

**BELMONT WARRANT COMMITTEE MEETING MINUTES**  
**FINAL**  
**JUNE 20, 2012, 6:30 P.M.**  
**CHENERY COMMUNITY ROOM**

Present: Chair Allison; Members Baghdady, Becker, Brusch, Epstein, Libenson, Lynch, Manjikian, McLaughlin, Millane, Sarno; Selectman Jones; School Committee Representative Slap

Members Absent: Dash, Grob, McHugh

The meeting was called to order at 6:30 pm by Chair Allison.

Chair Allison began by noting that the WC will fill out the self-assessment form once the meeting has adjourned. She then turned to the first item on the agenda.

***I. Fire Department Overtime Review (and other RFT issues)***

Member Libenson informed the WC that the Fire Chief was concerned about exceeding the over time (OT) budget. As a result, a Reserve Fund Transfer had been requested for \$150K and the WC voted to released \$100K. Member Libenson stated that no more money will need to be released; \$100K was the right amount to cover the OT needs. Regarding next year, Member Libenson said that it is possible the OT budget will be exceeded, as there is not much of a buffer. However, the OT budget has been increased and the Fire Chief expects not to exceed this amount, but it remains a possibility.

***II. Proposed OPEB Policy Review***

Chair Allison referred the WC to the handout entitled "Reserve Calculation". She noted that the WC approved, in principle, the concept of making a policy of providing regular contributions to the OPEB fund. The amount of the contributions has not yet been determined. Treasurer Carman provided data concerning what the numbers would look like based on a five and a ten percent contribution going back to 2001. She noted that a part of the analysis included looking at what other towns are doing. The policy is reviewed (by the Treasurer) every two years. There are towns where capital endowment funds are used, but that undesignated general fund balances could go down, which is a concern. She added that some towns (affluent communities) pegged a flat level contribution, but that this builds in inflexibility.

Selectman Jones suggested to look at AA towns. Member McLaughlin suggested putting in the minimum amount which would reflect that Belmont has an OPEB policy. Member Libenson confirmed that the Treasurer has stated that five percent is the minimum amount of a contribution. Member Epstein said that downgrading to a AA seems to be a remote reality. He added that if Belmont received a AA from Moody's, the dollar impact of this downgrade comes very close to the five percent contribution number. Selectman

Jones noted that exceptions from the contributive policy could be made in a year of hardship. He said this would be important to have imbedded into the OPEB policy.

Chair Allison said she looked into the investment guidelines, which are fairly very conservative. Member Bruschi raised the issue of Belmont potentially bonding for more money in the coming years, and those interest rates will be impacted if Belmont goes down to AA rating.

The WC discussed various considerations of formulating this policy.

Chair Allison summarized the major points from the OPEB discussion:

- to conduct frequent reviews of policy – every two years
- a contribution number higher than five percent will not be supported
- it would be good to know who will be investing this money
- to confirm that five percent is the lowest acceptable number
- to confirm the language of not contributing to OPEB in the event of financial hardship should be embedded in the policy

Next steps:

Chair Allison will convey the elements of this discussion to Mr. Carman. The WC will return to this topic at its first meeting in September (either the 12 or the 19<sup>th</sup>).

### ***III. Self Evaluation Discussion***

Chair Allison distributed the self-assessment form to the WC members. She noted that she made some revisions to the form, including omitting some questions. She said that there are four new categories on the form and she reviewed these categories.

She noted that she is the only one who receives the raw data (i.e. the answers to the questions). She said the responses are reviewed with Mr. Mike Widmer in the fall.

### ***VI. Updates/Announcements***

Selectman Jones announced that the BOS voted to invite David Kale to become the new TA in Belmont. A contract is currently being negotiated. He said the original vote was 2-1, but that the recently voted to unanimously support. He then noted that he regrets his comments about the WC; that they were made in anger.

He then said this will be his last WC meeting. He said it has been enjoyable experience and he wished his colleagues the best in the future.

### ***VII. Approval of Minutes for April 11 and May 9, 2012***

The minutes of 4/11/12 and 5/9/12 were approved with three abstentions for 4/11 and one abstention for 5/9.

In September, the minutes of May 31 and tonight (June 20) will be approved.

The minutes of May 14 were unanimously approved with one abstention.

### ***VIII. Adjournment***

Member McLaughlin moved to adjourn at 7:19 pm.

Submitted by Lisa Gibalerio  
WC Recording Secretary