

2015 SEP -1 PM 2:17

MINUTES  
TOWN OF BELMONT  
BOARD OF SELECTMEN  
CMS Community ROOM  
Wednesday, April 29, 2015  
7:30 PM

**I. CALL TO ORDER**

A joint meeting of the Board and the Warrant Committee was called to order in open session at 7:30 p.m. by Chair Baghdady in the Chenery Middle School Community Room. Selectmen Paolillo and Williams were present. Town Administrator David Kale was also present.

WC Member Present: Chair Libenson; Members Dash, DeStefano, Epstein, Fallon, Gammill, Grob, Helgen, McLaughlin, Mennis, Sarno, Schreiber and Starzec

School Committee/School Department members present: Superintendent Phelan, Finance Director DiCologero; SC Chair Slap, SC Members Fiore, Graham, Caputo, Shuster and Burgess

**III. ACTION BY APPOINTMENT**

*Discussion: TM Warrant Articles, including Amendments (Part 1)*

**Article 7: Amend Zoning Bylaw: Amend General Residency Zoning Districts Zoning Bylaw for Single-Family Dwellings as an Alternative to a Two Family Dwelling**

**Planning Board (PB) Amendment**

WC Member DeStefano said that the amendment basically deletes line one of the article dealing with lot coverage, as it does not work with the 1:1.6 footprint ratio. The homes, he said, would be disproportionate at the 25% lot coverage limit. The amendment was briefly discussed.

*WC Member Sarno moved:* Favorable action on the PB amendment to Article 7.  
The motion passed unanimously.

The Board chose not to vote at this time.

*Review: Q3 Financials*

**School Report**

Finance Director DiCologero informed the WC that the currently-projected year-end deficit is \$536K. He highlighted several changes since Q2: support staff salaries (non-professional school staff, home tutoring), and the costly special education out-of-district student placements (including transportation costs). This deficit, he said, is not current but rather it is a projected amount for the end of the fiscal year. WC Chair Libenson noted that the overage seems to be

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largely due to SPED costs.

WC Chair Libenson explained that the gap can partially be covered by applying \$250,000 from the SPED stabilization fund. He added that there will likely be a request of the WC Reserve Fund for \$286,000. He then explained the nature of a reserve fund transfer request: that the expense was not budgeted and could not have been anticipated when the budget was developed, and that there are no other funds available within the budget to close the deficit.

### **Town Report**

Mr. Kale reviewed several revenue line-item budget items (all of which are on target or very close to being on target): motor vehicle excise tax, meals tax, penalties/interest, ambulance receipt charges, etc. The Recreation Department revenue for FY15 may not be realized due to the Underwood Pool not being open until the summer, which is having an impact on annual pool passes.

Mr. Kale said that building permits are coming in strong as a result of the one-time large building permit issued for the Uplands. Earnings on investments are on target and state aid also looks to be on target. The Fire/Police Department overtime is being closely monitored. There were some vacancies across town departments that will generate some savings and there will be one fewer town election.

No major shortfalls are expected.

Mr. Kale then reviewed the Revolving Account information, e.g., Senior Center COA, Recreation Department, etc. He explained that the expenditure limit for the COA will need to be expanded by \$25K, so that they can spend more, within the expenditure limits. These accounts are closely monitored.

The WC requested to see the percentage and the dollar difference on revenue *estimates* versus revenue *actuals* from past years.

WC Chair Libenson reviewed the free cash numbers, noting that \$4.1M is being spent this year, which includes an appropriation for Belmont Center Reconstruction. He discussed the typical free cash amount spent in a given year and compared it to the typical free cash amount replenished.

Mr. Kale explained the COA revolving account request (an increase of \$25K).

*WC Member McLaughlin moved:* To increase the COA revolving account from \$105K to \$130K.

The motion passed unanimously.

### **FY16 Revenue Adjustments**

Chair Baghdady explained that there is additional revenue from unanticipated state aid (\$386K).

Mr. Kale stated that the override added \$4.5M to the FY16 revenue picture which used to fund school operations and capital items as outlined in the presentations made during public presentations prior to the override vote. There are also some adjustments that may be made to the submitted FY16 budget such as health insurance which is not likely to increase as expected. He discussed where the health insurance savings could be applied. Also, the Minuteman budget will be reduced by \$1,325. However, Veterans costs are rising and the budget will need to be raised by \$40,000.

Mr. Kale then discussed the Recreation Department recommendations. The notion of managing town/school facilities in unison has been suggested. He noted that the School Department is adjusting its rental fees. He mentioned issuing an RFP to conduct a study on running the Recreation Department, specifically combining the management of the town/school facilities. The town intends to reallocate its portion of the health insurance savings to issue this RFP.

Mr. Kale then reviewed other expenditures, e.g., capital budget, roads/sidewalks, debt service.

He reviewed the revised budget numbers. He offered that an appropriation to a stabilization fund for the excess levy capacity from the override (\$1.6M) may be used to balance future budget and could be created with TM approval. He noted that allocation of the \$386,000 state aid number is open for discussion.

WC Member Helgen asked whether the new growth number is close to being released. Mr. Kale said the adjusted number is not yet known and, if it is higher, it will be applied in a future budget. She then asked about the potential for a new Recreation Director. Chair Baghdady said the issue will be studied before any decision is made. Selectman Paolillo added that there are many FTF recommendations that need to be addressed. He said the Rec Department recommendations are sound, but require more analysis.

WC Chair Libenson directed the WC to consider thoughtfully about how to apply the revenue to serve the citizens and make the override money last as long as possible. The application of this funding reflects what the town was told concerning the spending of the \$1.6M of override money.

WC Chair Libenson laid out three options for the \$386K: 1) not tax the residents for that amount (not levying this amount) and thus effectively return it to the residents (roughly \$50.00 per household), 2) spend it on one-time item(s) (e.g., capital, roads, sidewalks), or 3) save the money for future needs (e.g., put it in the override stabilization fund or a capital stabilization fund).

WC Member Gammill voiced support for the capital stabilization fund notion. SC Chair Slap advocated for putting the money into the SPED stabilization fund to replenish it since it has been depleted. Selectman Williams raised the issue of the transfer of the \$1.6M into an override stabilization fund *not* being approved at TM.

WC Chair Libenson explained how the override impacts the levy limit. Selectman Paolillo further explained the TM budget approval process. WC Member Fallon asked that the \$386K be considered for the Capital Budget Committee, which is facing costly projects in the coming

years. WC Chair Libenson noted that the CBC Chair would agree that additional funds could be used on capital needs.

WC Member McLaughlin suggested lowering the levy by the \$386,000 and returning this amount to the taxpayers. Selectman Paolillo expressed that the Board supports this notion. There will never be enough money for roads, sidewalks, or capital, he added. WC Member Dash said that the town is facing definite needs – capital, SPED fees, etc. He said that \$50.00 per household is a minimal amount, but that it could make a meaningful difference somewhere else.

WC Member Grob agreed with SC Chair Slap concerning the SPED budget; it is very difficult to plan for and has been depleted. She added that the residents were not promised a return of money. SC Member Shuster said that returning the money may be a nice gesture, but it de-legitimizes the “override request”. It could be saved and used for the needs of the towns.

Selectman Williams pointed out that the override did not pass unanimously. Returning this money is the right thing to do given that many across town did not support this override. WC Member Schreiber suggested putting half of this money into the SPED stabilization fund and direct half to capital needs.

The Board, WC, and SC continued to discuss what to do with the \$386,000 and a recommendation will be made by the Board of Selectmen.

Mr. Mike Widmer, Town Moderator, approached the WC table and spoke to support raising the full levy and stretching out the override money over a long-term plan and not falling into a “give-back gimmick”.

### ***Discussion: TM Warrant Articles, including Amendments (Part 2)***

#### **Special TM Articles**

#### **Article 2: SPED Stabilization Transfer \$250K (to cover school deficit, in part)**

WC Chair Libenson noted that this transfer will roughly empty the SPED stabilization fund. WC Member Sarno explained the Ed. Subcommittee’s rationale concerning this article: these cost increases were not budgeted, seem to have been unanticipated, and there do not appear to be other funds available to cover. Therefore the Ed. Subcommittee recommended that the WC move favorable action for TM approval.

*WC Member Sarno moved:* Favorable action on STM Article 2.  
The motion passed unanimously.

#### **Article 1: Snow and Ice Budget Transfer (to cover coverage)**

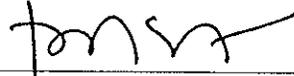
WC Chair Libenson stated that the WC approved this article (the \$800K transfer) last week. However, this number has been adjusted to \$748K due to detail cost adjustments.

*WC Member Epstein moved:* Favorable action on STM Article 1.  
The motion passed unanimously.

**VII. NEXT MEETINGS**

Monday, May 4, 2015 (Pre Town Meeting)

The Board moved to adjourn the meeting at 9:31 p.m. (As did the WC and the SC).



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Mr. David Kale, Town Administrator