

Belmont Warrant Committee Meeting Minutes
FINAL
March 9, 2011, 7:30 p.m.
Chenery Community Room

Present: Chair Allison; Members Baghdady, Becker, Brusch, Callanan, Dash, Epstein, Grob, Libenson, Lynch, Manjikian, McHugh, Millane, Sarno, Smith; BOS Chair Jones; School Committee Chair Rittenburg

Town Administrator Younger

Members Absent:

The meeting was called to order at 7:31 pm by Chair Allison.

Discussion of Reserve Fund Transfer (RFT) Requests

Chair Allison began by stating that the WC would begin with item number V on the agenda – the Fire Department’s Reserve Fund Transfer request. She noted that this topic would require an Executive Session.

Executive Session

A roll call vote was taken at 7:34 p.m. and all members voted in favor “aye” to discuss the Fire Department’s Reserve Fund Transfer (RFT) request. The WC will return to Open Session.

[*Note:* Minutes were taken at the Executive Session but will not be circulated.]

The WC moved to exit Executive Session at 8:10 p.m.

Resumption of Open Session

The WC returned to Open Session to discuss the budgetary impact of the Reserve Fund Transfer request. Member Baghdady asked if another Reserve Fund Transfer would be required for the OT fund. Chief Frizzell replied that he expected to finish the year with the funding requested without needing to apply for more.

Chair Alison asked about non-compensation expenditures. Chief Frizzell said it has been a decent year, with the exception of medical bills. He said a consultant is looking into the medical leave issue. Member Epstein asked if slots could have been left vacant as opposed to overtime staffing. Chief Frizzell explained that while the equipment is in service, a certain number of personnel needs to be there, as per the labor contract. He said an ambulance could be taken out, but that Belmont would lose ambulance revenue and the citizens’ safety could be put at risk. Regarding the ambulance revenue, the Chief

reported that there is \$115K projected in revenue, and that ambulance rates could be increased which could add \$40-\$75K to that amount in this fiscal year. He explained that to take a fire truck out of service impacts mutual aid, whereby if we don't give mutual aid, we don't receive mutual aid.

BOS Chair Jones noted that the BOS endorsed this RFT request with a 2-1 vote. He said the dissenting member was willing to accept the alternatives to funding the OT account.

Chief Frizzell said that the Accountant directed the Treasurer not to pay overtime. However, he added that there is an urgency to receiving this funding as the department will be at risk with labor contracts.

Treasurer Carman approached the WC table. He said there is sufficient money in the budget to cover overtime through March 16. He said he intends to meet with Mr. Younger, and then Ms. Hagg will be consulted after that point. If the WC make its decision next Wednesday, March 16 (?), there would be a few days gap in overtime funding. The WC discussed timesheet dates and overtime. Member Smith asked if overtime would be incurred if the WC made its RFT decision next Wednesday. The answer was yes. Mr. Carman explained that non-salary budget items cannot get switched to fund salary, which was the objection raised by the Town Accountant. Therefore, Mr. Younger and the Chief would need to work out the policy issues of non-salary funding covering shortfalls in salaries. Member Sarno asked about surpluses in the budget. Chief Frizzell said that there are often small turn-backs (\$10-\$15K).

Member McHugh noted that these OT issues have been known for a long period of time and yet it has now become a hot issue. Chair Allison said she wanted to underscore that question, since the funding issue is being presented to the WC as an urgent matter. She said that this is important to understand in light of the Reserve Fund Transfer policy. Chief Frizzell explained that his meeting with Selectman Paolillo was delayed. BOS Chair Jones noted that the Accountant's letter came to the Board last Thursday. Chair Allison said there is a budgetary shortfall of \$130K. Chief Frizzell said that going forward he will meet more quickly with Mr. Younger. Mr. Younger said that the Accountant said these accounts can't be moved around to cover salaries. Mr. Younger said he may have a different interpretation, as this is not moving between appropriations. Chair Allison said that this may address the timing, but not the overall OT shortfall.

Member McHugh asked about the trending of overtime. Chief Frizzell said that overtime last year was 6.6%, and 6.79% the year before. This year it will be about 10.5%. Is the difference of 4.2% the RFT request amount, McHugh asked? No, Chief Frizzell said. The RFT amount is less than the 4.2% because it has been offset by salary savings which are added into the overtime account. However, the salary account decreases. Member Becker asked about the ambulance service revenue that is generated. Chief Frizzell said ambulance revenue to date is \$230K, with \$115K more projected for this fiscal year with \$40-\$75K additional expected, if rate structure is changed.

Chair Allison asked if the numbers were accrued? Treasure Carman replied yes, collection is about 90%. She noted that increasing rates includes third-party payments, and that third-party reimbursements may not pay us the higher rate. Chief Frizzell said that these are conservative increase estimates. Chair Allison asked about the other impacts to the Fire Department. Treasurer Carman noted that (based on his experience with several members of his family) Armstrong arrives 3-4 minutes later than Belmont's ambulance. Member Callanan commented that the number of Reserve Fund Transfer requests is concerning, as they each are of a serious nature. She said she hopes that this is discussed among the WC at some point in the future.

Chief Frizzell said he hopes the request is supported.

Chair Allison said that the RFT account can't support the requests it has received. The policy as written will need to be reviewed. She added that more clarity will be required on the question of the ambulance response. She pointed out that there is no requirement that a RFT request be granted for the full amount requested. She requested that the WC review the RFT requests and also review the RFT policy. She noted that the WC will revisit the requests next week.

Member Epstein observed that in reviewing the OT data, this is an atypical year for the Fire Department's overtime account. Mr. Younger noted that snow and ice could be a special TM article and that the federal government may provide support for the January 11/12 storm. SC Chair Rittenburg asked if members should provide revisions to the way the RFT policy is written. She added that given the budget squeezes, these RFT requests are expectable. Chair Allison said to provide language changes if anyone has any changes to offer.

Status Report on Library

Member Lynch said that he and Member Brusch are WC liaisons to the Library Feasibility Study Committee. He reviewed that the Library Trustees submitted a grant to the state in late January proposing to move the Library site to across the street. Building a new library there, he reported, will impact the school's softball field and the horseshoe parking lot, and would require a land transfer by the SC, which has not yet been approved. The total cost of the new facility will be \$19M – with up to 40% of \$17M provided for from state grants. The Library Trustees expect to raise \$3M in charitable contributions.

Update on Town Meeting Communications Committee

Member Brusch noted that an ad hoc committee was appointed last summer by the Town Moderator. A member from each Precinct was appointed, as well as two committee liaisons (herself as liaison from the WC, and Member Baghdady as a representative from the Planning Board). The TM Communications Committee is putting forth an article for TM to move the annual TM start date to the second Monday in May. There is a desire to

move it away from the April school vacation week, as the communication pertaining to TM is disseminated over April vacation when many people are away. She said moving the annual town meeting to May will allow more time for community education. The TM Communications Committee is also suggesting that the TM Warrant be opened and closed in January – with the months of February, March and April being used to educate the community on the Warrant Articles. Finally, there was a suggestion that articles should be separated out into budget articles and non budget articles. Budget articles could be presented by the WC.

Discussion of FY2012 Budget and Process

Chair Allison said there are three interrelated issues pertaining to budget and process that need to be raised.

- **The Schedule** - Chair Allison reviewed the budget timeline as it was previously outlined. She explained why the budget process was moved forward. She noted that the school level-service budget was received later than expected. She said when a budget is presented later in the process, it impacts the amount of time available to have an override discussion.
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- **Allocation of available revenue between town and school** – She noted that it was stated in November that this issue would be revisited when more information was made available. It is now time to do that. Chair Allison made the distinction between current available revenue and potential available revenue. She requested a focus on current available revenue. She presented several arguments against revisiting the initial commitment to reallocate the current available revenue budget. 1) There is a large gap – \$3M – between the available revenue budget and the school “mission critical” budget, and that any number moved toward the school budget would be a small six-figure number with little impact on the gap; i.e., the amount brought forward would not be meaningful. 2) This discussion is de-incentivising for town managers who work hard to find savings. 3) The allocation discussion is often divisive and all-consuming. 4) A reallocation discussion focuses the WC, BOS, and SC on the wrong issues: we need to focus on compensation and productivity issues; the reallocation of a small amount of money is an expensive diversion.
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- Several members argued a contrary position. Member Lynch said an allocation discussion needs to be kept in a realistic framework; however, the issue should be raised and discussed in a focused and disciplined way. We said we would revisit it and therefore we should. Member Smith agreed and said that it is meaningless to talk about the initial allocation being a “preliminary allocation” unless we intend to revisit and discuss it. There is a disparity of impact among these budgets which warrants consideration of the issue (he referenced “draconian cuts” on the school side). However, Smith added, it would be irresponsible to not consider if there could be trade-offs made. We need to know what the schools would do with more money and what impact this would have to the town-side.

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- Chair Jones said he would like to revisit the allocation as well. He said the WC could discuss this in light of the retiree health care savings and the electric light board potential savings. Member Callanan said that compensation is an important piece to this issue – when will we know if there are any savings there? BOS Chair Jones said there is no timeline on that piece. SC Chair Rittenburg said if we proceed with tiers like last year, we have set ourselves up for a scenario where the School Department is perceived as taking town funds away and is shutting down the COA. She said she would have preferred to have spent more time on the allocation conversation when it surfaced in November. Member Epstein said more information would be useful; he would like to see a school budget with zero increases in the salary line. Member Sarno recommended a dispassionate set of details of what would be added or sacrificed.
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- Chair Allison noted that this is a redistributive exercise and it will be difficult to do well. She asked if it was the sense of the group to examine the initial allocation? The WC responded – yes. She then asked if the WC should proceed along the lines of examining trade offs? The WC responded – yes. Chair Allison will communicate both decisions to school and town decision makers.
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- 2 **Override date** - Chair Allison asked BOS Chair Jones whether any discussion had been taking place regarding the timing or size of a possible override. BOS Chair Jones informed her that the Board has not discussed it.

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Update on CPA By-Law

Chair Allison noted that Dr. Paul Solomon has developed a draft of a CPA by-law and asked whether the WC wished to review it. She will distribute the draft and the WC can revisit this issue next week. Mr. Younger said that the by-law allows for four Board of Selectman appointees to the CPA committee. In addition to appointing four members, Mr. Younger explained that one Selectman would be on the committee as well. This is because a member from the Board of Parks Commission is de facto appointed to the CPA, and the Board of Parks Commission in Belmont is the Board of Selectmen.

Announcements

There were none.

Approval of Minutes for 2/23/2011 and 3/2/11

The minutes of February 23 were approved with three abstentions. The minutes of March 2 were approved with five abstentions.

Adjournment

BOS Chair Jones moved to adjourn at 9:37 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary