

**THE MINUTES OF THE  
WARRANT COMMITTEE MEETING  
MARCH 24, 2004**

*Handout(s) given out tonight:*

1. *NONE*

Members absent: B. Hofmann

Also present: Selectman Anne Marie Mahoney, Town Administrator Mel Kleckner, Town Accountant Barbara Hagg, School Director of Finance and Administration Dr. Gerry Missal, and Treasurer Susan Kendall Freiner and many citizens.

Chairman Widmer called the meeting to order at 7:40 p.m.

***Acceptance of Minutes***

The Committee will review this next week.

***Capital Endowment Fund Discussion***

Chairman Widmer reminded everyone it has been suggested that some of these interest funds be used to offset capital needs.

Town Administrator Kleckner reminded everyone of the origins of the Capital Endowment Fund resulting from the sale to Nashoba Cable. The Board of Selectmen must initiate the warrant article to appropriate from the Fund. The principal of the Fund is \$2 million plus \$943K put in as Kendall insurance proceeds. Town Administrator Kleckner reviewed prior interest income appropriations. He mentioned that a policy regarding future appropriations would be prudent. For FY05, he recommends using \$100K from the Fund for the Capital Budget.

Member McCormick asked how much income would remain after the \$100K would be removed in FY05. Treasurer Freiner answered about \$183K above the \$2.3 million would remain after the \$100K were appropriated.

Selectman Brownsberger added the Board of Selectmen did assume the \$100K would be used in the FY05 Budget, although this issue is all tied into the larger question of creating a policy.

- *Member Heigham made a motion, Member Flewelling seconded said motion, and the Committee unanimously voted to recommend appropriating \$100K from the net interest on the Capital Endowment Fund to the FY05 Capital Budget.*

***FY05 Budget Discussion***

Chairman Widmer hopes we can reach agreement on the distribution of the \$373K so that the Town and Schools know what they are going to be working with. Selectman Brownsberger gave a brief summary of the February 28, 2004 meeting with the Board of Selectmen, Warrant Committee, and the School Committee discussing the FY05 School Budget. He also reviewed how the 52 Town/48 School split in the budgeting process. The Board of Selectmen came up with \$80K of Town items that were very critical for restoration. He referenced Town Administrator Kleckner's March 18, 2004 memo (*previously distributed*).

Chairman Widmer does not want us to decide tonight how we cover the last \$500K in oil release costs. However, some people did express a thought to use some of the State Aid money to help pay for the oil spill. The Board of Selectmen and Town Administrator Kleckner do not assume that. He wants to make sure we are not planning to use any of the FY05 operating monies, as presently understood, for the oil spill.

Member Brusch said the Oil Release Subcommittee would be meeting next Tuesday to discuss possible costs. Member McCormick mentioned the Subcommittee has focused on three options to pay for oil spill costs: NESWC money, additional State Aid, and the Kendall insurance money. Chairman Widmer would not like to use State Aid for the oil spill.

Member Brush thinks the Oil Spill Subcommittee has not come to a consensus or an agreement. Every funding option is really still on the table. Emergencies are sometimes covered by reserves, but also by the money we currently have. We can talk as if the State Aid money is up there to be allocated. A letter has been received from the Teachers Union requesting information about the Claims Trust.

Member Brusch inquired why the \$30K for Recreation Fees in additional revenues was not offset for the increased program costs including the 5<sup>th</sup> grade ski trip. Her real concern is that while we are not recommending a revolving fund for Recreation, we are asking Recreation to cover their expenses. Chairman Widmer said the other piece is the -\$30K for Medicaid Reimbursement. Town Accountant Hagg discussed the reasoning for the -\$30K. Member Brusch clarified that when we go to pull the Council on Aging's and Youth Commission's revenues out to become a revolving fund, it will create a deficit within the Town because those revenues have been allocated 52/48.

Selectman Brownsberger mentioned there are a lot of line items in the budget that we could discuss thoroughly, such as parking fees. That money was not split. In terms of how we approach this budget, he thinks the 52/48 was a number about how we see priorities. He would encourage people to recognize that for the larger numbers, we have stuck with the 52/48 allocations.

Chairman Widmer shifted the Committee to a broader discussion as to what we as a Warrant Committee would recommend to Town Meeting.

Members Callanan and Schafer think we have appropriated \$40,118 too much money in the FY05 budget for Minuteman. If we keep that amount of money (the \$40K) where it is, and we do not need it, then we cannot use it. Member Schafer said that everything we have gotten from Minuteman states our number will be less \$40K we have appropriated. Town Administrator Kleckner wants to be conservative regarding changing the appropriation. At Town Meeting, we could always take some of the money and put it in the Reserve Fund.

Selectman Mahoney defended her minority view on the Board of Selectmen's 2-1 budget recommendation from the 3/18/04 memo. She actually supported Town Administrator Kleckner's recommendation and listed several reasons why. Weighing all of her reasons, she is comfortable with \$127K in additional capacity to the Town and \$167K for the Schools (Town Administrator Kleckner's recommendation). She is not comfortable with the \$80K Town restoration and \$214K to the Schools (from the Board of Selectmen's vote).

Member Curtis looks at this the same way as Selectman Mahoney, but he comes out of it a different way. He does not look at the additional money as a means of correcting accounting issues. It is on a basis of who needs the money the most, recognizing everyone needs something. He thinks the School Department has made a case for Tiers 1 and 2. He comes out more on that than on the Public Safety argument. He would encourage the Committee to talk about it in those kinds of terms. Chairman Widmer thinks it is desirable to think about this as priorities and balance.

Member Callanan think the Tiers 1-8 are a good planning instrument, and she encouraged the Town to do this for next year. Member Brush thinks it would be helpful to figure out what on the Town side would be restoration versus new things.

Member Heigham mentioned the real issue is whether the Warrant Committee votes with the majority of the Board of Selectmen or the minority regarding the FY05 Budget recommendation. Chairman Widmer proposes for discussion that we shift the \$40K in savings from Minuteman would be put to the Town side, which makes the grand total of the difference of proposals to \$7K.

Member Kobus added if we move the \$40K out of Minuteman, what happens if there is a problem with Minuteman. Chairman Widmer answered it is the same principle that if State Aid came up less than expected. We would have to revisit the budget as a package. Both are calculated risks, but ones that are worth taking.

Selectman Brownsberger would support Chairman Widmer's recommendation. Vice Chairman White would like to take the \$40K and add a police officer with it.

- *Member Flewelling made a motion, Member McCormick seconded said motion, and the Committee unanimously voted to recommend approval of the FY05 Board of*

*Selectmen's Budget Recommendation assuming Town restoration funds of \$120K (\$80K + \$40K from Minuteman) and School restoration of \$214,766.*

According to the Board of Selectmen Recommended Budget voted by the Board of Selectmen on March 15, 2004, the bolded items have been restored in the Board of Selectmen's vote. Selectman Brownsberger reviewed the list with the Committee.

Member Curtis is willing to support the Board of Selectmen's decision to spend money the way they decided to spend it, even though he might have felt different about some of them.

Member Brusch asked where is the \$50K putting us this year versus last year regarding the Legal budget. Selectman Brownsberger said \$100K would be equal to what we are spending in FY04, so this \$50K does not even bring us to the FY04 amount. Selectman Brownsberger added he would consider the \$40K to be put towards a Plans Review Officer or Legal.

Town Administrator Kleckner explained the Recreation Commission enacted fee increases (more than \$30K) with the expectation that some of it would get funded. Town Accountant Hagg could only justify \$30K of that to the DOR. Unless the \$5,900 for the 5<sup>th</sup> grade ski program is included in the Recreation Department's budget, they cannot spend the money.

Member McCormick knows the Public Safety Subcommittee is concerned with the need for an additional police officer.

Member Brusch highlighted some areas where we are providing a decrease in service. She made a suggestion for the COA's part-time (19 hours/week) custodian. The Sr. Center has more constraints on the staffing as well as a decrease in the amount of grants and an increase in the number of users. The other area the Town should be putting money into is sidewalk construction.

Chairman Widmer suggested we mull this over between now and next week. We will lead off next week's discussion with a series of recommendations. Selectman Brownsberger mentioned this could also be a Board of Selectmen meeting.

Member Brusch requested a revised list be sent out to the Committee and a clarification of the Recreation Department's 5<sup>th</sup> grade ski program funding. Town Administrator Kleckner will revise the list and send it out to the Warrant Committee before next week's meeting.

### ***Other***

Member Flewelling made a motion, and it voted unanimously to adjourn the meeting at 9:29 PM.

Respectfully submitted,

Kristina E. Frizzell

Recording Clerk