

Warrant Committee
May 26, 2021 7:30pm
Remote Meeting via Zoom

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TOWN CLERK
BELMONT, MA

DATE: June 28, 2021
TIME: 2:29 PM

Meeting Minutes

Members in Attendance

Warrant Committee: Laurie Slap, Robert McLaughlin, John Alcock, Lynn Read, Anne Helgen, Elizabeth Dionne, Andrew Levin, Geoffrey Lubien, Daniel Halston, Elizabeth Goss, Jack Weis, Jennifer Fallon, Ellen Schreiber, Paul Rickter, Christine Doyle, Adam Dash, Mike Crowley

Other: Patrice Garvin, Jay Marcotte, Tom Caputo, Aaron Pikcinglis, Anne Marie Mahoney

Call to Order

The meeting was called to order at 7:30pm.

I. Approve minutes.

Members provided minor revisions to the meeting minutes of September 16, 2020.

Motion: Mr. McLaughlin moved to approve the 9/16/20 meeting minutes, seconded by Mfs. Helgen (Motion passed, roll-call vote: Alcock, Crowley, Dionne, Doyle, Fallon, Halston, Helgen, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes. Goss, Dash and Levin abstained.)

The meeting minutes from 9/30/20, 5/12/21 and 5/17/21 will be discussed later, given the full agenda ahead.

II. American Rescue Plan (ARP) funding update.

Mr. Tom Caputo, Chairman of the Financial Task Force II gave a brief presentation regarding the American Rescue Plan Act of 2021.

- FTF2 has been tasked with calculating revenue loss as defined by the ARP and determining how the town can use the ARP funding.
- Belmont's funding runs through the state. Belmont has been granted \$7.6 million in COVID Local Stability funds and \$1 million in ESSR III funds.
- Guidance has been provided by the U.S. Treasury Department detailing the interpretation and implementation of the law.
- No Town Meeting appropriation will be required. The funding will be treated as federal grants.
- 80% of the ESSR III aid should be used for general school support and 20% should be used for learning loss. Belmont will likely use the Local Stability Fund to support public health expenditures and replace lost public sector revenue. If the town were to see reduced revenue in the year since the pandemic the law assumes that the revenue loss

is attributed to COVID. They have provided a calculation to determine this number. There are multiple scenarios based upon revenue definition. The town's growth rates are above 4%.

- There is a non-trivial difference between the revenue we have seen in FY21 and expected in FY22 and the revenue we would have seen if COVID had not occurred. The town will have the ability to apply the amount of calculated lost revenue to the operating budget. The town can utilize these federal funds for the next three years. These are one-time funds so they should be used for one-time expenditures.
- A recommended approach to these funds for FY21 is to provide reimbursements for COVID related expenditures. In FY22 and FY23, the town will continue to utilize federal funds for COVID related costs and begin to look at the lost revenue calculation and use the federal funds for the operating budget.
- The town is beginning to receive bulletins from the state. The money will be going into a special revenue fund. Through the policy boards the decision can be made regarding how to spend these funds.
- Ms. Garvin has reached out to town counsel and they concurred that these funds do not have to go to Town Meeting.

Committee members provided the following comments and questions:

- The 4.1% growth rate for lost revenue, to the extent that it includes property taxes, absolves the Town from the Prop 2.5 override by letting us use more revenue for general operating expenses. The ESSR III funds can be used for general operating uses (up to 80%). To note, there are plenty of COVID related costs that the school is incurring. There seems a great deal of flexibility for the process and use of these funds.
 - Ms. Garvin stated that there is a complex reporting structure that the town will have to follow for the use of this funding.
- How is the projected revenue growth rate greater than 4.1%?
 - The growth rate includes the high school debt exclusion and free cash usage. If the debt exclusion and free cash come out, then the growth rate would be lower.
- What does it mean when we say that the town can use the federal aid for the operating budget?
 - This funding is similar to the CARES Act in how it is flexible but the town is seeking additional guidance.
 - The town has expenditures right now in the operating budget that have been allocated to COVID related activities.
- How do we determine how the funds are allocated?
 - It will ultimately be determined by the policy boards.
- COVID related expenses above and beyond the operating budget will be reimbursed. The aid used for the operating budget will reduce the town's need to use free cash.
 - Again, the use of these funds will be up to the policy boards.
 - There appears no requirement to use certain percentages of the Local Stability Fund for particular uses.
- Can this aid be used to replenish the Capital Stabilization fund since they are one-time investments? This fund is currently unfunded.

- There are going to be reporting deadlines. A plan may be required for the first round of funding to be received.
- It was recommended that some of this aid be allocated for the water and sewer enterprise fund.
- Are we going to have a town policy related to the use of this money?
 - This will be determined by the policy boards.
 - These boards will be careful to use these funds for one-time expenditures.
 - COVID related expenditures will likely take priority for the use of these funds.
- The town will be receiving two equal tranches of funding.
- Can we receive an update of what kind of COVID related expenses we may be seeing?
 - Ms. Garvin can keep the Committee updated.

III. FY21, FY22 budget updates.

Reserve Fund Request

The Town is requesting \$137,160 to be used from the Reserve Fund to cover the FY21 snow and ice deficit. The DPW is allowed to deficit spend on snow and ice. During the past winter there were several snow events during holidays and weekends. The FY21 budget total was about \$764,000. Police details, overtime, private contractors and salt are all costs included in the snow and ice budget.

Mr. Weis commented that since the town chronically underfunding snow and ice, should the budget be increased? Ms. Garvin responded that snow and ice is allowed to deficit spend for the reason that it is unpredictable. The Department has deficit spent in some years and has given back money in others. It is better to deficit spend than to have money sitting in the budget. Mr. Lubien noted the challenge for the town tried to analyze and predict snow and ice spending. Mr. Marcotte mentioned that trees falling has become an increasing cost associated with snow events.

There have been no other requests to date for the Reserve Fund.

Motion: Ms. Read moved to approve the use of \$137,160 from the Reserve Fund for the Snow and Ice budget deficit, seconded by Mr. Lubien (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Other FY21/FY22 Updates

Ms. Garvin recently met with the Treasurer and the town is running behind on collections which will directly impact the town's free cash number.

The School Committee Finance Subcommittee will vote to offset the deficit in Special Education expenditures using circuit breaker funds, amounting to about \$700,000.

IV. Discuss and Vote on segment B town meeting articles.

Article 7 - Citizen Petition: MGL Brave Act

Mr. Aaron Pikcilingis requested that the motion be broken into four segments. Mr. Lubien had asked about a sunset clause. The MGL allows municipalities to rescind any time after three years through a vote at Town Meeting. A positive vote on the tax work-off program would request that the Select Board create and establish a program like this. Results of a recent financial analysis prepared by Mr. Pikcilingis predicts an annual impact of \$2,000 - \$4,500 per eligible employee.

Committee members provided the following comments and questions:

- Members voiced many concerns regarding Segment Four regarding the lifetime property tax exemption for Gold Star families.
- The Select Board asked that Segment One (regarding pay differential) be deferred to the fall to allow for increased analysis of the impact it would have on the budget. An amendment was recommended requiring an accounting each year for the financial impact of Segment One. The data the town receives regarding Segment One will need to be anonymized.
- Members voiced support for Segment Two to be means tested.
- An amendment was recommended requiring an accounting each year for the financial impact of Segment Two.
- Members voiced concern regarding Segment One. The nature of deployments varies greatly and additional language may need to be added to clarify the goal of this segment.
- What would the town do if there were many Gold Star families residing in Belmont? The town may withdraw their participation through a vote at Town Meeting.
- Segment Four may be viewed as an incentive for Gold Star Families to move to Belmont. Although the exemption gets dispersed among all taxpayers, it may add up over time if more Gold Star families move to Belmont.
- Additional financial information may need to be shared with the Warrant Committee to get a better idea of how this Article will impact town finances.
- Mr. Pikcilingis may add amendments to each Segment.
- Members recommended postponing this Article until the Fall Town Meeting.

Motion: Mr. McLauhlin moved favorable action to postpone Article 7 until the Fall 2021 Town Meeting, seconded by Ms. Dionne (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, McLaughlin, Rickter, Slap, Weis, voted yes. Lubien, Schreiber, Read voted no. 14-0-3)

Article 12 - CPC Projects – Winn Brook Tennis Court

Motion: Ms. Schreiber moved approval of this project included in Article 12, seconded by Mr. Alcock (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Rickter, Schreiber, Slap, Weis, voted yes. Read abstained.)

Article 13 - FY21 Transfer Water Retained Earnings

Motion: Ms. Schreiber moved approval of Article 13, seconded by Mr. McLaughlin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 14 - School Reimbursement

Motion: Mr. McLaughlin moved approval of Article 14, seconded by Ms. Fallon (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 15 - Salary of Elected Officials

Motion: Ms. Schreiber moved approval of Article 15, seconded by Mr. McLaughlin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 16 - Enterprise Funds for Water and Sewer and Stormwater Services

This is an atypical article. There is controversy around a buried or above ground tank.

Ms. Doyle recommended using ARP funds for this project.

Ms. Anne Marie Mahoney summarized the local opposition to an above ground tank and the lack of insurance for the tank. The town has already spent \$100,000 of the \$500,000 appropriated by this article. This project was voted on by Town Meeting last year approving the tank.

Once a single walled tank is more than twenty-five years old it is difficult to insure. In 2012, 2016 and 2018 the town attempted to obtain insurance. The town is attempting now to gain insurance. They have been denied twice and are waiting for another determination. Most towns who have single walled tanks are self-insured.

Following up on resident suggestions, Mr. Marcotte has asked Watertown about using their tanks. Several important questions were brought up in their conversation about traffic, billing, snow and ice operation delays, damage liability, etc. There were many concerns regarding the practicality of sharing tanks. Mr. Marcotte has spoken with the DPW Directors in the area. Ms. Garvin noted that this would also take public safety vehicles out of town which may delay public safety services during emergencies.

Mr. Bill Anderson noted that saying that the tanks leaking is misleading. The last test conducted indicated that there were no leaks. Mr. Anderson recommended that the town use private gas stations. Mr. Anderson asked why an RFP has not been shared with the public for this project. Ms. Mahoney responded that a municipality cannot put out an RFP until the funds have been allocated. Regarding the test borings, Ms. Mahoney responded that though the town hires reputable consultants, problems can still arise.

Ms. Judith Sarno asked if the Light Board has voted on this project. Ms. Garvin responded that a vote by the Light Board is not required.

The Fire Chief had recommended that over time underground tanks around town be removed. The Capital Budget Committee over time has been following this recommendation.

Motion: Mr. McLauhglin moved approval of Article 16, seconded by Ms. Doyle (Motion passed, roll-call vote: Alcock, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes. Crowley abstained.)

Article 17 - Revolving Fund

Motion: Ms. Schreiber moved approval of Article 17, seconded by Mr. McLaughlin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 18 - Appropriation of Transportation Grant

Motion: Ms. Doyle moved approval of Article 18, seconded by Mr. Levin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 19 - Appropriation of Capital Expenditures

Motion: Ms. Doyle moved approval of Article 19, seconded by Mr. Levin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 20 - Other Post Employment Benefits

Ms. Doyle, Ms. Dionne and Mr. Lubien voiced support for funding this account above the minimal level.

Motion: Ms. Helgen moved approval of Article 20, seconded by Mr. McLaughlin (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

Article 22 - FY22 Budget

Motion: Mr. McLaughlin moved approval of Article 22, seconded by Mr. Rickter (Motion passed, roll-call vote: Alcock, Crowley, Dash, Dionne, Doyle, Fallon, Halston, Helgen, Goss, Levin, Lubien, McLaughlin, Read, Rickter, Schreiber, Slap, Weis, voted yes.)

**V. Reports from Select Board, Town Administrator, School Committee, and liaisons.
(none)**

VI. Public comment. (none)

VII. Adjournment.

Motion: to adjourn the meeting at 10:02pm. (Motion passed unanimously).

Submitted by

Katie Luczai