

**BELMONT WARRANT COMMITTEE MEETING MINUTES  
FINAL**

2017 APR 19 PM 4:48

**MARCH 1, 2017, 7:30 P.M.  
CHENERY COMMUNITY ROOM**

Present: Chair Epstein; Members Dash, Crowley, Fallon, Gammill, Helgen, Libenson, Lisanke, Lubien, McLaughlin, Schreiber, Slap; BOS Chair Paolillo (arrived at 8:05); School Committee Member Burgess-Cox

Town Administrator Kale and Assistant Town Administrator Marshall

Members Absent: Alcock, Mennis

The meeting was called to order at 7:33 pm by Chair Epstein.

Chair Epstein began by reviewing the agenda and then turning to the first item.

***Approval of Minutes***

The minutes of 2/13/17 (Joint Meeting) were approved, as amended, with four abstentions.

The minutes of 2/15/17 were approved with three abstentions.

***Discussion – FY18 Budget***

Chair Epstein referenced the FY18 Budget Books that had been distributed to WC members, noting that this is the time to raise questions. He began with a question on the Revenue side concerning the debt exclusion line item. Mr. Kale explained the items covered, noting that they relate to bond issues voted in by residents, e.g., Town Hall renovation, Senior Center, Wellington School, Underwood Pool, etc. He also reviewed several capital areas (funded via the Capital Budget), e.g., High School Fire Alarm, HVAC systems, Harris Field, etc. Mr. Kale explained how the projects are financed (bonded). Some of the debt, he said, is bundled by the Town Treasurer.

Chair Epstein then asked about the schedule for Police and Fire alarm fees. Mr. Kale noted that there is a \$25 fee to residents in order to tie home alarms to the Police Department. Mr. Kale then addressed the Fire fees, noting that they relate to review of fire extinguishing systems. He then summarized the false alarm fees. Mr. Kale reviewed how the fees are set and what might be required in order to amend the fees.

Chair Epstein asked about the Belmont Light Department PILOT payment. He noted that it (the \$650,000) has remained the same for many years. Mr. Kale spoke to the payment's history, noting that the Light Department General Manager could provide more specific details.

Concerning Expenditures, Chair Epstein noted that there is a Town Meeting (TM) approved budget and then an “adjusted” budget. Mr. Kale noted that the adjusted budget should be the reference point (when doing budget comparisons) and reflects more updated numbers.

The WC briefly discussed the TM budget as compared to the Adjusted Budget. Member Helgen noted the Fire Department budget is relatively flat when compared to the Adjusted Budget when in fact it has gone up by 6% relative to the TM voted budget, due to union contract settlements after TM. Chair Epstein suggested that there be adequate disclosure when the budgets vary. The differences in the two budgets could be noted and briefly explained. Member Dash suggested putting a table in the Executive Summary section of the report, which would summarize major budget differences.

Member Libenson raised the question concerning the use of Free Cash versus the use of General Stabilization Funds to balance the budget. Chair Epstein explained the various philosophies of spending free cash, circuit breaker, and General Stabilization money. Member Libenson noted that the General Stabilization Fund is “one-time money” while Free Cash does get replenished – to some extent. He suggested an alternative way to use Free Cash as opposed to the General Stabilization Fund.

Mr. Kale noted that additional Modular units will be needed in September 2018 and will need to be funded. He explained various options to fund the Modular units, e.g., bonding, use of free cash, use of the Cushing parking lot sale. He explained various options for replenishing free cash and the General Stabilization fund, noting that there are different strategies for doing this.

BOS Chair Paolillo said that the General Stabilization fund needs to be seeded. The budgets through 2020 need to be balanced without a new operating override, he stated, as the high school debt vote is a few years away. He also noted that if Town Meeting uses General Stabilization Fund money to help balance the FY18 budget, the TM could replenish the General Stabilization Fund from Free Cash later in the year via a Town Meeting Article.

The WC discussed issues relating to the General Stabilization Fund as well as the Free Cash fund. Members Gammill and Helgen agreed that keeping the General Stabilization Fund funded is more prudent, as it is a savings account for the town. Member Helgen added that the free cash account does get replenished; maintaining the General Stabilization Fund shows discipline and shows the voters the commitment to extend the life of the override.

Chair Epstein said he is not concerned where the money is placed, so long as there is money “in the bank”.

Member Schreiber noted that there are two material differences in the funds: the General Stabilization Fund looks a certain way to the voters (it constitutes a promise kept to the

voters), and it has a higher threshold for spending: two thirds of Town Meeting members must approve.

Chair Epstein then raised the issue of raising the Town Moderator and Retirement Board stipends. Mr. Kale explained the rationale for increasing the Town Moderator stipend. The Retirement Board stipend, he said, comes from their operating budget.

Chair Epstein noted that the Warrant Committee Reserve Fund (WCRF) amount has remained the same (\$400,000) since 1998. Increasing the WCRF amount might allow for more flexibility. Member Dash added that it would be interesting to know how much is requested from year-to-year.

Chair Epstein asked about the Health Insurance increase line item. Mr. Kale explained how the health insurance increases are estimated. The claims are being watched carefully. Recent spikes may be due to acute (as opposed to longer-term) issues. Mr. Kale noted that there is a 9% overall increase to the town. Member Schreiber spoke to the need for transparency with regard to a department's health insurance spending.

Mr. Kale then reviewed the Capital Budget allocation.

Member Gammill provided a brief School Budget update. The Education Subcommittee of the Warrant Committee and the Finance Subcommittee of the School Committee held a joint meeting earlier in the week. They went through the draft 2 of the FY18 school budget and continued to discuss the use of FY18 circuit breaker grant funds in order to reduce the amount of Free Cash and General Stabilization Funds needed to balance the FY18 budget, and that these discussions will continue. BOS Chair Paolillo offered that all the relevant parties will work together to reach consensus on where the reserves are held. Member Slap agreed that this would be the best approach.

### ***Discussion – Format of WC Report***

Chair Epstein displayed some examples of his proposed templates for the subcommittees to use in preparing their sections of the WC Report. The template includes the narrative for each department from the previous year's report as a starting point, and includes a spreadsheet to summarize the relevant data for that department.

Chair Epstein explained his new perspective on the "Recommendations" section. He said he will assemble the different sections and will write the Executive Summary.

### ***Updates: Board of Selectmen, School Committee and Minuteman***

**Board of Selectmen:** BOS Chair Paolillo reported that the BOS has created a Town Administrator transition plan. An RFP has been issued to hire a firm to aid in the search process. A search committee will be formed as well. The Board appointed a Major Capital Projects Working Group (MCPWP) to explore the remaining major capital

projects. He briefly reviewed the charge to the group and noted the work that has taken place so far. The BOS will hold departmental budget hearings the next two Fridays – 3/3 and 3/10.

**School Committee:** SC Member Burgess-Cox reported that there is a Q2 budget report. The current deficit (\$31K as a result of out-of-district SPED tuition) will be dealt with by increasing the use of FY17 circuit breaker grant funds.

**BHSBC Update:** Member McLaughlin reported that Belmont High School Building Committee has selected an Owners Project Manager (OPM) and the committee is now awaiting the MSBA's approval.

Chair Epstein noted that the next regular WC meeting will be held on March 29. Department drafts of the WC Report are on due Wednesday, 4-19.

### ***Adjournment***

Member McLaughlin moved to end the meeting at 9:33 p.m.

Submitted by Lisa Gibalerio  
WC Recording Secretary