

BELMONT WARRANT COMMITTEE FY08 MEETING MINUTES  
FINAL  
NOVEMBER 14, 2007, 7:30 P.M.  
CHENERY MIDDLE SCHOOL COMMUNITY ROOM

Present: Chair Curtis; Members Allison, Bruschi, Callanan, Heigham, Jones, Lynch, McLaughlin, White, and Widmer, Town Administrator Younger, Assistant Town Administrator Conti, Town Treasurer Carman; BOS Chair Firenze, School Committee Chair Bowe, and Town Accountant Hagg  
Absent: Members Epstein, Hofmann, Paolillo, and Oates

The meeting was called to order at 7:30 pm by Chair Curtis.

Minutes of 10/17/2007 Chair Curtis began the meeting by addressing the October 17 Minutes. The Minutes were unanimously approved, with one amendment. School Committee Chair Bowe put forth a request that both first and last names be used in the Members Present/Absent section. "It may get confusing to look back years from now and not know who 'Jones' refers to," said Bowe, "and it's how all the other Committees in town do it." Chair Curtis said he would take this question "under advisement".

Schedule/Budget Logistics for April 2008 Town Meeting & FY09 Chair Curtis turned to the topic of "Budget Logistics and Town Meeting Dates." He acknowledged Assistant Town Administrator Conti for developing a handout which highlights budget deadlines which pertain to Town Meeting. Conti said that this "General Budget Calendar" will help avoid last-minute budget issues for TM hearings - if reports come in in accordance with this schedule and the WC is comfortable with the timeframe, he continued, it should be a smooth process. Town Administrator Younger added that he and Town Accountant Hagg have already spent time meeting with various Department Heads, reviewing budgets, and are well ahead from last year with regard to budgets being submitted on time.

Member Bruschi asked: by what date should the WC and CBC reports be submitted? The answer came: Friday, April 11, 2008. Chair Curtis asked about the budget schedule for the schools and both Town Administrator Younger and School Committee Chair Bowe felt that the School Budget was "on target" for meeting its deadlines. Bowe believes that Dr. Holland will announce the School Budget on or about January 15. Younger added two points: he is looking at the Town side before speaking with Dr. Holland (he will speak with him before the Thanksgiving holiday); and he intends to announce a preliminary Town budget to the BOS on December 3. Chair Curtis said that while he had hoped to have some budget numbers to discuss at tonight's meeting, "we are still 2 weeks away from having the numbers, and knowing their impact, therefore we will continue this discussion when we meet again in 2 weeks." Town Accountant Hagg added that TA Younger and Gerry Missal will be in touch with her regarding salaries and benefit changes, once they are known. Until then, she doesn't "have clear enough information to make a budget forecast for FY09, since PPO changes cannot happen until all unions have settled, including the two from the school side." BOS Chair Firenze felt that there was a good understanding of those numbers and their impact on plan design. "That impact is 0," he said. "We will fund as if there was no change for 09." Curtis reiterated that this topic will be addressed again in two weeks.

Certification of Free Cash: \$2,973,113

Town Accountant Hagg distributed a handout which highlighted the figure (\$2,973,113) that was approved by the state for Free Cash, as well as what is taken into consideration for the calculation of Free Cash. Revenues came in stronger than budgeted on the FY07 Tax Recapitulation sheet: \$700K in the Earnings and Investment category greater than budgeted, and Real estate was over \$518K more than predicted. On the expenditure side, department "turn backs" amounted to \$1.5M for a variety of reasons, including: unfilled positions, a light snow winter, and a savings in health insurance due to increases on rates being lower than original estimates. Chair Curtis noted that we won't know for a while how to allocate the free cash, but will put \$800K towards the FY09 operating budget as a starting point and will see where that takes us.

Use of Proceeds from Sale of Harvard Lawn Fire Station and of "Unused" Chenery Borrowings  
Chair Curtis asked Member Heigham to speak to the legal issues of the use of Harvard Lawn proceeds, as well as the use of Chenery money not spent.

Member Heigham explained that Chenery money and fire station proceeds can be spent on bonded issues other than the project from which it came. BOS Chair Firenze suggested that we should be able to bond the new fire station debt at \$615K less, due to the Harvard Lawn proceeds. Heigham replied that he is doubtful it can be done. Firenze continued: "We made a commitment to the residents in this town that the sale of the old stations would help with the costs of the new stations. I would hope to find a way to honor that commitment." Chair Curtis asked whether we are precluded from doing what we said (in good faith) we would do, and wondered further whether we should (as was suggested) put the question to the voters at TM. The impact is the same from a practical standpoint, replied Firenze. Town Administrator Younger summarized: We sold town-owned property. The question is how to utilize those funds. It was suggested that the following question be asked of Town Counsel:

1. We would like to live up to the commitment we made to voters - is there a way to legally reduce the taxpayer burden (by putting the \$615K to debt service of new stations), or do accounting laws prohibit this?

With regard to the Chenery funds, Member Brusch noted that it was a debt exclusion in which we borrowed \$20.7M, but didn't spend that much, and therefore money (\$600K) was saved. The State is saying we can't use that money to reduce the principal on the bond - but whether we can apply it to the interest wasn't mentioned, she explained. The question was raised if this money could go toward debt exclusion projects in the future? Town Accountant Hagg believed yes - if TM votes and approves it, the money can be transferred into a capital endowment fund.

Chair Curtis and Member Brusch suggested that the following two Chenery-related questions also be presented to Town Counsel (Younger will present them):

2. Can we use the Chenery money towards paying down the interest on the bond?
3. Can we place money in a capital endowment fund for debt exclusion on future projects - or is that money exclusively for the Chenery?

#### OTHER - GIC and Coalition Bargaining

Member Callanan reported on the GIC and it was recommended that each community establish a task force to educate communities about GIC involvement with regard to coalition bargaining. Revenue can be saved, she continued, and Belmont may want to look at this should State money be less than hoped for. Member Firenze said that the town is looking into this vis-a-vis Diane Crimmins and Cook and Co. We already have some of the advantages in Belmont, in terms of health care savings, he said. Town Administrator Younger said the yearly deadline is October, and we would need to apply by next October for FY10. Also, they don't offer Blue Cross. Chair Curtis asked to be made aware of when this presentation occurs at a future BOS meeting.

#### Comprehensive Capital Projects Plan

Chair Curtis raised the issue of Mark Clark's suggestion that the town have a comprehensive plan regarding capital projects, including the timeline and expected costs. This plan could be "put to voters in a non-piecemeal approach." BOS Chair Firenze offered that an attempt to do just this was made several years back. The template is done, he continued, it just needs updating. Member Allison added that she is not sure voters want to approach projects in this way. "Some voters want to vote one project at a time." Also, she continued, it is important to give the architect the final constraints before he designs the building. Member White noted that this suggestion came from Glenn Clancy's request for a comprehensive roads budget, which then morphed into a request for a comprehensive capital budget plan. Member Brusch added that another \$3M is

needed for roads for FY09, which amounts to a "roads override" for that \$3M. And since there are other things in the queue, voters should have a vision of all potential overrides, she said. White added that he had prepared a draft budget which looked at potential overrides down the road, including the financial impact of those overrides. Curtis then asked: Should we bundle up capital projects and make a giant proposal to cover many things? "NO" was the answer that came from the table. Firenze offered that we need a 3-5-8 year plan regarding projects. "The Wellington school, roads, and operating overrides are coming down the road in April. Not to mention the police station, high school, library, rink, and swimming pool. People should be able to pick," said Firenze. Member Jones suggested that if a report is created, it should also include the cost of delaying. With the roads, for example, the costs of oil/asphalt have sky-rocketed - "And they keep rising," Jones added.

Member Heigham moved to adjourn at 9:10 p.m.

Submitted by Lisa Gibalerio  
Recording Secretary