

- **Belmont Warrant Committee Meeting Minutes**

- **FINAL**

- **April 13, 2011, 7:30 p.m.**

- **Chenery Community Room**

- Present: Chair Allison; Members Baghdady, Becker, Brusch, Dash, Epstein, Grob, Libenson, Lynch, Manjikian, McHugh, Sarno, Smith; BOS Chair Jones; School Committee Representative Slap

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- Town Administrator Younger and Town Accountant Hagg

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- Members Absent: Callanan and Millane

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- The meeting was called to order at 7:30 pm by Chair Allison.

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- Chair Allison began by adjusting the agenda as Representative Brownsberger appeared at the meeting to discuss the new information from the state regarding state aid. She also turned the WC's attention to a handout prepared by Town Accountant Hagg entitled "Estimated Revenues FY12".

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- ***Review of Available Funds Budget***

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- Representative Brownsberger said that the House Ways and Means Committee has adopted the Governor's local aid budget numbers. State aid numbers now amount to a 2.6% cut, which gives Belmont \$600K more than had been anticipated. Town Accountant Hagg noted that the number had been previously adjusted so that the increase over the available revenue budgets provided in late 2010 was slightly over \$1M. Brownsberger added that the SPED circuit breaker reimbursement rate is up (from 40% to 70% – which adds approximately \$400K. He said Chapter 90 is up as well (\$120K). These numbers look to be final, he said; while the Senate has not voted, they have declared their intention to treat state aid similarly.

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- Chair Jones noted that the House bill would give municipalities the authority to unilaterally make health care plan design changes. Representative Brownsberger added that the new plan design changes would need to be as good as the current plan and/or as good as the GIC. This still needs to go before the Senate, though, he added, where he had less confidence that the outcome would be similar to the House plan.

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- Returning to the budget numbers, Chair Allison noted that the overlay remains the same. However, she noted two changes: a very small (\$) state charge, and an increase of approximately \$30K in the Minuteman assessment. She then asked BOS Chair Jones to review the changes in major cost elements.

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- BOS Chair Jones outlined three budget adjustments which will impact both town and schools: the employee health insurance reduction, which will save \$90K; a change in

retiree health, which will save \$180K; and the reduction of electric rates, which will save the town about \$122K. The total of these three adjustments is \$393K. Also, the solid waste contract will be \$170K less per year, and \$25K has been freed up from what had been budgeted for sidewalks (as there is some additional gas and oil costs offsetting the sidewalk monies). Town Accountant Hagg will create a sheet that summarizes the numbers to be used going forward.

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- Chair Allison said that while this is good news, much of this is one-time money. She reminded the WC that the structural issues remain.

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- Now that there is more money, she noted, we must decide how to spend it. Both the town and schools need to articulate what they would do if additional monies were provided. She asked that both prepare schedules of tiers in \$250K increments. She requested that this information be reported out to the WC next week. Mr. Younger said no personnel would be added back in on the town side. Ms. Slap said that the schools would desire to keep programs, which involves keeping personnel.

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- Member Lynch asked how the new revenue picture fits in with the WC report for TM. Chair Allison said that the adjustments to the town budget should be relatively easy to incorporate since no headcount changes are involved. The Ed. Subcommittee will need to address that the additions on the school side will be personnel driven. Member Becker asked if the Board was taking a leadership role in deciding how the money was divided up. Chair Jones said that the Board is waiting to see what it would get with the additional money and that answer has not been forthcoming from the school department. The Board is looking to avoid the cuts to programs that parents are deeply concerned about.

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- The WC discussed the upcoming schedule.

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- Member Bruschi requested that the Board consider the Capital Budget when allocating the additional funds.

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- ***Review of Town Operating Statement Ending 3/31/2011***

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- Town Accountant Hagg noted that this was a quarterly statement. She highlighted certain areas for the WC to focus on, including the following revenues: meals excise tax, property values, and building permits. Regarding operating statements, the following are out of sync: fire suppression, snow and ice removal, and recreation programs. Sewer and water fees have been adjusted, and those enterprises are now funded to a break-even level. She noted that water varies from year to year based on how dry/hot the summer is.

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- Chair Allison thanked Town Accountant Hagg for pulling these reports together so quickly.

- Mr. Younger noted that FEMA may provide up to \$80K in federal aid for snow and ice funding. This funding, if approved, will come back to the town in the summer (for FY12).

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- ***Discussion of Various Warrant Articles***

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- **Article 14 – Pipeline Assistance Loan Program**

- **Article 15 – Authorization to Participate in the MWRA I/I Local Financial Assistance Program**

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- Chair Allison began with Articles 14 and 15. She noted that the costs are now available: \$3.5M for the pipeline (Article 14) and a little over \$5M for Article 15. These will be voted on at the May TM.

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- **Article 17 – Create Appointed Municipal Light Board**

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- Chair Jones said that the Board voted recently to withdraw this article. Chair Jones said he will research this issue more. He said managing this entity is a very complex issue for the Board.

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- **Article 20 – Stretch Code**

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- Chair Allison said she hopes the WC was able to watch the BMC presentation on this article. Member Baghdady said that the Planning Board discussed this and that the vote was 3 to 2, not in favor of the article. He reviewed the major points covered in the PB's discussion (costs, environmental impact, legislation of a new energy code in 2012). The PB was in favor of adding energy code recommendations for new buildings. Member Dash reported that he had spoken with a building inspector in a municipality which had not taken up the Stretch Code, and that inspector had opined on several points. One, that the Commonwealth is likely to enact a new Energy Code in 2012 which would be equal to or greater than the current Stretch Code, that the Stretch Code would cover municipal building projects, that the Stretch Code would lead to increased construction costs, that the long-term maintenance and availability of parts for the new high efficiency systems dictated by the Stretch Code had not been addressed, and lastly, that the Stretch Code would lead to more energy efficient buildings and lower energy costs.

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- Member Grob asked what the trigger for this was for a residence? Member Baghdady replied that the stretch code application is triggered when a building permit is pulled. Member Baghdady explained adopting a 2012 stretch code vis-à-vis the proposed current stretch code. Member Epstein noted the need for a more clearly written warrant article. Member Libenson noted that externalities are often put forward as arguments for regulation. Chair Allison replied that the argument put forth here is that this will pay for itself with utility costs savings, rather than externalities argument. Member Manjikian said that this article is about intent and not actual performance.

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- **Article 21 – CPC**

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- The WC plans to amend this article to learn how costs will impact operating budget, the administrative costs and estimates of foregone tax revenue.
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- Mr. Younger distributed a handout which reviewed the language of the article and outlined the state statute/local option distinction, in response to an earlier WC question about what language is directly from the state statute and what language is a local option.
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- Chair Allison requested that the WC review both Article 21 and the information the Town Administrator distributed.
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Article 22 – Warrant Report Distribution

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- There were no comments on this article.
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Article 24 – Distribution of Town Owned Property

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- Chair Allison distributed a map which showed the approximate whereabouts of these town-owned parcels of land. BOS Chair Jones explained the locations and the history of the two parcels. Mr. Younger noted that this article authorizes the Board to dispose of these two parcels (not necessarily sell them). The WC discussed this article and how this article is impacted by what the town actually owns.
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Article 19 – Tree Preservation By-Law

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- Chair Allison noted that, although the WC voted unanimously to not support Article 19, a procedural point was raised that the WC had said it would wait to hear from the Shade Tree Commission to discuss, before taking its vote, but that the Shade Tree Commission has not concluded its discussions.
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- Member Becker moved for: *reconsideration of this vote, to be voted again once the Shade Tree Commission has discussed the article.*

- The motion passed unanimously.
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Article 23 – Town/School Facilities Maintenance Consolidation

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- Chair Allison requested that Member Libenson provide the WC rationale (at TM) in support of this article.
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Discussion of Article 16, Re: Library Grant

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- Mr. Matt Lowrie, Chair of Library Trustees, and Maureen Connors, Library Director, appeared before the WC to present information on Article 16. Chair Allison requested that Mr. Lowrie speak to the three topics raised by the WC: the financials, the timeline, and the decision-making process going forward.
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- Regarding financials, Mr. Lowrie reviewed the cost of the new library: \$19.3M (with \$17.7M in allowable costs). The state will (hopefully) provide an \$8.5M grant and the Trustees hope to raise \$3M from private fundraising – which leaves a cost of \$7M. There are roughly \$3.4M in required repairs to the current library (elevator, roof, boiler, fire suppression, carpet, etc.). He said if more than \$1.8M is spent on these necessary repairs, accessibility issues are triggered and the library space is reduced by 30%.

- Regarding the BHS field, in the space proposed for the new library, one field will be lost and there will be a cost associated with its replacement. Clearly, he said, the field problem has not been solved. However, the current library space will generate some money (if it can be sold) and that money could replace a field.

- Regarding timeline, Mr. Lowrie explained that voting yes at TM is not a vote to build a new library. TM will need to vote to create a building committee, to acquire the land, and to move forward with a debt exclusion. This TM vote only concerns whether we should stay in the running for the grant. In July 2011, the state will award \$10M of its money. If the state awards the grant, the November TM will need to vote to form a building committee, and the debt exclusion could be voted on in the Spring of 2012.

- Member Sarno asked if it was likely that the state would award \$8.5M to one town, given that it only has \$10M to give at this time? Member Dash asked about the wait list and if repairs would need to be done in the meantime. Member Smith clarified the purpose of this TM vote – he noted that a timeline of future votes/check points would be helpful at TM.

- Member Libenson moved: *That the WC support this article.*

- The motion passed with 14 in favor and one abstention.

- Member Epstein that it should be stated clearly that this WC vote reflects only the narrow scope of the warrant article.

Announcements/Updates

- Chair Allison announced that the Warrant Briefing will be held on April 14 at the Beech Street Center. The WC will hold a briefing on the financial articles on Tuesday May 3, at 7:30 (location TBA).

- The WC may need to meet prior to TM and meetings have been posted, just in case.

- The WC report is in need of editing, as it is currently too long – past 90 pages.

Approval of Minutes for 4/6/2011

- The minutes of 4/6/2011 were approved.

- ***Wrap-up/Adjournment***

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- BOS Chair Jones moved to adjourn at 9:26 pm.

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- Submitted by Lisa Gibalerio

- WC Recording Secretary

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