

Belmont Warrant Committee Meeting Minutes
FINAL
February 11, 2009, 7:30 p.m.
Chenery Middle School Community Room

Present: Chair Curtis; Members Allison, Brusch, Callanan, Heigham, Hofmann, Lynch, Millane, Paolillo, Smith, Widmer; BOS Member Leclerc, School Committee Chair Bowe

Town Administrator Younger, Assistant Town Administrator Conti, Town Accountant Hagg, Treasurer Carman

Members Absent: Epstein, Libensen, McLaughlin, and Paolillo

The WC meeting was called to order at 7:31 pm by Chair Curtis.

Chair Curtis began the meeting by turning to the FY10 budget. He outlined four key questions that he would like to have addressed during the evening's discussion:

- When should the town budget be presented to Town Meeting? What are the advantages to doing the budget in April or June?
- What are the best revenue figures that can be projected?
- How is the WC going to allocate free cash?
- How will the WC deal with the override question? How will we determine an override amount?

FY10 Budget Discussion – April or June?

Chair Curtis: Do we present the budget in April or June? SC Chair Bowe raised the issue of the Wellington debt exclusion, hopefully scheduled for April. Member Brusch: We won't know the State picture in time to do the budget for April. We could aim for the end of May. The stimulus money will be earmarked broadly, not specifically. The governor may restore some money to local aid from hotel and meal taxes. For all of these reasons, we will have a much better idea by May than we will for April. It makes more sense to do the budget when we have better figures. Member Heigham concurred with Member Brusch in that the WC will know more budget figures in June than April. Assistant Town Administrator Conti said that the differences will either be minute and therefore won't impact the budget, or the differences will be so significant that they won't be worked out by June. Member Widmer: We will have a better sense of tax revenues in June, we will know if the meals tax gets passed by then, we will have a clearer idea about the federal stimulus money, and finally, the House and Senate budget will be done. A huge amount more will be known by early June than April, he said.

Member Allison asked BOS Member Leclerc to describe the process by which the BOS will determine the size of the proposed override without a base budget? Chair Curtis

reminded the WC that the override question must be settled by March 2 in order to be on the ballot for the April 6 election. BOS Member Leclerc said that he hopes there is some kind of override on a ballot for mid June – in which case the amount will need to be decided by the middle of May. The BOS, he continued, will come up with a number that is necessary for the town to deliver its core services. He said he is prepared to sacrifice school programs, but would ask for the money to maintain the 20 teaching positions that are scheduled to be cut. Town Accountant Hagg noted then that pink slips would need to be sent out in April. She added that when the budget is presented, two versions could be offered: one with an override and one without an override. Member Lynch noted that the school would like to know the fiscal scenario sooner rather later.

Chair Curtis asked for a show of hands of who would be in favor of preparing the budget for TM in June. All 12 WC members signaled that they are in favor of presenting the budget in June. Zero members voted for an April budget date.

Revenue Figures

Town Accountant Hagg: Motor vehicle excise is down, but parking fees are up, resulting in \$6K more in revenue than last month's prediction. \$80,076,603 is the total revenue figure, which is slightly more than the January 18, 2008 projection, but \$1M less than the original projection in September. Regarding the proposed split, the schools would receive (56.2%): \$37,895,031 and the town (43.8%): \$29,533,849. Town Administrator Younger said that in order to meet this number there will be a reduction of 13 positions as well as a reduction in various services. The schools have been working with a revenue figure that is \$600K more (from the proposed split in September) than the \$37,895,031 number and will therefore have to chop off another \$600K.

Free Cash

Town Accountant Hagg: The certified free cash amount is \$2.594M. \$800K has already been allocated to the proposed FY10 operating budget. I am assuming we will not carry less than \$500K of free cash to the FY10 budget, which leaves \$1.3M of unallocated free cash. The question is how to allocate the \$1.3M? Member Hofmann noted that the WC does not know what snow budget over-run amount will need to be taken out of that. Member Widmer asked if the 9C cuts for FY09 are presently in the town and school budgets? Member Allison suggested that before the free cash is allocated, the WC needs to get a grip on the snow removal numbers, the FY09 cuts, and get a school budget that reflects an additional cut of \$600K, and after this is done, we can then think about free cash and the split. Chair Curtis said he would like to know what it will mean for the schools to cut another \$600K from their present budget.

Member Callanan asked about the status of opening the contract negotiations with the unions? Town Administrator Younger said he sent out a letter and is waiting to hear back from all the unions to discuss the financial situation. SC Chair Bowe added that the schools are sending out a similar letter to their unions. Chair Curtis noted that this question won't be answered by March 2 either. Unless the answer is no, Younger added.

Override Amount

Chair Curtis: We have identified several moving pieces that need to be pinned down in order to have a rational override conversation. If there is a wage freeze, we will need to have those numbers settled and see how it impacts the town and school budgets. Then we could go back to the town and school and ask how much money they want to ask the voters for? Member Allison asked if the numbers would be lumped together? Or would we have two separate amounts? BOS Member Leclerc: We will need to prepare the community and develop a conversation about what is necessary and what will get cut. Chair Curtis said that answers are needed to these questions over the next few WC meetings.

Member Hofmann asked about the Wellington debt exclusion timing and its impact on the town. Chair Curtis said that if the MSBA decision is made by March 2, and is favorable, the BOS will place the Wellington on the ballot for April 6. If the decision is made after March 2, it will be voted on in June – perhaps combined with an operating override question.

For the next WC meeting (2/25/09), Chair Curtis said he wants to pin down the FY09 figures.

Minutes of 1/7/09 and 1/21/09

The minutes of 1/07/09 and 1/21/09 were approved with an amendment to the minutes of 1/21/09.

Member Heigham moved that the WC adjourn at 8:44 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary