

MAY 27 9 23 AM '14

**MINUTES
TOWN OF BELMONT
CAPITAL BUDGET COMMITTEE
Town Hall Conference Room 4
Thursday, May 1, 2014
5:00 PM**

CALL TO ORDER

A regular meeting of the Capital Budget Committee (CBC) was called to order at 5:05 p.m. by Chair Anne Marie Mahoney.

Members Present: Chair Mahoney; Patricia Brusch (Warrant Committee); Andres Rojas (Board of Selectmen); Michael Battista (Planning Board); Anne Lougee (School Committee); John Conte and Rebecca Vose (both Moderator appointees); and David Kale (Town Administrator) *ex officio*.

FY15 Capital Budget

Chair Mahoney began by noting that there is some positive news regarding the FY15 Capital Budget.

Mr. Kale informed the CBC that there is \$65K savings on the School Department's request for servers. He suggested that perhaps \$25K of this funding could support a School Resource Officer (SRO) position. He said another possibility would be to put the funding into a contingency cushion for the Belmont Center project or to direct the money toward sidewalks. Ms. Lougee noted that this (the SRO) is a personnel position and not a capital item. She also reminded the Committee that this position is not a priority for the School Department. This issue was discussed. Mr. Kale expressed his understanding of the "personnel" point and noted that there are plenty of capital needs where this money could be put. Mr. Rojas agreed.

Ms. Vose said she was not comfortable using capital money for non-capital expenditures. Ms. Brusch said that this money (\$25K) could be taken out of free cash. Chair Mahoney commented that in this scenario one-time money would be spent on an ongoing personnel expense.

The sidewalk snow blower (\$87K) was then discussed. Chair Mahoney said that if the snow removal bylaw is voted out at Annual Town Meeting (ATM), the Town's perceived need for this type of snow blower may lessen.

Chair Mahoney explored the possibility of having the \$65K set aside in pavement management for Belmont Center reconstruction. The CBC also discussed other possibilities for allocating the \$65K, e.g., sidewalks, the Higginbottom Pool, the building envelope project.

After some discussion, the CBC agreed to put the money in pavement management, with the intention that it be used for Belmont Center reconstruction.

Vote on Warrant Articles

Article 15: CPA Projects

Chair Mahoney said that this article has been voted on by the CBC.

Article 16: Underwood Pool

Chair Mahoney said that this article has also has been voted on by the CBC.

Article 17: Underwood Pool Appropriation

Ms. Brusch moved: Favorable action on Article 17.
The motion passed unanimously.

Article 19: Enterprise Funds (Water, Sewer, Stormwater)

Ms. Brusch moved: Favorable action on Article 19.
The motion passed unanimously.

Article 21: Transfer of Balances to Fund the FY15 Budget

Ms. Brusch moved: Favorable action on Article 21.
The motion passed unanimously.

Article 22: Chapter 90

Ms. Brusch moved: Favorable action on Article 22.
The motion passed unanimously.

Article 23: Capital Expenditures

Mr. Rojas moved: Favorable action on Article 23, as revised by the CBC.
The motion passed unanimously.

Article 26: Insurance Proceeds (BHS Boiler Room Pipe)

Chair Mahoney explained this article.

Ms. Brusch moved: Favorable action on Article 26.
The motion passed unanimously.

Article 27: Borrowing for HVAC De-Authorization

Chair Mahoney explained that ATM will vote to de-authorize this borrowing because the project

is complete.

Ms. Brusch moved: Favorable action on Article 27.
The motion passed unanimously.

Article 3: Minuteman

The CBC then discussed the Minuteman article. It will need to be voted on by the CBC before the June session of ATM. Chair Mahoney suggested this article be revisited when more information is known.

Policy Criteria for Capital Budget Expenditures

Chair Mahoney read the current policy.

Ms. Brusch moved: To support the existing Capital Budget Borrowing Policy.
The motion passed unanimously.

Chair Mahoney will request the annual amortization report from Treasurer Carman.

Approval of Minutes

The minutes of April 4, 2014 were approved with one abstention.

The minutes of April 10, 2014 will be approved at the next CBC meeting.

Setting of Future Meeting Dates

Thursday, May 22, 2014 at 5:00 p.m.

Further Discussion on CBC Policy

Committee members then began a discussion of revising the criteria for capital requests. Chair Mahoney and Ms. Brusch shared the history as they understood it of the current policy that items requested cost a minimum of \$10,000 and have a ten (10) year useful life. Over the years as town revenues have shrunk relative to expenses, the capital expense line in the operating budgets of town departments has disappeared. This resulted in many if not most capital items being presented to the CBC for funding. To meet this need, the CBC stretched its criteria to attempt to fill the funding gap. The resulting “mission creep” raises problems in the minds of Committee members by obscuring the real fiscal needs of the Town.

Members agreed that changing the criteria for capital requests would have an impact on departmental budgets. Some members were less interested in raising the minimum amount of a request and more in requiring it have a longer useful life. In the process of developing new criteria members supported the idea of producing a list of funded FY15 items that would not meet the proposed new standard. This would help the Town understand the potential impact of a

change in CBC policy. Several members supported Mr. Conte's suggestion that the Committee keep the BOS apprised of this new policy as it is developed.

This discussion will continue at the CBC's next meeting on May 22.

The CBC adjourned the meeting at 6:45 p.m.

Respectfully submitted,

Rebecca Vose
Secretary