

DATE: November 2, 2021
TIME: 9:37 AM

**Minutes
Town of Belmont
Financial Task Force II
Virtual Meeting on Zoom
Friday, June 4, 2021
8:00am**

Financial Task Force II (FTFII) Members Present: Chair Tom Caputo, Rebecca Vose, Patrice Garvin, John Phelan, Geoff Lubien, Floyd Carman, Catherine Bowen, Mark Paolillo, Anthony DiCologero

Financial Task Force II (FTFII) Members Absent: Dan Dargan

Others present: Jon Marshall

Call to order at 8:02am.

1. Review Budget Assumptions (not discussed)

2. Review of Financial Task Force draft recommendations

The next step is to bring the recommendations before the Warrant Committee and Select Board and receive input from the School Committee and Capital Budget Committee. The hard deadline for the Select Board to approve these recommendations is in August.

The following recommendations were discussed at greater length:

Recommendations One and Two - FTF2 will keep these recommendations listed as an archival record but these recommendations are inconsequential following the failed override vote. A notation will be added to clarify that these recommendations are void.

Recommendation Sixteen (Consideration of Collins Center to Support Recommendation) - This recommendation was flushed out to include pursuing Collins Center services such as assisting with an annual town and school report, long-term financial planning, and long-term capital planning. Ms. Garvin is looking into how the town can fund these services. She is also working with the Capital Budget Committee to determine what their needs are which would determine what Collins Center services would be required.

Financial Task Force II Policies

Chairman Caputo reviewed minor edits that have been made to the FTF2 Policies. Ms. Vose reminded Chairman Caputo that the grammar in the policies needs to be consistent. Ms. Vose volunteered to review the Policies for this and highlight any changes that need to be made.

The following policies were discussed at greater length:

C-5 Major Capital Endowment Fund - There was concern if reference to public higher education was outdated. Mr. Carman noted that every year the town allocates 3% to the Capital Endowment fund. In the November Town Meeting, the town will reevaluate this contribution amount. Mr. Garvin and Mr. Carman will review the language for this policy.

C-3 General Stabilization Fund - A suggestion was made to include a reference to Special Education funding.

D. Capital Improvement Plan – A suggestion was made to reference GFOA Practices, Belmont Master Plan from 2010-2020 and Belmont Climate Action Plan as they are good guideposts for the town to consider.

G. Policies Regarding Establishment of Fees - There was concern to not narrowly define who should be assigned a fee. FTF2 confirmed that town fees and charges shall be reviewed periodically rather than dictating annually. A line was added to account for when services vary, to ensure that charges can change accordingly. Chairman Caputo will review this language.

Mr. Carman noted that the town's auditors will begin their pre-audit on September 1st. Chairman Caputo will work to gather feedback from the various Committees.

3. Review of Financial Model (not discussed)

4. Approval of Minutes (If Any)

Meeting Minutes - May 24, 2021

Chairman Caputo proposed two minor corrections. References to ESSER grants were corrected. The abbreviation used was incorrect (ESSR). Ms. Bowen noted that she was not in attendance.

On a motion by Ms. Paolillo and seconded by Mr. Carman, the Task Force voted to approve the 5/24/21 meeting minutes as amended. (Motion passed unanimously, roll-call vote: Garvin, Phelan, Carman, Lubien, Paolillo, DiCologero, Caputo, voted yes. Bowen and Vose abstained.)

Meeting Minutes – May 14, 2021

Mr. DiCologero recommended clarifying the language regarding ESSER III funds.

On a motion by Ms. Paolillo and seconded by Mr. Carman, the Task Force voted to approve the 5/14/21 meeting minutes as amended. (Motion passed unanimously, roll-call vote: Garvin, Vose, Phelan, Carman, Lubien, Paolillo, DiCologero, Caputo, voted yes. Bowen abstained.)

5. Other Items Unanticipated by the Chair

American Rescue Plan Act and Budget Update (Ms. Patrice Garvin)

The town received additional guidance regarding the ARP funding. The funds will not need to be appropriated at Town Meeting. The revenue loss calculation guidance is still preliminary. The state will be providing a definition of “general revenue” soon. Forms were distributed to the town to fill out to apply for the funding. The bulletins, which provide the towns with guidance, are coming out every other week.

Ms. Garvin met with the chairs of the School Committee, Warrant Committee, Select Board and School Superintendent to discuss the process moving forward. Until further guidance is received, a public forum to discuss ARP funds will be delayed. A public forum may be held in August. In the meantime, the Chairs will identify areas where the funding could be used.

Mr. Phelan explained that the timing of the ESSER II and III funds make them available for use in FY22. The school will move forward to create a list of recommendations on how to use these funds.

The federal funding will be going into a special revenue fund. It can be appropriated by Town Meeting but does not have to be. Mr. Paolillo recommended issuing a joint statement or public message regarding the process for determining the use of American Rescue Plan funds. Mr. Paolillo and Mr. Caputo will work on this offline.

A member asked if the town can retroactively charge ARP funds against FY21 expenses? Ms. Garvin assumes so but will hopefully learn more at an upcoming seminar. Jon Marshall reported that the town has \$300,000 left to apply for CARES Act funding. The state moved the reconciliation date from June 30th to September. The the town is working to calculate revised percentage following changes in FEMA guidance to see if there are additional funds through FEMA that can be utilized.

Mr. Carman reported that normally at this time there is \$750,000 in outstanding uncollected property taxes. As of today there is \$2.5 million in outstanding uncollected property taxes. Mr. Paolillo asked if we end FY21 without collecting the outstanding \$2.5 million then would the town draw down free cash to cover the uncollected revenue? Mr. Carmon responded that these uncollected taxes will be received but if there are unpaid bills then the town will draw down on free cash to cover expenses in the meantime.

On a motion by Ms. Bowen and seconded by Mr. Paolillo, the Task Force voted to approve the draft as amended 6/4/21 of the Financial Task Force II Recommendations. (Motion passed unanimously, roll-call vote: Garvin, Vose, Phelan, Carman, Lubien, Paolillo, DiCologero, Bowen, Caputo, voted yes).

On a motion by Ms. Bowen and seconded by Mr. Paolillo, the Task Force voted to approve the draft Belmont Proposed Financial Policies of 6/4/21. (Motion passed unanimously, roll-call vote: Garvin, Vose, Phelan, Carman, Lubien, Paolillo, DiCologero, Bowen, Caputo, voted yes).

The next Financial Task Force II meeting will be scheduled for late June. Chairman Caputo will extend the invitation to all Task Force members for his briefings with Committees regarding the FTF2 recommendations and policies. Mr. Caputo and Mr. Paolillo will discuss offline how the FTF2 can provide an update at Town Meeting regarding the incoming federal funds.

There was no public comment.

On a motion by Mr. Carman and seconded by Mr. Lubien, the Task Force voted to adjourn the meeting. *The meeting adjourned at 9:43am.*

Documents Used:

1. Financial Task Force II Recommendations (Draft)
2. Financial Task Force II Policies (Draft)