

**Belmont Warrant Committee Meeting Minutes**

**FINAL**

**April 6, 2011, 7:30 p.m.**

**Chenery Community Room**

Present: Chair Allison; Members Baghdady, Becker, Brusch, Callanan, Dash, Epstein, Grob, Libenson, Lynch, Manjikian, McHugh, Millane, Sarno, Smith; BOS Chair Jones; School Committee Representative Slap

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Town Administrator Younger and Town Accountant Hagg

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Members Absent:

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The meeting was called to order at 7:30 pm by Chair Allison.

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Chair Allison began by welcoming School Committee Representative Ms. Laurie Slap as the new ex-officio member to the WC.

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***School Reserve Fund Transfer (RFT) Request***

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Chair Allison asked Superintendent Entwistle and Finance Director DiCologero to join the WC table. She reviewed the Reserve Fund transfer (RFT) discussion of two weeks ago, noting that the WC discussed and decided that this request did meet the criteria as being “unanticipated.” The next issue to be resolved is how much money (within the range of \$1.00 to \$200K) the transfer will be. Mr. DiCologero distributed and reviewed a handout presenting the school’s Revolving Accounts. He noted budgeted transfers of general fund (GF) expenses to revolving accounts. He also noted additional GF expenses that meet the criteria for appropriate use of these fund balances, and that thus will be charged to the revolving accounts (\$183K).

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WC members asked some clarifying questions about the accounts and the amounts charged against them. Mr. DiCologero provided some additional information on those accounts. He noted that the School Committee had discussed use of the positive balance in the Athletic accounts to help offset cuts to the athletic program for FY12. He noted areas where revenues were below projections (e.g., full-day kindergarten and instrumental music). Member Lynch commented about the practice of running the revolving accounts down. He encouraged Mr. DiCologero to analyze the accounts and to continue working with the SC to develop formal policies on the revolving accounts. Superintendent Entwistle offered that the intent of the School Department was to spend down on these accounts.

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Member Millane noted that some balances have significantly gone up. She wondered how there could be increases in these accounts when the School Committee has said there have been budget freezes. Mr. DiCologero explained how he got to those dollar amounts, noting where the School Department has less control over certain

accounts. He agreed that the bottom-line numbers should be decreased as much as possible. SC Rep. Slap agreed that some data was lacking – but going forward there would be a better sense of the fees, and of the balances (especially with regard to the athletic revolving account).

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- BOS Chair Jones asked about holding money over from the instrumental music account to reinstate the program for FY12. Chair Allison noted that it had been reported that there is no way to hold money over in a revolving account. She said it makes it difficult to see how the reserve account is held over. Town Account Hagg asked about the full-day kindergarten program deficit and how that will be handled. Mr. DiCologero answered that this deficit will be charged back to the general fund.

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- Chair Allison asked about the general fund forecast for the end of the year. How much could be moved into the fund additionally, and how do these additions impact the RFT request? Member Sarno noted the line items in the Athletic Fund account did not sum to the total balance as shown on the schedule (line items total a balance approximately \$40K higher than shown.). Member Brusch noted that the Ed. Subcommittee met, but this information was not available when they met. She suggested the vote be held off one week so that this information could be digested. She also noted that a “conditional” RFT request could be granted if the money was needed at the end of the year.

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- Member Libenson asked about the total of the projected general fund deficit (\$380). Mr. DiCologero noted that much of that sum would be handled by winding down the revolving accounts, with the exception of \$80K. Member Epstein asked about the balance of a particular account – it appeared that the fees did not cover the program.

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- Chair Allison noted that the \$80K estimate had downside risk. Member Smith noted that, after the reserve funds transfers (both initially budgeted and additional amounts identified in the schedule) were made, there would be a \$80K GF deficit. He proposed that \$100K could be made available should the money be needed at the end of the fiscal year. Mr. DiCologero agreed that this would cover the deficit and leave \$20K to alleviate the budget freeze. Member Lynch said he would support this amount, as it meets the standard.

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- Member Brusch moved: *That the WC transfer up to \$100K to the School Department to offset the projected deficit, subject to a review of need based on School Department GF and revolving account balances. The amount would not leave the reserve fund until it is needed. Town Accountant Hagg reminded the WC that an exact amount will need to be voted before June 30.*

- The motion passed with one opposed, one abstaining, and 15 in favor.

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### ***Discussion of Various Warrant Articles (including 17, 19 and 20)***

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#### **Article 17 – Light Board Appointment**

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- BOS Chair Jones requested to defer this discussion until next week, at which time more information will be available regarding how Light Boards are appointed in other communities. Chair Allison asked that his review next week address the issue of the strategic consistency of this article with the stated goal of increased centralization of executive authority.

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- **Article 19 – Tree Preservation and Maintenance**

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- The WC, noted Chair Allison, seeks to understand the burden this article would place on those charged with enforcement. The email from Mr. Clancy noted that the costs of restoring trees could be included in the construction fees; however the determination of the cause of death of a tree required by the article would be “a near impossible task.” The Shade Tree committee, BOS Chair Jones noted, is opposed to this statute, although he was not sure why they were opposed to this. Mr. Younger said that this article would require more from the Tree Warden, and he would need to be paid additional compensation through fees. Member Epstein noted that replacement of large trees is extremely expensive and thus this would amount to a new tax. He also noted that this article is an intrusion and an interference with the use of private property. The fee and the timing is artificial, he said. Member Lynch reiterated his concerns regarding operational expenses. Mr. Younger stated that, should additional funds be allocated to the Town Available revenue budget, restoration of the \$10K tree budget would be his first priority.

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- Chair Allison noted that this is a hybrid issue. She outlined three pieces of the issue: the administrative burden, the “sin tax” aspect, and one’s view of the proper scope of government. A discussion followed. Chair Allison said that the WC should have information from the Shade Tree Committee next week.

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- Chair Allison took a straw vote and asked if any WC members were in favor of this article. All WC members indicated that they were opposed.

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- Member Libenson moved: *That the WC oppose Warrant Article 19.*

- The motion passed unanimously.

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- **Article 20 – Stretch Code By-Law**

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- Mr. Younger responded to a question raised by Member Brusch last week, viz.: are municipal buildings included in this by-law? His answer: they are. Member Brusch then asked about the up-front costs of the stretch code, understanding that the costs will be hopefully recovered down the road via operating costs. She also asked about the unintended consequences. Chair Allison suggested that the WC return to this bylaw next week, as the Planning Board is discussing the article on Tuesday.

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- **Article 11 – Revolving Funds**

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- Mr. Younger explained that this article creates a revolving account generated from ambulance fees collected post March 1, of which \$300K can be spent yearly. Mr. Younger explained that after March 1, ambulance fees would go into a revolving account to purchase an ambulance. Chair Allison asked: why call out ambulance fees when this is not the practice of the town? She asked about the underlying rationale for doing this. Mr. Younger explained that the fees would be used to buy an ambulance. Chair Allison asked about the precedent of creating a special funds revolving account for a specific purpose, e.g., traffic ticket revenue used to buy a new police cruiser. Member Sarno noted that this takes decision-making out of the normal process. Member Lynch offered that this has not been discussed by the Public Safety subcommittee. The WC discussed.

- Chair Allison took a straw vote on this article. The WC was mostly opposed to this motion (as a standalone item). This article will be voted on next week.

### - **Article 23 – Consolidation**

- Member Brusch moved: *That the WC support Article 23: Consolidation.*  
- The motion passed unanimously.

### - ***Available Revenue Budget Update***

- Member Baghdady reported that the Board of Assessors would like to continue with an amount of \$800K for their overlay for the FY12 budget. This will affect their estimates of an Overlay~Surplus that can be used for the FY12 budget.~~They are not increasing the reserves in their overlay accounts by \$150K, as shown in the~estimates last month. Town Accountant Hagg explained that,~~based on the letter received,~about \$125K - \$150K~~may be released~as revenue (original budget was \$350K for this Overlay Surplus). She stated that she has not seen the analysis on~this amount.

- Chair Allison confirmed that revenues are now locked except in the state aid category. BOS Chair Jones noted that there are still uncertainties on department-wide cost numbers.

### - ***Discussion of WCR Overview Outline***

- Chair Allison thanked the WC for the submission of subcommittee reports. She noted that she may make edits of style, but not substantive edits (without checking with each subcommittee Chair). A draft of an “Objectives for Overview” section, which will be included in the WC’s report for TM, was discussed. Member Epstein said that identifying costs – rather than revenue – as a key problem may reflect the WC being against an override. This was discussed. Member Smith offered an alternative language (“difference in growth rates”) that more accurately captured the WC concerns. It was also agreed that a discussion of an override would be included only if the BOS votes to ballot the issue.

### - ***Announcements/Updates***

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- Chair Allison said that last year's WC report is now on the website and a letter to Town Meeting members is in the Town Clerk's Office. She thanked Member Grob for her help with these issues. The League of Women Voters briefing is scheduled for Thursday, April 14<sup>th</sup> at 7:30 p.m. in the main room of the Beech Street Center. An additional informational session on the budget will need to be planned.

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- BOS Chair Jones requested the WC's input on whether to have an override and, if so, for what amount. The BOS will need to decide by April 25 (the opening date of Town Meeting) if an override is to be placed on the ballot by June 6. Member Brusch said that the Education subcommittee wants the dollar amounts associated with various programs before creating an override budget.

- ***Approval of Minutes for 3/30/2011***

- The minutes of 3/30/11 were approved, with two abstentions.

- ***Wrap-up/Adjournment***

- BOS Chair Jones moved to adjourn at 9:32 pm.

- Submitted by Lisa Gibalerio  
- WC Recording Secretary