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**BELMONT WARRANT COMMITTEE MEETING MINUTES
FINAL**

SEPTEMBER 25, 2013, 7:30 P.M.

CHENERY COMMUNITY ROOM

Present: Chair Libenson; Members Allison, Baghdady, Bruschi, Dash, Epstein, Gammill, Grob, Helgen, Manjikian, McLaughlin, Sarno; School Committee Representative Slap

Town Administrator Kale

Members Absent: BOS Chair Paolillo

The meeting was called to order at 7:30 pm by Vice Chair Libenson.

Introduction of New Member

Vice Chair Libenson began by noting that the newest member of the WC was unable to attend this meeting; he will be present at the next meeting: October 9, 2013.

Massachusetts Municipal Association (MMA)

Member Bruschi informed the WC about the upcoming MMA meeting: Saturday, October 5, 2013 to be held in Framingham from 8:00 to 2:00. She noted that Member Allison was slated to present. Interested WC members should contact the Town Administrator's Office.

Report of Nomination Committee and Officer Elections

Member McLaughlin, from the Nominating Committee, put forth the following nominating motions. He expressed his appreciation to Vice Chair Libenson for accepting the role of Chair, noting that the WC would offer its support.

Member McLaughlin moved: To appoint Vice Chair Libenson to Chair of the WC, to appoint Member Sarno to Vice Chair of the WC, and to appoint Member Epstein to Secretary of the WC.

The motion passed unanimously.

Chair Libenson noted that there are two WC openings and that Mr. Widmer is presently seeking to fill those positions.

Warrant Committee: Role and Objectives; "Deep Dive" Discussion

Chair Libenson, having previously distributed Article 19 of the town by-laws describing the responsibilities of the Warrant Committee, observed that the article states clearly the

charge of the WC.. He highlighted Section 2, which states that the WC has the duty to provide to TM an opinion on all articles that have a fiscal appropriation. Specifically, Article 19.2 states, “It shall be the duty of the Committee to consider for all town meetings all articles in the Warrant which involve an appropriation of money and to report thereon at the town meeting.” He added that the article provides the WC with the option of reporting to TM when any town financial interests are affected.

Regarding warrant articles, Chair Libenson suggested that they could be sorted into three categories/buckets:

1. small items that have a minimal fiscal impact on the town – minimal WC time would be spent analyzing these items;
2. items that have a substantial fiscal impact on the town – where the WC would do due diligence, developing a set of questions for the proposing body or individual and largely basing its recommendation on the information and analysis provided by these committees (or individuals); and
3. items that have a substantial fiscal or financial impact on the town, where the WC would undertake its own detailed analysis.

Member Bruschi noted that the CPA Committee said they would look at ongoing operating costs (of an approved CPA project); however, ongoing operating costs have not been examined. This will need further exploration and perhaps should help to drive their decisions in approving or not approving projects. The WC may need to look at the potential ongoing operating costs, given that the CPA Committee has not.

Mr. Kale informed the WC that the CPA applications have been received and are being analyzed to see that they fit the CPA eligibility criteria. Final proposals are due in October. Mr. Kale said he would communicate that the analysis of ongoing operating costs should be part of the CPA committee’s analysis.

Member Sarno asked if the three-bucket rubric would be applied to the CPA projects (regarding assessing the WC’s level of analysis). Member McLaughlin said that since it is public money, it should be analyzed in the same way. Member Dash suggested that the analysis of CPA projects have clear guidelines. Member Allison said that she agrees that the WC should use the three-bucket analysis for CPA projects.

Member Epstein thought that the WC should focus on operating costs associated with CPA projects and avoid expressing judgment on the merits of specific proposals.

Chair Libenson indicated that, with CPA projects not being finalized until December, the WC would have time to consider exactly how to apply the three-bucket rubric to CPA projects. He did reiterate that the WC will provide TM an opinion of some kind on all warrant articles that involve an appropriation of funds, including CPA projects.

Regarding the “deep dive” areas, Chair Libenson offered that there may also be specific areas which are not the subject of warrant articles but which the WC may like to study independently. He requested that the WC give some thought as to whether it would like

to select one or two such areas, and indicated that this topic will be on the agenda for the next WC meeting on October 9.

Review of FY13 Financial Results, Including Revolving Funds

Revenue Review

Mr. Kale reviewed a handout of the FY13 financial results. He began with a review of town revenues, noting that the revenues exceeded estimates and expenditures were below budget for FY13. He then reviewed the revenue items, line by line: excise tax, meals tax, PILOT, ambulance receipts, rental fees, license/permits, and parking fines. Mr. Kale then touched on other revenue areas including state aid, property taxes, and two areas where federal money is expected to come in – Hurricane Sandy and the Marathon bombings.

Salary (and other) Savings

Mr. Kale highlighted some savings on the expenditure side, including position vacancies that resulted in some salary savings. Other non-salary savings were noted, including substantial savings on non-salary expenses in DPW and various utilities.

He then noted that these savings would replenish FY13 Free Cash and likely would allow the continued use of \$2 million to fund the operating budget in FY15. Mr. Kale cautioned that this might not be true for FY 2016.

The WC briefly discussed this analysis, specifically requesting that the data be provided in an Excel spreadsheet going forward. Members also asked that the format be revised to include the original FY2013 budget voted by TM. Member Sarno requested further fiscal detail, as well, with financial results detailed at the budget line-item level. Mr. Kale agreed to provide this information. Member Epstein raised a question pertaining to the one-time revenue that helped create free cash – specifically salary savings. Mr. Kale informed the WC that the Board of Selectmen are formulating a Financial Task Force to review all of these issues – operating expenses, capital improvement, the long term outlook, etc.

Member Sarno asked about the FY14 outlook. Mr. Kale replied that the revenue estimates have been conservative and should remain about the same. He noted that the salary savings likely won't be as high (there are currently fewer vacancies), which will reduce the ability to replenish free cash.

Revolving Accounts

Mr. Kale reviewed the account balances of the revolving accounts, e.g., Recreation, COA, Conservation Commission/Rock Meadow, Library, and Cultural Council. He noted that the beginning balances are estimates. He said the expenditures are being tracked closely.

Chair Libenson observed that the beginning balances are extremely close to what is spent. Mr. Kale agreed, noting that the goal is to not spend more than what is available.

Preliminary Discussion of Special Town Meeting (TM) Warrant Articles

Chair Libenson noted that the following articles will be addressed at the Special TM:

- Demolition Delay
- Snow Removal
- Harris Field
- Citizen's Petition on Yard Sales

He then suggested that, since the Snow Removal by-law does not involve a direct appropriation of funds and would have a minimal fiscal impact on the town, it should not be reviewed by the WC. The WC agreed.

He suggested that the WC review the Demolition Delay, as it should have some meaningful fiscal impact. Member Baghdady spoke to the potential fiscal impact of the by-law. He said that the Planning Board (PB) is still investigating the impact of this by-law. The PB is recommending that the language include a sunset provision – expiring in June 2015. This will allow the necessary time for the CPA-funded study of the impacted properties to occur.

Chair Libenson indicated that the WC will ask Michael Smith of the Historic District Commission to give a presentation to the WC about the Demolition Delay bylaw in advance of the November Special Town Meeting. There was general agreement that the bylaw is a Bucket 2 item (using the WC's three-bucket rubric). Chair Libenson suggested that the WC give some thought to creating some questions about this by-law (following the "due diligence" approach of Bucket 2). The WC agreed.

Finally, Chair Libenson said that the Harris field is a multi-hundred-thousand dollar project and as such will need to be explored (also Bucket 2). The WC agreed.

Subcommittee Assignments

Chair Libenson distributed a handout, which detailed the 2013/14 WC subcommittee assignments.

Minuteman Update

Member McLaughlin reported on the activities of the Regional Agreement Amendment Subcommittee (RAAS) and explained that they were nearing a final vote in recommending final agreement. He outlined a number of changes, including weighted voting, a different formula for capital expenses, etc. Of importance, he noted the right of a Town to withdraw in certain circumstances but explained he was not satisfied with the

present draft that required withdrawing towns to be responsible for their share of the OPEB debt, and that he had circulated to the committee members an amendment. Member McLaughlin also reported that the concept of an inter-governmental agreement, which is an agreement between towns, may be a vehicle by which non-membered towns could be assessed their fair share of the capital costs. The state department of Department of Elementary and Secondary Education was being consulted concerning this approach.

Finally, Member McLaughlin reported that Mark Paolillo, David Kale, Jack Weis, and he had attended a meeting with the Regional District and MSBA, and he observed that, in his judgment, the MSBA was focusing on Belmont's position that the MSBA process should not proceed beyond Modula 3 unless there was unanimity among the 16 members.

Updates: Board of Selectman, School Committee, Planning Board

School Committee Rep Slap noted that the SC vacancy was voted on at a recent BOS meeting and the result of that vote was a tie. The SC will meet with the BOS next Monday to resolve this issue.

Public Contributions

There were none.

Adjournment

Member McLaughlin moved to adjourn at 9:34 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary