipates some opposition with taking the money from the Capital Endowment Fund only because it is not usually done that way. The Wellington project needs to go forward.

Member Tillotson spoke of the Waverley Fire Station Article. He reviewed the spreadsheet in (*Handout 3*) and the Belmont Citizen Article (*Handout 4*). He would like the Committee to think about what we can do to keep us from losing a lot of revenue from the sale of the Station. We will be leaving \$500K to \$750K on the table if we let this opportunity pass. Selectman Solomon does not see how this will affect the timing of the FY06 Budget.

Town Accountant Hagg agrees we should be maximizing revenues. The sale of Town owned property can only be used for other capital purchases or land. It could never go into the operating fund, but it could go towards the new fire stations construction.

### ***Other***

February 3<sup>rd</sup> is the League of Women Voters Budget discussion at the Chenery Auditorium.

Member Heigham made a motion, and it was unanimously voted to adjourn the meeting at 9:25 PM.

Respectfully submitted,

Kristina Frizzell, Recording  
Clerk