RECEIVED
TOWN CLERK
BELMONT, MA
2016 JUN -8 PM 2: 14

BELMONT WARRANT COMMITTEE MEETING MINUTES
FINAL
MAY 25, 2016, 7:30 P.M.
CHENERY COMMUNITY ROOM

Present: Chair Libenson; Members Alcock, Dash, Epstein, Gammill, Helgen, McLaughlin, Sarno, Schreiber; Selectman Baghdady; School Committee Rep. Burgess-Cox

Town Administrator Kale, Town Treasurer Carman

Members Absent: Fallon, Lisanke, McVay, Mennis, Starzec

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

Chair Libenson began by turning to the first item on the agenda.

Approval of Minutes

The minutes of 5/11/16 were unanimously approved as amended.

Discussion of TM Warrant Articles

Annual Town Meeting (ATM) Budgetary & Financial Articles

Chair Libenson noted that the WC will not be able to vote this evening on all the amendments to Article 6. (More about Article 6 below.) He then turned to Article 15.

Article 15: Appropriation of Other Post-Employment Benefits (OPEB) Stabilization Fund ($343,000)

Chair Libenson reviewed that this is an appropriation into the OPEB Stabilization Fund. Mr. Carman provided some history on the creation of this stabilization fund. He noted why it is important to provide funding for this liability, e.g., the Triple A rating, the GASB report's advice, etc. The trust currently has $2.5M (this figure does not include the proposed appropriation of $343K).

The WC briefly discussed the OPEB Stabilization Fund. Member McLaughlin asked how this appropriation would impact the free cash amount. Pension funding was briefly discussed as well.

> *Member Sarno moved:* Favorable action on Article 15.
> The motion passed unanimously.

Article 17: Underwood Pool Project Borrowing De-Authorization and Appropriation of Bond Premiums ($112,000)

Mr. Carman explained Article 17. He reviewed what was borrowed, what was bonded, and the payback schedule. Specifically, in May 2014, Town Meeting authorized the issuance of $2.902 M in bonds to help pay for the Underwood Pool project. The Town raised the full $2.902 M by selling $2.790 M of bonds at a premium of $112,000 over the face value of the bonds. Thus, the Treasurer recommends that Town Meeting authorize the use of the $112,000 in premium receipts for the Pool project and de-authorize the unused borrowing capacity of the same amount. Mr. Dash explained that the Pool is likely to do well, and excess pool revenue could be put into a stabilization fund to repair the pool in future years. Alternatively, he said, it might make sense to put the $112K in a Stabilization Fund to fund future pool repairs.

The WC briefly discussed the article. The WC expressed its support for what Mr. Carman laid out. Ms. Helgen supported the notion of putting excess pool revenue toward pool repairs.

The Pool membership fees were then discussed.

> *Member Epstein moved:* Favorable action on Article 17.
> The motion passed unanimously.

Article 6: Amend Zoning Bylaw Demolition Delay – Amendments

Chair Libenson stated that there are 5 amendments, 4 are non-substantive, one is substantive. However, this article and its amendments will not be discussed tonight.

Article 8: Salaries of Elected Officials with Amendment

Member Schreiber reviewed that the Town Clerk and Town Treasurer salaries are at level 18. The Town Treasurer is at the max of his salary grade and will receive a 2% COLA. The Town Clerk is not at the max and will receive a 2% step and a 2% COLA. (She had the option of a 4% step but chose 2%.)

> *Member Dash moved:* Favorable action on Article 8.
> The motion passed unanimously.

Article 12: Authorization to Transfer Balances

Mr. Kale explained the details of the second motion of Article 12. It allows transfers to occur between the Light Department and the Town. Member Epstein suggested that the language be improved, the next time around.

> *Member McLaughlin moved:* Favorable action on Article 12, Second motion.
> The motion passed unanimously.

Article 16 – Revolving Funds

Chair Libenson noted that Article 16 is fairly standard. Selectman Baghdady briefly explained that this funding is based on fees (the Recreation Department or the Council on Aging) and is used to fund the operations.

Revolving accounts were briefly discussed. Mr. Kale provided more details on the auditing and the control of this money.

> *Member Helgen moved:* Favorable action on Article 16.
> The motion passed unanimously.

Article 11: Transfer Funds to the General Stabilization Fund ($150K)

Mr. Kale explained Article 11 and answered questions relating to the article.

Article 19: Citizen's Petition: Transfer Funds to Stabilization Fund ($1.1M)

Member Sarno explained that there is an intention to extend the override funds as far into the future as possible. He noted that the General Stabilization Fund (GSF) is where the unspent override money has been placed. Since FY15 came in healthier than expected, this money (the $1.1M) can be transferred (from free cash) into the General Stabilization Fund as well, to support future budgets. He reviewed some of the current free cash appropriations, noting that $4.1M will still remain in free cash after those appropriations, while $3M would remain in free cash after this proposed transfer of $1.1M.

He discussed that, while the threshold for using this money is higher than for using free cash, the money can be used in many varied ways, once appropriated by Town Meeting.

Selectman Baghdady noted that the Board of Selectmen voted unanimously to support this article. Mr. Kale discussed the current free cash scenario, noting where targets may or may not be met. He said there are no accounts that are severely behind, with perhaps the exception of the Cemetery funding.

Chair Libenson noted that the WC reserve fund looks to be untouched this year.

The WC discussed issues related to free cash, stabilization funds, one-time money, operating budget placement and replenishment, etc.

Member Dash expressed a concern about locking this money up in a GSF where it requires a 2/3 TM vote as opposed to 50% vote from free cash. Member Sarno stated that this money is being proposed to be placed in the GSF in order to safeguard this money to stretch and sustain the override money – which is what was promised to the taxpayers. Sarno agreed that it is one-time money and should be used when it is really needed.

Member Schreiber agreed that this is what the public was told last year – that the override would be extended as far into the future as possible. Typically, free cash is spent on one-time needs. Member Helgen noted that while this is one-time money, it is generated by an "excess of operations". The intent is to extend the override and/or to be used for unforeseen issues. Member Epstein stated that this keeps free cash at 3% and is tantamount to changing the free cash guideline. Also, putting the money in the GSF does not insulate it from being spent on operating next year. This questions the judgment of TM by putting it in the higher threshold GSF.

Member Gammill said he supports this article, and the money will still be there even if the article doesn't pass. He said that *where* the money is saved is less important than the question of *when* it will be spent, which is a topic for next fall's budget deliberations.

Chair Libenson stated that symbolically – by putting this money in the GSF – the town is visibly striving to extend the life of the override money. However, it is difficult to know how much costs will rise in future years, e.g., health care, SPED, etc. The WC will need to discuss, next year, what to do if expenses exceed revenue.

> *Member Sarno moved:* Favorable action on Article 19.
> The motion passed unanimously.

> *Member Dash moved:* Favorable action on Article 11.
> The motion passed unanimously.

Special Town Meeting (STM) Articles

Article 1: Cellphone Antennas

Chair Libenson said the WC is not inclined to vote on STM Article 1. The WC agreed.

Article 2: Post Closure Incinerator Site

Selectman Baghdady noted that the cost to clean the site is in the $4M range. Also, the state will give to the town the appraised value for the land ($1M). Mr. Kale added that there is a Stabilization Fund earmarked for the cleanup of this site. The fund ($4M) should cover the clean up costs, but not the cost of developing the land for post closure uses.

Chair Libenson stated that Belmont is obligated to clean up this site regardless of ownership. However, it is good that the state is granting the town ownership.

The WC discussed issues relating to this article, the timing of the cleanup, the options for post-closure use, the conveyance process, DCAM details, etc.

> *Member Helgen moved:* Favorable action on STM Article 1.
> The motion passed unanimously.

Chair Libenson stated that Planning Board Chair Allison will meet with the WC on June 6 in the advance of Town Meeting to discuss Article 6. There will likely be no meeting next week.

Updates: Board of Selectmen, School Committee and Minuteman

Board of Selectmen: Selectman Baghdady reported that the BOS approved a consultant for the Community Path feasibility study. He also noted the free parking policy for June, for two hours at a time, with underwriting from Belmont Savings Bank.

School Committee: SC Rep Burgess-Cox reported that the SC discussed the school calendar and the advertising and sponsorship policy.

Minuteman: Chair Libenson noted that Belmont is the only member town of the 10 remaining towns that has voted against the new building. It has been challenging to decide what the next steps would be. The question has been raised concerning whether or not Belmont should remain in the district. Member McLaughlin noted that the remaining towns hope to change Belmont's mind (which is unlikely with no major changes being offered from the Minuteman administration).

The WC briefly discussed issues related to Minuteman.

Adjournment

Member McLaughlin moved to adjourn at 9:36 p.m.

Submitted by Lisa Gibalerio
WC Recording Secretary