

WARRANT COMMITTEE FY07 MEETING MINUTES  
MARCH 7, 2007, 7:30 P.M.  
CHENERY MIDDLE SCHOOL COMMUNITY ROOM

Meeting was called to order at 7:33 by Chair Jones.

Present: Town Administrator Younger, Assistant Town Administrator Conti, Town Accountant Hagg, BOS Members Solomon, School Committee Member Gibson, Town Treasurer Carmen; Municipal Light Advisory Board (MLAB) Members: Robert Kenny and Gretchen McClain; Light Department General Manager Tim Richardson

Absent: Members Christensen, Oates, Callanan, Heigham, and Hobbs

Minutes Approved for 2-21-07 and 2-28-07

After corrections were made to the minutes of 2-21-07 and 2-28-07, they were approved. (There was one abstention to the 2-28-07 minutes from Member Tillotson who was absent from that meeting.)

#### Discussion of Belmont Municipal Light Department Governance Structure

Chair Jones framed the discussion with the following question: What is the appropriate form of governing structure for Belmont's light department?

(He referred the WC to the relevant section of the Massachusetts General Laws accepted by the Town - MGL Ch. 164. MANUFACTURE AND SALE OF GAS AND ELECTRICITY / MUNICIPAL LIGHTING PLANTS, Sect. 56. Management of plant. This document, available at <http://www.mass.gov/legis/laws/mgl/164-56.htm>, had been forwarded in email before the meeting.)

The BOS does not have the appropriate time to oversee the light department. Therefore, is there breakdown in governance? Chair Jones put forth another question: What should an advisory board be doing?

Member Widmer offered that perhaps this is a non-problem. Within the statute, there is enough opportunity to work out a situation. What, he asked, is untenable here? "Time," he asserted, is not a good answer here. BOS Member Solomon offered that the BOS are pleased with the function of the advisory board, and the majority of the BOS is in favor of granting the change that the advisory board has requested (BOS Member Firenze is not). Solomon continued that the BOS do not have the expertise to understand "electricity". BOS Member Firenze has proposed that the BOS could delegate some areas to the advisory board, Solomon said.

Chair Jones then invited the MLAB members in the audience (Bob Kenny and Gretchen McClain) and General Manager Richardson to the WC table.

Gretchen McClain agreed that the BOS could delegate some authority to the MLAB. Some of it is interlinked, she said.

Member Bruschi said that nobody expects the BOS to know the minutiae (i.e., of electricity). That, she said, is the purpose of an advisory board. There is a need to have an advisory board to advise the Manager and the BOS. The BOS are elected, she said, and issues arise that they should be controlling.

Chair Jones directed the table back to the handout and emphasized that this is a legal document, that there are some specifications as to who can control what areas.

MLAB's Bob Kenny said that the light department is a commercial entity. Salaries can't be set on town scale. Expertise is required that just cannot be found while paying the "going rate". Member Bruschi replied that these employees are receiving town benefits, are working as part of a town unit, and they can't have it both ways.

Whatever decision is made regarding MLAB autonomy, BOS Member Solomon noted, he would like the General Manager in the future to inform the BOS fully with regard to personnel issues. Information is crucial to having things work, he said.

Chair Jones said that an advisory board is the right direction and that he would meet with Ashley Brown from MLAB and BOS Member Firenze. There was consensus around the table that it would be preferable to solve this issue here - perhaps with compromise - and not bring it before Town Meeting.

#### Revenue Estimates Update for FY08

Chair Jones said that the Town's treasurer has reported to have exceeded his target (i.e., for revenue) for this year.

Town Administrator Younger spoke with Glenn Clancy and we could increase our estimate for building permits by 100K from Barbara's original estimate.

#### Discussion of Appropriation of Free Cash for FY08

Chair Jones said there are two proposals on the table regarding the use of free cash, and the WC needs to decide. Member Widmer said that it would be helpful to think through the sequencing of debt exclusions and overrides over next few years. Chair Jones said enhanced service mode for FY08 is 7.3% up from the FY07 budget. A proposed operating override in '08 for roads would add another 7.5%. A Wellington vote in Spring '08 (or potentially Fall '07) would add yet another percentage, depending upon the cost of school.

Member Widmer said he was inclined to support the operating budget using some of free cash. This would help make it less of an override in '09 or '10. Cuts for the schools and Town will still happen, but we will have reduced the rate of growth.

Member White asked: What rate of increase in operating budget will lead to a greater increase in more overrides? How much of the budget will free cash fund in year one of operating increases? Member Doblin said she supports Member Widmer in using free cash for the operating budget support. Enrollment continues to go up, she said, which suggests a trend. In just the last two weeks, the Butler school received 5 new students. Families are moving into the area as a result of the rental market softening. Class sizes of 28 are unacceptable, she said, and she wouldn't support a budget that doesn't include the hiring of two teachers. We need to find a way to do it.

Member Allison asked: How does building in more increased costs decrease the problem of having continuous overrides? Member Widmer replied that overrides are needed - but it's a frequency question. Member Paolillo said that we need more information regarding the increases every year in the operating budget. We need to understand the rate of growth. Capital needs aren't clearly outlined. Where should we invest dollars, he asked, to result in less spending in the future?

Member Brusch said she totally supports using free cash, but that Will's [BOS Member Brownsberger's] numbers don't work because they show that, while the average over five years is \$2M, the actual amount has not reached \$2M in any year except the past one - and in 2002 free cash was \$183,000. Maybe some departments are over-funded, but we can't count on healthy free cash every year.

Chair Jones said that there has been a lack of management with regard to revenue estimates and free cash. Member White said that more information was needed for the next three years of level service budgets. We must look at a Wellington debt exclusion, a roads' override, and we must see level service budgets from the Town and schools. Chair Jones replied that he has received the Town's level-service budget, and expects to see the school's at Saturday's meeting. Member Hofmann added that structural changes (e.g., health insurance) should be addressed before an override.

Member Doblin asked for more numbers on the pavement management project. Chair Jones said that \$85M is conservative, and that every year that the work is delayed, things get worse.

Regarding planning out the Capital budget needs, Member Brusch said that there is a 5-year plan on capital projects which includes fire engines, ambulances, and snow removal equipment. If we don't get several major projects funded through debt exclusions (Wellington, the High School, library, police station), we will have to spend huge amounts of money on maintenance in the next 5 years, she said.

Member Widmer asked: Looking out over 3 years, what kind of budget increase - even with an override - is it reasonable to build in? What is possible? BOS Member Solomon urged starting an override campaign early, with an emphasis on educating the Town and disseminating information early. We have not had an override for 6 years, he said.

Member Allison said that, if you want to know what would people support, you must look at who votes, look at whose incomes are growing, and add a percent on top of that. We would have better budgets if we said that is the number.

Member Hofmann moved to adjourn at 9:08.

Submitted by Lisa Gibalerio  
Recording Secretary