

2015 SEP -1 PM 2:15

**MINUTES
TOWN OF BELMONT
BOARD OF SELECTMEN and SCHOOL COMMITTEE
SELECTMEN'S MEETING ROOM
Monday, April 27, 2015
8:00 AM**

CALL TO ORDER

A joint meeting of the Board of Selectmen with the School Committee (SC) was called to order in open session at 8:07 a.m. by Chair Baghdady in the Selectmen's Meeting Room. Selectmen Paolillo and Williams were present. Town Administrator David Kale was present; Assistant Town Administrator Marshall was not present.

Others Present: WC Chair Libenson, Town Treasurer Carman

School Committee/School Department members present: Superintendent Phelan, Assistant Superintendent Darius, Finance Director DiCologero; SC Members Slap (SC Chair), Fiore, Graham, Caputo

The SC also called its meeting to order at 8:07 a.m.

Chair Baghdady reviewed the agenda, noting that the purpose of the meeting is to engage in open discussion concerning the FY16 budget and to hear a Q3 overview from both the town and the School Department.

ACTION BY APPOINTMENT

FY16 Budget

Mr. Kale began by reviewing the FY16 budget adjustments. The current available revenue number is \$101,867,039. This number includes the override and the House budget revenues. The estimated school allocation is \$49,660,070 based on the estimates contained in the Financial Task Force Report.

Mr. Kale reviewed several revenue adjustments: a slight Minuteman savings of \$1,325, adding \$40K to the budget for Veteran Benefits, and a Health Insurance savings of \$88K.

Mr. Kale then raised the issue of the Recreation Department recommendations. The notion of managing town/school facilities in unison has been suggested. He noted that the School Department is adjusting its rental fees. He mentioned issuing an RFP to conduct a study on running the Recreation Department, specifically combining the management of the town/school facilities. The town intends to reallocate its portion of the health insurance savings to issue this RFP and to explore the private/public partnership for the rink.

Mr. Kale then reviewed other expenditures, e.g., capital budget, roads/sidewalks, debt service.

APPROVED
BOARD OF SELECTMEN
DATE: 8-31-15

He explained how the costs of the new fire alarm system at the high school could be covered.

He offered that a stabilization fund to hold \$1.6M for future budget allocations could be created (pending TM approval). If roughly \$400K were not be taxed to the levy (unexpected money from the state) this could save residents approximately \$50.00 on their tax bills.

The Board briefly discussed the overview presented by Mr. Kale. Selectman Williams discussed the intended use of the budget savings. He raised the topic of the OPEB obligation. WC Chair Libenson offered that, while the OPEB obligation is real and must be paid, the amount of the obligation, down the road, is unknown.

Chair Baghdady brought the topic back to the spending of the savings on both town and school side. He said he supports pursuing the Recreation Department study.

Superintendent Phelan offered that the additional \$100K (in health savings) brings the school back to an original projection (the \$100K is, in effect, a "net savings"). Therefore, this money will not be "spent" at this time. WC Chair Libenson offered a way of presenting the budget numbers for the school side, given the \$100K savings from health insurance, for a total FY16 school budget amount of \$49,660 million.

The budget numbers were discussed, including the FTF projections, the override funding, and the health insurance savings.

SC Chair Slap proposed that the savings of \$386K (state funding that could be deemed "excess levy capacity") be put into the stabilization fund to be used in the future, as opposed to giving \$60.00 back to each family. This topic was discussed.

The Board expressed its support for returning the \$386K to the residents. Selectman Paolillo reiterated that the stabilization fund transfer of \$1.6M needs 2/3 support from Town Meeting. If the \$386K is added to that amount, it could raise concern for the community. Mr. Carman offered that the taxpayer relief is \$30.00, not \$60.00.

WC Chair Libenson laid out three options for this money: 1) not tax the residents for that amount, 2) spend it on one-time item(s) (e.g., roads/sidewalks, or put it in the SPED stabilization fund, which will be zeroed out this year), or 3) save the money for a future delta (e.g., put it in the override stabilization fund). He said that, while the gain to the residents if the money was returned to them would be low, this money if placed in a stabilization fund could serve to make the override last longer.

This topic was further discussed. Mr. Kale explained how this money could be applied to roads/sidewalks.

Chair Baghdady requested a straw vote on the topic. WC Chair Libenson said that, of the three choices, the "not taxing the residents and returning \$30.00 per family" is, in his opinion, the least desirable. He said putting it into roads/sidewalks is desirable, given the state of the roads. Treasurer Carman agreed that many residents are very concerned about roads/sidewalks.

School Q3 Report for FY15

Superintendent Phelan reviewed that the Q3 projected deficit stands at \$536K. He said there will be a request to use the SPED stabilization fund of \$250K and then to request \$286K from the WC reserve fund to cover the \$536K. Mr. DiCologero noted that this deficit is from SPED and facilities. He said additional SPED costs (for FY15) are not anticipated, but are still possible between now and June.

Mr. Kale reviewed the impact of the school's request (the \$286K) coupled with the need for additional snow removal funding on the WC reserve fund.

The Board took a five-minute recess (at 9:40 a.m.).

Town Q3 Report for FY15

Mr. Kale highlighted the following **Revenue updates**:

- The town will appropriate \$4M from free cash for: OPEB Policy, snow/ice budget shortfall, Belmont Center Reconstruction.
- The excise tax bills are currently below budget, but the estimate will be met or exceed the budgeted amount by the end of the fiscal year.
- Regarding interest penalties, we are ahead of the target.
- Ambulance receipts are on target.
- Fee collections are on target.
- Recreation revenue may not meet budget due to the delay in the opening of the Underwood Pool.
- Regarding building and permits, we are ahead of the target as a result of the Uplands.
- We are hiring a replacement Parking Control Officer, which may impact the parking fine revenue.
- Regarding earnings on investment, we are over target.

Mr. Kale highlighted the following **Expenditure Updates**:

- Fire/Police Department overtime is being monitored.
- Some vacancies across town departments will generate some savings.
- There will be one fewer town election.

Regarding **Revolving Accounts**, Mr. Kale explained the workings of several revolving accounts – e.g., Senior Center COA, Recreation Department, Art Gallery, Library. He explained that the expenditure limit for the COA will need to be expanded by \$25K, so that they can spend more, within the expenditure limits. The account is monitored on a monthly basis.

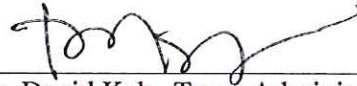
The Board moved: To increase the COA revolving account to \$130K.
The motion passed unanimously (3-0).

Selectman Williams raised several topics for future Board discussions, for example: the Board of Selectmen in its capacity as Light Board, and OPEB.

NEXT MEETING

Wednesday, April 29, 2015 (Joint with WC)

The Board moved to adjourn the meeting at 10:21 a.m.

A handwritten signature in black ink, appearing to read "David Kale", written over a horizontal line.

Mr. David Kale, Town Administrator