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MINUTES
TOWN OF BELMONT
BOARD OF SELECTMEN
SELECTMEN'S MEETING ROOM
Friday, October 28, 2016
8:00 AM

APPROVED
BOARD OF SELECTMEN
DATE: 1-23-17

CALL TO ORDER

A working session meeting of the Board was called to order in open session at 8:10 a.m. by Chair Mark Paolillo in the Selectmen's Meeting Room. Selectmen Sami Baghdady and Jim Williams were present. Town Administrator David Kale was present; Assistant Town Administrator Phyllis Marshall arrived at 9:15 a.m.

Chair Paolillo immediately moved to enter into Executive Session.

Executive Session

The Board moved: To enter into executive session at 8:10 a.m. to discuss strategy sessions with union personnel or to conduct collective bargaining sessions or contract negotiations if an open meeting may have a detrimental effect on the bargaining or litigation position of the public body and the Chair so declares. The Board will return to open session.

A roll call vote was taken: Chair Paolillo said aye, Selectmen Baghdady and Williams also said aye and the motion passed unanimously (3-0).

[The Executive Session proceeded. See separate minutes.]

Return to Open Session

The Board moved: To exit Executive Session and Return to Open Session at 8:48 a.m. A roll call vote was taken: Chair Paolillo said aye, Selectmen Baghdady and Williams also said aye and the motion passed unanimously (3-0).

ACTION BY CONSENT

Discussion of Preliminary Results of January 1, 2016 Actuarial Valuation Provided by the Belmont Contributory Retirement Board

Mr. Floyd Carman, Town Treasurer, Mr. Roy Epstein, WC Chair, and Ms. Chitra Subramanian, Town Accountant, appeared before the Board to discuss the preliminary results of January 1, 2016 Actuarial Valuation provided by the Belmont Contributory Retirement Board.

Mr. Kale noted that there are two additional funding schedules (in addition to the schedules that are in the packet) that are being developed. The funding schedule submitted by Selectman Williams was briefly discussed. The various fiscal impacts of the different funding schedules

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were explored (including: interest payments, net return on investments, rates of return, the “smoothing” technique, etc.).

Mr. Jim Sloman, the Board’s representative to the Retirement Board, joined the discussion at 8:58 a.m.

Selectman Williams reviewed the analysis of his proposed funding schedules. He touched on the Enterprise Funds’ (Water, Light, etc.) obligations. He discussed the straight-line amortization, the net absolute variance, etc. Mr. Carman noted that there are pros and cons (unintended consequences) to whatever the Board decides. He said these proposals make sense from a fiscal perspective, but ratepayers will feel the burden. Chair Epstein added that the investment return of 7.5% seems aggressive.

Chair Paolillo said he is in favor of extending the funding schedule, which will allow for a cushion. After noting that these issues will be further explored at the November 7 meeting, Mr. Kale asked about the differentiation between funding schedules with the Enterprise Funds. The Retirement Board will need to develop a funding schedule that incorporates the assumptions put forth by Selectman Williams. Also, the rating agencies will need to weigh in if there is a significant change in funding strategy given that the BHS project is looming and the impact between our current rating and borrowing costs.

The Board continued discussing issues relating to the pension obligations, both on the town side and with the Enterprise Funds.

The Board discussed if Town Meeting members should be notified of the November 7 meeting as well as the location and time duration of the meeting. The Board will likely have a followup meeting to allow for more dialogue on these issues.

Chair Paolillo, after discussion between the BOS members, informed WC Chair Epstein that Selectman Baghdady will serve as the Board’s representative to the WC.

Management’s Discussion and Analysis Letter Review

Ms. Chitra Subramanian, Town Accountant, and Mr. Floyd Carman, Town Treasurer, remained before the Board to discuss the topic noted above. Mr. Kale noted that there is a copy of the FY2015 management letter and the Board can make adjustments and forward any adjustments to Ms. Subramanian for the FY16 Management Letter This will allow their feedback to be incorporated into the 2016 version. The BOS did not provide any changes.

Other Items

- Mr. Kale noted that the town attorney has made a determination about the authorized signature for the Feasibility Agreement which closes in Module One. Town Counsel has determined that the Belmont High School Building Committee Chair is the authorized signatory for this document and other binding documents in the future. On November 14, the Board will need to authorize the release of five years of Executive

Session minutes. Town Counsel will opine.

The Loading Dock may soon request a "pouring" license.

Common Victualler License: Annual License Renewal for Shine's 30 Leonard Street

This agenda item was deferred.

NEXT MEETINGS

Wednesday, November 2, 2016 at 6:00 p.m. Beech Street Center

Monday, November 7, 2016 at 8:00 a.m. Selectmen's Room Town Hall

Monday, November 14, 2016 at 7:00 p.m. Selectmen's Room Town Hall

The Board moved to adjourn the meeting at 10:08 a.m.



Mr. David Kale, Town Administrator