FINAL REPORT OF THE
FINANCIAL TASK FORCE
January 30, 2015

Office of the Board of Selectmen
Belmont Town Hall
455 Concord Avenue
Belmont, MA 02478

Financial Task Force

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TOWN OF BELMONT FINANCIAL TASK FORCE

EXECUTIVE SUMMARY REPORT – JANUARY, 2015

Purpose of the Financial Task Force:

The Board of Selectman (BOS) established a Financial Task Force (FTF) in December 2013 with the purpose of developing a multi-year financial and capital plan. This plan is intended to allow policy makers and residents to understand current and future expenditure and revenue issues as well as the impact they will have on the ability of the Town to provide quality municipal and educational services and capital improvements.

Membership of the Task Force:

The Task Force was comprised of 13 members, including Town and School officials, elected officials, representatives from various committees, and residents. Some members were selected by the Chairs of their respective Boards or Committees.

- Board of Selectmen - Mark Paolillo
- School Committee - Laurie Graham & Laurie Slap
- Warrant Committee - Anne Helgen
- Capital Budget Committee - Anne Marie Mahoney
- Planning Board - Charles Clark
- Board of Assessors - Charles Laverty III
- Town Administrator - David Kale
- Town Treasurer - Floyd Carman
- Superintendent of Schools – Dr. Thomas Kingston (Thru 6/30/2014) & John Phelan
- School Finance Director - Anthony DiCologero
- Residents - Paul Lisanke & James Williams (Thru 1/15/2015)

In addition, four residents were selected to serve as a focus group to provide feedback and alternative perspectives during the process. These individuals were: Angelo Firenze, Andrew Levin, James Tzouvelis and Justin Amico.

The Task Force was supported by other town and school staff/consultants such as Assistant Town Administrator Phyllis Marshall, Town Accountant Chitra Subramanian, Director of Assessment Daniel Dargon, School and Town Human Resource Directors Mary Pederson and Diane Crimmins, and consultant James Conry.

Working Group Structure:

As part of the process, the Task Force reviewed a variety of programmatic topics for both the Town and Schools and formed Working Groups in each area:

- Group A - Education
- Group B - Revenue Opportunities
- Group C - Capital Projects
- Group D - Town Government (Programmatic Requirements and Opportunities for Structural Changes)
- Group E - Financial Projections

Some of these working groups will continue to meet in the future to provide recommendations to the Board of Selectman and the School Committee.

GROUP A: Education

Eight "Modeling Groups" were formed by the Schools to comprise the overall School Working Group. Participation within modeling groups involved School Committee members, Warrant Committee members, Town officials, School Department faculty and staff, and community members. The modeling groups reviewed financial and programmatic topics related to providing quality education and provided information to the Task Force in the development of the overall plan. The eight modeling groups reviewed the following topic areas; Salary and Compensation, Special Education, Enrollments, Operations and Maintenance, Instructional Modeling and Innovation, Revenue Sources, Student Services and Instructional Technology. A copy of each modeling group report is attached to this report.

GROUP B: Revenue Opportunities

This Group investigated opportunities for the Town to maximize non-property tax revenues. It also analyzed existing fee structures for revenues which fund the budget and will continue to do so in order to make future recommendations for changes, as well as conduct ongoing validation of our current fees in relation to other municipalities.

GROUP C: Capital Projects

The Capital Projects Group reviewed the status of current and future projects, analyzed debt service costs on major capital projects and the impact on the property tax levy, and prioritized major projects. In addition, the Capital Group reviewed allocations for pavement management, non-debt exclusion projects and other pay-as-you-go projects.

GROUP D: Town Government (Programmatic Requirements and Opportunities for Structural Changes)

This Group explored a variety of issues regarding service delivery for Town services. Examples of some of the areas that were discussed included: regionalization, consolidation, alternative service delivery models, establishing enterprise funds for certain activities, staff planning, and review of services that are not currently provided.

GROUP E. Financial Projections

This Group developed a working model to allow financial projections to be made based on data collected and recommendations made by working groups. The model created can be updated annually and used in the future to incorporate revisions in response to various budget assumptions and variables.

Key Findings and Recommendations:

The goals of the Task Force were:

- to produce a multi-year financial plan which would illustrate the ability of the Town to provide quality municipal and educational services and capital improvements based on the data and recommendations of the working groups
- provide an opportunity to investigate potential revenue sources and service delivery models
- analyze capital project funding needs and impacts
- collect data on revenue and expenditure historical trends, and project future estimates based on trends and various assumptions.

The following is a summary of Key Findings and Recommendations.

GROUP A: Education

Findings

As the new fiscal year began in July 2014 the Leadership Council of the Belmont Public Schools used the Modeling Group summaries to inform the work for the 2014-2015 school year. This will be the foundation for the next Strategic Plan process beginning in the spring of 2015. These eight modeling group reports have been and will be used as guiding documents for the school district.

The Leadership Council reviewed and analyzed the Modeling Reports in August 2014 over a three-day retreat. Each report was summarized by a small team and presented to the entire group. In the aggregate, the Leadership Council concluded that there were more needs than would be feasible to "ask for" in any single budget year and that a multi-year approach was required.

At the completion of the August review, there was a clear consensus that two of the modeling group reports and challenges were a priority: *Enrollment* and *Student Life (Social Emotional Learning).* The Leadership Council considered these two areas "pressure points" on the district that needed to be addressed immediately.

With that said, the Leadership Council attempted to keep the suggestions within an "acceptable" parameter, and to suggest a three (3) year plan to address the school department needs. These projections would only maintain our existing programs and supports for students.

Recommendations

1. Belmont Public Schools Projected Staffing Needs

Enrollment needs look different at each of the three levels (elementary, middle school, secondary). At the elementary level, the need to add a strand (another full class) at each grade level over time, with corresponding Unified Arts support, is essential. At the middle school level, the allocation of a grade five teacher will reduce class size in that grade only; a guidance position will address the ineffective 430:1 student:counselor ratio; and last but most importantly, two Unified Arts teachers, over two years, will begin to address the issue of middle school students not receiving direct instruction and sitting in large study halls each period. At Belmont High School, three teacher positions will be allocated to address the increasing number of students who are not engaged in learning during the school day. The number of unengaged students ranges from 96 to over 800 during certain days and mods (periods) during the week. The number of students not engaged in meaningful learning experiences during the school day is a wasteful and disturbing practice that needs to be addressed immediately.

The three-year staffing chart below also reflects the addition of two English Language Learner teachers. These positions are mandated by the state due to our increasing enrollment of this sub group within our overall student population.

Level	***Year One (SY 15/16)***	***Year Two (SY 16/17)***	***Year Three (SY 17/18)***
Elementary	1.0 Grade 4 Teacher (Wellington) * 1.0 Kindergarten Teacher * 1.0 Grade One Teacher *	1.0 Grade 2 Teacher*	1.0 Grade 3 Teacher*
Middle	1.0 Grade 5 Teacher * 1.0 Unified Arts Teacher(s) *	1.0 Unified Arts * 1.0 Guidance Counselor * #	
High	3.0 FTE's for Reduction of non-engaged/non-scheduled students *	1.0 FTE - Reduction of non-engaged/non-scheduled students * 1.0 Guidance Counselor *#	1.0 FTE - Reduction of non-engaged/non-scheduled students *
DW	2.0 English Language Learner Teachers*		1.0 Technology * 1.0 Instructional Technology Spec.* 1.0 SEL Staff Person *
Total FTE	**10.0**	**5.0**	**5.0**
	(*) Indicates Enrollment need (#) Indicates SEL need		

2. Aligning Budget Expenditures in Key Areas of FY15 Shortfall

Additionally, working with the Director of Finance and the Director of Student Services, areas were identified in the budget that were not fully funded and would need an increased allocation projection. These budget line items make up the majority of the current FY15 shortfall and thus need to be fully funded in FY16.

The areas are:

- **Special Services Contracted Service** budget line has steadily increased over the last several years. These are mandated services provided to our students with financial obligations that will need to be paid. This shortfall has reached approximately $425,000.
- **Out of District Students** budget line allocated funds on the assumption that the Belmont Public Schools would have 81 students to serve in the 2014/15 school year. By June of 2014 and continuing into the second fiscal quarter of this year (2014/15) that number has risen to 95. Over the past eight years the number of OOD students has fluctuated between these two counts (4 years in the 80's and 4 years in the 90's). The FY15 tuition shortfall is projected to be approximately $384,000. This amount will increase by approximately $276,000 in FY16 since LABBB (collaborative) credits used in FY15 to balance this line item will not be available in FY16. In past years, various federal and state grants and entitlement funds have been utilized to offset tuition cost increases, but these funds have either declined or been eliminated by funding agencies.
- **Special Education Transportation** budget line increased correspondingly to the increase in our aggregate enrollment and that of the increase in OOD students. The increase in this item in FY16 will be approximately $200,000.
- **Temporary Wages** -There are expenditures that exist in the public school budget each year that involve tutors, staff overtime, and stipends that cover work with special education students, summer early childhood programs, and summer programming that have not been budgeted sufficiently. Given the shortfall in this line for FY15 the recommended allocation to cover this line item in FY16 is $127,000.

3. Space Needs Due to Increased Enrollment

With the increase in enrollment the need for increased classroom space is inevitable. There has been a Space Task Force commissioned and an architectural firm hired to project the needs of the Belmont Schools, as it relates to increased enrollment and corresponding classroom space. There is a concern that at the elementary level, the system will need to increase by at least one additional strand (one more grade level class for each grade level K-4) to provide the capacity and ensure appropriate class sizes, based on School Committee class size guidelines. This would result in the need for modular classrooms and/or a more permanent solution by September 2016 at the elementary level.

Additionally, the space at the Chenery Middle School has been exhausted with the increase in students enrolled. The Chenery currently does not have enough space to support the current level of student enrollment and will not have the capacity to handle the current cohort sizes that are moving up from the elementary schools. As evidenced in the current enrollment chart, the wave of students moving up through the district is concerning. The increase in enrollment coming from the elementary level, combined with the need to provide classes and programs for those students in study halls, will result in the need for modular classrooms by September 2016. The permanent answer to the space needs at the middle school will need to be part of larger conversation of how we organize the district in future years. At this time the middle school presents the biggest concern from a lack of space perspective.

Belmont High School is out of space. Currently there are 31 rooms that are shared by 2 teachers and 4 rooms shared by 3 teachers. Given the need for additional class offerings for students who are not engaged during the day, and a wave of enrollment increases coming each year, the need for space at the High School is becoming critical. By way of example, the graduating class of 2014 at Belmont High School was 260 students. The 2014 entering kindergarten class was 354 and all five grade levels at the elementary level are over 330 students. Historical enrollment trends indicate there is little, if any, net loss of enrollment over the grade spans.

There are teachers who do not have their own classrooms and travel to two or more classrooms to teach. If we want to increase the number of teachers at the middle or high school to reduce the amount of unstructured, non-educational time ("frees"), the district will struggle with the ability to do so, without adding temporary space or building more permanent space.

It should be noted that these staffing projections only provide the needed respite in dealing with the increased enrollment and our communities' collective concern with our students' social emotional needs. There are no new programs or initiatives in this projection.

GROUP B: Revenue Opportunities

Findings

The Revenue Opportunities working group created a consolidated fee schedule and found that Belmont's current fee structure is competitive with those found in comparable municipalities. The working group confirmed the Town is pursuing all potential Payment-in-Lieu-of-Taxes (PILOT) opportunities to the extent possible and also confirmed all cellular towers within the Town are being assessed personal property taxes.

Increases to parking fees and parking permit fees were recommended to the Board of Selectmen this fall, and were approved. Implementation is estimated to achieve a revenue increase of $50,000.

Implementation of a commuter parking pass program is scheduled to be initiated in Belmont Center by the end of the current fiscal year.

Recommendations

The Revenue Opportunities working group developed the following recommendations:

1. The Town maximize revenue opportunities from Town and School recreational assets, including the Underwood Pool, Higginbottom Pool, and other existing recreation assets

2. Sell town owned parcels for residential development or defining a public purpose. These include:
    i. 130 Orchard Street 17,716 sq. ft.
    ii. 781 Pleasant Street 263,538 sq. ft.
    iii. 248 Mill Street 200,376 sq. ft.
3. Explore whether there is joint support from the Town and School Department for adopting a naming rights policy
4. Examine new growth opportunities at South Pleasant Street and recommend the Town re-zone this area to encourage redevelopment
5. Review building rental fees and recommend identifying opportunities for facilities fees and rentals
6. Upon completion of Cushing Village project, review surrounding parking management issues and opportunities
7. Implement March 2012 Parking Management Plan approved by Board of Selectmen after Belmont Center Reconstruction Project is completed
8. Create additional parking opportunities on Concord Ave (i.e. the vacant town owned lot to the right of JV Soccer Field)
9. Define and document direct services provided by the Town for each non-profit organization
10. Request from each non-profit organization a list of services they provide the Town
11. Seek financial support/partnership for upgrades of facilities used by nonprofits
12. Hire a new full-time professional Recreation Director to manage recreation facilities
13. Consolidate the management of Town and School recreation assets under experienced recreation management.
14. Combine the operation of the Higginbottom and new Underwood pools into an Aquatics Program.
15. Direct the Recreation Department, in conjunction with the Recreation Commission, to generate written policies, and evaluate and expand programming, outsourcing, and rental fees.
16. Create a "Field Management" task force of all stakeholders to determine usage, prioritization, fees, maintenance and upgrades and to coordinate improvements for both Town and School fields.

GROUP C: Capital Projects

Findings

The current Capital Budget operating budget allocation ("Pay-As-You-Go"), has averaged $1,346,000 over the last three years. This budget funds the purchase of major equipment and vehicles, sidewalk repairs, building improvements/repairs, facilities systems replacements, and

technology systems. The Capital Projects Group examined current and projected future needs and determined this budget is significantly under-funded. For example, the FY15 Capital Budget plan included over $4.5 million in legitimate (not "blue sky") requests, not including major library renovations. The budget to fund these requests was $1,395,000. In addition, another $1 million in capital repair/ replacement has been identified as a result of a recently completed Facility Study. This does not include any funding for portable classrooms, which may be required due to increasing enrollments and lack of existing classroom space.

The sub-group believes quite strongly that the annual Capital Budget must be increased to a level of at least $3.0 million a year to adequately keep up with the repairs, smaller renovations, and capital purchases that are necessary to keep all of the Town departments functioning efficiently *and* safely. Road and sidewalk repair alone could use an additional $3.0 million a year. Without adequate funding, the roads and sidewalks will continue to deteriorate, and equipment and repairs will not keep up with the needs of the departments. These needs are necessary to the efficient functioning of the Town and School departments and service to its citizens.

The annual Pavement Management Program has an allocation of approximately $1.8 million in FY15. The funding for this program contained in the Capital Budget is derived from Chapter 90 State Roadway improvement funds ($534,000) and from a property tax allocation ($1,284,000) based on a "roads override" approved by the voters several years ago, which is increased by 2.5% annually. Based on the limited funds for roadway repair, there is no predicable allocation for sidewalk repairs. A special one-time $200,000 allocation was approved in the FY15 Capital Budget.

Major capital projects have been successfully completed in recent years including:

- Construction of two new fire stations
- new senior center
- new Wellington School
- Harris Field Complex improvements
- Joey's Park
- Butler School Playground
- improvements to White Field House (privately funded)

Additional capital projects are in process or scheduled to be underway. These include:

- the new Belmont Light Sub-Station project (in process)
- Underwood Pool (in process)
- Belmont Center Reconstruction Project (in process)
- Trapelo Road Street and Sidewalk Reconstruction Project in collaboration with the State Department of Transportation (in process)
- It should be noted that the debt service for the Chenery Middle School ($1.1 million) is scheduled to be retired in FY16.

However, there are several major capital projects, most of which will require successful debt exclusions to fund the debt service in whole or in part depending on the project and available grants, Community Preservation Act Funds, donations or other sources. These projects include:

1. Belmont High School – estimated Cost $70,000,000 in addition to Massachusetts School Building Authority (MSBA) funding. The project has a site, a study, a cost estimate, and an

upcoming application submission before the MSBA. Applications for funding have been submitted for several years but not approved. Unfortunately, this year-to-year approval process makes it difficult to do long-term planning due to the uncertainty of the approval of the project. Please see the Capital working group report for a description of the MSBA approval process. Failure to receive funding in the upcoming round will require the proposed financing schedule to be adjusted, including cost estimates.

2. Incinerator Site – the site is ready to be permanently capped and built on for DPW, municipal or recreational uses, subject to conveyance to the Town by the State. The process of finalizing the conveyance of this site continues in collaboration with the Massachusetts Department of Capital Asset Management and Maintenance (DCAMM).

   Options under consideration include; multi-purpose recreational fields, ball fields, combination recreational/ball field use, solar farm, and a new police station. Estimated cost of athletic fields at this site is $2,000,000. All options for the site will include DPW materials and equipment storage use, since the current DPW site cannot accommodate this use.

3. DPW Facility- estimated cost is $28,000,000 if the project is constructed at the existing location. A plan and a reasonably updated cost estimate are required to proceed.

4. Library – estimated cost is $18,000,000 in addition to Grant and private funding. A decision to renovate/construct on existing site or elsewhere needs to be made by the Library Trustees for the next Massachusetts Library Board of Commissioners grant round. This includes planning and updating the previous feasibility study and cost estimates.

5. Police Station - estimated cost for new building is $20,000,000. Needs a site, a plan, and a cost estimate to suit the site. Program specifications from a prior study are defined but need to be updated to consider a new building instead of using the current library building. The Incinerator site is an option, which allows the project to be ready to proceed. Otherwise, the current site, which includes the Light Department building, is not ready for 4-5 years until the sub-station located in the Light Department building is decommissioned.

   Inadequate parking at the existing site will not be resolved unless underground parking is considered as part of the project.

   Additional conversations with the Historic District Commission need to take place to explore options for existing buildings (Light Department building and existing Police Station). This includes renovations for a new police station or sale of the current site with the buildings for a commercial or residential use.

The total of these projects is approximately $138,000,000. The total debt service cost is estimated at $206.6 million from FY16 through FY43. In addition, the Town may be faced with the cost of funding renovations or new construction of a Minuteman Vocational High School.

Recommendations

1. We are recommending that $500,000 in additional funds from property taxes - $300,000 for roadway improvements and $200,000 for sidewalk repairs - be added to the Task Force Financial Model to address these needs. This will allow a regular annual $200,000 allocation for sidewalk improvements within the plan, in addition to $1.8 million annually for roadway improvements. If approved, these additional allocations will be coordinated by the Community Development and Public Works Departments and can be completed within the normal construction cycle.

2. The estimated FY16 Capital Budget available funding totals approximately $1 million. We are recommending that additional funds for debt service payments on $1 million in bond financing ($500,000/5-Year term in FY16 and $500,000/5-Year term in FY17) be added to the Task Force Financial Model to address capital budget needs, and also provide permanent ongoing funding in the future, once the 5-year bond issues are paid-off.

3. Based on the fact that another application must be submitted for the High School Project to the Massachusetts School Building Authority (MSBA) in spring 2015, and state funding may still be several years away, it is recommended that;

    a.) a decision on the post-closure use of the former Incinerator Site be made as soon as possible. This will determine the possible location and timing of a new Police Station and the potential (or not) of an athletic field installation or other uses at the site.
    b.) otherwise, the DPW facility should be the next major project to be funded and initiated, which has a location and should move forward with planning.
    c.) a decision to renovate/construct on existing site or elsewhere needs to be made by the Library Trustees for the next grant round. This includes planning and updating the previous feasibility study.

GROUP D: Town Government (Programmatic Requirements and Opportunities for Structural Changes)

Findings

Across the state, local aid in the last thirty years has declined by 58% from 1982 to 2012; in Belmont, that drop was even more pronounced at 63%. The Town has tried to provide the same levels of service to residents despite cuts in funding which have led to reduced staffing levels and resources.

Town departments have incurred staffing reductions over the years and are continuing to do more with less. Over the last 20 years Public Works permanent staff has been reduced by 26% and seasonal staff by 58%. This has led to a reduction of service over the years, including reduced maintenance, street sweeping, litter collection, and roads and sidewalks minor repairs. In addition, Fire and Police staffing have been reduced by 10 positions. Further reductions will require elimination of core services.

Town departments currently participate in many collaborations and regionalization efforts with other municipalities, collaboratives and state agencies to increase efficiencies and cost savings. Grant funding is also explored by Town departments. For example, the Fire Department recently received a Federal SAFER Grant to fund two firefighter positions for two years to allow the department to deal with significant vacancies due to retirements that will occur in the next few years.

What became clear throughout the process of examining town government in Belmont is that departments are stretched extremely thin in terms of resources. Many are operating at staffing levels that are significantly reduced from 10 or 20 years ago with facilities that are long past their useful lives. This has, in many cases, led to a slow erosion of services. Another conclusion is that Belmont has been fortunate to have senior leadership in a number of key departments that have become adept at making the most of those resources. A number of these experienced people have recently retired or are approaching retirement.

Recommendations:

- Establish an incentive bonus pool for department heads and other employees to reward them for the development and implementation of innovative and cost saving ideas.

- Continue to explore opportunities for collaboration and/or regionalization with surrounding communities in the delivery of Town services.

- Establish a working group of town administrators/managers with comparable communities to enable the sharing of innovative ideas and solutions to the common challenges we face in the delivery of town services, effective management of our increasing cost infrastructure and the generation of additional non-property tax revenues.

- Work more closely with and join our state legislators to lobby for changes at the state level in the current pension system and for additional healthcare reform to more effectively manage our burgeoning Other Post Employment Benefit (OPEB) Liability.

GROUP E. Financial Projections

Findings

Over 80% of the annual Belmont budget is funded from property taxes. An additional 9% is funded from state aid. The remainder is funded from other local revenues, free cash, and other available funds. The Town's ability to maintain town and school services and invest in its infra-structure (capital) will require additional property tax resources beginning in FY16.

Generally, over the past five years, actual revenues have slightly exceeded budget estimates and actual expenditures have fallen slightly below budget estimates. This has resulted in the Town having the ability to maintain a prudent free cash position and add to some reserves, such as the OPEB Trust Fund. Based on projections for the next five years, it does not appear this condition will continue without significant new revenues and/or major program and service reductions.

The School budget has been structurally insufficient for the past few years. As evidence, the following was noted;

- the School budget for FY14 was in deficit and required supplemental funding from the Reserve Fund
- the FY15 budget is projected to be in deficit by at least $500,000. This has resulted in freezes in staff hiring and the purchase of materials in this year (as well as FY14). While the deficit amount is a net amount of $500,000, it is actually higher since monies are frozen in various accounts to internally reallocate to cover expenditures in excess of budget in other areas, primarily in the Special Education category
- the ability in previous years to use school reserves from revolving funds, Special Education (SPED) State Circuit Breaker funds, and Special Education Collaborative credits has been fully depleted and exhausted
- in the last three years, school enrollments have increased by over 300 students. It is projected that enrollments will further increase by 300 students over the next three years. Average elementary class sizes have increased to 24 in the current school year
- state-mandated SPED services, including contracted services, SPED tuitions from increased enrollments, and related transportation services have increased beyond budget estimates.
- the number of SPED tuitioned-out students has increased by 14 since June 2013. Also, the enrollment of English Language Learner (ELL) students requiring services has increased by 105 since 2013.

The Financial Modeling Group received information provided by the working groups and analyzed past and current year expenditures and revenues. It developed revenue and expenditure assumptions in order to develop a financial plan for FY16-19.

As a result, it is projected that there will be a total funding shortfall (a "funding gap") of $7,743,000 by FY19. There are projected shortfalls of $2,870,000 in FY16, and $4,448,000 in FY17 after accounting for available revenues to fund the budgets. Note that these are ***cumulative*** shortfalls.

The accompanying financial tables detail the revenue and expenditure assumptions underlying the Five-Year Financial Projections (FY15-FY19). Generally, the assumptions are based on a posture of ***maintaining*** existing programs and service levels in town departments and the schools. New initiatives and programs, except where funded through internal reallocations and efficiencies, are not projected, with the exception of items 1 through 3 below;

1. $500,000 added to the Capital Budget beginning in FY16 to fund an additional $300,000 for roadway improvements and $200,000 for sidewalk repairs.

2. $120,000 added in the FY16 Budget, and an additional $120,000 in FY17 to fund debt service costs to issue $500,000 in municipal bonds each year to support capital projects. The result of these additions will mean $1,000,000 in capital improvements can be funded, still well short of the annual requests.

3. $650,000 added to the FY16 School budget for the addition of 10 teaching positions to address the recommendations of the School working group relative to enrollment increases over the past three years and projected for FY16; $325,000 is proposed as an addition to the

FY17 School budget and an additional $325,000 in FY18 for 5 additional teaching positions each year. The additional costs of 5 positions is continued in FY18 and FY19.

In addition, the following items have been added to deal with insufficient funding for specific items in the School budget over the past few years, primarily in Special Education accounts. These amounts are needed to correct this situation and pay the bills.

1. $642,000 added to the FY16 School budget to adequately fund the cost of Special Education (SPED) tuitioned-out students based on FY15 estimated costs and an increase in the number of students. This included accounting for one-time funding of $276,000 from LABBB credits (a special education collaboration of which Belmont is a member), which was used in the FY15 budget but will not be available in FY16.

2. $205,000 added to the FY16 School budget to adequately fund the cost of Special Education Transportation budget related to the number of SPED Tuitioned-out students based on FY15 estimated costs and an increase in the number of students.

3. $425,000 added to the FY16 School budget to adequately fund the cost of Special Education Contracted Services to provide required services to students who are on an Individual Education Plan (IEP) based on FY15 estimated costs and an increase in the number of students serviced.

4. $127,000 added to the FY16 School budget to adequately fund the cost of Temporary Services. The Temporary Services Budget covers the cost of items such as tutoring services, overtime, substitute teachers and staff development.

Major Revenue assumptions, in addition to the 2 ½% increases in the property tax levy, include the following and are contained in the financial projections model:

1. $207,000 in additional Motor Vehicle Excise Tax Revenues in FY16, with a 2.5% increase thereafter
2. $205,000 in estimated additional building permit fees in FY16, with a 2.5% increase thereafter
3. $50,000 increase in FY16 meter fees and parking permit fees as a result of the recommendations made by the Revenue working group and approved by the Board of Selectman
4. $221,000 in estimated additional property taxes in FY17 as a result of new projects (Cushing Village and Uplands); in addition, $328,000 in FY18 and $430,000 in FY19.

Recommendations:

1. The Financial Working Group recommends that the Board of Selectmen, School Committee, Town Officials, Warrant Committee, Capital Budget Committee, Town Meeting Members, Town Departments, and the Schools Administration utilize the FY15-19 Financial Projections as a framework for future budget planning, subject to annual adjustments and updating of assumptions as future events unfold.

2. The recommendations of the Revenue Opportunities Group be considered and implemented after review. Some recommendations may not be implemented until FY18 or beyond but could serve as a source of additional revenues.

3. The Financial Working Group is well aware that an override to provide an additional $7.7 million in operating funds would result in a major increase to property taxes to homeowners. It is estimated that a $1 million increase to the property tax levy translates into approximately $150 increase to the average single family home owner. Further, residents will likely be asked in the future to consider funding major capital projects such as the High School, DPW facility, Police Station and Library.

4. The Financial Working Group recommends that a $4.5 million operating budget override would provide stability to Town and School budgets for the next two fiscal years, FY16 and FY17, with an opportunity to extend budget stability to FY18 with prudent spending practices, positive changes in estimated revenues and expenditures and the raising of the total $4.5 million in FY16. A $4.5 million increase in property taxes is a solution which allows the Town to budget adequately to cover its actual costs for Special Education services, deals with increased enrollments and class sizes in a phased approach, provides additional funding for street and sidewalk reconstruction and capital improvements and the maintenance of Town services, which have been reduced over several years, while being sensitive to the taxpayer.

5. If an Override is approved, it is important to enable the portion of the override funding (approximately $1,630,000) to be set aside and reserved. A means of accomplishing this is to establish an "Override Stabilization Fund", into which those funds ("excess levy capacity") can be placed until needed. Any funding from this reserve would require a vote of Town Meeting in order to be authorized for expenditure. This Stabilization Fund might also be a vehicle to reserve other available funds, such as one-time revenues or revenue/expenditure "windfalls", for future budget use, all subject to Town Meeting authorization. Therefore, the Financial Working Group recommends establishing an "Override Stabilization Fund" to enable excess levy capacity and other savings to be used in future years.

6. Therefore, it is recommended that the Board of Selectmen vote to include a $4.5 million override on the ballot.

Town of Belmont
Financial Task Force
Modeling Group Executive Summary Report

Submitted by John P. Phelan, Superintendent
Date: January 20, 2015

BACKGROUND

In the fall of 2013 the Town of Belmont formed the Financial Task Force (FTF) to research and analyze the current and future expenditure and revenue issues to support the quality municipal and educational services to the Town. One of the five FTF Working Groups was Education.

As part of the Town of Belmont's Financial Task Force, the Belmont School Department and the Belmont School Committee commissioned eight (8) Modeling Groups to support any and all long range planning efforts of the Town. Former Superintendent of Schools Dr. Tom Kingston commissioned the Modeling Groups to identify and collect data in order to inform the long-range set of projections to meet the district's needs in the subsequent three to five years.

Those eight modeling groups were:

1) Salary and Compensation
2) Special Education
3) Enrollment
4) Operations and Maintenance
5) Instructional Modeling and Innovation
6) Supplemental Revenue Sources
7) Student Life
8) Instructional Technology

PURPOSE

The eight modeling groups' members were comprised of School Committee members, Warrant Committee Members, Town Officials, School Department Faculty and Staff, and Community Members. Specifically, the groups were charged with gathering data, analyzing trends and needs, and providing recommendations. The hope and expectation was that these data sets would help develop long-range financial projections and rationale for continued or expanded support.

The Eight Modeling Group Reports were presented to the FTF, the School Committee, and posted on the Belmont Public Schools website. Please see the link to the BPS webpage that houses modeling group reports - (http://www.belmont.k12.ma.us/bps/School-Committee/Public-Documents/Article/394/Modeling-Group-Reports)

LITERATURE REVIEW OF MODELING GROUP SUMMARIES

The Enrollment Modeling Group discussed the increasing number of students entering the district at every grade level. The group used the NESDEC data in its attempt to predict future enrollment, but was transparent about the predictability of this data given new growth areas in Town that could produce more students. Additionally, the report outlined the increasing number of international students that have moved into Belmont, making future predictions difficult due to the high mobility rate of these families. Recent enrollment trends have produced students new to the district who are in need of more extensive English Language Education (ELE) services. As the group predicts that enrollment will increase by approximately 700 students over the next ten years, the issue of space becomes a major concern. Recommendations were made that would support temporary space at the elementary level and the need for more long range and permanent buildings or additions to our schools, to support the overall enrollment growth.

The Student Life Social Emotional Learning (SEL) Group outlined several challenges our school district faces as it attempts to support all children in our schools. The analysis suggested an increase in the number of students needing support for counseling and stress reduction. The recommendations ranged from partnering with our Parks and Recreation Department for open gym times, to over $900,000 in staff, professional development and curriculum needs.

The Instructional Modeling Group analyzed the ever increasing external mandates that the state and federal agencies are putting on our teachers, students, and schools. Valuable time spent on initiatives like the New Evaluation Tool, District Determined Measures (DDMs), Kindergarten Assessment, and the transition from MCAS to PARCC is taking its toll. These mandates are sapping the creative energy that our staff has historically used to provide innovative and engaging curriculum, programs, and lessons to our students. The district has done a very good job in the unique and thoughtful approach to these mandates in an attempt to lessen the burden on faculty. More professional time, coaching sessions, and training on instructional strategies, that are authentic to our teachers and students, are essential.

The Instructional Technology Modeling Group discussed the need for a vision for students and staff to access technology in school and at home effectively. Technology is used well in areas of online fee payment, Edline, and data collection. The next step is to use technology for instructional innovation. This will require professional development, technology instructional integration specialists, and additional investment in devices. The need for an infusion of devices will only be exacerbated by the need to conduct the Department of Elementary and Secondary Education (DESE) mandated standardized exams electronically and not by pencil and paper.

The Special Education Modeling Group identifies that the Belmont Public Schools population of students on Individual Education Plans (IEP) is lower on average than the state. Additionally, that the "inclusion" rate of special education students in mainstream classroom settings in the Belmont Public Schools (a highly recommended practice) is higher than the state average. It is noted that BPS spends 50% of its special education budget on Out of District (OOD) placement of students and that 34% of the overall BPS budget is spent on special education services to its children. The report notes the need for a

long term investment in early childhood education, Response to Intervention (RTI), math in particular, and well as needed space for such programmatic supports. All of these recommendations come with the requirement of additional resources.

The Operations and Maintenance Modeling Group outlined the "capital needs" of the district, as well as the general and annual maintenance work needed, and the costs attached. The hope of the modeling group was that the funding would be made available so that the district could be "proactive" instead of "reactive" in our approach to facility needs. The group outlined the hope to hire "licensed" trade staff to provide the work ***in house*** in an attempt to reduce the costs of contracting outside vendors.

The Supplemental Revenue Modeling Group provided a solid overview of the current funds, raised by fees and donations, to support teachers and students. It discussed the potential for the district to consider revenue generating opportunities in areas of naming rights, advertising, sponsorships, and corporate partnerships. The report outlined and thanked the many volunteer funding groups that support our students and schools so generously including: Foundation for Belmont Education, PTOs/PTAs, POMS, PATRONS, the Brendan Grant Foundation, and all the "Friends" groups. The Belmont Public Schools could not achieve the success it currently enjoys without this extraordinary community support.

The Compensation Modeling Report did a thorough review of various compensation systems, gave the financial context and data of municipal compensation systems, as well as their view of the issues that exist with the current system in Belmont and statewide. They made recommendations for the next round of contract negotiations that would be more in line with Town's available revenue capacity.

LEADERSHIP FRAMEWORK

As the new fiscal year began in July 2014 the Leadership Council of the Belmont Public Schools used the Modeling Group summaries to inform the work for the 2014-2015 school year. This will be the foundation for the next Strategic Plan process, beginning in the spring of 2015. These 8 documents have been and will be used as guiding documents for the school district.

The Leadership Council reviewed the Modeling Group Reports in August 2014, over a three day retreat. At the completion of that review there was a clear consensus that two of the modeling group reports and challenges were a priority: Enrollment and Student Life (Social Emotional Learning). The Leadership Council considered these two areas "pressure points" on the district that needed to be addressed immediately. The prioritization of this research was the building block for the next discussion held by the Leadership Team: What are the challenges of the district and what do you need to meet those challenges? This foundational work led the Leadership Council to the conclusion that there were some clear and necessary budget assumptions identified to inform the budget process over the next three years. This data was the basis for what is being reported in this Financial Task Force report.

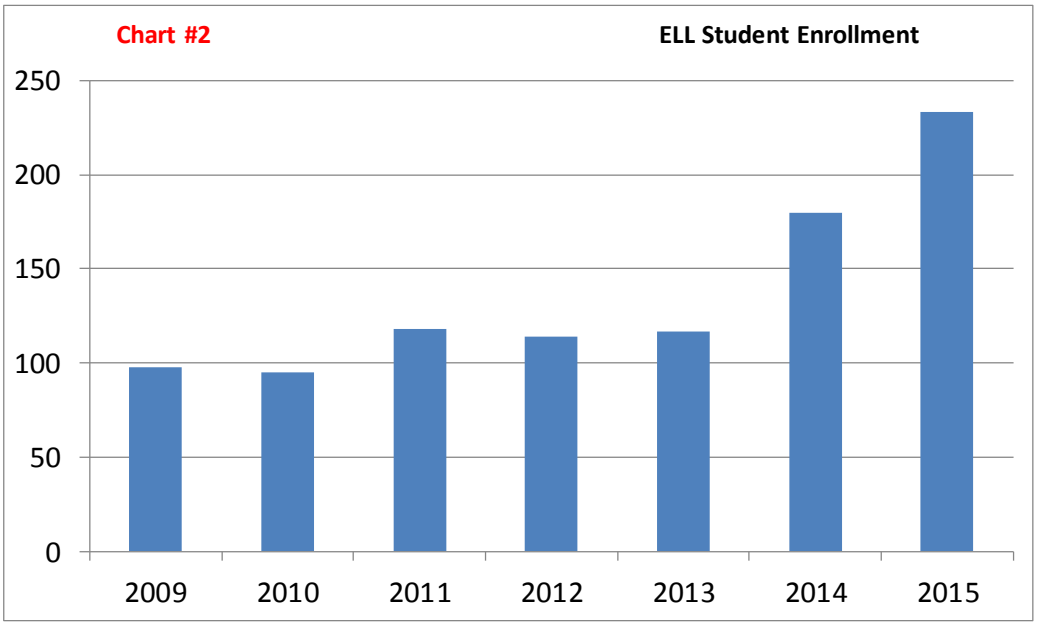
The Leadership Council engaged in an exercise that involved the review of each of the modeling group reports. Each report was summarized and presented to the entire group. In the aggregate, the Modeling Group reports concluded that there were more needs than would be a feasible "ask for" in any one budget year. With that said, the Leadership Council attempted to keep the suggestions within a certain "acceptable" parameter, and to suggest a three (3) year plan to address the school department needs. These projections would only maintain our programs and supports for students.

Please see the next four charts that outline our increase in enrollment over the last three years and its corresponding increase in our subgroup populations of students.

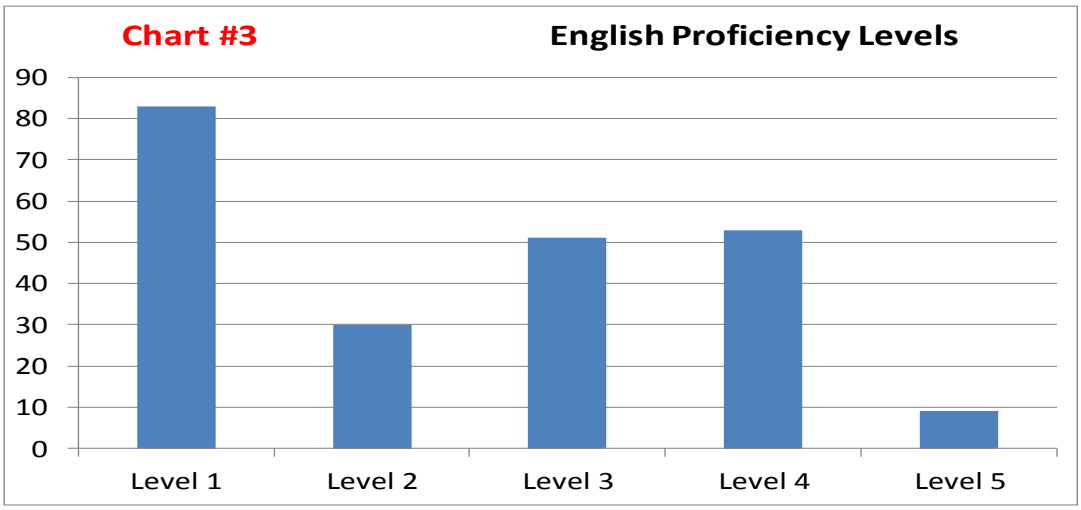
- Chart #1 demonstrates the overall enrollment increase as measured by the Department of Elementary and Secondary Education's "October Report."

Chart #1	Oct. 1, 2009	Oct. 1, 2010	Oct. 1, 2011	Oct. 1, 2012	Oct. 1, 2013	Oct. 1, 2014
BPS K-12 Enrollment	3905	3877	3900	3994	4136	4222
Difference, year to year		-28	23	94	142	86
				Difference, 2009 to 2014		317

- Chart #2 indicates the increase in the English Language Learner population of students – the rate of this increase is a proportionally higher rate.



- Chart #3 indicates that the additional ELL students we are enrolling have the DESE designation of Level 1 – which indicates the high need of intervention



- Chart # 4 indicates the Out of District (OOD) Enrollment:

Chart #4	Year	June, 2012	June, 2013	June, 2014	January 20, 2015	
	# of OOD Students	91	81	87	95 (5 additional in cue)	

RECOMMENDATIONS

1. Belmont Public Schools Projected Staffing Needs

It should be stated that our enrollment needs look different at each of the three levels. At the elementary level, the need to add a strand (another full class) at each level over time, with corresponding Unified Arts support, is essential. At the middle school, the allocation of a grade five teacher will reduce class size in that grade only, the guidance position will address the 430 students to one counselor ratio, and last, but most importantly, the two Unified Arts teachers, over two years, will only begin to address the issue of middle school students sitting in large study halls each period. At Belmont High School, the first three positions will be allocated to address the increasing number of students who are not engaged during the school day. The number of unengaged students ranges from

96 to over 800 during certain days and mods (periods) during the week. The number of students not engaged in meaningful learning experiences during the school day is disturbing practice that needs to be addressed immediately.

You will see in the three year plan staffing chart below that we will be adding two additional English Language Education teachers. These positions are mandated by the state due to our increasing enrollment of this sub group of our increasing over all student population,

Level	***Year One (SY 15/16)***	***Year Two (SY 16/17)***	***Year Three (SY 17/18)***
Elementary	1.0 Grade 4 Teacher (Wellington) * 1.0 Kindergarten Teacher * 1.0 Grade One Teacher *	1.0 Grade 2 Teacher	1.0 Grade 3 Teacher
Middle	1.0 Grade 5 Teacher * 1.0 Unified Arts Teacher(s) *	1.0 Unified Arts * 1.0 Guidance Counselor * #	
High	3.0 FTE's for Reduction of non - engaged/non-scheduled students *	1.0 FTE Reduction of non-engaged/non-scheduled students * 1.0 Guidance Counselor *#	1.0 FTE Reduction of non-engaged/non-scheduled students *
DW	2.0 English Language Learner Teachers*		1.0 Technology Back * 1.0 Instructional Technology Specialist* 1.0 SEL Staff Person *
Total FTE Count	10.0	5.0	5.0
	(*) Indicates Enrollment need (#) Indicates SEL need		

2. Aligning Budget Expenditures in Key Areas of FY15 Shortfall

   Additionally in working with the Director of Finance and the Director of Student Services, we also identified areas in the budget that were not fully funded and would need an increased allocation projection. These budget line items make up the majority of the current FY15 shortfall and thus need to be fully funded in FY16.

The areas were:

- **Special Services Contracted Service** budget line has steadily increased over the last several years. These are services provided to our students that are "bills" that will need to be paid. This accumulated shortfall is approximately $425,000.
- **Out of District Students** budget line allocated funds on the assumption that the Belmont Public Schools would have 81 students to serve in the 2014/15 school year. By June of 2014 and now in the second fiscal quarter of this year that number has risen to 95. Over the past eight years the number of OOD students has fluctuated between these two amounts (4 years in the 80's and 4 years in the 90's). The FY15 shortfall is projected to be approximately $384,000. This amount will increase by approximately $276,000 since LABBB credits used in FY15 to balance this line item will not be available in FY16.
- **Special Education Transportation** budget line increased correspondingly to the increase in our aggregate enrollment and that of the increase in OOD students. This increase is the area will be approximately $200,000.
- There are expenditures that exist in the public school budget each year that involve tutors, over time, and stipends that cover work with special education students, summer early childhood, and summer programming that have not been budgeted accurately. Given the short fall in this line for FY15 the recommended allocation to cover this line item is $127,000.

3. Space Needs Due Increased Enrollment

With the increase in enrollment the need for increased classroom space is inevitable. There has been a Space Task Force commissioned, and an architectural firm hired, to project the needs of the Belmont Schools, as it relates to increased enrollment and corresponding classroom space. At this point in time there is a concern that the elementary level will need to increase by at least one additional strand (one more grade level class for each grade level K-4) to provide the capacity and ensure appropriate class sizes, based on School Committee class size guidelines. This would result in the need for modular classrooms and/or a more permanent solution by September 2016 at the elementary level.

Additionally, the space at the Chenery Middle School has been exhausted with the increase in students enrolled. The Chenery currently does not have enough space to support the current level of student enrollment and will not have the capacity to handle the current cohort sizes that are moving up from the elementary schools. As evidenced in the current enrollment chart, the wave of students moving up through the district is concerning. The increase in enrollment coming from the elementary

level, combined with the need to provide classes and programs for those students in study halls, will result in the need for modular classrooms by September 2016. The permanent answer to the space needs at the middle school will need to be part of larger conversation of how we organize the district in future years. At this time the middle school presents the biggest concern from a lack of space perspective.

Belmont High School is out of space. Currently there are 31 rooms that are shared by 2 teachers and 4 rooms shared by 3 teachers. Given the need for additional class offerings for students who are not engaged during the day, and a wave of enrollment increases coming each year, the need for space at the High School is critical. The graduating class of Belmont High School in 2014 was 260 students. The 2014 entering kindergarten class was 354 and that all five grade levels at the elementary level are over 330 students.

The need for space is real and concerning at the high school level as well. There are teachers who do not have their own classrooms and travel to two or more classrooms to teach. If we want to increase the amount of teachers at the middle or high school, to reduce the amount of unstructured, non-educational time (frees), the district will struggle with the capacity to do so, without adding temporary space or building more permanent space.

It should be noted that these staffing projections only provide the needed respite in dealing with the increased enrollment and our communities' collective concern with our students' social emotional needs. There are no new programs or initiatives in this projection.

As Superintendent of the Belmont Public Schools I would like to thank each and every person who dedicated their time and effort to this work. The work of each modeling group was extensive and thorough. Each report outlined recommendations in their respective areas moving forward. These reports will be the guiding tools for the next Strategic Plan, developed by the faculty, staff, parents, Leadership Council, the School Committee, and the community.

CONCLUSION

The Belmont Public Schools have a long and valued reputation for providing high quality education to students. Our schools are one of the major reasons that the Town of Belmont is such an attractive community to raise a family, thus one of the main reasons home values stay so high. This is exemplified by the current Level One status from the Department of Elementary and Secondary Education. Belmont is one of approximately five K-12 districts in the entire Commonwealth of Massachusetts to receive this academic recognition. It should also be noted that there are extraordinary student outcomes in areas of SAT and AP scores and college acceptance to the best universities nationwide. Additionally, the district provides amazing experiences for our young people through clubs, activities, and athletics. Most notably in the areas of performing arts – the music and art programs are exceptional. It is not surprising that, when our students graduate from the Belmont Public Schools, they are prepared on many levels, are

accepted at and attending the best schools in our country, and are well-rounded young adults ready to enter the world. The proposed challenges, projections, and recommendations outlined in this summary can only conclude that, as the school department experiences an increase in enrollment, it needs a corresponding increase in funding to maintain the current level of excellence. Anything less would risk a concerning structural decay of our schools, leaving our students with crowded classrooms, low teacher to student ratio, reduced supports to access potential, reduction in program offerings, and ultimately the foundation needed to maintain the Level One status and the quality of student outcomes the community of Belmont has experienced in the past and deserves in the future.

Compensation Modeling Group Report

November 7, 2014

Team Members:

Laurie Slap, *School Committee Chair, SC Finance Subcommittee, member Unit A Bargaining Team*

Elisabeth Allison, *Planning Board/Warrant Committee*

Kevin Cunningham, *School Committee, SC Finance Subcommittee, member Unit A Bargaining Team*

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Mary Pederson, *Director of Human Resources, Belmont Public Schools*

Introduction and Overview

In July 2013, Superintendent Thomas Kingston of the Belmont Public Schools (BPS) chartered eight modeling groups to investigate the short- and long-term impact of various issues facing the district. Group 1, the "Salary & Compensation" modeling group, was charged as follows:

> The group would develop models for sustainable salary and benefits options that would inform the 2013-2014 negotiations and would project compensation that could fall within predictable 2.5% local tax revenue growth.

The suggested membership for this group included the BPS Director of Human Resources, the BPS Director of Finance, Business, and Operations, and at least one School Committee member from the Unit A Bargaining Team.

The group was formed, and began its work, in late Summer 2013. The work continued until mid-Winter 2014, when School Committee negotiations with the Belmont Education Association (BEA) began. Work by the modeling group was then suspended while negotiations continued. The group re-convened in late summer of 2014 and drew together its conclusions, now informed – and to some extent tempered – by the experience of actual negotiations.

This document describes the work of the group:

1) **Goals of Compensation Systems.** This section describes the nature and goals of compensation systems in general. It notes that employee compensation can be financial or nonfinancial, and that compensation systems should help forward the goals of the organization.
2) **Elements of Belmont's Current Compensation System.** This section summarizes compensation in the Belmont Public Schools, including both cash compensation and employee benefits, and the distinction between compensation paid to staff while employed versus compensation paid as post-employment benefits (OPEB). Because of its high employee count and consequent financial centrality, the teachers' unit (Unit A) is the focus of this description.
3) **Assessment of Belmont's Current Compensation System.** This section reviews Belmont's compensation system in relation to the goals of compensation systems described in the first section, noting where Belmont's system succeeds and where it is less effective.
4) **Recommendations.** This section summarizes suggestions for changes to Belmont's compensation system that would help the district better meet its goals.
5) **Appendix.** The appendix provides additional reference materials.

1. Goals of Compensation Systems

While different organizations may operate in quite distinct domains with quite different purposes, all organizations have purposes – goals that they are trying to achieve, whether explicit or implicit, intended or accidental. In support of these goals, organizations engage individuals to execute work needed to forward its purposes. A *compensation system* is the set of rewards, incentives, benefits, policies, and processes that serve to compensate employees of organizations for the contribution of their labor to the goals of the organization.

It is important to note that "compensation" is not merely salary. Compensation afforded an employee may be financial and nonfinancial. It may include a good salary, recognition, an engaging corporate culture, health benefits, professional status, the opportunity to use one's talents to the fullest, growth opportunities, profit sharing – or any combination of these and other elements.

In support of the general goal of ***helping an organization to thrive by aligning employees' efforts with the goals of the organization***, compensation systems across all organizations have several key subgoals:

1) ***Attract and Retain High-Quality Employees.*** To make headway toward its goals, an organization needs employees who are skilled in the specific areas the organization needs to succeed, and who are reliably available to undertake the work when needed. Unskilled employees or undesirable turnover can burden the organization with costly training or hiring activities, or otherwise drain the resources of an organization – and possibly even prevent it from being able to work toward its goals at all. A compensation system needs to attract and retain skilled or trainable employees.
2) ***Manage Costs Sustainably***. Especially in service and professional organizations like education, but to some degree in any organization, much of the cost of doing business is the financial compensation of staff. This compensation can be paid directly through salaries or indirectly through benefits, etc. Any organization that spends more money than it can afford, given its revenues, will fail – the organization's very existence may be threatened and its goals will necessarily remain unmet. For the sake of the core purpose of the organization, then, it is essential that the group's compensation system manage the costs of compensation in a way that is financially sustainable.
3) ***Encourage Excellence and Improvement.*** The goals of an organization are best served when employees produce excellent work and continually improve in their practice. A compensation system can encourage quality efforts and continuous improvement.
4) ***Ensure Equity.*** It is important for an organization to compensate its staff in a consistent and fair way. This includes both fairness in relation to other employees within the organization, and fairness in relation the overall market for comparable positions in comparable organizations. Equitable treatment in both these domains supports staff morale and retention, and in many cases is a legal imperative.

5) ***Comply with Legal Requirements.*** A compensation system must operate in such a way that the organization is not vulnerable to legal challenge. There are certain legally-mandated reporting functions that compensation systems must meet, for example, and a compensation system should be executed in conformance with negotiated agreements.

Each organization may weigh these subgoals differently, depending on context, culture, and the nature of the work and workforce. And the specific ways a compensation system is set up to embody these subgoals can vary widely and are subject to a variety of considerations. For example:

- Should the compensation system applied to one group in an organization (say a certain incentive or method of payment) be applied to all groups? For example, should everyone be paid in the form of a salary, or are hourly wages preferred or otherwise more appropriate for some groups? Should every group get the same holidays? the same job protections?
- In assuring market equity, an organization should remain "competitive" – but competitive in terms of what? salaries? benefits? results? And competitive with whom? similar organizations, even if distant geographically? or nearby organizations, even if different in levels of accomplishment?
- To what extent should/can a compensation system influence the cultivation of an organizational culture? In what ways does any particular organizational culture forward the goals of the organization?
- What balance should a compensation system strike between recognizing past performance and encouraging/incentivizing future change? Should employees be given guaranteed raises or should some component of compensation be tied to some aspect of performance, however measured?

Regardless of the implementation of a compensation system, it is worth noting that organizations often relate to their compensation systems as a given, as simply "the way things are done," without reflecting on how the compensation system might serve the goals of the organization beyond merely providing an HR protocol. In fact, compensation systems can empower and channel an organization's human resources, help build an effective workplace culture, and reduce inefficient, and ineffective practices. As one consultant put it:

> Few executives and business owners are aware of the power of their compensation systems to focus attention on, and to drive, organizational goals. In addition to failing to optimize the allocation of their financial resources, they are settling for lower than necessary levels of productivity, employee engagement, and commitment to organizational goals.[1]

[1] Pat Lynch, President, Business Alignment Strategies, Inc., http://www.businessalignmentstrategies.com/articles/compensation.php

2. Elements of Belmont's Current Compensation System

This section summarizes the Belmont Public Schools (BPS) compensation system, including both cash compensation and employee benefits, and distinguishing between staff compensation while employed versus compensation provided as post-employment benefits (OPEB).

While BPS personnel are covered by five separate agreements, and each has important distinguishing characteristics, this section focuses on teacher (Unit A) compensation, for three reasons:

1) Teachers make up the majority of BPS employees (currently 308 out of 561 total, or 55%);
2) Teacher compensation is the largest single item in the BPS operating budget (making up approximately half of the budget); and
3) There is an informal tradition of "pattern bargaining" where the Unit A settlement has a substantial impact on other settlements.

Thus, the details provided below refer to teacher compensation. Information on compensation for other units is available in their collective bargaining agreements.

Features Common to Many Massachusetts Public School Compensation Systems

When interpreting teacher compensation data, particularly as compared to compensation data for professionals in other fields, it is important to note four distinguishing features of the overall employment contracts that prevail in BPS and in virtually all of the public, non-charter schools in Massachusetts:

1) **Professional Teacher Status**. According to Massachusetts General Law, after a three-year probationary period, retained BPS teachers are granted "professional teacher status," the equivalent of tenure in university settings. Thereafter they do have some added job security.
2) **Annual Days of Work.** Teacher workdays are limited to 181 days per calendar year, or the equivalent of 10 months in private sector or other public employment.
3) **Contractually Defined Work Periods.** While there are differences in the nature and length of the work day among primary, middle, and high school teachers, all teacher workdays are limited to 7 hours, which includes lunch and preparation time, with further limits on classroom time. Classroom contact (class) time for high school teachers, for example, is limited to a maximum of 3 hours and 54 minutes per day.
4) **Seniority/"Bumping" Rights.** In the case of reductions in force (which, it should be noted, have been quite rare in the Belmont system), and where qualifications within a discipline are approximately equal, the teacher with the most seniority is retained. There is a contractual prohibition against considering salary when making a determination of "approximately equal."

Belmont Unit A Compensation System

Table 1 summarizes the financial components of teacher compensation by type and amount, and includes a "typical teacher" to give a sense of the magnitudes. The most financially significant components are discussed after the table.

Table 1. Components of Belmont Teacher Compensation (as of AY14/15)

Benefit	**Eligibility**	**Annual Value Range** (AY2014/15)	**Example: "Early career, professional status"** (Year 6, M+15)
***A. Current Cash Compensation** (i.e., During Period of Employment)*			
Base Salary, defined in Step and Lane schedule (guaranteed)	All teachers	$ 47,124 - $ 98,906 (10 month actual) $ 56,548 - $ 118,687 (12 month equivalent)	$ 63,875 (10 month actual) $ 76,650 (12 month equivalent)
Step increase (guaranteed)	All teachers not on top step	Average 4.3% increase	4.0%
Lane increase (guaranteed)	Any teacher who obtains additional Ed credits	(varies)	6.3%
Cost of Living Adjustment (COLA) increase	All teachers	0% - 2.5%	0% (1% in FY16)
Longevity bonus	Qualifying teachers only	$ 1,800 (15-19 yrs) $ 2,100 (20-24 yrs) $ 3,000 (>25 yrs)	
Stipends, extracurricular advisors, coaches	Qualifying teachers only	(varies; see Table 3 for examples)	
B1. Benefits During Period of Employment			
Health care insurance	Teachers working 20 hrs/wk or more	$ 16,282 (family plan) $ 6,010 (individual plan)	
Sick days (15)	All teachers	$ 5,294	Unused sick days may be accumulated without limitation
Personal days (3)	All teachers	$ 706	Third day allowed
All other fringe benefits (insurance, etc.)	All teachers	$ 849	
		$ 23,131 (subtotal)	
Religious holidays	Qualifying teachers only	2 days	
Tuition reimbursement	Qualifying teachers only	Up to $ 825	Additional reimbursement for recommended courses
Tuition for dependents (within BPS only)	Qualifying teachers only	$ 12,259	Long run variable cost per student
B2. Post-Retirement Benefits			
Health care benefits (OPEB)	Retired teachers aged 55+	$ 16,282 (family plan) $ 6,010 (individual plan)	
Pensions	Retired teachers aged 55+ with 10+ yrs service	Max for M+15 teacher: $ 71,863	Guaranteed payment of up to 80% average of highest 3 yrs earnings. Managed at state level; not Town liability

A. Current Cash Compensation

Current cash compensation has two major components: the Step and Lane system defines base salaries, and negotiated "cost of living" increases modify the Step and Lane grid.

A1. Step and Lane System. The bulk (over 90%) of teacher compensation is driven by a "step and lane" system, where, for up to the first 14 years of employment, each teacher is compensated according to two factors:

- **"Steps"** – the number of years the teacher has spent in the public school system (this includes experience in all MA public schools, not merely time in Belmont).
- **"Lanes"** – the professional level the teacher has reached, as measured by the number of additional professional credits the teacher has received from accredited institutions.

A Step and Lane grid, then, defines the guaranteed salary an employee can expect to receive – and thus the guaranteed increase(s) in salary compared with the previous year – based on only two criteria:

- number of years in the profession (movement up the steps)
- professional education credits (movement across the lanes).

The 2014-2015 Step and Lane grid for Belmont Unit A is presented in Table 2.

Table 2. Effective Unit A Step and Lane Grid for AY14/15 (Base Salaries in Dollars)

STEP	B	B+15	M	M+15	M+30	M+45	PHD
1	47,124	48,007	50,595	51,937	53,369	54,927	56,481
2	49,089	49,998	52,720	54,086	55,570	57,176	58,781
3	51,324	52,262	55,138	56,533	58,074	59,735	61,399
4	53,561	54,525	57,556	58,981	60,574	62,294	64,018
5	55,797	56,790	59,972	61,427	63,079	64,856	66,636
6	58,031	59,053	62,390	63,875	65,584	67,416	69,256
7	60,268	61,317	64,807	66,322	68,088	69,973	71,874
8	62,505	63,581	67,226	68,769	70,590	72,532	74,492
9	64,740	65,845	69,643	71,217	73,093	75,094	77,111
10	66,976	68,108	72,062	73,664	75,597	77,652	79,729
11	71,507	72,699	74,481	76,111	78,100	80,211	82,347
12	76,917	78,172	79,391	81,090	83,171	85,387	87,619
13	77,800	79,061	85,425	87,198	89,377	91,704	94,038
14A *	80,209	81,672	88,977	90,961	93,357	95,903	98,456
14B **	80,496	81,986	89,318	91,329	93,752	96,326	98,906

** employees on step 13 in FY14; ** employees on step 14 in FY14*

As the grid shows, the minimum salary for a new classroom teacher with no teaching experience and a Bachelor's Degree (B) is $47,124 for the first school year (i.e., 10 months; or $56,548 annualized). The maximum salary on the grid – that of a teacher with a PhD and 15 years of experience – would be $98,906 (or $118,687 annualized).

The steps shown in Table 2 provide each teacher with a guaranteed annual increase for up to their first 14 years of employment that averages 4.3% per year (i.e., average upward one-year movement within the grid, ignoring lanes). However, the increase is not uniform along steps, but ranges from 0.31% to 7.6%.

As noted, in addition to these increases in the base salary from one year to the next, classroom teachers who take on additional academic work (i.e., who further their own professional education) receive higher salaries and additional increases as they move across the lanes in the salary grid. Thus, for example, a 6th year teacher with a Master's Degree (the degree held by most BPS teachers) plus 15 credit hours (M+15) who takes an additional 15 hours (to move to M+30) will receive a total increase of 6.6% on a 10-month base salary of $63,875 (the combination of the step and lane movements).

A2. "Cost of Living" (COLA). The "cost of living" adjustment is a negotiated increase that supplements the increases already built into the Steps and Lanes grid. (Such an increase is still referred to as a "cost of living" adjustment, or COLA, even though it is not typically based on any actual index of the cost of living, such as the Consumer Price Index or other measures of regional cost inflation). The COLA received by BPS teachers has typically been an across-the-board increase that modifies the basic Step and Lane grid across all levels equally. In the most recent negotiations, however, the COLA increase agreed to for the 2014-2015 School Year was allocated solely to teachers at the top of the pay scale, with those on the top step receiving a 1% increase effective on day 113 of the 181-day contract year; later contract years distribute COLA increases more broadly.

A3. Other Compensation Elements. In addition to Step and Lane salaries and COLA increases, long-serving teachers receive annual longevity bonuses (of $1,800 to $3,000 annually in the current contract, depending on years of service). And teachers who coach or supervise extracurricular activit~~i~~es receive additional payments as well (from $500 to over $10,000). Table 3 presents representative stipends for selected extracurricular activities.

Table 3. Examples of Stipends for Supervising Extracurricular Activities

Extra-Compensatory Role	Stipend
Varsity Coach, football	$ 10,200
Marching Band director	$ 4,435
Coach, skiing, golf	$ 3,371
Madrigal Singers director	$ 2,885
Math Team advisor	$ 1,821
Sophomore Class advisor	$ 1,282
Asian American Club advisor	$ 571

Stipends for activities delineated in the teachers' collective bargaining agreement and performed by Unit A staff are included in the calculation of pension benefits for these employees (see B2 below).

B. Benefits During and After Employment

B1. Benefits During Period of Employment. As shown in Table 1, all teachers receive a package of benefits averaging slightly over $23,000. Health insurance, which is provided to all full-time and part-time teachers working 20 hours a week or more, is the largest component, with the Town contributing $16,282 (80%) for family health insurance. Other benefit components include sick days, personal days, and life insurance.

Additional benefits provided to qualifying teachers and/or those who elect to use them include tuition reimbursement, religious holidays, and free BPS tuition for their dependents on a space-available basis up to a certain number. Because of recent increased enrollments, no new dependents have been allowed to enroll in recent years.

B2. Post-Retirement Benefits. Significant teacher post-retirement benefits include:

1. Pensions. Teachers receive a defined benefit pension based on age at retirement and years of service, equal to a maximum of 80% of the average of the highest three years salary (highest 5 years for those starting after 2012). Teachers' pensions are funded from state funds and managed via the Massachusetts Teachers' Retirement System (MTRS).

2. **Health insurance.** Teachers (full- and part-time) with at least ten years of service and a start date of 2012 or earlier may retire at age 55 with full healthcare benefits provided by the Town of Belmont until they are Medicare-eligible. (Teachers starting after 2012 may retire at age 60 with these benefits.) The contribution rates are identical to those provided to active employees: currently $16,282 for family policies and $6,010 for individual coverage. The Town also shares the cost of Medicare supplements.

Note on Other BPS Employee Units

While many of the payment/benefits approaches listed above apply to non-teachers as well, the compensation approach is not identical across the other employee groups. Some of these differences reflect negotiation histories, differing job responsibilities, and other factors. Though Step and Lane grids are employed in most units, Unit B (Administrators) relies solely on a distributed pool of available revenue for its annual increases. The number of steps and lanes is greatly reduced in these other groups. Unit D, for instance, has a maximum of 5 steps, and "lanes" correspond more to wholly different job categories rather than a growth path based on professional education within one's current profession. The "lanes" are basically different step grids entirely.

While similar formulas are used for non-teacher pensions, the funding mechanism differs. BPS employees whose positions do not require them to hold a professional license from the Massachusetts Department of Elementary and Secondary Education (DESE) and who work at least 25 hours per week are eligible to participate in the Town of Belmont's retirement system, alongside other town employees, and have their pension predominantly funded from Town revenues.

3. Assessment of Belmont's Current Compensation System

This section reviews Belmont's compensation system in relation to the subgoals of compensation systems described in the Section 1 above, noting in what ways the BPS system succeeds and in what ways it is less effective. These assessments help give an overview of how well Belmont's compensation system aligns employee effort with the overall goals of the district.

Subgoal 1: Attract and Retain High-Quality Employees

Many factors attract potential candidates to a given school district. The reputation of the district and its students, the culture of the faculty, the support of parents and the community, and many other elements play a role in rendering a district attractive or unattractive to teachers looking for work. Thus the role of the existing compensation system Is not easily isolated.

As noted earlier, the BPS uses a Step and Lane system to define teacher compensation. Since virtually all other public school districts in Massachusetts (and many beyond) use a similar system currently, the mere fact that Belmont uses a Step and Lane system to define teacher pay cannot by itself differentiate Belmont from other districts in the eyes of potential hires. Rather, it is the *details* of their step-and-lane grids – the amounts paid in each cell, and the jumps from cell to cell – that distinguish districts.

Table 4 shows available salary data for Belmont and comparable districts. (The list of comparable communities is that used by the Town Financial Task Force.) Boston and state average data is included for reference.

Table 4. Average Teacher Salaries in Belmont and Other Comparable Districts (FY12) [2]

BELMONT	**$79,143**
ARLINGTON	$57,825
BEDFORD	$79,219
BURLINGTON	$87,166
LEXINGTON	$75,115
MARBLEHEAD	$69,755
WATERTOWN	$74,220
WAYLAND	$88,529
WELLESLEY	$73,975
WESTFORD	$69,567
WINCHESTER	$73,200
BOSTON	$81,963
STATE AVERAGE	$70,962

[2] Source: http://profiles.doe.mass.edu/state_report/teachersalaries.aspx

Note that Belmont's average teacher salary for FY12 is higher than seven of the ten comparable districts. (Average teacher salary is a function of the Step and Lane grid, but is heavily influenced by how the staff in each district is distributed within that district's grid; a young staff will tilt its average compensation down, even if the *potential* salaries listed in its grid are higher than comparable cells in other districts.) Belmont's average salary is lower than Boston's, but is higher than the state average.

Is Belmont's compensation system, then, successful in attracting and retaining the highest quality staff? It's hard to tell. High student achievement in Belmont is the result of a successful partnership between students, parents, teachers, the School Department, the Town, and the community; and the extent to which each of these stakeholder groups (and other factors) plays a role in student achievement is not readily discernible.

The most that can be said without further investigation is that the current compensation system probably does not put Belmont at a disadvantage with regard to attracting high quality staff.

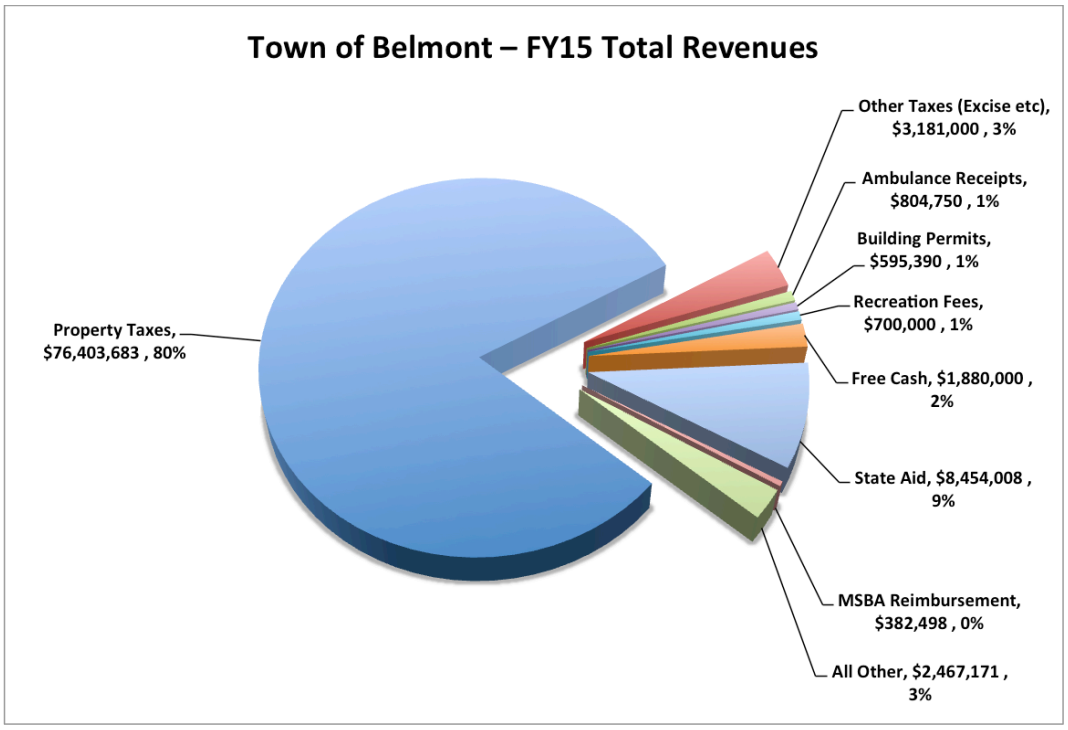
Subgoal 2: Manage Costs Sustainably

For years now, the overall cost of applying the built-in increases inherent in the Step and Lane grid has outpaced the available revenues that fund those increases. In FY14, annual increases in advancing from one step to the next within the Belmont teachers' salary grid ranged from 0.31% to 7.67%, with an average of 4.34%. Over 80% of the changes were between 3% and 5%. And these increases include step advancement only – COLAs raise the value of each cell within the grid, thereby adding to net increases.

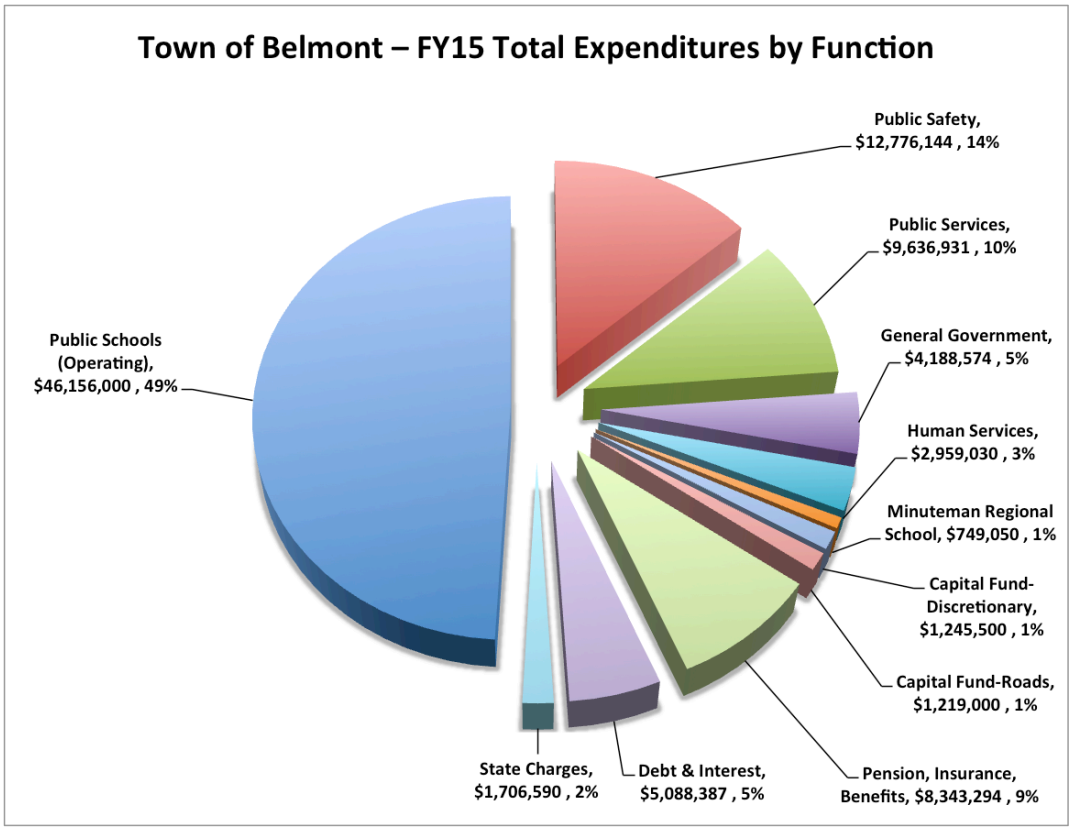
To calculate increases in total compensation costs for Unit A, one must examine the expected increases for the existing pool of employees in any given fiscal year. Specifically, the actual distribution of staff members within the grid can vary annually, resulting in variability in cost increases from year to year. For fiscal year 2015, moving the FY14 teacher cohort forward results in an increase of 4.08%. This percentage increase represents the negotiated step advancement and COLA for the entire cohort of approximately 300 full-time equivalent (FTE) teachers. However, it is important to note that once a teacher reaches the top, no further step advancement occurs. In FY14, approximately 26% of the teaching cohort was at top step, and as result did not receive a step increase for FY15. The resulting increase (in terms of step advancement plus COLA) for the remaining 74% of teachers not on top step is 5.17% over their respective FY14 salaries. The 24% already on top step will effectively receive a 1.71% increase in FY15 over the respective FY14 salaries, due to both the increase in the FY15 base to annualize intra-year COLA in FY14 and COLA received in FY15.

Belmont's available revenue is largely driven by residential property taxes (over 80% – see first chart below[3]). Absent an operational override, these property taxes cannot be raised more than 2.5% per year. State Aid and other revenue sources typically help to lift the net yearly increase in available revenue to just over 3%, but those other funds are tied closely to the strength of the overall economy, and can rise and fall from year to year.

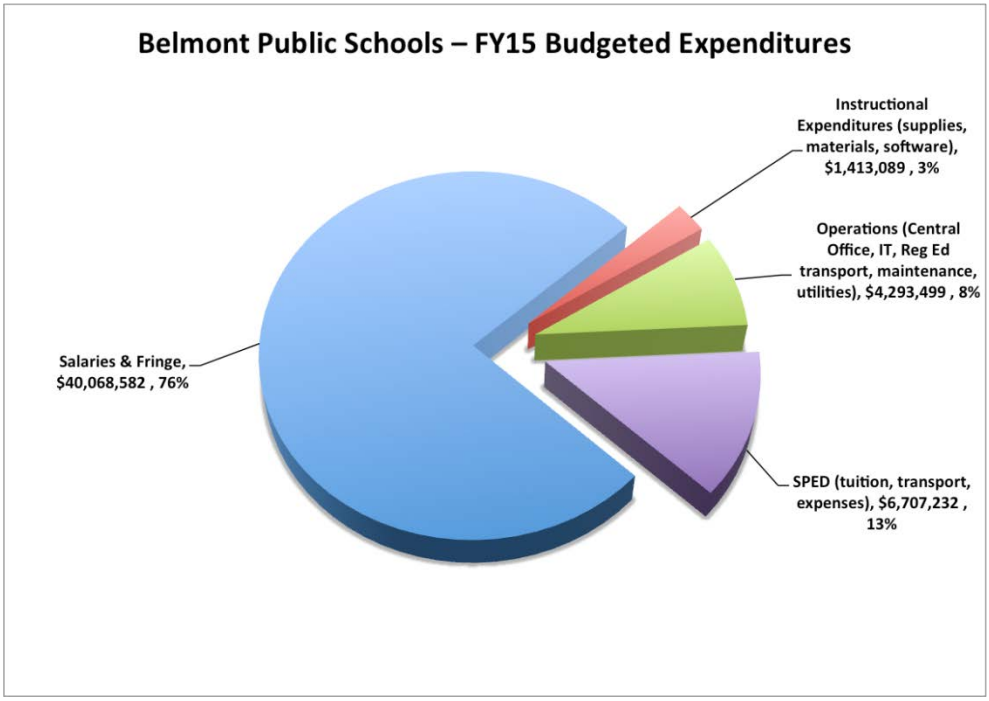
[3] Note that the data in the charts on the following pages was taken from documents prepared by the Town Administrator and the BPS Director of Finance, Business, and Operations during the budgeting process in early 2014. In some cases, the specific data may have changed since then, in the course of budgeting/allocation, but the overall analysis below would not be substantially altered with these slight adjustments.



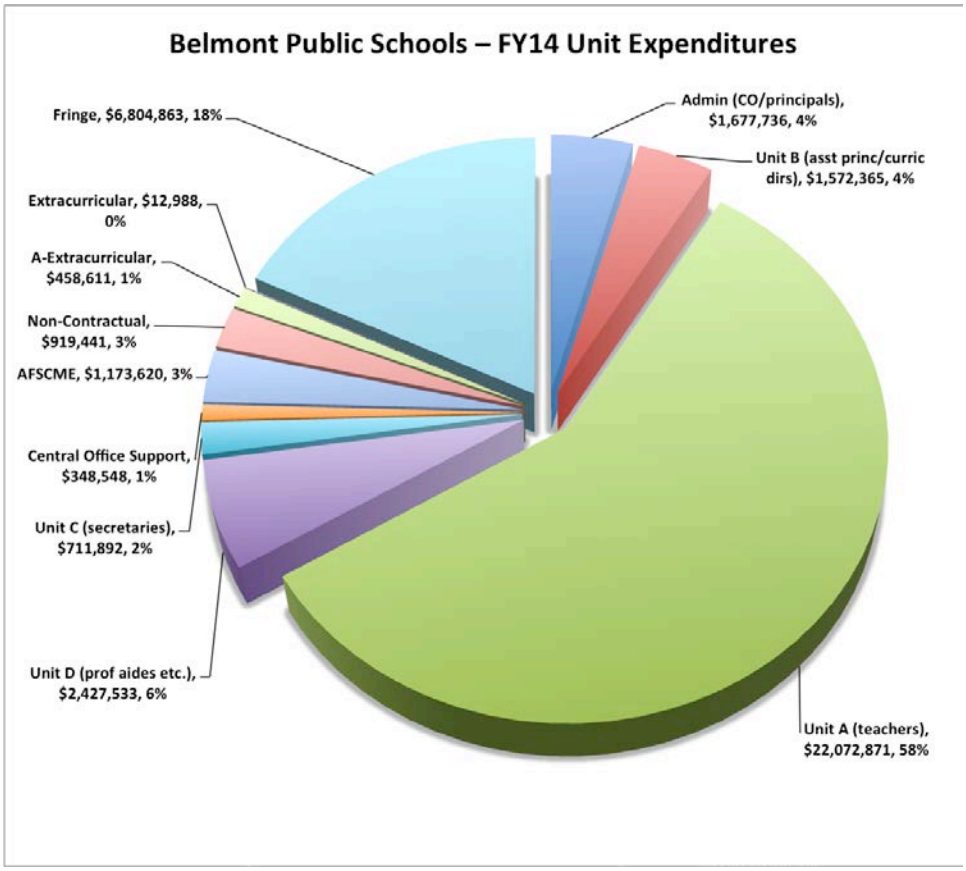
The scale of the issue – and the focus on teacher compensation – becomes clearer when the allocation of funds is explored further. First of all, almost half of the Town budget goes to the schools:



Of the funds going to the schools, over 75% go to compensation:



Of that, about 60% goes to Unit A (thus over half the overall BPS budget):



The *Warrant Committee Report to the Belmont Town Meeting* for the FY2015 Budget (page 41) reflects the concern about this gap between costs and revenue:

> ***Implement Changes to Moderate Long-Term Salary Growth:*** *With employee salaries accounting for about 61.3% of total costs in the Department's proposed FY2015 budget, salary increases are a major determinant of overall budget growth. While this budget represents a 3.5% increase over the FY2014 budget, salaries are increasing by 4.5%; furthermore, when combined with contract allowances included in the budget for compensation increases not yet granted, the latter percentage grows to 5.3%. Such increases virtually guarantee that school budget growth, which has averaged more than 4% annually for the past ten years, will continue to outpace the tax increases allowed by Proposition 2½.*
>
> *Of particular concern is the compensation structure in place for Bargaining Unit A employees, including teachers and other professional staff, who in this year's budget accounted for 59.3% of Department FTEs and 71.6% of total salaries. As has been reported before, even in the absence of negotiated cost-of-living raises, these employees receive annual "step" increases averaging 4.2% during their first 14 years of employment, as well as "lane" increases, ranging from 1.5% to 5.6%, based on graduate school credits or degrees earned.*
>
> *As the Department has emphasized, this kind of salary growth is unsustainable. Absent real reform, it will continue to place tremendous pressure on the Department's budget and is likely to require some combination of service cuts, including reductions to both personnel and non-personnel accounts, and revenue increases, in the form of operating overrides, increased student fees, and/or development of new revenue sources.*

Subgoal 3: Encourage Excellence and Improvement

In a rapidly changing environment, the long-term success of any organization depends on its ability to engage in a process of continuous improvement. Central to this improvement process is the ability of an organization's compensation system to motivate employees to strive for excellence in their individual performance. As discussed earlier, while there are many forms of compensation, the following discussion focuses on cash compensation, both absolute and relative.

In many organizations, cash compensation is an indicator of the quality of a professional's performance. Salary increases and cash bonuses are tied to professionals' effort, improvement, and performance. In contrast, BPS, like most districts across the Commonwealth and the country, uses a Step and Lane system to determine a professional's cash compensation – but advances in the Step and Lane system, as it currently exists, result from longevity and formal graduate school credit hours only, not quality of performance and contribution.

As noted earlier, the single requirement for advancing through the salary steps (which currently accounts for approximately 73% of the total funds allocated to compensation increases) is simply remaining employed in the district. Thus, two employees hired at the same time, with the same education level, will receive the same compensation, regardless of any differences in performance, effort, or alignment with district goals. Employee A might be an exemplary employee, engaged in continuous improvement and effort, producing excellent work, while employee B shows low effort, little

interest in continuous improvement, and mediocre output – but the step system compensates them neither for their effort nor for their results, but only for the length of time they stay in the district.

Similarly, the single requirement to move across the lanes of the system is completion of course credit hours. Professionals who continue to take graduate level courses receive increased financial compensation, regardless of the quality of their performance. Professionals are not required to demonstrate a positive correlation between the coursework and their performance before receiving an increase to their compensation. Simply completing courses results in moving across the lanes and increased compensation.

These two criteria for advancing through Steps and Lanes are remarkable in that they have no correlation to the goals of the organization. While an argument can be made that a teacher is better qualified after several years of teaching – and so giving step increases in those early years is justified, it does not follow that the improvement between years 10 and 11, say, or years 13 and 14 are so significant as to deserve similar increases in salary. Similarly, research has not shown an indisputable positive correlation between additional coursework and excellence in teaching – continuing education may be important and motivating to a teacher, but does not guarantee improvements in teaching, so it is odd that associated salary increases are so significant.

There are many aspects of teachers' efforts that might be thoughtfully linked to compensation, but mere longevity and accumulation of graduate credits (absent demonstrated improvements) are not among them.

Subgoal 4: Ensure Equity

The equity of a financial compensation system can be evaluated along multiple dimensions. Regarding external equity (fair compensation in the local "marketplace"), BPS seems to offer similar, or perhaps even better salaries than many districts (see Subgoal 1 above). Regarding internal equity (people treated fairly within the organization), the BPS appears to apply policies, procedures, and compensation evenhandedly.

That said, the fair application of an unfair system cannot be deemed equitable. And once again, the Step and Lane system (here considered as the mechanism for awarding cash compensation) not only falls short by failing to apply any rational measures of employee performance, it actually stands as an obstacle to the execution of the core goals of an effective compensation system.

If equity is measured by an employee's effort, workload, or contribution – indeed by any fair measurement of an individual's positive contribution to the goals of the district – then the current Step and Lane system is not equitable. Regarding steps, again, simply by virtue of remaining an employee within the organization, the employee progresses through the steps, receiving increases for each year of service, regardless of effort, workload or performance. And professionals who are strong contributors, teach more students, show more personal commitment to their work, and who consistently strive for continuous improvement and excellence receive exactly the same increase in salary as an employee who is a minimal contributor.

The salary lanes, too, can produce further inequities. With the growth of online courses that require relatively little effort but provide formal credit, and in the absence of a way to measure the impact of additional coursework on performance (and no requirement to show a positive impact in the first place), the lane system can allow employees who are lower performers to end up making a higher salary than an excellent performer, simply by taking classes.

With the Step and Lane system, professionals are not compensated for the value of their job or their performance, but simply for longevity and coursework.

Subgoal 5: Comply with Legal Requirements

All school districts must comply with long-standing statutory requirements, in addition to newly developing state mandates. Belmont's compensation system appears to be executed within the bounds of the law, and Belmont employee contracts continue to incorporate the statutory requirements and mandates appropriately.

4. Recommendations

The primary goal of an effective compensation system is to help an organization fulfill its purpose by ensuring that employees' efforts are aligned more and more closely with the goals of the organization, that compensation is financially sustainable, and that the whole process is legally defensible.

As highlighted in Section 3, the BPS compensation system has several significant problems. Specifically:

1. **Financial Unsustainability.** The current Step and Lane system is not financially sustainable. Simply stated, the compensation costs outpace the available revenues.

2. **Inappropriate and Inequitable Structure.** The current Step and Lane system does not offer compensation for effort, workload, performance, or any other criteria that forward the goals of the district. Instead, it compensates professionals for two factors not correlated to the success of the schools: longevity, and advanced college credits.

This section outlines several recommendations that attempt to rectify these shortcomings.

Recommendation 1: In concert with all stakeholders, develop a compensation system that is financially sustainable, is correlated to the goals of an outstanding K-12 education system, and that honors employees' contributions to our learning community

Among the components of such a system are the following:

- Costs must not exceed available revenue.
- The system must be flexible enough to respond to changing financial conditions.
- Some portion of compensation is guaranteed.
- Some portion of compensation is awarded based on employee performance, effort, etc.
- The criteria used to assess employee performance etc. are clear, measurable, and correspond to factors known to enhance student learning.
- The system is fair and fairly applied.

An example of such a system is shown below. It is not a definitive design, merely a conceptual model illustrating how a system can include both guaranteed and variable components.

In the model, a certain amount of the increase in available revenue is selected – here, the first 2.5%, corresponding to the predictable increase in available revenue due to the annual property tax increase allowed by Proposition 2 1/2. This is the "base" portion: it is applied automatically in the form of salary increases (note that these increases are not applied to a grid, but to whatever salary the employee has). Given the wide salary range that exists today, the same percentage increase might not be given to all employees, but could be graduated so that salaries of newer/younger employees would increase more rapidly than those in the top ranks.

Any increase in available revenue *above* the guaranteed amount is then pooled and distributed among the employees, based on criteria to be determined. The establishment of a bonus pool would create the opportunity to recognize effort, workload, and contributions to the organization.

Note that the size of the bonus pool would vary depending on the available revenue in the given year. The size would be constrained by growth in the Town's available revenue, but would be larger in those years when the Town revenue rises.

In such a scenario, it would be critical to ensure timely reporting and complete transparency so that BPS employees could easily see how the Town calculates its available revenue. As a first step in this process, the School Department could provide teachers and all interested parties with an annual "Fiscal Status Report." This report could include three years of history and provide detail on the components of Town revenue and the computations through which available revenue is derived.

Recommendation 2: Establish a bonus pool, and develop criteria to use to allocate those funds, beginning with a few basic measures

The aim of including a cash bonus component is to distinguish the contributions of exemplary employees from those of mediocre employees (as described in Section 3). Initially, the criteria for bonus awards could be relatively straightforward and easily quantifiable. Ideas discussed included patterns of attendance (as a proxy for effort); and class size, perhaps adjusted for student characteristics such as ELL (as a measure of workload).

For example, if Employee A had a perfect attendance record and taught relatively large classes, or had a relatively large proportion of English Language Learners in his/her class, he/she would receive a cash bonus in addition to the guaranteed base increase in pay. If, at the other extreme, Employee B often missed Fridays, was rarely available to students and parents after class, and had relatively small class size with a traditional mix of students, he/she would receive no bonus on top of the guaranteed increase.

These are just examples. The details would be worked out with stakeholder input.

There may be some overlap between these criteria and those created for the Performance Evaluation process. The latter process is currently not tied to compensation, so some consideration of the use of criteria for differential compensation will need to be discussed.

Recommendation 3: Identify schools in cities and towns in Massachusetts and other high performing states which have moved away from the step and lane system, and do an in-depth study on their systems and performance.

This would increase the understanding of the transitional process, mechanics, and other more subtle operational factors required for an alternative system to succeed. This study should include charter schools, pilot schools, and selected independent schools, and would ideally be undertaken by a group of interested schools.

Recommendation 4: Refine these proposals through joint work of the School Committee, School Department, Union leadership, and outside academics and/or educators

This report just begins to outline elements of a solution. The task of designing a new compensation model in the field of K-12 education is daunting, and will require much creative thinking and collaboration among the School Department, School Committee, and Union leadership. It will be important to also invite others outside of the Belmont school system to join the conversation in order to encourage new ideas, and to avoid the trap of falling into old patterns and positions. These outsiders could be academics familiar with different kinds of compensation systems, or educators from other districts that have moved away from the traditional step and lane structure.

Recommendation 5: Join with other communities to enable larger scale research and a greater voice to press for change at the state level and beyond

It is very difficult for a small community like Belmont alone to make significant changes to a widely shared and entrenched system like steps and lanes. As well as working on this issue within the Town, Belmont should seek out other districts looking to reform their own compensation systems, and explore opportunities for joint research and investigation that would lead to the development of alternative compensation models. For example, as a start, Belmont might reach out to other members of EDCO (the voluntary collaborative of 21 suburban and urban districts within Greater Boston to which Belmont belongs) to see whether other like districts have such an interest.

Banding together with a larger group of school districts would not only open up a greater scale of research and ideas for innovative reform, but a larger group would have a stronger voice to press for change on Beacon Hill. It is most likely that any large-scale structural change to the step and lane system would have to happen at the state level.

Closing Remarks

There are two fundamental issues with the current Steps and Lanes system that need to be changed: financial unsustainability, and compensation not based on criteria that further the goals of the system.

There is no doubt that movement towards any new compensation system will be difficult and may take many years, but there are paths to follow: there are other districts across the country that have moved away from traditional steps and lanes, and there are some indicators of effort, workload, and performance that can be reasonably measured.

Further discussion should begin immediately so that the next round of contract negotiations in 2017 might make possible a better alignment of compensation with the goals and strategic planning of the school system.

Appendix: Additional References

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Special Education District Trends
Findings Report
March 5th, 2014

Submitted by:
The Special Education Trend Modeling Group

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A. Overview

In order to best plan for future needs and challenges, the district has tasked a number of trend modeling groups with the responsibility of gathering and reviewing trend data in a number of high stakes and high impact areas. As part of this district wide review, a Special Education Trend Modeling Group was formed to handle this task in regards to myriad of variables impacting special education services and resources.

As a practical matter, the data targeted for this review was that most likely to impact district services and resources. In most past reports, these data points reflect funds spent, prevailing student needs, key programmatic and instructional implications, and suggestive practices moving forward. Accordingly, the Group focused its efforts on a review of previously gathered data in these salient trend areas. The data captured was within two recent statewide reports, and two recently completed district specific reports. The review then focused on determining and highlighting both global as well as district specific trends that could be used to inform decisions about the best applications for district resources moving forward.

B. The Data Reports

The four reports reviewed are listed below. Although they were commissioned for a variety of reasons, they all gathered salient data that was used to understand the targeted prevailing trends. Those data points, as a collection of related information, provided varying pieces of an overall Special Education picture. While some of the findings may be more germane to planning at the state level, much of the data was very useful in formulating a sense and understanding of trends at the district level. As a result, our review of this material found that it reflected many areas of presenting need and best practice suggestions for the district moving forward.

1. Review of Special Education in the Commonwealth of Massachusetts, Thomas Hehir, Todd Grindal and Hadas Eidelman, April 2012 (Appendix A)
2. Use of Out-Of-District Programs by Massachusetts Students with Disabilities, Thomas Hehir and Associates, October 2013 (Appendix B)
3. Belmont Public Schools NESDEC (New England School Developmental Council) Trend Report, Independent Commissioned Report, December 2012 (Appendix C)
4. Walker Partnerships Belmont Public Schools Trend Report, Independent Commissioned Report, January 2014 (Appendix D)

C. Global Findings

As noted above, data sources were both state as well as district specific. Presentation of findings cited below is drawn from all data sources and presented as summary findings of trends with comparisons to Belmont. Where warranted, notations regarding implications for best practices moving forward were also included.

1. Massachusetts has the second highest rate of special education identification in the United States. More than 17% of K through 12th grade students in the Commonwealth of Massachusetts are eligible for special education services. This rate of identification for special education service eligibility is the second highest in the country, behind Rhode Island's 19%. In addition, rates of special education identification vary substantially within and between Massachusetts' school districts.

By comparison, Belmont has approximately 9%-10% of its student population identified as eligible for special education, and is relatively consistent in it's rate of identification between schools. This rate of identification has remained relatively consistent over the past 2-3 years, although the overall district rate has decreased yearly since 2006. This decrease was in spite of a student population that has increased during that same time frame Belmont's rate of identification is lower than any of the other LABBB collaborative members, although all members are below the state average.

Possible causes for the decrease in identified students might be the increase in early interventions at the elementary level, as well as the increase in the adoption of universally designed instruction and supports across the district. Trend data from state reports indicates these models to be best practice approaches for remediation and instruction, and regulatory changes in the past 8 years have mandated the use of interventions prior to identifying students as having any type of Specific Learning Disability. In response, Belmont has increasingly developed and implemented these models of remediation and instructional design over the same time period, and invested a significant amount of resources into staff development and materials to support these goals. Implications for future practice would be to continue this approach. Resources in staff development and materials supporting these endeavors should be continued.

2. The majority of students with disabilities in Massachusetts, approximately 63 out of every hundred students with disabilities, spend at least 80% of their school day in classrooms with their typically developing peers. This compares favorably with figures for the rest of the country, where approximately 58 out of every hundred students with disabilities are included to this extent. This practice supports increased student gains as state reports found that students with disabilities who spend more time being educated with their typically developing peers, on average, earn higher scores on the Massachusetts Comprehensive Assessment System tests. State trend reports concluded that interventions in districts should focus on requiring better practices in general education, with best practices widely viewed as those that support maximum use of inclusion, in addition to application of Universal Design principals in instructional design, and adoption of a Response to Intervention (RTI) model in kindergarten through grade three to promote early literacy development.

By comparison, Belmont has approximately 83 out of every hundred students with disabilities included in classrooms with their typically developing peers at least 80% of their school day. Implications for Best Practice are that students should be included in settings with typically developed peers as often as possible. Belmont also has a solidly structured RTI program implemented at the K-4 level, and continues to build capacity and breadth of

instructional support for both literacy and Mathematics. Resources in staff development and materials supporting these endeavors should be continued.

3. Out of District (OOD) placements are used by many districts to meet the needs of students whose disabilities present challenges beyond the expertise or program capacities of their home districts. State trend report findings for these placements include the following:

a. There are no observable differences in the academic progress made by out-placed and non-out-placed students, but there is some evidence to indicate that out-placed students do appear to experience improved rates of school attendance.

Implications for practice would be maintenance of Team monitoring to ensure effective student placements. Attendance is often a function of student performance. As a result, this presents as a possible indication of placement success or failure. When Teams reach a point of recommending an OOD placement, student attendance has often declined. The corresponding increase in attendance noted through the findings might be indicative of an appropriate placement. The services provided in the new placement, possibly responsible for the increase in attendance, may also present as an appropriate set of services to possibly employ in-district.

b. Although there were slight year-to-year differences in the percentage of students with disabilities who were placed in out-of-district settings, this rate was relatively stable over time.

Belmont falls in line with this finding having very little fluctuation in the number of students placed out of district from year to year.

c. In general, communities that were wealthier, on average, tended to place students with disabilities in private special education schools at higher rates than less-wealthy communities, after accounting for relevant town-level characteristics. These placements accounted for a significant part of a district's Special Education expenditures. Many similar districts to Belmont expend upwards of 40%-50% of their Special Education budget on OOD placements.

Belmont's trends are consistent with these findings. The district has typically spent approximately 45%-50% of its annual Special Education budget on OOD placements to meet the needs of its students. The number of OOD placements may sometimes be a result of an increased push from parents typically experienced in higher income districts, but more often out placements are made of necessity in order to meet the demands of high need students. While higher percentages of lower income students often reside in larger districts that have more in district programs, communities with higher levels of wealth are often smaller and lacking of these program resources. Many smaller communities without high levels of wealth also fall into this category. State trend reports found that some special education directors reported that their districts lacked the resources or the number of students to build programs within district to support some students with disabilities, and these were the students whom they placed out-of-district. Belmont's outplacements are primarily due more to this factor then to parent push. In-district resource limitations in space, staff and specialist expertise

often make it cost prohibitive to meet the high demands of students with low incidence disabilities, or the high demands of students with extreme challenges.

Implications for best practice moving forward would be to continually monitor aggregate needs to determine any areas for prospective in-district program development. Currently, aggregate areas of need support continued in-district program development to serve students with ASD challenges and students with Socio-Emotional challenges. ASD identification has increased significantly in the past 10 years, and the severity of the Socio-Emotional challenges faced by BPS students, in spite of a decrease in identification rates, has warranted an increase in services to address these challenges.

Implications moving forward would also include fund allocations to support the current and anticipated OOD placement expenses. While the number of OOD students has remained relatively constant, the cost of the placements often rises from year to year. With in-district resource limitations in space and staff remaining constant, it is unlikely that the district would be able to alter its current service model to incorporate more programs internally.

d. Late middle school and early high school are the primary years in which children were first placed in out-of-district programs. Parents and approved private-school administrators noted that beginning in middle school, larger settings, expectations for more independence, and greater academic rigor and accountability were a sudden transition for students accustomed to smaller and more nurturing environments.

Belmont's trends are consistent with these findings, although students are not sent to OOD placements simply as a result of transition or adjustment difficulties. These factors tend to exacerbate already existing disability vulnerabilities subsequently warranting placements that provide more targeted supports.

Implications moving forward would be to continue evaluating all available supports and services so as to ensure a full range and provision of interventions to help students successfully address challenges in-district. Resources in staff development and materials supporting these endeavors, as well as in consulting expertise and expert practitioners, should be continued.

4. A significant amount of financial resources are allocated to district special education expenses in every district, and represent a significant part of each district's budget. State trend reports as well as Belmont's own district trend reports found similar results as well as notable trends. These included the following:

a. In the past three year period, the change (increase) in total district General Education expenditures has been approximately $4,589,523, or 23.12%. This breaks down to an annual increase of approximately $1,529,841 or 7.71%.

b. The corresponding change in Special Education funds in the same 3 year time period is $1,442,046 or 13.93%. This breaks down to an annual increase of approximately $480,682 or 4.64%.

c. As a subset of this, the change in OOD Placement expenses over the past three years has been approximately $339,234 or 9.41%. This breaks down to an annual increase of approximately $113,078 or 3.14%.

d. Special Education Expenses as a percentage of Regular Education Expenses have remained relatively consistent at approximately 34% of the overall district budget.

Belmont's expense trends would indicate a moderation in Special Education cost increases over the last three years. This seems to hold for both in and out of district expenses. With rates of student identification, need for outside placements, and need for current level of internal program supports and services remaining relatively stable, this data would support maintenance of similar resources, staffing and efforts.

Implications moving forward would be supportive of ongoing program monitoring and needs assessments. While a quantitative analysis as referenced in the trend reports may suggest success with the maintenance of level services and supports, the myriad of challenges regularly presented by some of the districts most vulnerable students always suggests a high probability of a need for extreme or extraordinary support or service outside the realm of routine and available resources.

D. Global Recommendations

1. Response to Intervention (RTI) programs need to be supported. Early intervention and associated progress monitoring efforts are essential to addressing student challenges early and decreasing the likelihood a student might need future special education services.
2. A range of interventions needs to be cultivated, maintained and implemented to best serve the array of challenges presented by students.
3. Universally Designed Instruction needs to be encouraged at every level as broadly and comprehensively as possible. All staff should be trained in the development and delivery of a variety of instructional models to address the varying learning styles and challenges presented by students. Implementation of this approach early and extensively helps minimize challenges faced by at risk students before learning weaknesses are exacerbated by mounting gaps in mastery.
4. District identification information about rates and disability types should continually be monitored. Ongoing review of presenting student needs best informs staff, resource and programmatic decisions.
5. Adequate allocation of funds and resources must be maintained to support student needs through effective staffing, program structure, materials, and out placement settings.

Report of Findings and Recommendations
Belmont Public Schools
Enrollment Modeling Group
January 31, 2014

Enrollment Group Members:

Thomas S. Kingston, Superintendent of Schools, Chair
Daniel Barry, Attorney, Parent
Martha Brown, Realtor, Parent
Patricia Brusch, Citizen, Member Warrant & Capital Budget Committees
Glenn Clancy, Belmont Director of Development
Benjamin DeLorio, Teacher, Delegate, Belmont Education Association
Lisa Fiore, Educator, School Committee Member

James Conry, Consultant to the Group

Following the substantial work of a class size advisory group commissioned by the Belmont Superintendent of Schools in the fall of 2012, the current Enrollment Modeling Group has been meeting since November 2013 to attempt further fine-grain analyses of trends and issues in order to inform the overall long-range financial planning currently taking place under the auspices of the Belmont Select Board. The Enrollment Modeling Group has explored two fundamental questions: Why has the Town seen such a surge in student population, and what are the implications of that surge for the future? The group reviewed the projections the School Department has historically used from the New England School Development Council, the record of student arrivals and departures into and out of the system, the projections of student populations likely to emerge from major development projects, the actual nature of the growing student populations, the reasons families seem to be moving to Belmont and whence they come.

The Enrollment Modeling Group voiced issues of interest and concern and recommended means to explore the issues. The conversations and reports that emerged have informed the set of considerations that make up the second part of this report. However, the considerations and recommendations are those solely of the school administration and do not necessarily represent a consensus or formally approved body of recommendations. The school department is immensely grateful for the insights and experiences brought to the discussions by the individual volunteer members of the group.

Findings

Over the past two school years, the enrollment of the Belmont Public Schools has grown markedly at rates of 2.4% and 3.6%, respectively, as measured against the official October 1 enrollments of 2012 and 2013. The fixed date under state regulation determines the number of students calibrated for the school funding reimbursement formula the state uses to determine the annual state grant under Chapter 70 of the Massachusetts General Laws. However, the measuring of student population from October to October masks the “churn” within the Belmont

Public Schools—the extent to which students enter and leave the district during the school year. As well, the percentage of year-to-year growth does not indicate the nature of the student population growth, in particular these past two years, the significant addition of students who are learners of English as a second language.

As of January 2014, the actual full student enrollment of 4,305 includes 27 students in addition to the 142 students indicated as a net gain in student population on October 1, 2013, including special education students in special placements outside the district. If the average yearly per pupil expenditure for students in the Belmont Public Schools approximates $12,250, then the addition of 169 students from one year to the next could be presumed to impact the school department budget by requiring an addition of $2,112,500 over the prior year's funding just to maintain the same programs and services. The major financial impact of significant student population growth is obvious.

The current student population projections from the New England School Development Council (NESDEC) estimate that the district will see a net increase of 83 students in 2014-2015. However, NESDEC projected 103 new students for 2012-2013. Because the full enrollment increase was 142, the NESDEC projection was off by 38%. Based on the actual January 2014 population of 169 students, the projection erred by 64%. Over the past five school years, NESDEC projections have varied as follows:

2009-2010	Prediction = + 54	Actual = + 115	Difference = 53%
2010-2011	Prediction = + 48	Actual = (28)	Difference = 158%
2011-2012	Prediction = + 49	Actual = + 23	Difference = 53%
2012-2013	Prediction = + 102	Actual = + 94	Difference = 8%
2013-2014	Prediction = + 103	Actual = + 142	Difference = 38%

Representing the projection differences between predictions and actuals by a percentage is misleading, but the discrepancies demonstrate that a predictive algorithm based in significant part on a suburban town's birth rates is not altogether reliable. Furthermore, in suburban school systems, population trends often depend upon exogenous variables, which, by definition, are difficult to predict with any precision. (To be fair to NESDEC, the Superintendent of Schools in defense of the FY 2014 school budget publically declared that he thought the prediction of 103 to be too high!)

If the NESDEC projections are viewed somewhat differently, and if the predictions are compared to the total student population, the projections actually only vary within a range of 98% to 102%. However, a variation of 2% for a population of 4,000 students represents 80 students. If the average per pupil expenditure is $12,250, eighty students might have a presumptive budgetary impact of $980,000. The NESDEC projections cannot be ignored, but they have to be weighed against actual trends.

The historical enrollment data indicate that from the fall of 2002 on, each student cohort that began as kindergartners has increased in size as it has progressed up the grades. In 2004, the kindergarten cohort of 248 children grew to 290 students by Grade 4. That cohort entered Belmont High School as freshmen in the fall of 2013 with 314 students, an increase in the cohort

population of 27% over ten years. Prior to 2002, student cohorts actually decreased in size as they progressed through the grades. This eleven-year trend again suggests that the town's birth rate is much less a factor for predicting growth than is the rate of families who move into Belmont with school-age children.

For the fifteen-year period from school year 1998-99 through the current school year of 2013-2014, the official kindergarten through grade 12 enrollment in Belmont has grown by 599 students, from 3,537 to 4,146, a total enrollment growth of 16.9%. (Note that the data exclude pre-kindergarten enrollments and special education outplacements.) During the first seven years of that span, enrollment was relatively stable, growing only by 46 students, a cumulative 1.3% increase with four years of decreased enrollments and three years of increased enrollments. During the most recent eight school years, the official K-12 enrollment has grown by 553 students, a cumulative growth rate of 15.4%. During this span, there was only one year of declining enrollment. The average annual enrollment growth was 1.9%; thus, the average *annual* rates of growth exceeded the preceding full seven-year rate of 1.3%. The 2013 enrollment projections from NESDEC indicate a continued growth of over 300 students during the next five years through school year 2018-2019 with an additional projected growth of 370 students for the following five years. However, these projections do not take into account major developments such as the Cushing Square project or potential Uplands development. Over the next decade Belmont might well acquire more than 600 new students. Certainly, it is essential to note that projections for the out years (beyond five years) are less reliable for the variety of reason that NESDEC notes in the prefaces to the reports.

Also important to note is that official figures on the Department of Elementary and Secondary Education's website will not correlate neatly with figures the district maintains, at least not without some substantial further analysis. The Department counts special education outplacement figures in a different manner as well as the pre-kindergarten population. Furthermore, the Department's figures are always a point in time (October 1) and often eighteen months old. The Belmont School Department tracks population figures for all Belmont students regardless of profile monthly. "All Belmont students" means individuals for whom the Belmont Public Schools are fiscally as well as educationally accountable.

A factor further complicating planning and budgeting is that the enrollment of students is a rolling affair. While, as might be expected, the highest number of new students enroll during the month of August, significant numbers enroll in April, July, May, September, and March, in that order. New enrollments after May are necessarily excluded from firmer numbers that go to Town Meeting for approval of the budget.

The Town of Belmont has become an exceptionally attractive community, especially for young families. Anecdotally, we believe there is a trend in Belmont common to several suburbs: Older residents who are downsizing or retiring are selling their properties to younger families. As well, up until a year-long freeze imposed by the Town Meeting of 2013, several older single-family units were being torn down and replaced with new multi-family dwellings.

To determine reasons for the migration into Belmont, the group asked families of students new to the Belmont Public Schools in the 2013-2014 school year to complete a brief, open-ended

questionnaire about their reasons for the move. Over fifty percent of the new families responded—a response sufficiently high to give the results considerable credibility. Parents were simply asked to write the reasons why they chose to move to Belmont and from where they moved. Most respondents gave multiple reasons for moving. The most common reasons were

1) the quality of the schools (84%);
2) proximity to Cambridge, Harvard, or MIT (28%);
3) the quality of the neighborhood and community (16%);
4) proximity to work or job (11%);
5) good public transportation (8%);
6) and 15 others responses with one or two tallies.

In short, and not surprisingly given that the responses were from parents of school-aged children, a major factor underlying the choice these families made to move to Belmont was the quality of the schools. A caveat to acknowledge is that the questionnaire did not go to new Belmont residents who do not have children in the schools, and the results must be interpreted in that context.

What is of particular interest is whence new school-age families came:

1) from another Massachusetts town (37%) with Watertown at 8% and Cambridge at 7% highest among the 14 towns and cities represented;
2) from another state (32%);
3) from a country outside the United States (26%) with 14% coming from Asia (China, Korea, and Japan, in that order).
4) Only 6% of the new students were already residents in Belmont who moved into the public system from private schools.

Noteworthy is that many of the international families (as well as some of those families from out-of-state) have indicated that they are here for a short duration to serve on fellowships or as visiting professionals at Boston area universities and corporations. The attraction to Belmont for international families underlies a phenomenon that pertains to some of the families who move in from out-of-state as well—an anticipated one or two year temporary residency for professional reasons. That phenomenon certainly accounts for part of the "churn" factor in the Belmont Public Schools. That fully a third of Belmont residences are rental properties is a likely contributing factor as well.

Based upon calendar year 2013 data, for every three new students to the Belmont public schools, one student leaves the district. Therefore, a net gain of 169 students as of January 2014 actually disguises the fact that there are actually 233 new students because 64 students have left the district. The Massachusetts Department of Elementary and Secondary Education now determines for each district a "churn" factor, a percentage of student population turnover. The official churn rate for Belmont based upon the 2011-2012 school year (the most recent official data set available) is a modest 4.4%. However, for English language learners, the churn rate is 30.6%, a datum reflecting the mobility of international families.

Belmont has seen marked growth in the numbers of students classified as English language learners. Such students, much like students in special education programs, require additional direct services to support their acquisition of English. Many international families move to towns like Belmont because of the quality of the ESL programs (English as a Second Language Programs). In school year 2011-2012, Belmont supported 106 English language learners. In 2012-2013 the number increased to 113. In the current school year (2013-2014) the number is 182, an increase of 72% over the three years. The official number of English language learners is based upon the October 1 school enrollment. In Belmont, as of January 31, 2014, there are actually 187 designated English language learners—the number consistently tends to grow during the school year with new arrivals and students newly identified as ELLs.

Town census data for calendar year 2013 reveal a very active realty market. A total transfer of 428 residential units (homes and apartments) was recorded by the Town clerk. Of the total, 35.28% were rental properties. The most relevant datum is that occupying those new homes are 821 individuals listed as minors.

Since school year 2010-11, when there was an actual decline in the student population of 0.7% from the preceding school year, there has been a steady percentage increase of 0.6% to 2.4% to 3.6% for the current school year. The chart of historical percentage changes shows considerable variation over the past ten years from a -0.7% to the current +3.5%. The algorithms to project student populations as employed by the New England School Development Council (NESDEC) are useful but hardly definitive or infallible. Historical trends alone cannot predict the future because of the host of exogenous variables that impact student populations. We do anticipate gaining approximately 33 new students once the Cushing Square development has been completed. Should the Uplands project see fruition, we estimate gaining approximately 73 new students, based upon the best projections available. The addition of 96 students over the next three to five years seems modest, but it would be in addition to normal growth of the kind seen over the past several years.

The current projection from NESDEC suggests that the district should anticipate 83 new students for 2014-2015, 82 for 2015-2016, 49 for 2016-2017, 55 for 2017-2018, and 36 for 2018-2019. Adding to those numbers 96 students from Cushing Square and the Uplands that are not included in the NESDEC projections, a new estimate would suggest gaining 401 students by school year 2018-2019, five years hence. That figure represents a 9% increase over the next five years. The caveat is to recognize that such a projection is guesswork; but with some major housing developments under way and despite the temporary freeze on tear-downs and rebuilds, the Town should anticipate real growth in student population over the next five years. A round estimate of 600 new students over the next ten years may not be far off, but only if the current enrollment trend continues unabated.

The Belmont school district is a major attraction for families who highly value education. Student performance as measured by state testing places the district at Level I, the highest performance tier in the Massachusetts accountability system. Less than 10% of school districts perform at the top level. The implications of substantial growth in student population impact long-range financial planning, programmatic innovation, staffing, and the infrastructure to support education. Current classrooms currently are at or exceed class size guidelines

established by the Belmont School Committee. Furthermore, in the current and past school year, new students have been reassigned from their neighborhood elementary school to another school outside their district to maintain equity among elementary classrooms.

Considerations

Because the Modeling Group was not designed for, and did not strive for a set of consensual recommendations, the school administration has taken the conversations that did occur and from them would suggest issues for leaders and citizens of the Town of Belmont to consider as central to long-range planning efforts.

1) The January 2013 *Report from the Class Size Advisory Group* is worth reviewing. That advisory body made several recommendations. It recommended that two additional 2nd grade classrooms be added to the FY 14 budget to accommodate the first grade "bubble." Although a 15th 2nd grade was added for FY 2014, a 16th 2nd grade was not. Instead, the administration registered students new to the Wellington 2nd grade at one of the three other elementary schools. In consequence, all 2nd grades have now hit the guideline ceiling for class size or exceeded it by one student, although no classroom currently has more than 24 students.

2) The Class Size Advisory Group also recommended continuing the practice of freezing classes where possible at the guideline limits and redirecting students to schools where classes might be smaller. That practice has continued into FY 2014, although at present all classrooms are reaching or are at capacity.

3) The Class Size Advisory Group deemed that redistricting was not a particularly viable resolution at the time since all schools were approaching capacity and nothing would be gained by new district borders. We concur and endorse the continuation of redistributing students rather than redistricting. Until or unless more physical classrooms attach to existing facilities, redistricting achieves no perceivable benefit. Nonetheless, the question of redistricting needs to be reviewed annually.

4) Recommendations about reducing class sizes for the Chenery Middle School by the Advisory Group were designed and implemented in FY 2014. The large current 4th grade will have an impact at the Chenery in September 2014. Therefore, a high priority will have to be identification of classroom space—presumably by having teachers rotate through rooms rather than "own" a specific room. As well, at least two additional teachers will be necessary to address the growth at 5th grade.

5) Space is and will continue to be a concern. Simply adding permanent additions to existing facilities, or even building a new elementary or middle school facility, is at this time unrealistic given the pressing and prior need to renovate and expand Belmont High School. The Town must continue to petition the Massachusetts School Building

Authority for funds to undertake the high school project, and completion of that project would go far to compensate for the crowding at the current facility.

6) The expansion of space for elementary classrooms should initially be viewed as a temporary measure with long-term solutions emerging after growth over the next five years becomes reality and there can be a reasonably secure estimation of subsequent building needs. In the short term, the Town might consider renting state-of-the-art modular units like those used during the construction of the new Wellington School. The units initially would be suitable at the two smaller elementary schools—Burbank and Butler. However, the use of modular units is, we believe, not necessary for the 2014-2015 school year but could be helpful as soon as the 2015-2016 school year.

7) Finding additional space for middle school students poses a conundrum. The district might well consider expanding Belmont High School in its renovation to include the 8th grade in order to allow the current Chenery building to accommodate its growing population. The Chenery has generally enrolled the largest population in the district, even higher than Belmont High School.

8) If the student population were to grow by another 160 students in the 2014-2015 school year, and if that growth were relatively evenly spread as it was in 2013-2014, then an additional 50 elementary students would predict, on average, the addition of a student in each elementary classroom since there will be 15 classrooms at each grade level (K-3). The greater impact would be at the middle school, and the addition of staff as well as management of classroom availability would be essential.

9) A modular unit attached to Belmont High School for the pre-kindergarten program would offer relief for the Wellington School while opening space to transfer the LABBB classrooms to better facilities for that program at the Wellington. The current modular unit might not suitable for an early-childhood center, but its as such deserves consideration. Centering the pre-kindergarten program next to the high school might offer an opportunity for an early education program that would involve high school students studying child development.

10) Were the School Department to establish a Parent Information Center (PIC) at its Central Office, new registrants could be distributed efficiently among the four elementary schools. Furthermore, a PIC would provide the opportunity to assess proficiency and placement for new students, especially those who require assessment of English language proficiency if they come from a home where English is not the primary language. As well, a PIC could hold in a central databank all relevant demographic and assessment information so that enrollment trends as well as individual placements could be consolidated rather than, as at present, maintained in each discrete school.

11) The need to manage growth also invites in the elementary grades an opportunity to consider grade-level combinations. For example, combining a first and second grade class, or a third and fourth grade class, could reduce higher class sizes. Combination classrooms have been in existence since the time of the one-room schoolhouse, but modern implementation of a combined classroom would require sufficient teacher development and planning.

LIST OF APPENDICES

Operations and Maintenance Advisory Group (OMAG)
Final Report: 05/28/2014

Abstract: The Operations and Maintenance Advisory Group (OMAG) was established by the Belmont Public Schools' Superintendent, Dr. Thomas Kingston, in August, 2013. According to Dr. Kingston, the group's purpose was "Projecting the capital needs for the school district and reviewing the scheduling for general maintenance and costs… [T]here [should] emerge operational priorities based upon the work to be done." Specific to its status among other committees, subcommittees, and advisory groups Dr. Kingston noted "[T]he work of the group will conclude in February or March. Within a broad charge, it would be setting its own agenda." Membership on the committee included Gerald Boyle (Director of Facilities), Alfred Domenici (School Supervisor of Buildings and Grounds), Anthony DiCologero (Director of Finance, Business, and Operations), Rebecca Vose (Appointee to the Capital Budget Committee), and Michael McAllister (Butler School Principal).

Upon assembly, the group identified three tasks:

1. Conduct a thorough review of all pertinent documents and studies relating the facilities and maintenance. A list of these documents is available in the index section of this report.
2. Assembling priorities for future capital projects
3. Assembling priorities for future maintenance issues

Between 12/04/2013 and 04/30/2014 OMAG members met every two weeks at the School Administration Building.

I. Background: Challenges and Opportunities

The decisions the [town] is called upon to make and the direction [they must] take require deliberate and experienced thinking. Our decisions can't be made because it's the way we have always done things nor because we just want to try anything that's new. No matter what town issue we may be wrestling with…our decision making must rely on the best available expertise and the best available information."
- M. Siegenthaler, 01/09/2014

The Belmont Public Schools have had to make many difficult decisions over the past several decades, facing a common question: "Replace it now, or just fix it and hope it will last a little bit longer?" This reality is no different from what most other towns in the Commonwealth have faced in the same period, and certainly no different than the reality faced by many Belmont families. In making the latter choice year after year, there is an eventual reality that we know exists but hope does not arrive: eventually, a replacement is necessary (not necessarily a replacement of an entire building, but more likely replacement of a *system*, like windows or a boiler or a roof). Industry standards tell us that this is an unavoidable reality. Eventually, the cost of fixing becomes prohibitive, whereby a replacement is the more prudent fiscal choice.

What has compounded the challenge for the Belmont Public Schools is that some years the district focused too much on this primary question, and not enough on another important question: "What can we anticipate will need fixing or replacing in the coming months or years?" When any organization – a company, a school system, or a family – fails to answer this second question they are engaging in a process known as *deferred maintenance*. They are forced to react to situations, rather than planning and preparing for situations. Rather than investing smaller amounts in regular intervals throughout the year to maintain facilities well into the future (which we know will result in a longer lifespan for facilities overall) the district has been forced to wait to get to a point where the only remaining question is our first question: "Replace it now, or just fix it and hope it will last a little bit longer?" To be certain, it is not a lack of knowledge, experience, or willingness that has prevented us from answering the latter question; it is a lack of resources. *We have robbed Peter* – who for the sake of the cliché is the man who wants to invest along the way to keep things looking and functioning as they presently are – *to pay Paul* – the man who waits until something no longer works to make a hard decision.

In order for the Belmont Public Schools to change this dynamic, to become more proactive and less reactive, the district needs to commit to focus on the second question "What can we anticipate will need in the coming months or years?" rather than the first question "Replace it now, or just fix it and hope it will last a little bit longer?" At all times the district must approach our challenges in a level-headed and objective way. This remains the central goal of this report: To carve out a path where the district can be more proactive than reactive. To start a process of focusing on maintaining along the way, rather than waiting until a costly decision needs to be

made. To outline a vision where Peter can have more influence than Paul. Ultimately, the district must develop annual budgets that have maintenance schedules built into them.

There are many examples of where the Belmont Public Schools have, regrettably, been forced to engage in the process of deferred maintenance:

- Higginbottom Pool: The pool at Belmont High School was recently closed down for an extended period of time while numerous repairs and upgrades were made to the pool itself as well as adjoining areas. This reactive and costly process allowed the Facilities Department to "catch up" on deferred maintenance, but had an undesirable impact on operational budgets and user agencies' schedules.
- School Playgrounds: For many years no regular maintenance was performed on the playgrounds at the elementary schools. Over time, issues like mulch or pea gravel surfacing, which should have been replaced regularly, became so packed that playgrounds became dangerous. In November of 2012, an independent Certified Playground Safety Inspector determined three of four playgrounds to be unsafe. The Butler and Winn Brook playgrounds were immediately closed and eventually removed, then replaced with new structures and surfacing totaling over $500,000. These playgrounds could have been maintained along the way to increase their lifespan for less money.
- Belmont High School parking lot: The lifespan of any paved surface can be lengthened considerably by implementing a regular routine of crack maintenance and sealcoating every two years. Because this was not done at Belmont High School, a complete re-paving for $300,000 was required. While this project would have had to have been undertaken eventually, it may have been possible to defer the project, if funding could have been allocated to parking lot maintenance.

Knowing that there is a history of "reactive budgeting," the Belmont Public Schools has also been successful in finding efficiencies along the way.

- Steam Trap Repair and Replacement Initiative: This is a good example of a proactive energy conservation measure. If steam traps in a steam-driven system are maintained regularly, not only is a better than 20% first year energy savings achieved, but the replacement allows the district to qualify for rebates through National Grid.
- Systematic Repair and Replacement of Flooring: For the past three years the district has been able to purchase high quality flooring at a discounted price. Projects include the Winn Brook Elementary School, the Mary Lee Burbank Elementary School, the Chenery Middle School, and the School Administration Building. To date, the district has replaced more than 5,000 square feet of flooring through this initiative.
- Standardized Hand Towels: The district now participates in a collaborative pricing agreement, along with organizations like UMass Lowell, the Department of Corrections, and other municipalities, to secure lower prices on recycled paper products from a custodial supply company located in Franklin, MA.
- Energy Conservation: A number of projects continue to be undertaken that have resulted in energy savings for the district, such as converting fluorescent light fixtures, adding electronic occupancy sensors, and conducting steam trap surveys.
- LED Conversion: The district has changed the types of lights used, moving from 1,000 hour bulbs to 5,000 hour bulbs.

- Service Contracts: Traditionally the district held service contracts with large, corporate vendors for services like fire prevention and detection, elevator repairs, pest control, etc. Over time, these vendors could become more expensive and less responsive. When given the opportunity to renew service agreements to the extent allowed by procurement regulations, the district secured contracts that provided more responsive service at a lower price. Oftentimes sole proprietor vendors having smaller operational budgets were able to compete with larger corporate vendors. The move to more "mom and pop" businesses typically resulted in a decrease in costs, with comparable or better quality.
- Natural Gas Conversion: Prices for gas are considerably less than for oil, so this is a savings that will continue to realize results into the foreseeable future. While the conversion did take an initial investment to get the gas lines from the street into the building and to purchase and install the equipment) the projected annual savings equate to approximately a 3 year return on investment.
- In-House Electrician: The district previously had a service contract with an external electrical company for all of its electrical needs. Hiring an in-house electrician has resulted in significant savings, with concerns addressed in a faster manner than with a service contract from an out-of-town company. In addition, this individual is able to help perform maintenance and custodial work when there are no immediate electrical issues.
- Ice Melt: The district is using a new type of ice melt (Calcium magnesium acetate) as opposed to the old product (Calcium chloride). The new product is good to -20 degrees F so it will not re-freeze readily. Additionally, it will reactivate over a 48-hour span. Whereas the old product needed to be re-applied once dissolved, the new product requires fewer applications and provides longer effectiveness, resulting in both a labor savings as well as a cost savings.
- Work Order System: Revamping the district's work order system is essential to tracking long- and short-term maintenance requests. Moreover, by having historical data the district is better able to project into the future and develop longer-term maintenance plans in the most cost-effective way.

The district will continue to implement these efficiencies, as well as find new efficiencies as they continue in their work. Although these efficiencies are helpful, it is worth noting that efficiencies, alone, will not be enough to offset the problem of deferred maintenance.

II. Capital Planning

In the area of capital planning, we propose the following recommendations:

- Create a "master plan" for the town: This plan would be a continually evolving long-term plan, and the Schools would be only one part of that plan.
- Publish an annual list of recurring maintenance items that do not, by their very nature, qualify for capital funding consideration.
- Create a set of criteria for capital budget requests: Suggested criteria include consideration of code compliance, life/safety, impact on the end-user department's ability to carry out its mission, useful life expectancy, and ability to extend useful life expectancy with periodic upgrades of components.

- We propose that the Facilities Department place greater emphasis on long-term capital planning based on schedules established in a written maintenance manual. This process would result in a more consistent approach to capital requests based on a better understanding of the condition of a building and its systems due to a schedule of regular inspections. In line with the goal of "rely[ing] on the best available experience and the best available information" we think the best approach to identify items for consideration will be to incorporate three criteria: 1. Review the most up-to-date consultant studies the district has available, 2. Review historical work order requests, and 3. Review schedules of recommended maintenance.

It is well known that a major renovation or replacement of Belmont High School is anticipated. Beyond that, it would be useful to begin a discussion of the condition of the remaining schools that have not experienced a major construction or renovation in the past twenty years – the Daniel Butler Elementary School is the next likely school to be up for renovation, followed by either the Mary Lee Burbank Elementary School and/or the Winn Brook Elementary School. An understanding of a potential schedule of future major upgrades of these buildings will provide guidance as to the extent of capital improvements proposed for these buildings in the near future. The lack of a "master plan" has prevented the district from making as informed a decision as possible in these cases. To that end, it will also be important for the Facilities Department to work closely with the School Department to monitor enrollment trends. Otherwise, OMAG has no recommendations regarding specific priorities that would differ from those currently proposed, and is confident that any long-range capital plan established from information developed in conjunction with a written maintenance manual would sufficiently address the needs of the Belmont School Department.

III. Maintenance and Day-to-day Operations

In the area of maintenance and day-to-day planning, we propose the following recommendations:

- Create an "extraordinary maintenance" account in the budget to help address unforeseen repairs: Current operational budgets are adequate for routine maintenance and upkeep of school buildings systems and components. However, significant and unexpected repairs of substantial cost can exhaust or exceed particular line items requiring transfer of funds from other sources to maintain resources for continued routine maintenance. An extraordinary maintenance line item funded at a level of $200,000 would be a significant starting point based on recent trends.
- Identify maintenance costs by category (painting, carpeting, etc) and make use of industry standards: These costs will become the basis for identifying resources needed for non-Capital projects; i.e., those defined as "recurring" or those less than $10,000.
- Develop a written maintenance manual, complete with schedules: Development of a written maintenance manual for all Town and School buildings is a priority for the Facilities Department beginning in FY14. This manual will define inspections schedules and recommended upgrades to all building systems and components.
- Holding the line at future maintenance cuts: It is imperative that established maintenance budgets no longer be frequent candidates for reduction without an understanding of the long range implications of deferred maintenance that will result from such reductions.

- Implement a policy of 2.5% level funding every year: DESE data indicates that school districts identify 2.5% of their overall operating budget be dedicated to non-utility and non-custodial maintenance budgets. The 2.5% average should be considered a minimum threshold for School maintenance budgets moving forward.
- Hire licensed trades staff, rather than continuing to enter into service contracts with external contractors: The Facilities Department should continually review the cost and service level of vendor maintenance contracts to determine if hiring licensed, in-house trade staff would be a preferred option in terms of cost and flexibility.
- Share with other towns: Much like certain municipalities share the services of plumbing or electrical inspectors, the Facilities Department can explore the possibility of sharing licensed trade staff with surrounding communities. In addition, maintaining awareness of group purchasing opportunities such as State and regional supply contracts can provide additional cost savings. Lastly, combining bidding and awarding of maintenance contracts for School and Town buildings can also result in savings.
- Communication and work order systems: Continue the use of an electronic work order system for maintenance requests: The current helpdesk system allows individual teachers, themselves, to submit work orders directly from their desktops, rather than having to route requests through Building Principals or Custodians as an additional step.

IV. Annual Budgets and Maintenance Schedules

In an order to depart from the the history of deferred maintenance, it is essential that the Belmont Public Schools factor in a sense of life-cycle awareness based on industry standards into our budgets. Much like a new car, which comes with a maintenance manual (recommending oil changes every 3,000 miles, tire rotations every 10,000 miles, etc) building systems and components are designed to be maintained based on a recommended schedule. Utilizing maintenance manuals that clearly outline industry recommendations will better equip the schools in projecting and budgeting costs.

If the district cannot move away from this tradition of deferred maintenance, even our newest projects will eventually suffer the same fate.

V. Index

The following documents and studies were utilized by the OMAG during the process of completing this work and assembling this final report:

- School Security Advisory Group Final Report (M. McAllister, 1/22/13)
- Report of the Committee on Consolidation of Town and School Facilities Town of Belmont Public Facilities Consolidation Committee Report (M. Libenson, 4/25/11)
- Building Envelope Condition Survey (Russo Barr Associates, 10/19/07)
- Town of Belmont Facilities Audit (Edwards & Kelcey, 9/16/02)
- Town of Winthrop, MA Facilities Department Building Maintenance Manual (G. Boyle, 7/12/13)

- Belmont Facilities Department Draft FY15 Capital Budget Requests (A. Domenici, ongoing)
- Belmont Facilities Department Draft FY16 – FY20 Capital Budget Requests (G. Boyle, ongoing)
- Belmont Schools Technology and Maintenance Help Desk – My Tickets Report (A. Domenici, 1/8/14)
- DESE Reported Spending School Buildings and Grounds FY04 – FY13 (A. DiCologero, 1/8/14)

Copies of these documents are on file at the School Administration Office and are available upon request.

Respectfully submitted,

_____
Gerald R. Boyle

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Alfred Domenici

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Anthony DiCologero

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Rebecca Vose

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Michael McAllister

Report of Findings and Recommendations
Belmont Public Schools
Instructional Modeling and Innovation Group
January 22, 2014

Instructional Modeling and Innovation Group Members:

Janice Darias, Assistant Superintendent for Curriculum and Instruction, Chair
Dr. Tricia Clifford, Principal, Burbank School
Deborah McDevitt, Director of Social Studies, 5-12
Elyse Shuster, School Committee Member

At no time since the Massachusetts Education Reform Act of 1993 have we experienced so many changes in curriculum, instruction, and assessment in the Belmont Public Schools. Federal and state mandates have combined with the district's Strategic Plan Goals to result in significant changes to what we teach, how we teach it, and how we know that students are learning. This report will provide information on the current state of instruction and innovation in the Belmont Public Schools as well as projected trends and needs for the next five years.

Curriculum

In the Belmont Public Schools, as with all schools in the Commonwealth, all subjects derive their curriculum from the state standards, known as the Massachusetts Curriculum Frameworks, found on the Department of Elementary and Secondary Education web site at this address: http://www.doe.mass.edu/frameworks/current.html. Recent changes at the state and national level have resulted in changes to the BPS curricula for English Language Arts, Mathematics, Science, Social Studies, and English as a Second Language.

In 2011, new standards were approved for two subjects, English Language Arts (ELA) and Literacy and Mathematics. Both of these Frameworks incorporate the standards of the national Common Core State Standards, and have resulted in significant changes to the curricula of these two subjects. In addition, we have made changes to the curricula for science and social studies to address standards around reading, writing, and research in these subjects. District curriculum leaders have led teachers in the work of reviewing, revising, and developing curriculum documents in all grades and subjects, K-12. As a result of this analysis, a new math program, Envision (Pearson, 2012), was selected and implemented in grades K through 5 in September 2013. Envision more closely aligns with the new math standards, which we anticipate will result in a stronger foundation in mathematical concepts as well as problem solving skills.

Critical to the success of this work is the professional development for and ongoing supervision and coaching of teachers to ensure that the written curriculum is understood and deeply embedded at the level of unit and daily lesson planning. Belmont benefits from the expertise of its curriculum specialists, as is evidenced by students' strong performance on state assessments that measure mastery of the ELA, mathematics, and science standards.

Another significant change to curriculum is in the area of English language development for students who do not speak English as their first language, or English language learners (ELLs). In 2010 the Massachusetts Board of Elementary and Secondary Education adopted the standards developed by a multi-state consortium, World Class Instructional Design and Assessment (WIDA), which includes standards to ensure that English language learners can access the content of all subjects in classes with native English-speaking students. ELL teachers, working under the supervision of the ELL Director, have developed new curricula for students of different proficiency levels, while simultaneously providing professional development to all teachers on WIDA standards and requirements to differentiate instruction for ELLs to ensure that they have equal access to learning the content of each subject even while they are in the process of learning English. A second component of this state mandate is that all core academic teachers,

and all administrators who supervise them, must obtain the Sheltered English Immersion (SEI) endorsement on their educator licenses to verify that they have the skills and knowledge to provide this instruction. Belmont began offering the 45-hour graduate course to earn the SEI endorsement in October 2013, and will continue offering the course for the next two years, in accordance with the plan laid out by the Department of Elementary and Secondary Education. Given the marked increase in ELL enrollment experienced this year, along with the federal and state requirement that all ELLs be taught by an SEI trained teacher by July 2016, we anticipate that we will need to continue providing access to the graduate course beyond what the state has allocated and funded.

In October 2013 the state announced a delay in the process of revising the Science/Technology Engineering (STE) Curriculum Framework, citing the many initiatives currently in process as the reason for prolonging the review and adoption of the proposed draft until at least the 2015-16 school year. District-led initiatives in the area of science are ongoing in spite of this delay at the state level. The aforementioned work to incorporate reading and writing standards in science has resulted in revisions to some of the units of the science curriculum for grades K-5. Additional science units will be revised over the next few years. Technology engineering and robotics are two areas that require increased time and investment in the next five years. New courses have been implemented at Belmont High School, and an additional course is proposed for 2014-15. During the next five years, there will be a continuing focus on science, technology engineering, and mathematics (STEM) curriculum in grades K-8 with a focus on incorporating foundational learning opportunities.

Beyond the mandates and changes to state curriculum frameworks, Belmont continues to utilize its Curriculum Review Cycle and the structure of standing Curriculum Steering Committees (consisting of teachers, administrators, and members of the Belmont community) to support an ongoing cycle of program review and the development of seven-year plans of action. In the next five years, we anticipate that curriculum proposals will be developed in the areas of foreign language and library science, particularly in the elementary (K-5) grades.

Belmont has made significant progress in establishing the structures and personnel to continue to provide the high quality and rigorous curriculum that students need to be successful and productive citizens. Ongoing funding is needed to maintain current structures as well as to provide updated materials and resources to support changes to curriculum, including exploring online or digital resources. We anticipate an increased need for time within the school day, after school, and during the summer, for teachers and district leaders to develop the knowledge and understanding of the curriculum in order to successfully implement it consistently in all schools and grades. Curriculum, once written, is not permanent. It is a fluid document that is constantly reviewed and adjusted as teachers implement and find ways to improve it. In the coming years, we anticipate an increased reliance on web-based tools to store, update, and provide teachers immediate access to the curriculum documents.

Assessment

Assessment is the means by which we measure students' attainment of the curriculum standards, but more importantly it is the means to monitor ongoing progress, and to improve instruction to ensure that all students are making progress and meeting the ultimate goal of proficiency. Assessment is both the state-mandated system, currently the Massachusetts Comprehensive Assessment System (MCAS) for all students and ACCESS, assessing English proficiency for English Language Learners, and the assessments that we choose to administer, either common to all students in that course or grade, or course/teacher-specific. All have their uses and their impact, and all are in the midst of change.

With the significant changes to state curriculum standards in English Language Arts and mathematics, a change to the current MCAS is underway. Massachusetts has joined a multi-state consortium, Partnership for the Assessment of Readiness for College and Careers (PARCC), and is currently in the process of transitioning to the PARCC tests. These tests will be for ELA and mathematics, initially for grades 3-8, and eventually also for high school. Science will continue to use the MCAS as its state measure. The Massachusetts Board of Elementary and Secondary Education approved a transition plan that includes field testing in 2014 and district choice (MCAS or PARCC) in 2015. By the fall of 2015, they will vote on whether or not to adopt PARCC. While we are confident that our students will be prepared for the content and skills included in the test, we anticipate an increased need for both technology hardware and staff in order to administer the assessment. In the initial years, there will be a paper option; however the test is designed and will ultimately only be administered as a web-based, computer-delivered test. In the next five years, we will need to increase the number of devices (such as desktop computers, laptops, or iPads with keyboards) in the schools in order to administer the estimated 4,000 tests in English and math to students in grades 3-8 and 10. Maintaining that infrastructure and ensuring the necessary technical support will require a corresponding increase in the number of technology support staff.

The data from state assessments helps us measure the quality of our curriculum as well as each individual student's progress. The data comes after the school year is over, however, and is not the best means for monitoring ongoing progress in a way that supports timely intervention to remediate a lack of progress. This is a key component of Response to Intervention (RtI), and one that has been successfully implemented to improve literacy in the elementary grades. [See Appendix A for a detailed report on the BPS RtI model for literacy.] The process for establishing a similar model of RtI for mathematics and behavior has begun, and there are examples of successful implementation in different grade levels in both areas. RtI for social/emotional learning is addressed in the report from the modeling group on Student Life. This report will address recommendations to improve RtI in the area of mathematics, specifically in developing the infrastructure and district-wide expectations.

Changing the math curriculum and investing in new resources (Envision) were the necessary first steps in improving math performance for all students. Critical to the success of an RtI program is high quality core instruction (Tier 1 instruction) for all students, with progress monitoring to determine who needs more focused additional instruction (Tier 2 and, if necessary, Tier 3) to master the content and skills. In the next five years, in order to achieve benefits for students in

math similar to those achieved in literacy, we need to purchase commercial (perhaps online) assessments to collect data with sufficient frequency to know when students need additional instruction and in what areas. In addition, we need to purchase materials to support the instruction in Tiers 2 and 3. The literacy RtI program is supported by at least one literacy specialist in each elementary school. We need a similar level of math specialists for each school to assist in the process of assessing students, analyzing data, and providing intensive additional instruction in math.

While an RtI program in the elementary grades is critical to the development of the foundational learning, the need to use formative assessment to track a student's progress continues into middle and high school, as does the need to have structures to support students who are not making progress. While some commercial assessments exist, in most subjects and grades, Belmont teachers have been developing "common assessments," administered at pre-determined times to evaluate not only students' progress but also teachers' success providing the instruction. In the next five years, it will be increasingly important to provide time for teachers of common subjects and grades to meet to analyze data from common assessments for these purposes. We will also need to acquire a structure or platform for storing student learning data to facilitate the analysis across multiple teachers, as well as to comply with this component of the state's new educator evaluation system. We are required to measure all educators' impact on student learning through the analysis of District-Determined Measures (DDMs) or common assessments of student learning and growth. As mentioned, we had already begun the process of developing these assessments. Beginning in 2014-15, we will start collecting data from the DDMs to determine, based on three years of data, if a teacher has a low, moderate, or high impact on student learning. More than three hundred teachers will be rated on three years of data of two DDMs. A storage platform is critical to the successful implementation of this mandate, but additionally, and more importantly, to the successful use of student learning data to improve instruction and learning for all students.

Instruction

Clearly articulating the elements of effective instruction has been an area of focus for some time, and will continue to be so in the next five years. The Leadership Council has developed instructional models, differentiated by level (elementary, middle, high), defining these elements. The documents, combined with the new rubric for educator evaluation, have been shared and discussed with teachers, and are part of ongoing conversations as they are observed and given feedback. The primary change instituted with the new educator evaluation system is that all teachers are observed more frequently, for a shorter duration (not a full class period), and the observation is not announced in advance. The cultural shift, and one that has been embraced by Belmont's professional teaching faculty, is of a regular and ongoing conversation around effective instruction, based on observations and artifacts shared by teachers, with the goal of continuous improvement in both instruction and student learning.

While aggregate assessment data shows evidence that most students are meeting or exceeding learning goals, we continue to have persistent achievement gaps among the subgroup populations: English language learners, students with learning disabilities, African American students, and economically disadvantaged students. This is and will continue to be an area of

focus in the coming years; we must continue to develop instruction and support structures to ensure that all students complete their education in the Belmont Public Schools well prepared for college, careers, and as engaged citizens. Developing stronger RtI programs in all academic areas is one component of that work, but it also requires continued research and analysis of core instruction coupled with regular checks on understanding to monitor growth and learning.

The research and development of different instructional models has been underway in a number of forms. Through professional development led by principals and directors at the school and district level, new strategies are implemented. The district's Professional Learning Teams, now in their fourth year, have provided significant impetus to the work of uncovering areas of student learning that are less successful and attacking the problem with innovative solutions designed by teachers and district leaders.

Throughout the district there are pilot projects exploring ways that technology can support innovative instruction, and from the pilot at the high school we have now embarked on an ambitious plan to equip each student with an iPad as the instructional tool for use in all classes. Currently all grade 9 students have received the device; each subsequent year will add a grade to complete the acquisition of the tools. Significant professional development time has been dedicated to the work of developing teachers' expertise so that they can maximize the potential for engaging students and helping them become successful independent learners, communicators, problem solvers, and critical thinkers, and they have eagerly embraced the opportunity. Exploration of innovative instructional models, such as flipped instruction (when the "lecture" occurs via video for homework, and the homework is done in class with teacher support and guidance), are being explored and will continue to be an area of focus in the coming years. There are also innovative pilot projects at the middle school, currently focused in grade 8 science, in the teaching of English language learners throughout the district, in art at the Wellington, and in grade 2 at the Butler. We anticipate an increase in projects such as these, and welcome the financial support for both the tools (grades 8-12) and the professional development (grades K-12) from the Foundation for Belmont Education's Innovative Teaching Initiative, a four year campaign that will infuse $450,000 into the district from 2013 through 2017.

Through both district leadership and teacher initiative, we have made progress and expect that in the coming years we will continue to advance in this area. Additional expertise in integrating technology to improve instruction would enhance our ability to drive instructional innovation. We anticipate an increased need for technology integration specialists, along with increased personnel for maintaining the technology hardware and infrastructure that this type of innovation demands. What will instruction look like five or ten years from now? That is not clear, but what is clear is that it will continue to change as we continue to meet ever-changing needs of students for a future that is also in flux.

This report of the current state and future trends of curriculum, instruction, and assessment in the Belmont Public School illustrates how we have successfully adapted to and implemented new federal and state mandates, while also continuing to explore innovations through our own initiatives stemming from the district Strategic Plan. Below is a summary of areas that we

anticipate will need to be addressed in the coming years in response to the changes outlined in this report.

Curriculum

- Science curriculum, K-12, to address changes to the state standards for science
- Increased focus/courses in the area of STEM (science, technology, engineering, mathematics)
- Elementary foreign language
- Elementary library science
- Increased use of digital/online resources
- An online platform to store, update, and provide teachers access to curriculum documents

Assessment

- An increase in the number of devices (desktop computers, iPads) to administer online assessments, including those mandated by the state
- Additional technology support staff to support and maintain expanded infrastructure
- Establish systematic RtI program for mathematics, supported with the purchase of diagnostic assessments, instructional materials, and mathematics specialists, similar to RtI literacy model
- Additional commercial assessments to monitor learning, especially K-5, to support RtI literacy and math learning, as well as science and social studies
- Time for educators to develop common assessments, especially middle and high school, all subjects
- Time for calibrating the scoring of common assessments, as well as time for data meetings to compare results in order to reap the benefits for improved teaching and learning
- An online storage platform for all common assessment data, both for the benefits outlined above as well as for the process of rating educators' impact on student learning through analysis of District-Determined Measures as required by Educator Evaluation system

Instruction

- Improved instruction and support structures to improve learning for students in subgroup populations (ELLs, students with disabilities, African-American students, economically disadvantaged students)
- Continued exploration of innovative instructional models
- Technology instruction specialists to increase expertise in the exploration and implementation of technology to improve instruction

Respectfully submitted,
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Appendix A

BPS Response to Intervention (RTI)
Prepared by Jaynene Dellitt-Young, Elementary Curriculum Specialist for ELA and Social Studies

Elementary Schools have adopted 8 Core Principles of RTI (NASDSE):

- We can effectively teach all children.
- Intervene early.
- Use a multi-tier model of service delivery.
- Use a problem-solving model to make decisions within a multi-tier model.
- Use scientific, research-based, validated intervention/instruction to the extent available.
- Monitor student progress to inform instruction.
- Use data to make decisions. A data-based decision regarding student response to intervention is central to RTI practices.
- Use assessment for 3 purposes (screening, diagnosis, and progress monitoring).

Elementary Schools follow the following Tiers of Instruction:

Tier I

What	• For every student in the general education setting • Core instructional program • 80% of students will likely hit benchmark
Assessment	All Administered • Fountas and Pinnell Benchmark System • DIBELS Benchmark Assessment • Spelling Assessment • Sight Word Assessment • Writing Assessment • Comprehension Assessment
Who (Student)	All Students • Whole Class • Small Group (below benchmark more frequently) • Individual
Who (Teacher)	Classroom teacher / Possible aide support
When	Literacy Block • 90 minutes (K-2 blocks) • 5x/week (3x uninterrupted)
Where	In Classroom
How	• Flexible grouping (guided reading/strategy reading) • Differentiated instruction

Frequency of Progress Monitoring	• Benchmark Testing (BME) • PM if teacher determines a need

Tier 2

What	• Small group instruction • Based on data • Additional to Tier I, Core instruction • 5%-15% of students
Assessment	• All Tier I assessments Also may include: • PSI (Phonics Screener for Intervention) • PASI (Phonological Awareness Screener for Intervention) • Additional CBM data
Who (Student)	• Small Groups of 3-5 students • Dependent on grade level skills
Who (Teacher)	• SPED Teacher, Reading Specialist, SPED Aides, Grade Level Aides/Assistants, Classroom Teacher
When	• Supplemental, in addition to Core Instruction • Outside of Literacy Block (could be during, if teacher has seen these students first-then students receive additional differentiated instruction later in the block from another interventionist) • 3-5x per week, 30 minutes (in addition to the core) • Walk to 30 minute block • In classroom
Where	General education setting (classroom) – Or – Pull out location
How	• Homogeneous grouping (3-5 students)
Frequency of Progress Monitoring	• Tier I Benchmark Testing (BME) • PM at least 1x per month • PM based on 3 points of data
Frequency of Intervention Provided	• No less than 3x per week • Minimum of 20-30
Duration of Intervention	• 4-6 weeks (3 points on benchmark before being released) • Depends on skills, rate of progress, whether student is making adequate progress based on established protocol

Tier 3

What	• Small group instruction • Based on data

	• Additional to Tier I, Core instruction • 5% of students
Assessment	• All Tier I/Tier II assessments Also may include: • Further diagnostic testing
Who (Student)	• Small groups of 1-2 students • Dependent on grade level skills
Who (Teacher)	• SPED Teacher, Reading Specialist, SPED Aides (?????)
When	• Supplemental, in addition to Core Instruction • Outside of Literacy Block (could be during, if teacher has seen these students-students receive differentiated instruction as well as Tier II support) • 5-6x per week, 30 minute blocks (in addition to the core) • Walk to 30 minute block, in classroom (after initial instruction, additional pull out)
Where	General education setting (classroom)-AND-Pull out location
How	• Homogeneous grouping (1-2 students)
Frequency of Progress Monitoring	• Tier I Benchmark Testing (BME) • PM 2x per month • PM based on 3 points of data
Frequency of Intervention Provided	• No less than 5x per week • Minimum of 20-30 minute blocks (in addition to core instruction)
Duration of Intervention	• 4-6 weeks (3 points on benchmark before being released) • Depends on skills, rate of progress, whether student is making adequate progress based on established protocol

Components of RTI Process In Place:

Literacy (K-2)

- Common District Assessment Calendar
- Universal Screener with DIBELS three times a year
- Common Writing Prompt (3 times a year)
- Diagnostic assessments two to three times a year
- Core phonics program (Fundations)
- Tier 2 Intervention that meets three times a week for six to eight week cycles (5 rounds per year)
- Progress monitoring 1-2 times a month for students in intervention groups
- Data meetings that foster data analysis, dialogue, and regrouping at least three times a year
- Intervention materials for phonological and phonemic awareness, phonics, and fluency

- Literacy folders for storing and recording individual student's assessment data
- Excel file for storing grade level assessment data

Literacy (3-4)

- Common District Assessment Calendar
- Universal Screener with DIBELS once a year with follow-up one to two times a year
- Process for MCAS analysis in each building
- Common Writing Assessment (3 times a year)
- Diagnostic assessments two to three times a year
- Data meetings that foster data analysis, dialogue and regrouping
- Intervention materials for phonics and fluency
- Excel file for storing grade level assessment data

Recommendations for Reading:

- Identify a common assessment (DDM)
    - Piloting all grades 2-4 in 2013-14
- Secure funding for common assessments and additional resources
    - Re-evaluate assessments to provide the best information on critical skills with the most efficient use of time and money
- Investigate a data software system
    - Many assessments with data entry and analysis consuming large amounts of time for reading teams
- Continue the process of creating common curriculum maps
    - Working with the TODCM system for writing. Need adequate time to further develop reading maps.
- Provide professional development in Tier I (Core) differentiation
    - More PD necessary for reader's workshop, understanding the Common Core, and close reading strategies.
- Continue to review the RTI process and tiers of instruction with each elementary building
    - More training with all staff (ELL, SPED, & Reading teams to get on the "same" page)
- Further growth of RTI process in 3rd/4th grades
    - More interventionists are necessary for 3rd/4th RTI model

Overall-Positive Impact over time:

- Kindergarten-differentiated instruction earlier and much more specific to student skill needs
- First-Changes in pacing of core instruction impact oral reading fluency and early reading
- Second-Reduced intervention groups in the areas of phonics and fluency/more emphasis moving back to comprehension
- Third/Fourth-Less phonics instruction/more emphasis on comprehension and writing instruction

Report on Supplemental Revenue Sources for the Belmont Public Schools

I. Objective

As part of an eight-pronged approach to understanding the Belmont Public School's (BPS) long-term instructional and operational needs, the Supplemental Revenue Sources advisory group set out to analyze current revenue sources, explore new sources of revenue, identify trends for supplemental revenue, and report any recommendations for future action. With an eye towards sustainability, the group evaluated each funding source as to whether it was one-time or repeatable.

II. Review of Current Sources

Revenue sources that are currently supporting the educational and operational needs of the BPS can be separated into five broad categories: Fundraising, user fees, corporate sponsorships, private donations, and state and federal grants.

FUNDRAISING: Like many public school districts, a significant amount of fundraising by a wide variety of parent groups and organizations occurs in Belmont. They include:

- For the past 20 years, the **Foundation for Belmont Education** (FBE) has made significant contributions to the BPS through its annual fundraising activities (Spelling Bee, Dinner and Auction, year-end appeal), as well as targeted campaigns to support specific needs (updating science labs and materials as well as a new language lab at the high school, SMART board interactive technology throughout the district, and the current iPad initiative). In addition to these high ticket investments, the FBE annually funds more than $100,000 in grants to BPS teachers and administrators that benefit the education of Belmont's students.

- Each of the six school buildings has an active **Parent Teacher Organization/Association** (PTO/PTA) that raises funds for in-school enrichment programming, after-school enrichment programming, community-building events, parent programming events, and supplies needed to support instruction (which can range from items that are amenities to those that fill a critical need). The elementary schools host annual book fairs which supplement both teacher classrooms and libraries with reading materials.

- The Fine and Performing Arts programs in the BPS are financially supported by two independent non-profit organizations: The **Parents of Music Students** (POMS) and the **Parents of Theatre Arts Students** (PATRONS). Both groups raise money to support programming needs and also provide human resource support at performances.

- For over 40 years, the Athletic programs have received financial support from the **Belmont Boosters** organization. With revenue raised through an annual membership drive and occasional fundraising events, the Boosters provide the student athletes with varsity jackets and many sports teams with needed supplies. Past purchases include a golf cart used by the athletic trainer at practices and contests and an ice machine for the White field house. The organization is currently embarking on a grant program available to the Athletic Director and coaches of individual sports.

- The **Brendan Grant Foundation** was formed in 2001 in response to the tragic death of a Belmont graduate. Since its inception the foundation has made significant contributions to the BPS and the Town's youth and athletic facilities – renovations and upkeep to the baseball and softball fields, wrestling equipment, entrance fees for summer programming, and scholarships.

- Many of the athletic teams have a "**Friends of**" group (football, field hockey, soccer, etc.) led by parents of the current team members. These groups often raise money to purchase team outerwear and host team dinners.

USER FEES: The BPS generates fee revenue from two primary sources: building rentals and student user fees/gate receipts.

- During the school week, the privately run after school child care programs at the Chenery and the elementary schools pay a building rental fee for their tuition-based programs. Additionally, the BPS has a rental agreement with an outside program to use a portion of the high school on Sundays. These fees are primarily used to pay for maintenance and utility expenses districtwide.

- For many years Belmont – like other districts – has had to increase student user fees to supplement general fund revenues to cover the cost of both elective in-school and after-school programming. This includes fees for busing students who live within 2 miles of their school, participation in full-day kindergarten, private placement in the pre-school program, after-school activities including clubs and athletics, and elective fine and performing arts programs.

- In 2008 when, due to the economic downturn, the BPS faced significant cuts in services (including athletics and other extra-curricular activities) a restructuring of the fee schedule enabled these programs to continue. Although the increased cost to families was significant the district was able to retain all of these important programs.

- See **Appendix A** for a schedule of current fees.

- See **Appendix B** for a brief history of extracurricular activity fees.

CORPORATE SPONSORSHIPS: Belmont is fortunate to receive significant support from local businesses, both in the form of donations to the many fundraising efforts previously mentioned and as lead sponsors of fine and performing arts productions and other community-wide fundraising events. In addition to monetary donations, corporate entities often make significant in-kind donations of services, materials and space.

PRIVATE DONATIONS: In addition to the people who make donations to the FBE, PTO/PTA's, POMS, PATRONS, and Belmont Boosters, there are others who donate directly to the schools for a specific purpose or contribute to the Education Fund established by the Town Treasurer (which

recently helped to fund the cost of implementing a new elementary math program). These revenues can vary with the interests of the donor as well as the visibility of a particular need. Other recent examples include grants for innovation, for the construction of elementary playgrounds, a solar car club, and advanced economics instruction at the high school.

GRANTS: Belmont currently receives the following state and federal grants:

1. IDEA/Special Education
2. Title I (low income; supports elementary literacy in Title I schools)
3. Title IIA (supports professional development)
4. Title III (English Language Learners)
5. METCO
6. SPED Program Improvement
7. SPED Early Childhood
8. Full-day Kindergarten
9. Race to the Top (will end on 6/30/14)
10. Circuit Breaker
11. Academic Support (supports tutoring for students in grades 8-12 for MCAS)

III. Exploration of New Sources

This group explored several revenue-generating vehicles that have not been embraced by the BPS and the Town of Belmont. We gathered information both nationally and locally regarding naming rights, corporate advertising, and corporate partnerships. Additionally, we are investigating whether development professionals could generate grants and/or donations for the BPS on a free-lance basis.

NAMING RIGHTS: While our research was not limited to New England, the most useful information we reviewed belongs to Wellesley, MA. Its Naming Rights Bylaw is particularly relevant to Belmont because of the similar geographic and governmental structure of the two towns. Like Belmont (and prior to the passage of its bylaw) all previous naming in Wellesley had been honorary in nature or in acknowledgement of a major gift. Since implementing its Naming Rights Bylaw, Wellesley has not received any donations for this purpose (as of January 2014).

Consideration of any formal naming rights policy/bylaw should include the following:

- Is it appropriate to the mission of the Belmont Public Schools?
- Is the gift unrestricted or does it have broad restrictions?
- Is it irrevocable?
- Might there by undue cost for on-going maintenance?
- Is there flexibility if the designated purpose is no longer practical or necessary in the future?
- Should there be a distinction between private individual naming rights and corporate naming rights?
- Should corporate naming be for a term, effectively making it a lease?
- Board policy should outline a process for vetting companies who have a naming interest.

- Should the naming a room/facility in a school building for a family or family-owned business be allowed if that family has, or could have, school-aged children in the system?
- See **Appendix C** for a list of potential naming opportunities within the BPS.

CORPORATE ADVERTISING: While the Town has limited experience with corporate advertising, the BPS does not. There are currently advertisements and messages of encouragement from local businesses in the ice hockey arena. Several school districts within our athletic conference utilize both indoor and outdoor corporate advertising, depending on their location and need.

National research indicates that as public funding no longer fully funds education more corporate advertising and marketing is in play. Large-scale advertisements include outdoor vinyl signage and indoor banner programs. Some game day rosters/programs include "brought to you by" ads. Many district websites are imbedded with stationary and static ads with links to the sponsor's website.

With advertising, corporate entities are appropriately looking for a return on their investment. In Belmont, where there has not been a strong advertising presence, it is important to gauge whether the community will respond negatively to an increase in commercialization in the schools and outdoor facilities, thereby generating an unintended consequence for the advertiser.

CORPORATE PARTNERSHIPS: Corporate partnerships can be short or long-termed. Examples of a short-term partnership are a "Back to School" shopping list "brought to you by…," or a Scholastic book fair. Longer term partnerships might involve the renewable naming of an athletic field. These partnerships are intended to create a marketing opportunity for the business.

FREE-LANCE DEVELOPMENT PROFESSIONALS: Our research indicates that there are many corporate foundations that provide grant funding for education, particularly in the areas of literacy and science, technology, engineering and math (STEM). An exploration of these grants for their applicability to Belmont (both from a curriculum and a qualification point of view) would require additional staffing.

The committee has tapped into a database of self-described freelancers with development expertise and is exploring the potential benefit of hiring, on a temporary basis, such a person to further investigate this avenue of funding. (See **Appendix D** for a description of funding to be explored.)

IV. Trends

There are several observable trends regarding how Boston-area districts similar to Belmont are funding the gap between available revenue and what is needed to sustain the quality of their educational system. Most districts supplement their "general funds" (Chapter 70 education funds from the state and the local allocation of property tax funds) with a private non-profit educational foundation, as well as a myriad of traditional fundraising groups. Even districts that (unlike Belmont) have a significant commercial tax base also have student user fees.

Belmont's high school athletic fees are not the highest in the region. In the past 10 years the percentage of the total budget represented by grants and fees has risen from 8.6% to 11.6%.

Nationally, there are for-profit corporations that match Fortune 500 companies with large public school districts (30,000+ students) that agree to accept financial compensation in return for allowing marketing programs through school websites and on campus. They work directly with the business and are paid by the business. They can also help a district with naming rights and branded items.

On a smaller scale we are likely to see more marketing penetrate the captive public education audience via ads/links on websites, advertising on district-owned buses, messaging on computer devices, among other things.

V. Recommendations

The committee recommends that the Town of Belmont establish a naming rights by-law, given the likelihood that the Massachusetts School Building Authority will approve and support the renovation and expansion of the high school in the foreseeable future. Such construction would also create other fundraising opportunities, such as commemorative walkway bricks, name plates on auditorium seats, sponsorship of in-school messaging boards, etc.

Prior to the renovation of the high school, the committee recommends exploring whether an individual and/or group might sponsor the construction of the Harris Field press box and elevator, as well as the of installation of a large LCD display monitor in the Wenner field house for advertising.

The committee recommends pursuing the engagement of free-lance development professionals to pursue private and corporate grant funding for public education. This would enable the district to explore, both locally and nationally, these potential source of revenue without incurring a significant financial outlay. The committee believes that a local entity might be willing to finance this experimental endeavor.

The committee acknowledges that the user fees for in-school and after school extra-curricular activities place a significant financial burden on the families of Belmont students. While it is understandable how and why these fees have continued to increase over the years, the committee sees little, if any, room for future increases. If new supplemental revenues become available the committee recommends that an equitable family cap for the various user fees be implemented.

VI. Committee Membership

Anne Lougée, Chair	Belmont School Committee
Carolyn Boyle	Co-Chair of Fundraising, Foundation for Belmont Education
Marcia Haines	Co-Chair, PATRONS
David Kale	Town Administrator, Belmont
Robert Mahoney	President, Belmont Savings Bank

APPENDIX A

CURRENT SOURCES	**ONE TIME**	**REPEATABLE**	ANNUAL $	NOTES
Foundation for Belmont Ed		√	200,000 +	
PTOs/PTAs		√	20,000+	*Average*/School
POMS & PATRONS		√	10-20,000+	*Average*/each
Belmont Boosters		√	10-15,000+	
Building Rentals		√	180,000+	
Corporate donations	√	√	Variable	
Private donations	√		Variable	
Tax √-off donation	√		Variable	
Current Student User Fees			**(2013 $)** [1]	**Fee Schedule**
Athletics – BHS		√	448,975	$ 450 1st sport $ 300 2nd sport $ 150 3rd sport
Fine/Performing Arts				
• High School		√	119,045	$ 275
• Elem Instrumental		√	110,500	$ 250
• Saturday School		√	43,165	$ 185
Clubs – High School		√	11,600	$ 100
Full-Day Kindergarten		√	723,995	$ 2,900
Private Preschool		√	168,360	$ 3,200 – 5,100
Busing		√	202,160	$ 575 per rider
Middle School – One fee for all activities/sports/clubs		√	62,484	$ 150
Grants			**(2013 $)** [2]	
IDEA/Special Education			929,512	
Title I, IIA, and III			217,381	
Title III Immigrant Support			13,600	
Full-day Kindergarten			166,154	
METCO			509,256	
SPED Program Improvement			29,692	
SPED Early Childhood			26,072	
Academic Support			6,454	
Race to the Top			23,247	Ends in 2014
Circuit Breaker			1,192,754	

[1] $1,890,284
[2] $3,114,122

APPENDIX B

School Year	Extracurricular Activity Fees
2007-2008	$250 for all High School activities $75 Middle School activities
2008-2009	$330 for HS athletics AND other activities $250 other activities only $75 Middle School activities
2009-2012	$450 first season of athletics, $300 second season, $150 third season $275 High School performing arts $100 High School clubs $150 Middle School activities (no fee for cross-country) $280 Middle School Grade 7 & 8 Basketball $250 Elementary School Instrumental Music $185 All town chorus/Saturday morning music (fee rises for multiple ensembles)
2013-2014	$450 first season of athletics, $300 second season, $150 third season $275 High School performing arts $100 High School clubs $150 Middle School activities (one fee for all activities, including sports) $250 Elementary School Instrumental Music $185 All town chorus/Saturday morning music (fee rises for multiple ensembles)

APPENDIX C

	ONE TIME	REPEATABLE
Naming Rights (can have term limits)		
BHS Science Wing	√	
Auditoriums – new and existing	√	
Auditorium seating	√	
Community rooms	√	
Libraries	√	
Music & Art rooms	√	
Cafeterias	√	
Language/Computer labs	√	
Gymnasiums	√	
Athletic fields	√	
Sponsorship for major projects		
Harris Field press box	√	√
Gymnasium floors	√	
Advertising		
Outdoor ads/Indoor banners	√	√
Indoor LCD-displayed ads/promos		√
Corporate Partnerships		
Staples/Target	√	√

APPENDIX D

1) **STEM** - **Math Support**: Elementary/Middle

There is currently a successful Response to Intervention (RTI) program for literacy in the Belmont Public Schools, supported by at least one literacy specialist in each of the four elementary schools. Such an RTI program is critical to the development of the foundational learning of students. The RTI requires frequent assessments whereby the data collected helps to inform educators when students need additional instruction and in what areas. In addition, the students in need of the most intensive support receive additional instruction from the specialist.

In an effort to strengthen the math literacy of its students, Belmont has invested in a new math curriculum (Envision). To achieve benefits for students in math similar to those achieved in literacy, it will be necessary to purchase commercial assessments to collect data, and to have a math specialist for each elementary school to assist in the process of assessing students, analyzing data, and providing intensive additional instruction in math.

We seek funding for five math specialists: one for each elementary school and one for the middle school (especially grades 5 and 6).

(2) **Guidance** - Elementary/Middle/High

School counselors develop and deliver counseling programs and services to students and staff in the areas of academic achievement and personal-social development – which includes anti-bullying and career planning/work readiness. In addition, responsibilities for services provided by counselors at all levels include coordinating complex and numerous community supports, and are trending upwards as the needs and numbers of children in the Belmont community continues to increase.

Using funds received from a federal stimulus Education Jobs grant in FY11 and FY12, Belmont was able to fund a district-wide counselor for a year and a half. That person was able to help coordinate the state's mandate to integrate anti-bullying curricula at all grade levels, as well as identify guidance needs across the district. It was found that the children of Belmont are experiencing an increased level of stress, anxiety, depression, and mental health issues, K-12.

If there were an endowment for a district-wide guidance counselor, that person could help facilitate holistic and consistent curricular approaches to address a myriad of social and emotional issues. In addition, s/he could be part of the team of educators and medical staff who handle a substantial number of students experiencing crisis level situations. As it is now, guidance counselors at each school are spending 50% to 100% of their time dealing with the complex issues these students in crisis face, preventing them from providing vital social and emotional support to other students not in crisis, preventatively.

We seek funding for one guidance counselor with leadership experience to oversee, support, and develop guidance service delivery and curriculum for the district.

Current staffing levels for guidance counselors are below that which is recommended for ideal counselor-student ratios and adequate support. We request three additional guidance counselors (one for the elementary school, one for middle school, and one for high school).

(3) <u>Fine & Performing Arts</u>: – High School

At the present time the curricular portion of the theatre program consists of an 8th grade elective in theatre arts. All other theater arts programming is extra-curricular and fee-based. A parent-based organization (PATRONS) provides considerable financial support to the program through fundraising, in addition to providing "front of house" support during productions.

Belmont has been fortunate the past several years in hiring qualified and dynamic theatre instructors to work on the extra-curricular productions. The stipend position is funded by the student fees and ticket sales and has no corresponding employee benefits, which makes the retention of talented people a challenge.

Several in-school theatre arts courses have been designed for high school students but the funding for them is currently not available. If there was an endowment for a theatre arts director, these courses could be offered and Belmont's theatre program could continue to produce high quality productions that engage and challenge hundreds of students.

We seek funding for one full time high school theater arts teacher.

(4) STEM - <u>Elementary Library Science</u>

Media and Digital Literacy are critically important in the 21st century, but unfortunately Belmont's budget is only able to offer minimal support for elementary library science. Each school is staffed with a part-time aide and parent volunteers support the program by providing help during the book borrowing time for grades 2-4. Each library houses a resource collection that supports the curriculum for students' research, appreciation of literature, class assignments, and personal development. Resources include print, non-print, and digital resources.

Currently the budget only supports part time library aides who provide a weekly story time for kindergarten and 1st grade students for 30 minutes. Students in grades 2-4 visit the library weekly for approximately 15 minutes for book borrowing.

We seek funding for four media literacy specialists/librarians, one for each elementary school.

(5) STEM - **Robotics Course Curriculum**: Elem/Middle/High

Currently robotics is offered as an occasional after school enrichment activity, and is not integrated with the curriculum. Robotics integrates the fields of math, science, and engineering, and develops the critical 21st century skills of problem-solving and creativity.

We seek funding for three robotics teachers, as well as funding for equipment, teaching materials, and supplies to implement a robotics curriculum K-12.

(6) STEM - Computer Coding Curriculum: Middle/High

A new computer coding course will be implemented at Belmont High School for the 2014-2015 school year. It will be taught by an existing staff member, and will replace a course that was undersubscribed. We anticipate that the course will be very popular. (Course registration is currently underway; exact data is not yet available.) Additional funding would allow us to expand the program both at the high school and middle school level.

We seek funding for two computer teachers to provide a range of coding and other computer-related courses to students at the middle and high school. Additional funding is needed to upgrade computer hardware and software to accommodate the new courses.

Student Life Modeling Group

Recommendations January 2014

Background: At the request of the School Committee and Superintendent Kingston, the student life modeling group setout to understand how the students of Belmont Public Schools are currently being supported in the area of social and emotional development. An inventory of supports currently in place was developed, analyzed, and prioritized. This process revealed several emerging trends that all fall under a larger umbrella of stress, anxiety, depression, and mental health issues. Some of the subcategories include issues relating to the social and emotional abilities young children are coming to school with, stressed staff and families, community support, and parent/guardian knowledge for how to support development, as well as their child's personal safety.

We believe that the children of Belmont are experiencing an increased level of stress, anxiety, depression, and mental health issues, K-12. In order to address and unravel such a vast and complex set of issues, the modeling group classified the trends into subcategories. We further identified the specific issue, our rational for why we believe this to be an issue, and a possible solution for how we might go about addressing the specific issue. What follows is a "straw man" representation for how we might tackle these complex trends and issues facing our Belmont students.

a. **Recommendation #1**:
   Issue: Lack of a holistic strategy
   i. **Rationale**: We currently have an inventory of K-12 student supports in place; however, these supports are not aligned to a systemic strategy especially aimed at addressing the issues of social and emotional learning. By not having a clear strategy in place, supports have been randomly added over time to address some needs. This response-to-issues approach is not effective, and has resulted in students having significant support gaps, K-12. Since we are now at a tipping point in our school system, we feel it is prudent to first develop a holistic strategy aimed at addressing these specific issues through a comprehensive K-12 lens.
   ii. **Solution**: Assemble a cross functional team with the charge of creating a holistic strategy with specific steps outlined for each of these recommendations. This plan must align to the Belmont strategic plan and should include a clear picture for what success looks like, the specific steps we will need to take in order to fulfill the holistic strategy, a realistic timeline for each step, and an implementation rubric so the School Committee can assess progress throughout implementation. Cost Estimate: $1,700. We

envision these funds to be used for possible staff release time, substitute teacher coverage time, and/or travel expenses, onetime expense.

b. **Recommendation #2:**
Issue: Inadequate crisis intervention and social and emotional support
   i. **Rationale:** Throughout all of our schools, there are a substantial number of students experiencing crisis level situations. It seems these numbers are increasing by the day whereby creating a compounded issue. The guidance counselors at each school are spending between 50% and 100% of their work dealing with the complex issues these few students, in crisis, face. This focus, while critical to the students in need, prohibits the same staff members from providing vital social and emotional support to other students not in crisis, preventatively. This compounded issue literally "feeds" a pipeline in each school whereby "fixing" the guidance role mostly in a crisis management mode. This crisis management includes responding to students during dysregulation using CPI techniques, writing incident reports, creating and implementing student behavior plans, working with faculty and administration regarding appropriate follow-up with families and other community agencies, and helping students transition back from mental health facilities into the school setting, etc.

   Guidance counselors are also engaged in a high volume of social work related tasks with a few families who seem to need a disproportionate level of support from the school. We are strongly recommending we address all of these issues: handling students in crisis as well as preventing issues from arising by providing adequate social and emotional support. In order to do this we must make an investment in staff. We need both pro-active guidance counselors, staff specifically dedicated to crisis, as well as a leader for this group of professionals. Guidance counselors are needed in order to provide an adequate level of social and emotional support to all students. We need staff members who are specifically dedicated for the purpose of responding to and managing all aspects of students experiencing crises. And, in order to maintain a focus on proactive as well as reactive social and emotional supports for students, we also recommend a leader who can oversee and support the entire K-12 program. This will ensure that

social and emotional support programming is consistently delivered among all of the Belmont schools.

Important to note: Ongoing crisis management has taken the toll on other staff members as well. Many staff members have indicated that they are incredibly stressed by their inability to address so many competing priorities. Educator efficacy is a concern because what impacts staff members also has an impact on students, at all grade levels.

ii. **Solution**: Add seven additional FTE, two for each level and one to serve as the coordinator. The six staff for the schools will need to be trained to specifically handle students in crisis whereby, releasing our current guidance counseling team to proactively provide social and emotional support to students who are not in crisis. Each level would determine how to best use this FTE allotment. For example, the high school may be best served by adding two additional guidance counselors where as the elementary level may need highly trained inclusion experts. Cost Estimate: $472,500, annually.

c. **Recommendation #3**:
Issue: Inconsistent curriculum and lack of fidelity in approach

i. **Rationale**: We currently have several different social and emotional learning programs being implemented at the K-4 level, a few lessons in grade 5, including DARE in grade 5 at the middle level, and a few classes at the high school level. By not having a clear scope and sequence specific for stress, anxiety, depression, and mental health issues, K-8, our students are not set-up for success. The impact of not having a comprehensive, instructional curriculum that is integrated into daily academic practices, with fidelity, has had the following outcomes, all of which are highly disruptive to an educational environment:

1. Older students are participating in risky behaviors such as drinking alcohol, marijuana use, improperly using the internet, bullying, and fighting.
2. Younger students are displaying less ability to regulate emotion, problem solve, and to show empathy for others.

ii. **Solution A**: Implement a K-8 sustainable and research-based curriculum that provides explicit instruction around the three proven areas of social and emotional development: emotional processes, social/interpersonal skills, and cognitive regulation. This curriculum should be implemented with fidelity and integrated into the context of both the school and community. This curriculum must have a K-8 scope and sequence without any gaps, year-to-year. Note: It is recommended that the CASEL guide of SEL (Social and Emotional Learning) as well as the study of SEL (submitted with this recommendation) both serve as guides in this curriculum selection process. Since there is no curriculum for the high school level, we recommend that the high school have funds they can access for the purpose of addressing these issues with special leadership activities, guest speakers, instructors to conduct stress reduction classes, and/or other such processes for high school students. Cost Estimates: K-8: $375 per/teacher (124 teachers) = $46,500.00 for a onetime purchase. Plus, 9-12: $25,000, annually, (46 Homerooms) Total Cost Estimate: $71,500.

iii. **Solution B**: Research and then possibly expand pilot programs designed to assist young students identified as needing more support to develop specific skills, such as learning the routines of school or to have more time to engage in play. There are several programs that have been piloted throughout the elementary schools such as:

1. **Jump Start**, a first grade preview summer intervention for at risk students transitioning from Kindergarten to first grade. Cost Estimates: $12,000 for all four elementary schools, annually.
2. **Summer reading (RTI) programs for K-2 students**. Cost Estimates: $15,000 for all elementary schools, annually.
3. **SMART**, a school readiness program for K-2 students. Cost Estimates: $4,000 for curriculum (all for schools, one-off); $35,000 for initial training (for all four schools); and $2,000 (for all new staff) annual costs after initial investment to train new staff.
4. **Others**: There are several other national movements we recommend to be further investigated such as “Let’s Get Moving” which encourages 60 minutes of play a day and the “Whole Child Movement” which is a movement among early childhood educators to ensure that all elements of a young

child's early development is part of educational programming.

d. **Recommendation #4**:
   Issue: High and often unrealistic standards
   i. **Rationale**: The Belmont community has very high standards for its children. There is very real pressure from parents/guardians and teachers alike for students to perform and to "do it all"! This is evidenced by large numbers of students receiving tutoring, attending Saturday school on weekends, and being sleep deprived.
   ii. **Solution:** Implement monthly, pre-planned strategic K-12 activities for all students as well as parents/guardians that will permeate the culture of Belmont whereby influencing change. Such activities will begin to help shape a focus in our community around the impacts stress, depression, anxiety, and mental health issues have on our children and staff. Identify a lead person at each school, responsible for arranging and implementing relevant activities. Examples include: Yoga day, mental health day, PE, dance, no homework weekends, parent/guardian support groups, guest speakers for parents/guardians and staff members, etc. Acknowledge students and staff for leading a balanced life. These people could also coordinate efforts with the staff from recommendation #8 of this document. Cost Estimate: $2000 per/school for staff stipends and $1,000 per/school for activities supplies, annually. Total Cost Estimate: $12,000, annually.

e. **Recommendation #5:**
   Issue: Students in transition
   i. **Rationale**: We have a high number of students transitioning into and out of our typical classroom settings, who need a high level of support as well as a temporary or transitional school-based program. Right now this support is a reactive process that falls on the guidance counselors, nurses, administrators, and other educators, so as the needs arise these staff members have to entirely shift all other work streams. These cases are complex and can often disrupt the high school and middle school for weeks.
   ii. **Solution**: Dedicate space and staff for students experiencing major school-to-hospitalization and/or school-to-program transitions. Cost

Estimate $270,000, annually. We envision this paying for two high school and two middle school staff members.

f. **Recommendation #6**:
Issue: Lack of free recreation activities during and after school
   i. **Rationale**: The elementary and middle schools have after school enrichment programs and after school supervision activities for students. Both of these fee-based programs are filled to capacity and many have wait lists. Offering some type of cost free activities in spaces throughout the school district and/or homework support to students via the public library or other venues would also help give students who need support have the support they need during the after school hours.
   Note: There are some issues inherent in using spaces in the town and we do not have enough interested support staff to leverage during this time of day. Schools do not have space until after 6PM and the COA has no access until after 4PM. Churches all charge rental fees. The Recreation Department has had a difficult time finding both paid and unpaid tutors between 2:30PM and 6:00PM. For 15% of fees collected, the Parks and Recreation department will assist interested class instructors in finding space and/or connecting them with potential students for special classes such as yoga for teens.
   ii. **Solution A**: Partner with the Belmont Parks and Recreation Department and library systems to create more opportunities for free drop-in activities, and homework support for upper elementary through high school aged students. Cost Estimate: $6,000 per/site for staff hourly pay, annually.
   iii. **Solution B**: Provide time, within the high school day, for a staff member to operate an “open gym” for high school students needing a place to go between classes. Also, provide staff to conduct intramural sporting activities after school at the middle school level. Cost Estimate: $6,000 stipend to cover open gym during the school day and $ 14,500 for after school intramural sports and, annually. Total Cost Estimate for Solution B: $20,500, annually.

g. **Recommendation #7**:
Issue: Sleep deprivation
   i. **Rationale**: Teenagers are experiencing alarming levels of sleep deprivation in the Belmont community. There are a number of factors contributing to this issue that include school-based activities and homework, as well as out of school activities such as employment and clubs. There is significant research on this subject and we strongly recommend aligning our actions to the research.
   ii. **Solution**: Adjust start times for high school and middle school to align with research on brain development and the impact sleep deprivation has on teenagers. Cost Estimate: Not determined.

h. Recommendation #8:
Issue: Demand for liaison police officer is too great for current staffing
   i. **Rationale:** Our community is changing and with that change comes more community conflict and more need to offer true educational outreach to families. As a result, we have a need to maintain a more focused connection between the Belmont Police Department, the school system, and parents/guardians. Right now, officers contact school administrators after responding to conflicts in homes where school children reside and there is no organized effort to assist parents/guardians in building skills around the complex issues facing children such as stress, depression, anxiety, personal safety, drugs, and alcohol use. The necessary follow-up that is required as a preventative measure or a follow-up to conflict alone is daunting and somewhat inconsistent due to volume.
   ii. **Solution:** Hire a School Resource Officer with a BA, to serve as a liaison between the school, families, and the police department in Belmont. This liaison would also be charged with partnering with the Middlesex District Attorney's office to develop a comprehensive parent/guardian educational series. We envision at least six to eight educational sessions open to all families, to occur each year in the following categories: violence prevention, personal safety, social hosting, drugs and alcohol, child development, health and wellness, motivation, and diversity/inclusion. Cost Estimate: $55,000 for liaison position and $15,000 for speaker fees and materials, annually.

Item:	Annual Estimated Cost:	One-Time Estimated Cost:	Grand Total:
Recommendation #1	Sum	$1,700.00	
Recommendation #2	$472,500.00	$0.00	
Recommendation #3 A	$25,000.00	$46,500.00	
Recommendation #3 B	$64,000.00	$4,000.00	
Recommendation #4	$12,000.00	$0.00	
Recommendation #5	$270,000.00	$0.00	
Recommendation #6 A	$12,000.00	$0.00	
Recommendation # 6 B	$20,500.00	$0.00	
Recommendation #7	$0.00	$0.00	
Recommendation #8	$70,000.00	$0.00	
	$946,000.00	$52,200.00	$998,200.00

INSTRUCTIONAL TECHNOLOGY MODELING GROUP

BELMONT PUBLIC SCHOOLS

Jessica Ames-Balicki
Deb Darlington
Karen Duff
Steve Mazzola
Dan Richards

Technology Vision Statement

Students and staff will have ubiquitous access to the tools of technology and the skills to effectively use them for the process of innovative education. We also envision that the school administration will leverage technology to enable the most efficient and effective means of managing the business of schooling.

Technology Progression

In order to project future needs and direction, we need to understand the continuum of technology advances and compliance demands. Since 2008, budget demands, as well as significant increases in state and federal compliance requirements have been met by increases in technology support and the introduction of more sophisticated systems. Without the ability to increase staff, the district has come to rely on technology underpinnings in order to solve budget and administrative shortfalls. Although this approach has merit, it tends to mask the costs associated with meeting such demands. Examples of such technological underpinnings are many and reach across all parts of the district. Take for example, just a few instances where technology has been introduced in order to effect administrative and educational progress, budget savings, and efficiencies.

Electronic Data Collection

Historically, student and staff information was gathered and hand entered consuming hundreds of staff hours. This system eliminates the manual entry of hundreds of thousands of data fields; all while reducing data entry errors.

Online Fee Payments

Online bill pay was introduced in order to reduce the staff time involved with processing registrations and payments, allow more payment options for parents, and to lengthen the time period during which payments could be received.

Electronic Forms and Substitute Scheduling

Dozens of paper forms have been converted to electonic versions and as a result, have created a system though which all types of data collection and administrative processes have become more efficent. This includes transitioning a manual substitute calling system to an electronic one which reduces the need for manual scheduling.

Attendance and Announcement Calling

Once a manual process, calls to homes of students missing from school are now automated and reduce the calling window to just seconds while freeing school staff to perform other duties.

Edline Classroom System

This learning management system serves as a repository for classroom materials, progress reports, and report cards; each of which were previously done on paper, and now result in the savings of thousands of dollars in postage and printing costs annually.

Online Food Service Payments

The district's food services operations has been challenged by the need to secure and process thousands of daily transactions. A system of paper tickets and check deposits requiring hours of accounting work and manual entry of reporting data has been replaced by an electronic process.

Building Security

Rising security concerns and mandated protocols have given rise to access control systems in all schools, each of which require badging, database control, hardware maintenance, and new procedure adoption. Ongoing costs are comprised of annual support agreements, staff support, and supplies.

Costs Associated with Technology Supports

Each of the gains associated with the implementation of technology supports come with certain cost offsets. Systems require technology staff support, repairs, supplies, equipment, increased network capacity and 3rd party maintenance agreements. Although the district realizes cost savings in many areas, these costs are not reduced to zero. On average, the actual cost savings is closer to 70% when associated technology-related costs are factored in.

Reductions in postage, printing and personnel costs are shifted in part to other budget cost centers such as equipment, supplies, network management, and contractual services. Furthermore, technology has been called upon to create systems where none existed. For

example, new district mandates have demanded the creation of teacher evaluations systems and interconnected hardware and databases supported by a reliable security platform.

Equipment Demands

The Massachusetts Department of Elementary and Secondary Education, as a goal for all schools, has set a ratio of 5:1 for the number of students per computer. To achieve this goal, it is prudent to budget for the replacement of 5-8% of existing inventory each year. The district works towards providing a maximum over-all ratio of five students per each fully-functional computer and with a five year device refresh cycle. Currently, the refresh rate is seven to eight years.

Curriculum Integration

The process of integrating educational technologies into the Belmont Public Schools' curriculum can be achieved through the thoughtful linking of curriculum goals to appropriate technologies and delivery. Integration efforts will be focused on systemic projects with multi-year goals following the curriculum benchmarks and frameworks. The planning and implementation model for student-focused technologies within each school building is a collaborative process, adjusted for each school's requirements, and involving the schools' teachers, Principals, and the Director of Technology, who will review all curriculum integration initiatives for continuity, impact, and efficiency of time and money.

Successful integration projects will become the focus of future staff development and appropriate budget planning for its dissemination. Evaluating of the use of technology for instructional goals shall be an item reviewed during the curriculum review process for each discipline.

Professional Development

Staff need to be provided with professional development opportunities as well as limited mandatory training during scheduled work time. This year, members of the Google Apps and iPad pilots attended workshops during which they learned strategies for redesigning curriculum and increasing student engagement. Several staff have used the pilot as the basis for this year's Professional Learning Team work. Experience has shown that continued innovation relies heavily on staff access to quality professional development.

In a recent survey, only 25% of staff indicated they knew how to employ web tools such as blogging, wikis, and classroom websites. The goal of staff development in technology will be to ensure that our staff will be able to proficiently:

- Utilize technology tools for instructional management and personal productivity.
- Employ technology tools for delivery of instruction and communication.
- Provide skills instruction in technology literacy where called for in the curriculum.
- Guide students in academic and productive uses of technology.

Administrative Efficiency

Technology will continue to be used to increase communication between and among staff. Information systems for record keeping and reporting will be explored for implementation throughout the system. The Commonwealth has mandated the use of online forms for various reports system wide. All administrative and appropriate support personnel will be given the access and training needed to meet the state reporting requirements while administrative software, such as student information systems, special education database systems, personnel records systems, and financial systems will be upgraded as needed to meet the needs of the school system.

Support Personnel

The district should continue to employ a variety of staff to ensure the thoughtful integration of technology. This will include technical support personnel central to the maintenance and productive use of technology, as well as expertise in the integration of technology tools into the curriculum. Central to integration is the Technology Integration Specialist; a position which has not been a part of the district. Although progress has been made over the years, the technology landscape has changed to the point where any proficient technology program requires staff skilled in technology integration.

Creating Capacity

As technology use increases; be it in the classroom or administratively, one of the greatest challenges has been to create technology capacity in order to improve access. The two factors which contribute most to capacity are physical space and time. Since each of these are finite and well defined, capacity can only be increased by utilizing different tools, such as iPads and other mobile devices which can help introduce more learning opportunities at the building level.

At Belmont High School, as cited in the NEASC report, there is a critical and ongoing need for additional access to devices for research and other work. Due to the physical constraints of the high school, this means either adding lab space (or eliminating classroom space) or providing a structure where students do not need to be in a physical space to do their work. Second, due to the nature of the high school schedule, students have a significant amount of free time. It makes a great deal of sense to address both the lack of physical space and the abundance of unscheduled time by providing a framework which leverages both. This model began three years ago with the introduction of Edline which provides access to course materials regardless of space or time restrictions and continues with the iPad adoption.

During teacher focus groups in October at Chenery, teachers cited the need for additional student access capacity, in the form of mobile computing devices and the ability to keep students in the classroom and able to use devices allowing for greater flexibility in developing curriculum units that would save valuable teaching time by limiting transitions, while at the same time honing students digital and technical literacy skills. In addition, while the labs continue to be a

necessary resource, the school's burgeoning population is simply too large to satisfy the increasing need for computer based curriculum and learning.

Innovation

iPad Program

All teachers with an iPad, and who had completed training, are working at integrating the many facets of the device into their teaching. English and Social Studies teachers have achieved the highest level of integration so far, with Science and Physical Education not far behind. Of the 20 teachers who teach classes of only 9th graders, 50% of them have integrated the device in ways that are transforming their teaching, 25% are making great strides, 25% are experimenting and working on it, but are not as far along and would benefit from additional training and support.

In a recent focus group and associated survey of 285 students, 90% cited approval of the use of iPads and the leveraging of ancillary technologies such as electronic texts and AppleTV technology. Student participation in this innovative program reaches into all content areas with students indicating iPads were used on a regular basis in most of their core classes.

Google Apps Program

Google Apps for Education is a suite of web-based programs providing e-mail, word processing, spreadsheet, presentation, calendaring, research, and collaboration tools. Google Apps provides a number of advantages for the district. In fact, Google Drive is the storage system being used by the high school and Chenery iPad programs, and has quickly become a comprehensive platform for student work. In a staff focus group held in November, many participants cited their students' use of the iPad with Google Apps and its positive impact on student work.

Google Apps for Education is a system separate from the one commonly used by individuals. All accounts and account settings are provisioned within a new internet domain owned by the district through a console specific to Belmont. The district can grant and remove user access and control other settings to ensure a secure collaboration environment for students and teachers. Because Google stores information for business as well as education, they must conform to the most stringent security requirements.

Because it is a web-based system, students and staff can access their work anywhere and work together virtually on documents, presentations and projects, from any computer, and without having to purchase new software. Increased interaction is achieved via Google's commenting feature and works well for instructor and collaborator feedback.

Planning for present and future innovation centered on iPads, other mobile tools and Google Apps will be central to technology use by teachers.

Budget Implications and Funding Structure

- Personnel (administrative and technical)
- Staff development
- Hardware
- Software
- Infrastructure (including contractual services)
- Consumable technology supplies

Although the move to Google Apps and iPad adoption is not driven primarily by cost savings, the systems provide a significant amount of online storage space, thus reducing district for storage and backup costs, a reduction in the number of Microsoft Office licenses purchased, and it will also, over time, eliminate the need to support the current remote access network. Migrating documents to an online environment reduces the need for printing and copying and reduces costs associated with toner purchases, printer purchases, and maintenance.

Efforts continue to identify areas for cost reductions, including seeking multiple price quotes for purchases, tight inventory control, and renegotiating contracts at renewal. Additionally, the adoption of a new work order system and other workflow changes has increased the productivity of district technology staff.

Online Testing

As the Commonwealth enters into online assessments, there is much work to do in preparation for this effort. School districts, for various reasons, have traditionally been slow to make significant departures from existing practice. For this reason, it will take time to make the necessary adjustments, both programmatically and financially, to support online assessments.

Additional costs would be incurred supporting infrastructure improvements capable of providing sufficient redundancy required to ensure reliable access to the assessment system during testing periods. Recent years have seen a significant reduction in technology expenditures. As a result, the average age of devices available for online assessments has increased, resulting in a decreased capacity of existing devices to support testing. It has also reduced the number of devices available as older units have aged out and fallen below minimum specifications.

Educators need systems that they can rely on, or they cannot be expected to invest heavily in digital content and online assessment. If the infrastructure and access are not reliable, it will mean always having a paper and pen backup plan. Therefore, schools need to provide sufficient technical support to guarantee reliable networks, devices, and connectivity. The increased demands on technical staff will quickly outpace capacity as exhibited by the most recent administration of the Foreign Language AP exam, which due to its increased complexity, required a significant increase in technical support time.

Summary

Technology has become a part of all aspects of the district; and as the district moves forward, technology is expected to contribute significantly to that advancement. The Instructional Technology Modeling Group has identified the following areas for consideration and action:

1. Continue planning for projects which are aligned with our goal of universal access to technology including the one-to-one iPad program at Belmont High School.
2. Investigate the creation and delivery of a Digital Citizenship program on the secondary level.
3. Begin a multi-year project to provide a minimum of 2 PCs for each classroom K-4.
4. Work to identify ways to increase access to mobile computing devices at all levels.
5. Sequence the implementation of hardware capacity within classrooms based on curriculum needs and goals and the districts' adoption of the Common Core standards.
6. Advocate for staff trained to assist teachers in their technology integration efforts.
7. Implement a multi-year plan to purchase and install SMARTboards in the remaining classrooms without boards.
8. Investigate and work toward the purchase of additional mobile computing devices for classroom instruction.
9. Expand the wireless infrastructure to support increased mobile device use.
10. Develop staff technology literacy skills document based on DESE standards.
11. Explore additional ways to safely leverage web tools.
12. Continued improvement of the Student Information System as the central database from which other systems interact.

TOWN OF BELMONT
FINANCIAL TASK FORCE
REVENUE OPPORTUNITIES SUB GROUP

Executive Summary

The Revenue Opportunities Sub Group was charged with identifying potential non-tax revenue generating opportunities for the Town of Belmont. Revenue opportunities within the School Department were not examined as part of the investigation. The scope of this investigation included the Town only. Below is a summary of the committee's findings.

Potential Revenue Opportunities

Action	Outcome
Increase Belmont Meter Fee and Parking Pass Fee	$50,000 per annum estimated new revenue
Maximize revenue opportunities from Town and School Recreational assets, including the Underwood Pool, Higginbottom Pool, and other existing recreation assets	$278,000 per annum estimated new revenue
Sale of 108 Wood Fall Road	Currently under negotiations
Sale of Other Town Owned Parcels *130 Orchard Street 17,716 sq ft* *781 Pleasant Street 263,538 sq ft* *248 Mill Street 200,376 sq ft*	Recommend selling for residential development or defining public purpose
Naming Rights Policy	Recommend exploring whether there is joint support from the Town and School for adopting a naming rights policy
Examine New Growth Opportunities at South Pleasant St	Recommend Town re-zone area to encourage redevelopment
Review Building Rental Fees	Recommend identifying opportunities for facilities fees and rentals

No Revenue Opportunities

Action	Outcome
Examine Town Fee Structure	Created a Consolidated Fee Schedule and found that Belmont's current fee structure is competitive with those found in comparable municipalities.
Explore PILOT Programs	Confirmed the Town is pursuing all potential PILOT opportunities to the extent possible
Inventory Cellular Antennas for Permitting	Confirmed all cellular towers within the Town are being assessed Personal Property Taxes.

TOWN OF BELMONT
FINANCIAL TASK FORCE
REVENUE OPPORTUNITIES SUB GROUP

Committee Members

Floyd Carman	Treasurer
Charles Clark	Planning Board
Daniel Dargon	Assessing Administrator
Anne Helgen	Warrant Committee
Charles Laverty	Assessing Board
Jim Williams	Selectmen Appointee
Michael Trainor	Administrative Support

TOWN OF BELMONT
FINANCIAL TASK FORCE
REVENUE OPPORTUNITIES SUB GROUP

Belmont Town Department Fee Review:

Goal:

- Analyze, review all town fees and compare with similar local communities.

Results:

- All town fees were recorded by department for the first time into one consolidated document.
- Our comparison with similar communities showed Belmont's fees are set at the appropriate rates.

ATTACHMENT A

Recommendations:

- No recommended changes.
- July 2017 review Town Fees.

Belmont Meter Fee and Parking Pass Fee Review:

Goal:

- Analyze parking fees and review management costs.
- Review concept of Commuter Pass Parking.

Results:

- Parking meter fees were not covering the cost of the parking management program.
- The parking meters in the 3 Town Municipal Lots are outdated and breaking down on a regular basis
- A consistent and significant number of all-day parkers in front of the Belmont Lions Club are non-Belmont residents.
- Evaluated expanding Zip Car locations and provided the necessary data for the Town to create the additional parking spaces in the municipal lots.

Recommendations:

- Increase parking meter fees in line with other communities to cover costs.
- Create commuter pass parking spaces in front of Belmont Lions Club.
- Create commuter pass parking spaces in 3 municipal parking lots.
- Upon completion of Cushing Village review surrounding parking management issues and opportunities.
- Implement March 2012 Parking Management Plan approved by BOS after Belmont Center Reconstruction Project is completed.
- Create additional parking opportunities on Concord Ave (i.e. the vacant town owned lot to the right of JV Soccer Field).

Recommendations Implemented:
BOS approved increasing parking meter fees, parking passes and implementing Commuter Pass Program. <u>The estimated new revenue per annum is $50,000.</u>

PILOT Programs (*Payments In Lieu Of Taxes*):

Goal:

- Analyze potential PILOT opportunities.

Results:

- In 2014, follow up PILOT letters were mailed to twenty non-profit organizations, which resulted in no increase to current participation numbers for the PILOT Program.
- The current PILOT Program generates $36,368.

Recommendations:

- Define and document direct services provided by the Town for each non-profit organization.
- Request from each non-profit organization a list of services they provide the Town.
- Seek financial support/partnership for upgrades of facilities used by nonprofits.

New Growth Opportunities South Pleasant Street:

Goal:

- Analyze opportunities and document barriers.

Results:

ATTACHMENT C

Recommendations:

Sale of Town Owned Parcels:

Goal:

- Identify vacant Town owned parcels for sale.
- Analyze opportunities and document barriers.

Results:

- Four properties identified including South Pleasant Street parcel:

Address	Lot Size (square feet)
130 Orchard Street (Wellington School)	17,716
751 Pleasant Street (after Snake Hill Rd)	263,538
248 Mill Street (Barn)	200,376
108 Woodfall Road (Under negotiation)	229.345

ATTACHMENT B

Recommendation:

- Sell for residential development or define public purpose use and execute decision.

Other Growth Opportunities:

Parks and Recreation Opportunities:

Goal:

- Identify opportunities to cover the costs of the wide array of existing recreation assets.
- Maximize revenue opportunities from Underwood and Higginbottom Pools.

Results:

Belmont is fortunate to own more recreation venues than almost any surrounding town; these valuable town-wide recreational assets have the potential to generate significant new revenues to cover the all in costs of operating these assets Historically, however, oversight of these assets has been fragmented, and revenue generation has not been prioritized. Existing programming, rental fees, and usage have developed ad hoc over several decades. In spite of market demand, rates charged to non-residents are below those charged in surrounding towns.

Recommendations:

- Hire a new full-time professional Recreation Director
- Consolidate the management of town and school recreation assets under experienced recreation management.
- Combine the operation of the Higginbottom and new Underwood pools into an Aquatics Program.
- Direct the Recreation Department, in conjunction with the Recreation Commission, to generate written policies, and evaluate and expand programming, outsourcing, and rental fees.
- Create a Field Management task force of all stakeholders to determine usage, prioritization, fees, maintenance and upgrades and to coordinate improvements for both Town and School fields.

Estimated New Net Revenues per annum (within three years)*:

Aquatics Facilities	$190,000
Non-Resident Field Fees-All Fields	125,000
Programming and Service Delivery	45,000
TOTAL Net Programming Revenues	**$360,000**
Recreation Director (incl. benefits)	($72,000)
Misc. Start Up Costs	($10,000)
Net Incremental Revenues	**$278,000 per annum**

* Represents a partial list of opportunities.

Other Revenue Opportunities:

Goal:

- Inventory cellular antennas for permitting and match against Assessor's Database.

Results:

- Cellular antenna permits are current and updated in Assessor's Database.

Recommendations:

Goal:

- Explore naming rights as a revenue or capital raising opportunity.

Results:

- Naming rights is a complex issue and spans a spectrum from short term to irrevocable, from unrestrictive to highly restrictive,
- from honorific to private capital donations to corporate advertising/partnerships

Recommendations:

- Any naming rights guidlelines should be consistently applied across town wide assets through written policies and procedures.
  .
- The Board of Selectmen and School Committee should 1) determine whether there is joint support for a naming rights policy and 2) if so, create a task force to identify the issues, research policies, and determine whether there are successful models which can be applied to Belmont.

Goal:

- Identify opportunities for facilities fees and rentals.

Results:

- Although the SubCommittee has not researched this in depth, some peer communities are generating fees and rental income from facilities to offset fixed costs.
-

Recommendations:

- The School Committee, School Department, Town and Facilities Management should review all existing usage and rentals to determine whether fees cover the operating and other costs for the space used.
- Fees and rentals for programs conducted by non resident, for profit, and other like groups should be evaluated relative to market rates.

Town of Belmont

Consolidated Fee Schedule

January 2, 2015

TOWN OF BELMONT
ASSESSORS' OFFICE
Homer Municipal Building
19 Moore Street
Belmont, Massachusetts 02478-0900
(617) 993-2630

ROBERT P. REARDON, CAE, CHAIRMAN
MARTIN B. MILLANE, JR.
CHARLES R. LAVERTY, III, ESQ.

DANIEL A. DARGON, JR., MAA
ASSESSING ADMINISTRATOR

December 19, 2014

Sale of Town Owned Parcels

Goal:

- **Identify Vacant Town Owned Parcels for Sale**
- **Analyze opportunities and document barriers**

Results

The following parcels were identified by the Board of Assessors as possible town-own properties that could potentially be sold for development purposes as a source of one-time cash revenue and as annual real estate taxes paid to the Town. They were as follows:

Address	Lot Size
130 ORCHARD ST	17,716
108 WOODFALL RD	229,345
751 PLEASANT ST	263,538
248 MILL ST	200,376

The above four properties were selected from properties owned by the residents of the Town of Belmont. Currently the following properties are owned by the Town of Belmont as of the date of this report:

Town Owned Land – Complete List as of 12/15/2014

Parcel ID	Address	Description	Lot Size	Acreage
34-115-A	10 Claflin St	Parking Lot Claflin & Cross Streets	56,264	1.29
32-3	1012 Pleasant St	Pleasant St Discontinued Street	4,300	0.10
64-3	1034 Concord Ave	Rock Meadow Park	3,092,760	71.00
61-22-A	103R Brookside Ave	Brookside Ave	2,800	0.06
30-62	104 Clark St	Clark St Housing	15,484	0.36

69-44	108 Woodfall Rd	Developable Land Woodfall Rd	229,345	5.27
61-23-A	109R Brookside Ave	Brookside Ave	1,673	0.04
67-4-A	1100 Concord Ave	Beaver Brook Park	987,505	22.67
59-11-9	115 Mill St	Public Open Space Mill St	3,223,440	74.00
61-24-A	115R Brookside Ave	Brookside Ave	1,189	0.03
12-211-A	116 Trapelo Rd	Municipal Parking Lot Trapelo Rd	18,720	0.43
11-4	121 Grove St	Cemetery & Garage Grove St	552,776	12.69
61-25-A	121R Brookside Ave	Brookside Ave	1,155	0.03
61-26-A	127R Brookside Ave	Brookside Ave	1,078	0.02
18-10	130 Orchard St	Vacant Land 130 Orchard St	17,716	0.41
61-27-A	133R Brookside Ave	Brookside Ave	1,698	0.04
61-28-A	139R Brookside Ave	Brookside Ave	1,568	0.04
61-29-A	145A Brookside Ave	Brookside Ave	5,250	0.12
61-29-B	145B Brookside Ave	Brookside Ave	789	0.02
61-30-A	157R Brookside Ave	Brookside Ave	12,588	0.29
15-18-A	160A White St	White St Land	618	0.01
9-16-A	180 Grove St	Grove Street Playground	448,668	10.30
29-68	19 B St	Highway/Sewer B Street	3,030	0.07
24-60-A	2 Common St	Park 2 Common St	29,440	0.68
2-27	203A Belmont St	Belmont & Grove Streets	2,536	0.06
36-3	221 Concord Ave	Belmont High School	1,659,636	38.10
64-1	248 Mill St	Mill St Parcel	200,376	4.60
31-42	25 Royal Rd	Royal Road Along Rr Tracks	92,696	2.13
29-34-A	266 Beech St	Beech St Center	53,760	1.23
20-100-A	266 School St	Burbank School	202,380	4.65
30-1-A	288 Beech St	Park/Playground Beech St	210,830	4.84
3-100-A	288 Payson Rd	Payson Park (Park)	88,501	2.03
35-41	291 Concord Ave	Football Field/Field House Concord Ave	524,898	12.05
14-73	299 Trapelo Rd	227 Trapelo Rd Fire Station	28,503	0.65
35-38	301-303 Concord Ave	DPW Facilities Concord Ave	11,205	0.26
35-37	309-311 Concord Ave	DPW Facilities Concord Ave	6,720	0.15

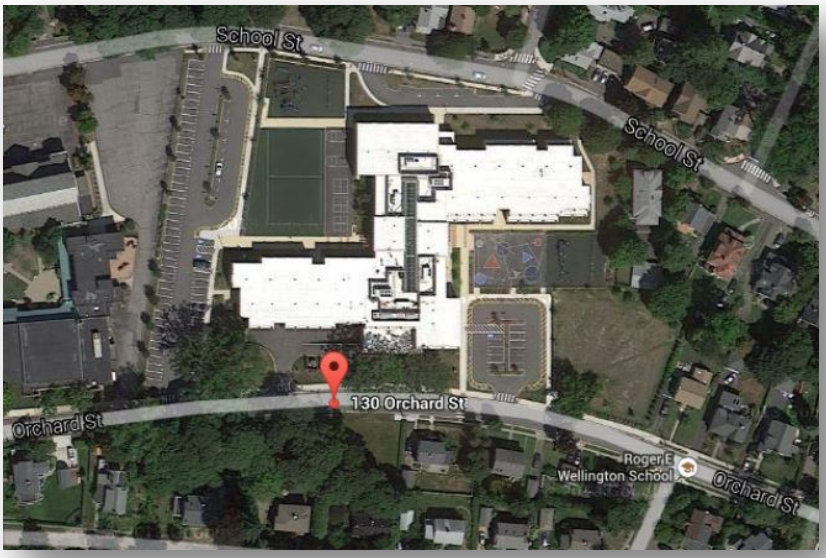
14-251-A	310 Trapelo Rd	Park/Playground Trapelo & Maple Roads	331,666	7.61
24-56-A	320 Concord Ave	Underwood Swimming Pool /Park	162,969	3.74
24-14	33 School St	Wellington School 33 School St	192,787	4.43
24-56-B	336 Concord Ave	Belmont Public Library 336 Concord Ave	86,557	1.99
35-40	345 Concord Ave	Rink Concord Ave	239,131	5.49
29-68-A	37 C St	Highway/Sewer Prince Street	277,895	6.38
31-10	434 Concord Ave	Concord Ave & Leonard St Vacant Land	8,185	0.19
31-9	436 Concord Ave	Concord Ave Vacant Land	3,535	0.08
31-8	438 Concord Ave	Concord Ave Vacant Land	2,690	0.06
31-7	440 Concord Ave	Concord Ave Vacant Land	2,739	0.06
31-1-A	455 Concord Ave	Town Hall, Homer & School Admin.	82,810	1.90
31-1-B	460 Concord Ave	Police Station	24,571	0.56
7-68-A	5 Selwyn Rd	Oakley & Selwyn Roads	1,522	0.03
33-90-B	518 Trapelo Rd	Municipal Parking Lot Church St	15,480	0.36
33-90-A	524 Trapelo Rd	Waverley Square	2,900	0.07
59-11-5	700 Concord Ave	Cemetery Concord Ave	602,706	13.84
4-81-A	75 Oakley Rd	Benton Library	6,033	0.14
58-20	751 Pleasant St	Vacant Land Pleasant St	263,538	6.05
59-11-1	780 Concord Ave	Cell Tower Concord Ave	2,500	0.06
27-155-A	90 White St	Daniel Butler School	130,284	2.99
6-1-A	95 Washington St	Chenery Middle School	364,162	8.36
42-68	97 Waterhouse Rd	Winn Brook School	337,590	7.75
34-133-A	99 Leonard St	Fire Station Alexander Ave	21,099	0.48

Generally, most of the parcels owned by the Town of Belmont are either in use for the public good or undersized with limited value to anyone other than the immediate abutter. The four parcels identified as potential parcels that could be sold would require additional research prior to pursuing any development.

Address	Lot Size
130 ORCHARD ST	17,716
108 WOODFALL RD	229,345
751 PLEASANT ST	263,538
248 MILL ST	200,376

The following pages offer a brief description of these parcels and potential tax from the properties should they be developed.

130 Orchard St – Assessor's Parcel 18-10

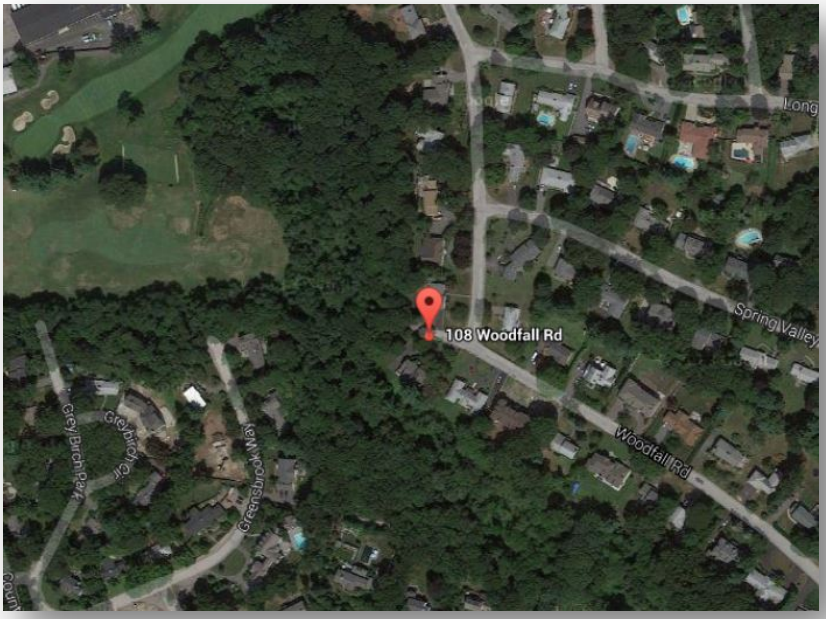


130 Orchard St - Aerial View

The first parcel, located at 130 Orchard St, is a vacant piece of land located across from Wellington Grammar School. The property is located in an **SR-C Zone** and is classified residential land. The property has a current assessed value of $420,000 and could be developed into a single family home. If this property was taxable "as is" the annual revenue from the property would be $5,670 per year. If improved with a residential property consistent with neighborhood the annual revenue would be in the range of $13,500 to $16,875 (based on property value of $1,000,000 to $1,250,000).

130 Orchard St – GIS Map

108 Woodfall Rd – Assessor's Parcel 69-44



108 Woodfall Road - Aerial View

The next parcel is 108 Woodfall Road located in a ***SR-A Zone***. The property is currently for sale with the possibility of development into a four unit subdivision. An estimate of future taxes to be generated from this development has been estimated below.

Current Assessment	**Assessment**	**Tax Revenue**
FY 2014	$ 2,555,000	Exempt
FY 2015	$ 2,555,000	$ 34,493
FY 2016	$ 3,000,000	$ 41,730
FY 2017	$ 7,500,000	$ 107,400
FY 2018	$ 10,000,000	$ 147,500
	Revenue Estimate	$ 331,123

In order to establish the estimated tax revenues from assessment the following assumptions have been made.

1) That the developer will assume ownership of the property on or before July 1, 2014. If the property is purchased after July 1st, 2014 the Fiscal Year 2015 taxes will be prorated accordingly.

2) That the developer will submit a subdivision plan for four residential homes and that approval will be granted before January 1st, 2015.

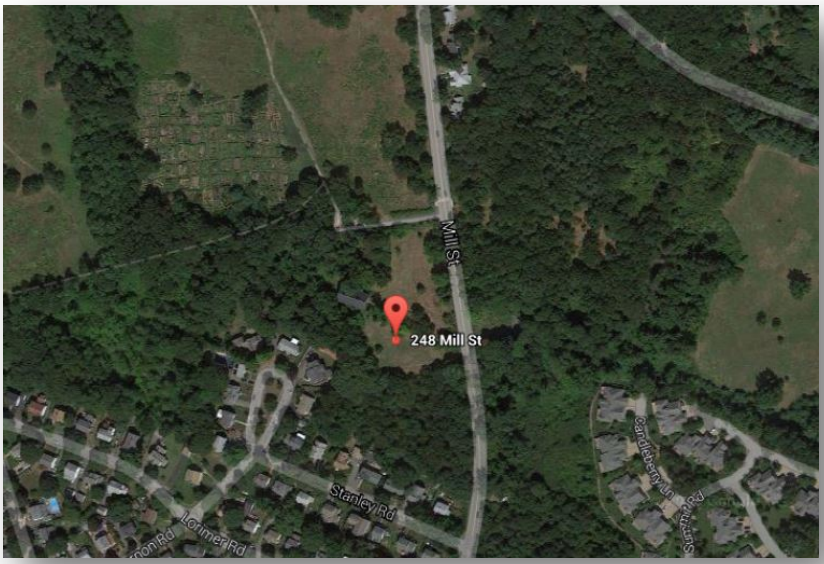
3) That development will begin during calendar year 2015 and finish in early 2016 with occupancy permits issued during calendar year 2015 and 2016.

4) That the improvement value of each home (which has not been provided to the Assessors) has an assessed value of $1,750,000 plus the land value estimated at $750,000 for a total assessed value of $2,500,000 per improved lot.

The valuations proposed are based on current assessments in the Town of Belmont. Taxes have been calculated to reflect annual increases as in the Tax Rate. If development is occurs outside this time frame then expected revenues would be recaptured in later Fiscal Years.

108 Woodfall Road – GIS Map

248 Mill St – Assessor's Parcel 64-1

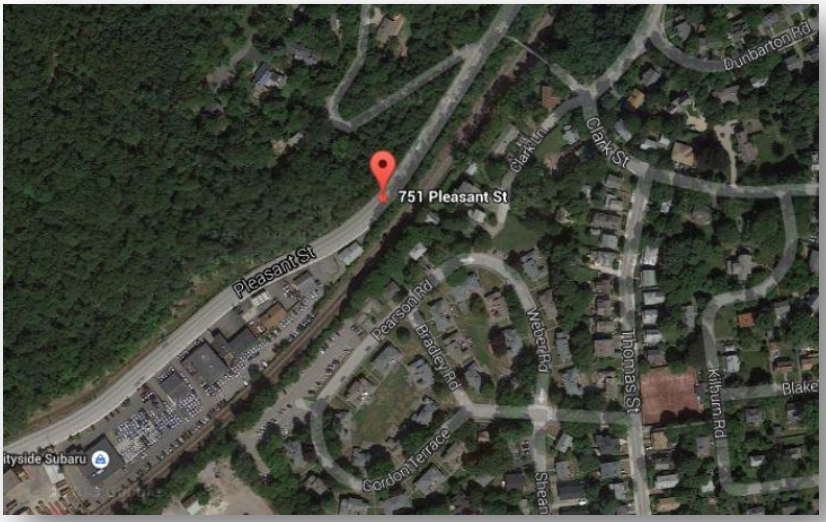


248 Mill Street – Aerial Map

Located in a SR-D Zone this parcel contains 200,376 square feet of area. The property is currently being used as recreation land by residents of Belmont and the development of this parcel would have to be researched further. Given the current zoning the potential for four to six residential units may be possible but at a loss of the existing recreation space.

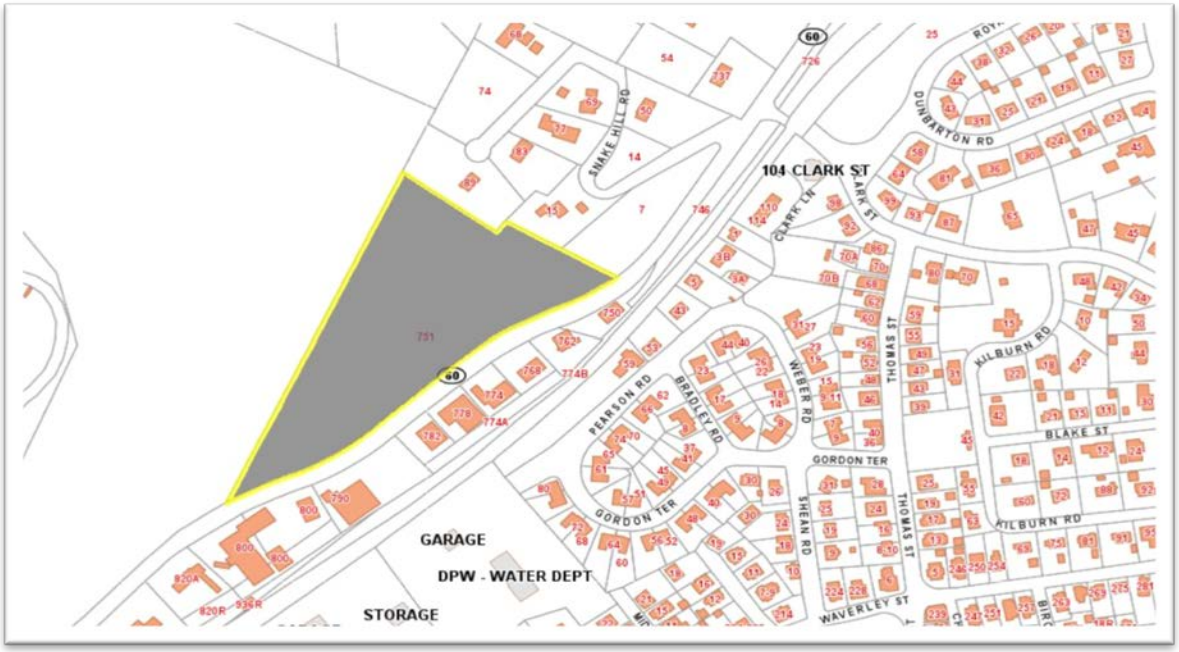
248 Mill Street – GIS Map

751 Pleasant St – Assessor's Parcel 58-20



751Pleasnt Street – Aerial Map

The property is located in a SR-A Zone contains 263,538 square feet of area on Pleasant St. The parcel is located just east of the commercial/industrial zone on Pleasant Street but has topographical issues as the property rises into the hillside. Development potential on this lot appears to be limited due to the current zoning (residential) and the proximity to commercial properties.



751Pleasnt Street – GIS Map

Given that one of the four properties identified by the assessors is already in the process of returning to the active tax rolls it appears that the Town of Belmont is exploring the sale of town owned properties when possible. The remaining three properties present their own challenges in terms of physical development and a return on the transfer of the property. Additionally I have attached the Table of Zoning Dimensional Requirements for Review.

Town of Belmont – Table of Dimensional Requirements

4.2 Schedule of Dimensional Regulations

4.2.1 Area Requirements

	MINIMUM LOT AREA	MINIMUM LOT FRONTAGE	MAXIMUM FLOOR AREA RATIO	MAXIMUM LOT COVERAGE	MINIMUM OPEN SPACE
DISTRICTS	SQ. FT.	FEET		% OF LOT	% OF LOT
SR-A	25,000	125	--	20%	50%
SR-B	12,000	90	--	25%	50%
SR-C	9,000	75	--	25%	50%
SR-D	25,000	125	--	20%	50%
GR	7,000[2]	70	--	30%	40%
AH	85,000[2]	100	--	30%	40%
LB I	--	20	1.25[1]	--	--
LB II	--	20	1.05	35%	--
LB III	--	20	1.05	35%	--
GB	--	20	--	--	--
PL	--	--	--	--	--

Please let me know if you have any additional questions regarding this matter.

Respectfully submitted,

Daniel A. Dargon, MAA
Assessing Administrator

Attachment C

Carman, Floyd

From: Clark, Chuck <CClark@hilcoglobal.com>
Sent: Monday, January 05, 2015 11:30 AM
To: Carman, Floyd
Subject: South Pleasant Street - New Growth

New Growth Opportunities: South Pleasant Street

The Site

The South Pleasant Street Corridor, as defined by the Planning Board in working sessions and discussions in 2011 and 2012, encompasses slightly less than 9 acres of land extending from the former Waverly Landscaping office/industrial building along the easterly side of Pleasant Street to the Clark Street bridge. The area does not include the Shaw's supermarket site or the Waverly Square neighborhood.

The site benefits from its access along Pleasant Street (Route 60) and its connections to Trapelo Road and Waverly Square (and the MBTA Commuter rail) to the south and Belmont Center and Route 2 to the north.

Negative aspects of the location include relatively narrowness of many of the sites, the slope in many sites toward the T, and the fractured ownership, which makes it difficult to assemble a large site (say, 5 acres) for development without the cooperation of abutters or an assemblage by a developer. In addition, traffic can be heavy during the commuting hours and the lack of any traffic signals, especially as Pleasant Street merges with Trapelo Road, is problematic.

Zoning Regulations

The property is zoned LB II and is developed with mostly older single-story industrial and automotive-related uses, albeit with some small retail and office uses. The most recent new development is the Subaru dealership. The FAR is 1.05 and the coverage ratio is .35. Most commercial uses are allowed, typically by special permit; other than one and two-family uses, larger residential development is precluded.

Potential Opportunities

The location has been studied several times for potential redevelopment opportunities: there was a comprehensive study done in 1996 by the town and the Planning Board held public hearings in 2011 and 2012 and developed alternative scenarios to discuss potential rezoning of the site to increase the area's density (decreasing the coverage ratio and increasing the FAR) and to allow mixed use (commercial and residential) in the area. A potential Planning Overlay District was discussed (and, indeed, the town planner presented an "Urban Village" design document). The project, however, lost momentum as the Cushing Village project come to the fore and occupied the attention of the Planning Board for nearly two years.

Even without the new development incentives, it was hoped that some new development would be proposed with the acquisition for the former Peter Fuller automotive site by the owner of the former Waverly Landscaping site along Pleasant Street. Instead, the owner refurbished the building and rented it out to automotive service businesses. No

The lack of new development along the area in the face of the development surge in Greater Boston is troubling and points to the fact that the existing property owners of the largest parcels (Flett and Tocci) either do not want to move (Flett) or are not incentivized by the current zoning to either sell to a developer or a joint venture a new commercial

project. Clearly, the highest and best use of the area – with the current zoning in place – reflects the current developments/uses as interim uses until more favorable zoning is implemented.

The proposed zoning discussions would have substantially increased the square footage of potential development on the site (increasing the FAR). The current commercial real estate market in Greater Boston has recovered from the recession: vacancies for office and retail buildings have declined, rents have increased and significant new developments are taking place. The direction of the most recent planning board discussions in 2012 focused on commercial development (retail and office). While the market for commercial is good, I do not see this as a speculative office location for the most part unless a developer was able to secure tenant and do a built to suit. In my opinion, the area is most suitable for a mixed-use development similar in scope to Cushing Square, with first floor retail and upper floor apartments. Service office use would be feasible for the first floor and some second floor space, but that would depend on the layout of the building (s) and the zoning incentives. It is difficult to estimate the potential increase in development in the planning area without the specifics of the new Overlay District: suffice it to say, it would increase the square footage in the area significantly and result in increased assessments and real estate tax revenue from the area.

The multi-family residential market, in particular, is in the middle of a one-in-a-generation surge and would be the economic driver for development along the corridor. The residential component would tend to make the development economically feasible – the best models are not only Cushing Village, but also the mixed use development in Fresh Pond and in similar locations in the near suburbs. Further, although we are discussing South Pleasant Street, it is my opinion that South Pleasant Street and Waverly Square, which is also underdeveloped, should be parts of a single planning effort.

Recommendations

1. Re-open the zoning discussions for South Pleasant Street.
2. Develop a zoning overlay district that allows for increased density and mixed-use development
3. Incentivize developers to increase amount of commercial (retail and office space) versus residential space

Potential Barriers

The redevelopment of the area should not done on a piecemeal basis and it is important that a planning document and associated zoning changes be prepared and submitted for review by Town Meeting.

There are several issues that would have to be address in the final planning. This includes traffic issues: the traffic along this area can be problematic during rush hour and the lack of signalized interchanges/curb cuts would have to be addresses. The mix of commercial and residential uses would have to be carefully addressed so that the fiscal impact on the town would be positive: Cushing Village's estimated impact is mildly positive, although it will have economic spin-off effects that will, in my opinion, revitalize Cushing Square.

The earlier plans for the area focused on encouraging a mix of commercial and residential development, but was later changed to commercial only. This was a result of significant neighborhood opposition to most redevelopment or the area, and especially any that included multi-story buildings and residential uses. Although a large scale office development (one or several buildings) would have the most positive impact on the town's revenues, my opinion is that this is not primarily an office area and demand for commercial development exclusively would not be sufficient to drive the area's redevelopment.

The Planning Board does not have this on its agenda for 2015 and parts of the community will oppose any significant redevelopment in the area.

Summary and Conclusions

The South Pleasant Street corridor is an underdeveloped area of Belmont and both the area and the town would benefit from its redevelopment that would allow more density, height and residential uses. While it is difficult to estimate the potential economic impact on the town from a New Revenue perspective, I believe that a thoughtful re-zoning would encourage redevelopment of the area and would have a positive revenue impact on the town. The planning process would take approximately one to two years to go from the Planning Board to Town Meeting, and I would not expect to see new developments fully on the tax rolls for another five or more years. The danger in delaying a re-analysis of this area is the own will miss the benefit of the current strong commercial and residential market conditions.

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Hilco

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TOWN OF BELMONT – FINANCIAL TASK FORCE

Capital Projects Sub-Group Report

January, 2015

CONTENTS

I. MEMBERS OF SUB-GROUP

Anne Marie Mahoney	Capital Budget Committee, Sub-Group Chair
Mark Paolillo	Board of Selectmen
David Kale	Town Administrator
Phyllis Marshall	Assistant Town Administrator
Floyd Carman	Town Treasurer
Laurie Graham	School Committee

II. CHARGE

The Capital Group will prioritize major capital projects and analyze debt service costs and cost estimates on major capital projects and the impact on the property tax levy. It will review allocations for pavement management, non-debt exclusion projects and other pay-as-you-go projects.

III. OVERVIEW

The list of capital projects that follows is long and varied. Some projects on the list are funded, underway, or newly completed, including:

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- New Belmont Municipal Light Department Substation
- Underwood Pool
- Harris Field and Track Replacement
- Belmont Center Reconstruction Project

Other major outstanding capital projects identified by the sub-group are:

- Belmont High School
- Library
- Police Station
- Department of Public Works
- Incinerator Site
- Skating Rink/White Field House

But as one can see from the list, there are many more capital projects that must be considered before proposing a long-range plan. The projects on the list are not of equal importance, urgency, or monetary value but all should be addressed in the coming 10 – 20 years. Some of these "projects" are actually ongoing capital programs, such as road and sidewalk repair. In addition to actual facility or infrastructure projects, the sub-group found it useful to list a few site issues, such as the incinerator site, that may have multiple options for use.

Therefore, the goal of the Capital Projects sub-group of the Financial Task Force is to identify and prioritize outstanding capital projects and on-going repair programs so that the Town can form a reasonable and workable plan for funding and completing these projects. Also, the sub-group discussed the need for an additional stream of predictable funds for the Capital Budget Committee to spend on annual capital requests throughout the Town.

IV. PROJECTS (*in alphabetical order*)

Project	**Funding**	**Actions/Comments**
Belmont High School	• MSBA and bond issue • Updated cost estimate needed – in excess of $100M	• Resubmitted Statement of Interest (SOI) to MSBA Spring 2014 • MSBA review completed, project not selected • Resubmit SOI to MSBA Spring 2015
Belmont Center Reconstruction	• Fund from free cash appropriation ($1.3m) and bond issue (1.45M) • 2014 Mass Works Grant not received	• Design completed-ready to be bid • Utility work completed • Impacts Parking Management plan • Town Meeting approved funding on November 17, 2014

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Project	Funding	Actions/Comments
Belmont Municipal Light Department Substation	• Bonding - paid by ratepayers.	• Site purchased • Began construction 2014
Belmont Municipal Light Department Building – Concord Avenue		• Determine disposition of the property when vacant
Department of Public Works Facility	• Bonding • May 2006 study by Garrett Fleming with inflation factors- updated cost estimate - $28M	• Current location is preferred site
Harris Field and Track	• Bonding	• Project completed, August 2014 – on-time and within budget
Harris Field Press Box	• No funding identified-estimated cost $200K	
Incinerator Site	• No funding for post-closure uses available • Town will receive credit towards the purchase price for remediation costs	• Legislation approved and signed by Governor to convey state property to the Town subject to execution of prescribed DCAMM process. • Property to be used for DPW, municipal or recreation uses only ✓ DCAMM process continuing to execute conveyance • Analysis of viable post-closure options completed ✓ Presentation of preliminary report/analysis on post-closure uses made on 11/3/14 by BOS ✓ Decision on post-closure uses continuing
Library	• Mass. Board of Library Comm. Grant process scheduled for 2015 • Debt exclusion vote needed • Private donations • Capital investments in the interim to maintain existing building	• Update feasibility study with cost estimate ✓ Decide site- existing location or alternative site ✓ Decide –major renovations or new facility ✓ Final site and funding critical in receiving state funding
Minuteman High School	• Bonding shared by member communities • Cost estimate process of options to be completed in 2015	• Renovation/new building option revised to a 638 student building • Extension granted by MSBA for two years

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Project	Funding	Actions/Comments
Parking – Belmont Center Area		• Implement parking mgt. plan – metering system • Investigate additional parking options including; ✓ Parking lot- deck ✓ Royal Road parking lot ✓ Vacant site across from pool
Pavement Management	• Addition of sidewalk component ✓ $200K from free cash funded in FY2015 budget ✓ Additional $200K for sidewalks projected as override in FY16-19 and beyond ✓ Additional $300K for roadways projected in FY16-19 and beyond	• Coordination with Utility Infrastructure Program
Police Station	• Cost base on 2/1/2008 Bret Donham memo built on current Library site. -no longer applicable • Estimated cost - $20mil	• Decide location- current site/Municipal Light Building or Incinerator site • Current site/Municipal Light Building not available for 5 years • Explore using a portion of existing Municipal Light Building – short-term • Update feasibility study
School Department - Additional Space	• No cost estimate at this time	• Enrollment increases-additional classrooms in existing schools buildings being identified by Space Task Force created by Superintendent • Temporary classroom spaces being investigated • School additions
Skating Rink/White Field House	• Est. cost $5-6 million	• Repairs to White Field House completed Summer 2014 • Facilities study on skating rink condition in process • Private/public partnership being explored for skating rink
Underwood Pool	• Total project cost $5.6 million	• Project underway scheduled to completed in Summer 2015
Veterans of Foreign Wars Building and Site		• Land owned by Town and bldg. owned by VFW

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V. PROCESS

Interviews

After reviewing the tool that the Capital Budget Committee created for prioritizing capital projects it became clear to the sub-group that defining the scope, siting, timing, funding and possible synergy of capital projects was key to formulating a sound plan. To that end, the sub-group met with representatives of the Police and Public Works Departments to understand their needs for new and/or renovated space. The sub-group also met with members of the Board of Library Trustees to better understand the state grant cycle and the future site of a new or renovated library. Members of the VFW met with the group to discuss the viability of their organization and potential linkages with other VFW posts in surrounding communities.

The sub-group met with Robert Mahoney, President of Belmont Savings Bank, to discuss potential private funding of a new skating rink/field house. While there would be many legal details to work out regarding the ownership of the land, siting and size of a new facility, parking, hours of operation, and management of the facility, a proposal for private funding by residents of the Town may be attractive. Finally, the sub-group invited members of the Historic District Commission to describe their interests in both the municipal light building and the police station.

Need for Updated Feasibility Studies

The sub-group requested that department heads update feasibility studies and cost estimates so that the sub-group could form a plan with current and compatible information for every project. The details of Belmont High School and ongoing pavement management projects are already clear to the sub-group.

Other Considerations

Some other considerations are:

- Some “projects” listed are town-owned parcels that may or may not be a factor in the siting or viability of another project. These include the Incinerator and VFW sites and parking lots as well as the Belmont Center Reconstruction project.

- While Belmont will not control the future Minuteman High School project the cost of Belmont’s share of the project must be included in our total capital financial plan.

- The sub-group is aware of the current overcrowding in the schools which may require expanded classroom space.

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- There are school facilities, which were completed in the 1970s, '80s and '90s, which will need updating in the foreseeable future such as the Butler, Burbank and Winn Brook Schools.

VI. CHALLENGES: LOCATION, SYNERGY AND TIMING

It became clear to the sub-group early in the process that the biggest challenge to forming a comprehensive plan would not be money but land. The real estate adage - *location, location, and location* - is true. All the studies the Town has done have not solved the location problem. Without a solid location for the library, police station, DPW, and rink/field house projects, any designs, cost estimates and timelines are only partially useful. Location depends on the updated program for the facility as well as the size and availability of Town owned parcels. The sub-group spent considerable time discussing possible locations for the major capital projects, which sometimes felt like playing with a Rubik's cube that would never line up all the colors.

Secondary to location is synergy and timing. Significant issues include:

- The major wildcard in the timing discussion is the uncertain availability of outside aid for both the high school and library projects.

  It should be noted that the new School Building Authority awards school building projects on an annual basis. Municipalities that have submitted project requests, such as our High School Project, that are not approved in the current cycle must reapply the following year. This is a different process from that used by Department of Education, which previously administered the School Building program. Projects that were approved went on a waiting list for funding. If an approved project were 20th on the waiting list a community would have a sense of the number of years it would take to receive actual funding and could plan accordingly.

  If MSBA funds are approved in 2015 for the high school, should the high school automatically be the top priority? Because of the huge impact that the high school project will have on homeowner's tax bills, even with state aid, the cost of renovating the high school could preclude any other project from going forward for as long as ten years.

- The average household would add approximately $150 per $1.0 million in debt costs to their real estate tax bill.

- Can the DPW, police station and other smaller projects wait ten years if the High School is approved soon, which will require a significant bond issuance?

- Can the VFW find a home in another building, such as the police station or library?

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- Can the White Field House and/or a Harris Field press box be incorporated into a new skating rink?

- What can reasonably fit on the incinerator site?

- Can renovation/replacement projects respect historic preservation?

With more information on the incinerator site in hand at a meeting on November 7, 2014 the sub-group further expanded the location and synergy and timing questions to consider:

- Should the Town pursue an earlier suggestion to combine the public library project with the high school project on the high school property with the addition of the Hittinger ball field or the Purecoat property?

- The Police Station is in dire need of replacement but without a locked down decision on siting it remains in limbo.
  - ✓ Could the police department go to the Purecoat site?
  - ✓ Should a higher priority be placed on the less expensive option of moving the police to the library site?
  - ✓ Do the police really belong at the incinerator site and what is the added cost to prepare that site for a building?

- Should we revisit siting the library on the Clay Pit Pond near the flagpole and veteran's memorial?

- Does the Town look at smaller projects like the rink/field house and put them forward first or wait for grant funding of the high school and library to go forward?

If priority were given solely to those projects which had a dire need, had a locked down site, and an up to date feasibility study, then the DPW would jump to the top of the list. The DPW facility is in great need of total replacement, they have an acceptable site, *and* they are ready to go.

Perfect timing seems to be in the eye of the beholder. Moving the pieces around the board is not a solution if there are fewer places to land than there are pieces.

VII. FINANCES

At this point, cost estimates are only broad estimates. None of the projects has a current, solid project estimate based on facility program plans, architectural design plans, and site considerations. Several projects have had previous feasibility studies, most of which need to be updated.

Possible sources of funding include:

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- Grants – School Building Assistance, Mass. Board of Libraries
- Community Preservation Act Funds (CPA)
- Excluded debt
- Non-excluded debt
- Roads override funding
- Annual non-debt Capital Budget (pay-as-we-go)
- Rate payers (Electric Light Substation only)
- Private funding

VIII. RECOMMENDATIONS

A. MAJOR PROJECT PRIORITY LIST

Based on two overriding criteria – having a site and a shovel ready plan – the sub-group ranked the major projects as below. However, the group recognizes that if the criterion is having a strong need, a site, and being ready to go, then the DPW should be the top priority. Priority also recognizes MSB and MBLC grants for the high school and library respectively.

1. Belmont High School – Estimated Cost $70,000,000 in addition to MSBA funding. The project has a site, a study, a cost estimate, and another application before the School Building Authority, which status is uncertain. Please see page 150 for a description of the MSBA approval process. Failure to receive funding in the current round will require the estimated financing schedule to be adjusted.

2. Incinerator Site – Site is ready to be permanently capped and built on for DPW, municipal or recreational uses, subject to conveyance to the Town by the State. All options of the site will include DPW storage uses since current DPW site cannot accommodate this use. Options under consideration include multi-purpose recreational fields, ball fields, combination recreational/ball field use, solar farm, new police station. Estimated cost of athletic fields is $2M.

   Only the option of a new police station on this site resolves any issues from the above "Challenges" section. The other use options are not even listed on the major projects list.

3. DPW Facility– Estimated cost $28,000,000. The project has a site (existing), a plan and a reasonably updated cost estimate ($28M) to proceed.

4. Library – Estimated cost $18,000,000 in addition to grant and private funding. A decision to renovate/construct on existing site or elsewhere needs to be made by the Library Trustees for the next grant round. This includes planning and updating the previous feasibility study.

5. Police Station – Estimated cost for new building is $20,000,000. Needs a site, a plan, and a cost estimate to suit the site. Program specifications from prior study are defined but need to be updated to consider a new building instead of using the library building. The

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Incinerator site is an option, which allows the project to be ready to proceed. Otherwise, the current site, which includes the Light Department building, will not be ready for 4-5 years until the sub-station located in the Light Department building is decommissioned. Inadequate parking at the existing site will not be resolved unless underground parking is considered as part of the project.

Additional conversations with the Historic District Commission need to take place to explore options for existing buildings (Light Department building and existing police station). This includes renovations for a new police station or sale of the site with the buildings for a commercial or residential use.

Financing Summary

Please see the attached debt service schedule, which includes the projects above. The total debt service cost for the above projects is $206.6 million beginning in FY16 and ending in FY43. This funding schedule is for illustrative purposes and is subject to adjustment depending upon the final approval of the projects.

Proposed Debt Service

4.75%		G.O.B. Interest Rate		
Date of Issue		**Purpose**	**Type of Payment**	**Total**
4/1/2016	**1**	Athletic Fields - max term = 15 years	**Principal**	2,000,000.00
		$2,000,000	Interest	754,062.50
				-
4/1/2017	**1**	DPW Facility - 20 year term (max term = 30 years)	**Principal**	28,000,000.00
		$28,000,000	Interest	13,965,000.00
				-
4/1/2018	**1**	Police Station - 20 year term (max term = 30 years)	**Principal**	20,000,000.00
		$20,000,000	Interest	9,975,000.00
				-
4/1/2019	**1**	High School - New Science Wing - 20 year term (max term = 30 years)	**Principal**	30,000,000.00
		$30,000,000	Interest	14,962,500.00
				-
4/1/2021	**1**	High School Renovations - 20 year term (max term = 30 years)	**Principal**	20,000,000.00
		$20,000,000	Interest	9,975,000.00
				-
4/1/2021	**1**	Library	**Principal**	18,000,000.00
		$18,000,000 - 20 year term (max term = 30 years)	Interest	8,977,500.00
				-
4/1/2023	**1**	High School Renovations - 20 year term (max term = 30 years)	**Principal**	20,000,000.00
		$20,000,000	Interest	9,975,000.00
				-
			Total Principal	138,000,000.00
			Total Interest	68,584,062.50
			Projected Net Debt	$ 206,584,062.50
				206,584,062.50

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B. ADDITIONAL FUNDING FOR ANNUAL CAPITAL BUDGET

The sub-group believes quite strongly that the annual Capital Budget must be increased to a level of at least $3 million a year to adequately keep up with the repairs, smaller renovations, and capital purchases that are necessary to keep all of the Town departments functioning efficiently and safely. Road and sidewalk repair alone could use $3 million a year. Without adequate funding, the roads and sidewalks will continue to deteriorate and equipment and repairs will not keep up with the needs of the departments that are so necessary to the functioning of the Town and service to its citizens.

In addition, in 2014 the Facilities Department engaged the architectural firm of Symmes Maini & McKee Associates (SMMA) of Cambridge to conduct a Facilities Condition Assessment ("Facilities Audit") of six Town buildings. Those facilities included the Daniel Butler Elementary School, Mary Lee Burbank Elementary School, Winn Brook Elementary School, Winthrop L. Chenery Middle School, 'Skip" Viglirolo Skating Rink and the White Memorial Field House. The purpose of the study was to identify needed improvements in these buildings that could be included in a long-range capital plan.

SMMA was tasked with assessing each building's site, structure, building envelope, systems, finishes, as well as reviewing ADA compliance. From this study came a comprehensive report coupled with cost estimates to address any identified deficiencies or recommended improvements. The report identified $14 million in specific repairs or upgrades based on the cost of such work by its specific trade, exclusive of design or contingency costs. The additional soft costs are typically 25% of the initial trade cost.

A list of the highest priority items, as shown below, was developed based on two factors. First, was the rated condition of the component as determined by SMMA. The second factor was the nature of the component as part of a life safety system (fire alarms) or a vital environmental system (boilers). The list below identifies the highest priority items totaling nearly $1 million. This figure represents the inclusion of design and contingency costs.

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Location	Condition	Item	Total Cost
Butler School	1	Replace boilers	$93,750
	1	Asbestos abatement related to boiler	$12,500
	1	Replace emergency generator	$37,500
	2	Replace fire alarm system	$143,250
		Butler Subtotal	**$287,000**
Burbank	1	Replace boilers	$112,500
	1	Asbestos abatement related to boiler	$15,938
	1	Asbestos abatement related to boiler piping	$74,375
		Burbank Subtotal	**$202,813**
Chenery	2	Hot water piping leaks	$25,000
	*	Boiler replacement (Phase 1 of 5)	$100,000
		Chenery Subtotal	**$125,000**
Winn Brook	2	Replace boilers	$125,000
	2	Replace fire alarm system	$158,658
	0	Replace master clock system	$47,598
		Winn Brook Subtotal	**$331,255**
High School	*	Upgrade fire alarm system components	$50,000
		Belmont High School Subtotal	**$50,000**
			$996,068
*Cost Estimate independent of Facility Audit			

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In addition to the estimated cost of the projects noted above from the SMMA study; the current FY16 and FY17 capital budget plan contains requests totaling $4.5 million, which does not include any funding for Library renovations. Please see the FY16-20 Capital Plan below.

The estimated FY16 Capital Budget available funding totals $1 million. As a result, we are recommending that additional funds to cover debt services payments to issue $1 million in bond financing ($500,000-5 Year Term in FY16 and $500,000 –5 Year Term in FY17) be added to the Task Force Financial Model to address these capital needs, but also to allow permanent funding in the future once the 5 year bond issues are paid-off.

Pavement Management Program

The annual Pavement Management Program has an allocation of approximately $1.7 million. The funding for this program contained in the Capital Budget is derived from Chapter 90 State Roadway improvement funds and from a property tax allocation based on a "roads override" approved by the voters several years ago, which is increased by 2.5% annually. Based on the limited funds for roadway repair, there is no predicable allocation for sidewalk repairs. A $200,000 allocation was contained in the FY16 Capital Budget.

As a result, we are recommending that $500,000 in additional funds, $300,000 for roadway improvements and $200,000 for sidewalk repairs be added to the Task Force Financial Model to address these needs. This will allow a permanent $200,000 allocation for sidewalk improvements to be instituted within this plan in addition to $1.8 million annually for roadway improvements. These allocations can be coordinated by the Community Development and Public Works Departments to complete within a normal construction cycle.

C. ADDITIONAL RECOMMENDATIONS

School Space

With fall enrollment numbers finalized for the school system, it is clear that the options for additional classroom space will need to be analyzed and recommendations made in the near future. Whether these recommendations will include additions to existing schools or temporary classrooms is not known at this time. It seems that the increased enrollment is a continuing trend, which has already exhausted existing space in all of our schools. The Superintendent has formed a Space Task Force to identify space opportunities in each school to accommodate additional classrooms.

Temporary solutions, such as portable classrooms, will require funding from Capital Budget allocations or from a one-time free cash appropriation. More extensive solutions, such as building additions or a new school, will require bond financing.

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Below is the FY16 through the FY20 Capital Plan, which was developed as part of the FY15 Capital Budget. Changes will be made to this plan as part of the FY16 Capital Budget Process

DEPARTMENT OF PUBLIC WORKS	FY16	FY17	FY18	FY19	FY20	TOTAL
Snowfighter Conversion	$ -	$ -	$ 42,800	$ 42,800	$ 42,800	$ 128,400
Snowfighter Rehabilitation	-	-	-	-	65,000	$ 65,000
Major Capital Equipment Replacement Costs						
Highway						
Sidwalk Maintenance	200,000	200,000	200,000	200,000	200,000	$ 1,000,000
Sidewalk Tractor	-	161,280	161,280	-	161,280	$ 483,840
Brush Chipper	-	30,600	-	-	-	$ 30,600
Pickup Truck	37,300	-	-	-	-	$ 37,300
Sidwewalk Roller	15,000	-	-	-	-	$ 15,000
Dump Truck	-	67,900	-	-	-	$ 67,900
Parks						
1 Pickup Truck	-	-	37,380	-	-	$ 37,380
Replace Fibar for Playgrounds	12,400	12,400	-	-	-	$ 24,800
Resurface Basketball Courts	25,000	-	-	-	-	$ 25,000
Dump Truck	-	-	-	-	67,900	$ 67,900
Chiller Barrel at Skating Rink	21,000	-	-	-	-	$ 21,000
Chain Link Fence Replacement Program	29,800	-	-	-	-	$ 29,800
Zamboni Ice Making Machine	-	90,000	-	-	-	$ 90,000
Riding Mower	-	73,500	-	-	-	$ 73,500
Close in Hockey Rink Suspended Ceiling	-	-	60,000	-	-	$ 60,000
Front End Loader	-	-	-	82,700	-	$ 82,700
						$ -
Cemetery						$ -
Dump Truck	-	67,900	-	-	67,900	$ 135,800
Mower	13,000	-	-	-	-	$ 13,000
Backhoe	-	-	94,200	-	-	$ 94,200
Pickup Truck	-	-	-	37,380	-	$ 37,380
Grove Street Master Plan						$ -
	$ 353,500	**$ 703,580**	**$ 595,660**	**$ 362,880**	**$ 604,880**	**$ 2,620,500**

POLICE DEPARTMENT	FY16	FY17	FY18	FY19	FY20	TOTAL
Police Radio Comparator	$ -	$ -	$ -	$ -	$ -	$ -
Two Domain Controller Servers	-	-	-	-	18,000	$ 18,000
Traffic Speed Trailer	16,000	-	-	-		$ 16,000
Incident Command Vehicle	20,000	-	-	-		$ 20,000
Replace BAPERN Radio Control System	42,000	-	-	-	-	$ 42,000
Replace Radio Equipment (Town Wide Request)	134,000	174,000	-	-	-	$ 308,000
Replace File Server and Backup Hardware	-	20,000	-	-	-	$ 20,000
Replace Portable Radios	-	80,000	70,000	-	-	$ 150,000
Replace Fuel Accounting System	-	-	24,000	-	-	$ 24,000
Net Clock System	-	-	-	28,000	-	$ 28,000
	$ 212,000	**$ 274,000**	**$ 94,000**	**$ 28,000**	**$ 18,000**	**$ 626,000**

INFORMATION TECHNOLOGY	FY16	FY17	FY18	FY19	FY20	TOTAL
Network Construction Services	$ -	$ -	$ -	$ 80,000	$ 80,000	$ 160,000
Additional Data Storage Network	-	-	90,000	-	-	$ 90,000
	$ -	**$ -**	**$ 90,000**	**$ 80,000**	**$ 80,000**	**$ 250,000**

LIBRARY	FY16	FY17	FY18	FY19	FY20	TOTAL
(Existing Bldg.) Elevator	-	-	-	-	-	-
(Existing Bldg.) Children's reconfiguration	$ 558,244	$ -	$ -	$ -	$ -	558,244
(Existing Bldg.) Automatic door openers	-	-	-	-	-	-
(Existing Bldg.) Storm Windows Replacement	53,150	-	-	-	-	53,150
(Existing Bldg.) Radio-Frequency Identification (RFID)	13,180	-	-	-	-	13,180
(Existing Bldg.) Boiler (HVAC System)	1,038,193	-	-	-	-	1,038,193
(Existing Bldg.) New Lighting	-	323,916	-	-	-	323,916
(Existing Bldg.) New Power	-	503,870	-	-	-	503,870
(Existing Bldg.)Interior Painting (Added to General Fund)	-	-	-	-	-	-
(Existing Bldg.)Repair Roof Structure	-	-	127,749	-	-	127,749
(Existing Bldg.)Replace Roof	-	-	153,298	-	-	153,298
(Existing Bldg.)Carpet	189,765	-	-	-	-	189,765
(Existing Bldg.)Fire Suppression System	-	-		350,348	-	350,348
Sub Total	**1,852,532**	**827,786**	**281,047**	**350,348**	**-**	**3,311,713**
15% Contractor's Overhead	277,880	124,168	42,157	52,552	-	496,757
10% Contingency	213,041	95,195	32,320	40,290	-	380,847
	2,343,453	**1,047,149**	**355,524**	**443,190**	**-**	**$ 4,189,317**

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FIRE DEPARTMENT	FY16	FY17	FY18	FY19	FY20	TOTAL
FY12 Public Safety Lease Payment (Required for FY16)	$ 120,000	$ -	$ -	$ -	$ -	120,000
Ambulance Replacement	$ 50,000	$ 100,000	$ 50,000	$ 50,000	$ 50,000	300,000
Cardiac Monitor Replacement	$ 7,000	$ 7,000	$ 7,000	$ 7,000	$ 7,000	35,000
Staff Vehicle	-	50,000	-	-	-	50,000
Portable Radios	-	98,000	-	-	-	98,000
Replace Squad 1			50,000			50,000
Shift Commander's Vehicle	-	-	-	55,000	-	55,000
Replace 2003 Pumper	-	-	-	-	500,000	500,000
	$ 177,000	**$ 255,000**	**$ 107,000**	**$ 112,000**	**$ 557,000**	**$ 1,208,000**

FACILITIES DEPARTMENT	FY16	FY17	FY18	FY19	FY20	TOTAL
Town/School Video Storage Upgrade	200,000					$ 200,000
School Wide Security	100,000	-	-	-	-	$ 100,000
BHS Upgrade - Roof Hatch and Catwalk	50,000	-	-	-	-	$ 50,000
Systemwide Bulding Envelope	250,000	250,000	250,000	250,000	250,000	$ 1,250,000
DPW Cemetery Building Roof Replacement	35,000					$ 35,000
High School Univents Rebuild/Replacement (Multiple Years)	50,000	50,000	50,000	50,000	50,000	$ 250,000
Systemwide Study for EMS Upgrades	50,000					$ 50,000
Installation of Natural Gas Co-Generation System	300,000	-	-	-	-	$ 300,000
Replace HS Interior Corridor Fire Doors	60,000	-	-	-	-	$ 60,000
Lot Paving, Burbank (including drainage improvements)	600,000	-	-	-	-	$ 600,000
Systemwide FF&E Replacement	50,000	-	-	-	-	$ 50,000
Building Energy Management System	100,000	100,000	100,000	100,000	100,000	$ 500,000
Refinish Chenery Middle School Gym Floor	60,000					$ 60,000
Duct Work Cleaning	-	25,000	25,000	25,000	-	$ 75,000
Higginbottom Pool Resurfacing	-	50,000				$ 50,000
Chenery Middle School Resurface Auditorium Stage	-	30,000				$ 30,000
Chenery Middle School Stage Equipment Risk Assessment	-	15,000				$ 15,000
	$ 1,905,000	**$ 520,000**	**$ 425,000**	**$ 425,000**	**$ 400,000**	**$ 3,675,000**

COMMUNITY DEVELOPMENT	FY16	FY17	FY18	FY19	FY20	TOTAL
Community Path Design	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
	$ 100,000	**$ -**	**$ -**	**$ -**	**$ -**	**$ 100,000**
TOTAL	$ 5,090,953	$ 2,799,729	$ 1,667,184	$ 1,451,070	$ 1,659,880	$ 12,668,817
						$ 12,668,817

Proposed Debt Service

4.75% G.O.B. Interest Rate

Date of Issue		Purpose	Type of Payment	2017	2018	2019	2020	2021	2022	2023
4/1/2016	1	Athletic Fields - max term = 15 years	**Principal**	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00	135,000.00
		$2,000,000	Interest	95,000.00	88,587.50	82,175.00	75,762.50	69,350.00	62,937.50	56,525.00
				-	-	-	-	-	-	-
4/1/2017	1	DPW Facility - 20 year term (max term = 30 years)	**Principal**	-	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00
		$28,000,000	Interest	-	1,330,000.00	1,263,500.00	1,197,000.00	1,130,500.00	1,064,000.00	997,500.00
				-	-	-	-	-	-	-
4/1/2018	1	Police Station - 20 year term (max term = 30 years)	**Principal**	-	-	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	-	-	950,000.00	902,500.00	855,000.00	807,500.00	760,000.00
				-	-	-	-	-	-	-
4/1/2019	1	High School - New Science Wing - 20 year term (max term = 30 years)*	**Principal**	-	-	-	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		$30,000,000	Interest	-	-	-	1,425,000.00	1,353,750.00	1,282,500.00	1,211,250.00
				-	-	-	-	-	-	-
4/1/2021	1	High School Renovations - 20 year term (max term = 30 years)	**Principal**	-	-	-	-	-	1,000,000.00	1,000,000.00
		$20,000,000	Interest	-	-	-	-	-	950,000.00	902,500.00
				-	-	-	-	-	-	-
4/1/2021	1	Library	**Principal**	-	-	-	-	-	900,000.00	900,000.00
		$18,000,000 - 20 year term (max term = 30 years)	Interest	-	-	-	-	-	855,000.00	812,250.00
				-	-	-	-	-	-	-
4/1/2023	1	High School Renovations - 20 year term (max term =	**Principal**	-	-	-	-	-	-	-
		$20,000,000	Interest	-	-	-	-	-	-	-
				-	-	-	-	-	-	-
		* Assumed that current 2014 MSBA application	**Total Principal**	135,000.00	1,535,000.00	2,535,000.00	4,035,000.00	4,035,000.00	5,935,000.00	5,935,000.00
		was approved-it was not. Bonding schedule will	Total Interest	95,000.00	1,418,587.50	2,295,675.00	3,600,262.50	3,408,600.00	5,021,937.50	4,740,025.00
		be extended	Total BAN Interest	-	-	-	-	-	-	-
			Projected Net Debt	$ 230,000.00	$ 2,953,587.50	$ 4,830,675.00	$ 7,635,262.50	$ 7,443,600.00	$ 10,956,937.50	$ 10,675,025.00

Proposed Debt Service

4.75% G.O.B. Interest Rate

Date of Issue		Purpose	Type of Payment	2024	2025	2026	2027	2028	2029	2030
4/1/2016	1	Athletic Fields - max term = 15 years	**Principal**	135,000.00	135,000.00	135,000.00	130,000.00	130,000.00	130,000.00	130,000.00
		$2,000,000	Interest	50,112.50	43,700.00	37,287.50	30,875.00	24,700.00	18,525.00	12,350.00
				-	-	-	-	-	-	-
4/1/2017	1	DPW Facility - 20 year term (max term = 30 years)	**Principal**	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00
		$28,000,000	Interest	931,000.00	864,500.00	798,000.00	731,500.00	665,000.00	598,500.00	532,000.00
				-	-	-	-	-	-	-
4/1/2018	1	Police Station - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	712,500.00	665,000.00	617,500.00	570,000.00	522,500.00	475,000.00	427,500.00
				-	-	-	-	-	-	-
4/1/2019	1	High School - New Science Wing - 20 year term (max term = 30 years)*	**Principal**	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		$30,000,000	Interest	1,140,000.00	1,068,750.00	997,500.00	926,250.00	855,000.00	783,750.00	712,500.00
				-	-	-	-	-	-	-
4/1/2021	1	High School Renovations - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	855,000.00	807,500.00	760,000.00	712,500.00	665,000.00	617,500.00	570,000.00
				-	-	-	-	-	-	-
4/1/2021	1	Library	**Principal**	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00
		$18,000,000 - 20 year term (max term = 30 years)	Interest	769,500.00	726,750.00	684,000.00	641,250.00	598,500.00	555,750.00	513,000.00
				-	-	-	-	-	-	-
4/1/2023	1	High School Renovations - 20 year term (max term =	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	950,000.00	902,500.00	855,000.00	807,500.00	760,000.00	712,500.00	665,000.00
				-	-	-	-	-	-	-
		* Assumed that current 2014 MSBA application	**Total Principal**	6,935,000.00	6,935,000.00	6,935,000.00	6,930,000.00	6,930,000.00	6,930,000.00	6,930,000.00
		was approved-it was not. Bonding schedule will	Total Interest	5,408,112.50	5,078,700.00	4,749,287.50	4,419,875.00	4,090,700.00	3,761,525.00	3,432,350.00
		be extended	Total BAN Interest	-	-	-	-	-	-	-
			Projected Net Debt	$ 12,343,112.50	$ 12,013,700.00	$ 11,684,287.50	$ 11,349,875.00	$ 11,020,700.00	$ 10,691,525.00	$ 10,362,350.00

Proposed Debt Service

4.75% G.O.B. Interest Rate

Date of Issue		Purpose	Type of Payment	2031	2032	2033	2034	2035	2036	2037
4/1/2016	1	Athletic Fields - max term = 15 years	**Principal**	130,000.00	-	-	-	-	-	-
		$2,000,000	Interest	6,175.00	-	-	-	-	-	-
				-	-	-	-	-	-	-
4/1/2017	1	DPW Facility - 20 year term (max term = 30 years)	**Principal**	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00	1,400,000.00
		$28,000,000	Interest	465,500.00	399,000.00	332,500.00	266,000.00	199,500.00	133,000.00	66,500.00
				-	-	-	-	-	-	-
4/1/2018	1	Police Station - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	380,000.00	332,500.00	285,000.00	237,500.00	190,000.00	142,500.00	95,000.00
				-	-	-	-	-	-	-
4/1/2019	1	High School - New Science Wing - 20 year term (max term = 30 years)*	**Principal**	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
		$30,000,000	Interest	641,250.00	570,000.00	498,750.00	427,500.00	356,250.00	285,000.00	213,750.00
				-	-	-	-	-	-	-
4/1/2021	1	High School Renovations - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	522,500.00	475,000.00	427,500.00	380,000.00	332,500.00	285,000.00	237,500.00
				-	-	-	-	-	-	-
4/1/2021	1	Library	**Principal**	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00	900,000.00
		$18,000,000 - 20 year term (max term = 30 years)	Interest	470,250.00	427,500.00	384,750.00	342,000.00	299,250.00	256,500.00	213,750.00
				-	-	-	-	-	-	-
4/1/2023	1	High School Renovations - 20 year term (max term =	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
		$20,000,000	Interest	617,500.00	570,000.00	522,500.00	475,000.00	427,500.00	380,000.00	332,500.00
				-	-	-	-	-	-	-
		* Assumed that current 2014 MSBA application	**Total Principal**	6,930,000.00	6,800,000.00	6,800,000.00	6,800,000.00	6,800,000.00	6,800,000.00	6,800,000.00
		was approved-it was not. Bonding schedule will	Total Interest	3,103,175.00	2,774,000.00	2,451,000.00	2,128,000.00	1,805,000.00	1,482,000.00	1,159,000.00
		be extended	Total BAN Interest	-	-	-	-	-	-	-
			Projected Net Debt	$ 10,033,175.00	$ 9,574,000.00	$ 9,251,000.00	$ 8,928,000.00	$ 8,605,000.00	$ 8,282,000.00	$ 7,959,000.00

Proposed Debt Service

4.75% G.O.B. Interest Rate

Date of Issue		Purpose	Type of Payment	2038	2039	2040	2041	2042	2043	Total
4/1/2016	1	Athletic Fields - max term = 15 years	**Principal**	-	-	-	-	-	-	2,000,000.00
		$2,000,000	Interest	-	-	-	-	-	-	754,062.50
				-	-	-	-	-	-	-
4/1/2017	1	DPW Facility - 20 year term (max term = 30 years)	**Principal**	-	-	-	-	-	-	28,000,000.00
		$28,000,000	Interest	-	-	-	-	-	-	13,965,000.00
				-	-	-	-	-	-	-
4/1/2018	1	Police Station - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	-	-	-	-	-	20,000,000.00
		$20,000,000	Interest	47,500.00	-	-	-	-	-	9,975,000.00
				-	-	-	-	-	-	-
4/1/2019	1	High School - New Science Wing - 20 year term (max term = 30 years)*	**Principal**	1,500,000.00	1,500,000.00	-	-	-	-	30,000,000.00
		$30,000,000	Interest	142,500.00	71,250.00	-	-	-	-	14,962,500.00
				-	-	-	-	-	-	-
4/1/2021	1	High School Renovations - 20 year term (max term = 30 years)	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	-	-	20,000,000.00
		$20,000,000	Interest	190,000.00	142,500.00	95,000.00	47,500.00	-	-	9,975,000.00
				-	-	-	-	-	-	-
4/1/2021	1	Library	**Principal**	900,000.00	900,000.00	900,000.00	900,000.00	-	-	18,000,000.00
		$18,000,000 - 20 year term (max term = 30 years)	Interest	171,000.00	128,250.00	85,500.00	42,750.00	-	-	8,977,500.00
				-	-	-	-	-	-	-
4/1/2023	1	High School Renovations - 20 year term (max term =	**Principal**	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00	20,000,000.00
		$20,000,000	Interest	285,000.00	237,500.00	190,000.00	142,500.00	95,000.00	47,500.00	9,975,000.00
				-	-	-	-	-	-	-
		* Assumed that current 2014 MSBA application	**Total Principal**	5,400,000.00	4,400,000.00	2,900,000.00	2,900,000.00	1,000,000.00	1,000,000.00	138,000,000.00
		was approved-it was not. Bonding schedule will	Total Interest	836,000.00	579,500.00	370,500.00	232,750.00	95,000.00	47,500.00	68,584,062.50
		be extended	Total BAN Interest	-	-	-	-	-	-	-
			Projected Net Debt	$ 6,236,000.00	$ 4,979,500.00	$ 3,270,500.00	$ 3,132,750.00	$ 1,095,000.00	$ 1,047,500.00	$ 206,584,062.50
										206,584,062.50

Town Government Working Group Executive Summary: Financial Task Force

The Town of Belmont Financial Task Force was charged with assessing the financial state of the Town to deal with current and future needs. The goal of the Belmont Financial Task Force (FTF) was to think strategically about ways Belmont could become more proactive in meeting and anticipating these needs. There were five sub-working groups that made up the FTF: Education, Revenue Opportunities, Capital Projects, Town Government and Financial Modeling.

The purpose of the Town Government Working Group of the FTF was to look into the governmental structure of the Town and delivery of services. The main areas of Town government services included, Belmont Police, Fire, Department of Public Works (DPW), and Community Development. (CD). The Group explored service delivery for these departments and others including the Council on Aging (COA), Town Clerk, Library and Health Department. The focus was to think critically about the current level of services. For instance, what services has Belmont historically provided and are those essential (i.e. required by Federal, State or Local regulation or law) or non-essential? Has there been an increase in services over the last 10 to 20 years, a static level or a decrease?

The reality of the situation in Massachusetts is that state aid to towns and cities had dropped dramatically over the last thirty years. While, funding for education has remained relatively stable, other forms of local aid for town services (police, fire, department of public works) has been reduced significantly. Across the state, local aid in the last thirty years has declined by 58% from 1982 to 2012; in Belmont, that drop was even more pronounced at 63%. [1] The Town has tried to provide the same levels of service to residents despite cuts in funding which have led to reduced staffing levels and resources.

Due to this reality, the Government Working Group investigated ways that Town services might be delivered in the future to create greater efficiencies. These included regionalization, current levels of staffing, consolidation and possibly establishing enterprise funds for certain activities in Belmont. The FTF also looked at current collaborations taking place within Town Departments.

In all of the analysis, the overriding theme was "What kind of Belmont do residents want both now and in the future, and what types of services outside of those required by law should the Town provide?" As part of the analysis, the Group met with the towns of Arlington and Winchester, which the FTF deemed comparable towns. The criteria for selection were based on population, school districts and most importantly, the percent of the total tax revenues contributed by commercial/industrial versus residential property taxes. It could certainly be argued that other towns might be a closer fit in the minds of Town residents, such as Lexington and Newton, but these towns derive a greater share of total tax revenue from commercial businesses than Belmont.

[1] "The Rise and Fall of Local Aid in Massachusetts." Luc Schuster, December 2012

Technology

The first area that the FTF examined regarding Town Government was the area of technology. The promise of technology in both private and public enterprises is to create and implement tools that solve problems and make operating entities more efficient.

In the technology review there were several recent accomplishments the Town has implemented this year and number of other areas that should be in place shortly. These include:

- Recently upgrading the Town of Belmont web page to allow residents online access to forms and regulations for most departments, calendar, meeting distribution, and report availability.
- Migrating the financial management system to a "cloud" based system to improve security
- Providing access to online training systems for employees
- Replacing and upgrading the TeleStaff Server at the Fire Department
- The IT Department is also working on creating an order ticket system for multiple departments. It is anticipated that this system would have no additional costs associated with it, as it is able to be expanded on a larger scale
- The Information Technology Department is also working to create a "cloud" based system that can be updated in the field to track physical infrastructure changes

These upgrades were completed by the IT Department, which is staffed by five full time employees. The IT Department supports 22 Town Departments and Divisions.

From the work the FTF completed, it is clear that technology improvements are constant and ongoing. In meeting with various departments (Police, Fire, DPW etc.) it is also fair to observe that more improvements need to be made. With upgrades these departments can continue to run more economically. However, there can also be a point of diminishing marginal utility. Would enhanced data mining enable the Fire Dept. to prevent more fires and cut the number of staff? The Government Working Group believes that best practice should be an effort to collaborate with other towns and the Commonwealth to defray the costs of some of these new systems. In addition, technology is now ubiquitous, and as the Town moves to the cloud it will be able to drive more improvements in a cost effective manner. However, the greatest cost by a large factor in Town Government is personnel and the Working Group did not feel that at the present technology could make a significant impact on personnel cost reduction.

Collaboration and Regionalization

The Working Group also analyzed the current state of Town Government collaborations and efforts to regionalize services.

A small group of the notable collaborations within the Town of Belmont include:

- Fire Department
    - Belongs to Metro Fire which consists of 35 other fire departments surrounding Boston
    - Metro Fire supplies mutual aide to fires and incidents for the member departments
    - 2 members of the department belong to the Regional Hazmat Team

- Department of Public Works (DPW)
    - Regional procurement groups for fuel, road salt, equipment purchase and vehicle supplies.

- Library
    - Member of Minuteman Library Network (MLN) which is a consortium of 43 Libraries.
    - Massachusetts Library System (MLS). Benefits include group purchasing, free training workshops and other resource sharing

- Health Department
    - Collaborates with neighboring communities in the delivery veterans services Shares animal control activities with Lexington and Arlington
    - Founding member of 8 town regional hazardous waste collection collaborative

- Community Development (CD)
    - Shares a plumbing, wiring and gas inspector with Town of Watertown

- Police
    - Northeastern Massachusetts Law Enforcement Council (NEMLEC)
    - Services include school threat assessment and response, SWAT, and Regional Response Teams
    - Middlesex County Sheriff's Department
    - Entered into Mutual Aid Agreement with Middlesex Counties, which provides sharing of resources

There are countless collaborations taking place at the county, town, state and Federal level within Belmont.

The Government Working Group of the FTF also focused on regionalization. As the short list of collaborations attest, the Town of Belmont departments are no strangers to resource sharing and regionalizing some of their activities. A recent report from the Federal Reserve Bank of Boston's Public

Policy Center found that regionalization is difficult but has shown success in 3 key areas: emergency call handling and dispatch, public health services, and public pension plan administration.[2] These findings are interesting and require more examination and understanding. The FTF will continue to focus on those areas, such as emergency call handling, that benefit from greater economies of scale.

The Fire Department participated in a feasibility study to look at regional dispatch conducted by the Metropolitan Area Planning Council. However, according to the department, the majority of the communities withdrew and Belmont decided to leave as well because it was the only community remaining in the study. Clearly more work needs to be done on regionalization, but there are inherent challenges that make "true regionalization" hard to envision in the near future. By true regionalization the FTF means that if, for example, the Town of Belmont, Lexington, Arlington and Watertown had a combined Fire and Police Department.

Challenges include:

- Chiefly the political will of not just one town, but groups of towns
- By definition there would be a loss of control
- Services and infrastructure that have been designed in the past and located to benefit a single town.
- Other legal restrictions

One of the assignments that the FTF asked of Fire, Police, DPW and CD was the following:

- What services are they currently providing, and which of those are required by statute?
- How do those services compare with the services provided over the last twenty years?
- If you were to start from scratch how would you build the department today and what would staffing look like? What would you change, from a staffing, technology, budget or physical plant perspective? What if departments focused on the best service outcomes without a current focus on resource restrictions? In other words, how would the department best meet the needs of the Town's residents? How do you benchmark services in Belmont to other comparable towns?

While all the answers provided by the departments were instructive, the FTF found particularly enlightening the conversations and reports we had with Police and DPW.

[2] "The Quest for Cost-Efficient Local Government in New England: What Role for Regional Consolidation?" February 2013 New England Public Policy Center, Federal Reserve Bank of Boston Yolanda Kodrzycki

Police

The FTF met with Belmont Police Chief Richard J. McLaughlin to ask him how he would build the department today. To summarize, the Chief had many ideas to maintain and improve the level of service to Belmont. Most of the recommendations focused on facilities, staffing and technology. In 2013, Belmont Police answered 21,403 calls for service (a four year high which is up 3,524 calls from 2011). [3]

Chief McLaughlin made the following observations and recommendations:

- The current number of sworn officers is 47, down from 56 in 1999, while the number of calls for service has been increasing. When one factors new developments (Cushing Square and the Uplands) that raises serious concerns about maintaining service levels.

- The current Police Station is well past its useful life and fails to meet the needs of the department and therefore the community. Chief McLaughlin indicated to the FTF a new facility built for today's needs would result in sufficient space for employees to work leading to more efficient and happier employees, which "would foster and continue good positive relationships with the whole community" [4]

- Chief McLaughlin also recommended a number of technology improvements and additional vehicles that would enhance communications and services levels within the department

Department of Public Works (DPW)

The DPW has responsibility for fifteen primary programs, including street maintenance, lighting, recreation and parks and cemeteries, water, forestry, sewer and storm water maintenance and solid waste collection and disposal. The FTF met with Director of DPW Peter J. Castanino to assess the current state of the department. Director Castanino first iterated that the DPW has been doing its level best over the past twenty years to maintain levels of service. However, in the last 20 years Public Works "permanent staff has been reduced by 26 percent and seasonal staff by 58 percent" [5] This is has led to a reduction of service over the years from reduced maintenance, street sweeping, litter collection, roads and sidewalks. In addition, sewer and storm drains should be routinely cleaned, but due to current levels of staffing this is not possible.

The following recommendations were brought to the FTF to bring service levels back to historical standards:

[3] Town of Belmont Fiscal Year 2015 Budget Recommendations, Section III Public Safety February 10, 2014
[4] Presentation to the Financial Task Force - Town Government: Police Chief Richard J. Mclaughlin, March 20, 2014
[5] Town of Belmont Fiscal 2015 Budget Recommendations, Section III Public Services, February, 10 2014

- It would be advisable to sufficiently fund roads and sidewalks. The immediate effect is an improvement in the safety and appearance, but over the long-term it saves Belmont taxpayers money.

- Replace some lost staff to enable the return of historical services such as more frequent trash collection, and cleaning sewers and storm drains.

- "Provide work order management software system...this will service delivery track costs and aid in Performance Management Budgeting."[6]

- Build a new Public Works Facility. Like the Police Station, the current facility is past its useful life and it is less expensive to replace then upgrade to current building codes. This facility would enable the staff to work in one location thereby creating operational efficiencies.

Enterprise Fund/Arlington

Another area that the FTF examined was the creation of enterprise funds by other towns including Arlington. An enterprise fund, is a fund that is self-sustaining through charges and fees assessed to users and can therefore be excluded from the list of expenses that taxpayers need to support. The FTF met with Adam Chapdelaine, Arlington Town Manager to learn more about how Arlington manages their government and the Arlington Recreation. Arlington focused on quality programming at prices that are affordable to town residents. The Arlington Recreation Departments offers innovative programming at the Reservoir Beach, Towns pools and gymnasiums and playgrounds. The schedule runs the spectrum from archery, to adult tennis lessons, to the Kid Care program. All of these programs are self-funded by the participants and members that use the services.

With the new Underwood Pool underway soon in Belmont, the FTF believes an enterprise fund for Belmont should be considered for recreation facilities use

Conclusion and Recommendations

What became clear throughout the process of examining Town Government in Belmont is that departments are stretched extremely thin in terms of resources. Many are operating at staffing levels that are significantly reduced from 10 or 20 years ago with facilities that are long past their useful lives. This has, in many cases, led to a slow erosion of services. Another conclusion is that Belmont has been fortunate to have senior leadership in a number of key departments that have become adept at making the most of those resources.

The Government Working Group believes that innovations in technology and enterprise funds can absolutely help Belmont, albeit incrementally. However, the frank assessment is that that unless Belmont was to truly regionalize with other groups of adjacent towns, there is no game changer to meaningfully

[6] Presentation to the Financial Task Force - Town Government: DPW Director Peter J. Castanino, March 18, 2014

reduce costs. Finding efficiencies is a constant process and one that must be maintained and measured all the time.

The slow erosion of services that has taken place threatens to remove Belmont from the lists of the most sought after towns in Massachusetts. If Belmont is eliminated from that list in the minds of Massachusetts residents, property values, the largest single investment of typical American families, will surely fall relative to other towns. People have choices in where they live and seek to raise a family, and if Belmont desires to remain the attractive community it is, it must maintain standards of service and in many cases get the levels that it was providing 20 years ago.

Considerations and Recommendations:

- Establish a bonus pool for Department Heads and other employees to reward them for the development and implementation of innovative and cost saving ideas.

- Continue to explore opportunities for collaboration and/or regionalization with surrounding communities in the delivery of Town services.

- Establish a working group of Town Administrators/Managers with comparable Communities to enable the sharing of innovative ideas and solutions to the common challenges we face in the delivery of town services, effective management of our increasing cost infrastructure and the generation of additional non-property tax revenues.

- Work more closely with and join our State Legislators to lobby for changes at the State level in our current pension system and for additional healthcare reform to more effectively manage our burgeoning Other Post Employment Benefit (OPEB) Liability.

Town of Belmont – Five Year Financial Estimates

I. General Overview & Purpose

The purpose of these estimates is to provide Belmont policy-makers and budget planners with a financial framework for decision-making that supports town and school goals and priorities in future years. The information is organized to enable updates in future fiscal years to support ongoing financial planning.

This document is organized as follows:

II. Revenue and Expenditure Categories Defined

Revenue and expenditure data has been organized into the following categories:

A. Revenue Categories: revenue categories follow the structure of the historical Belmont revenue streams, which are based on the Massachusetts Department of Revenue standard revenue categories for local government. These include:

- Property Tax revenues - real estate and personal property
- Local Receipts – including other local taxes such as motor vehicle excise and meals tax; charges for town-operated ambulance services, recreation programs, cemetery services and other departmental charges; fees for building permits, town clerk and selectmen issued licenses, and police and DPW permits; parking and other fines and forfeits; earnings on investments; and other departmental receipts
- State "Cherry Sheet" Aid – including CH70 School aid, general municipal aid, school construction reimbursements, veterans' benefits aid, and charter school aid
- Other Available Funds – including Free Cash applied to operating budgets and capital budgets; transfers from Water, Light and Sewer enterprise funds for town-provided services; and other recurring and non-recurring available funds.

B. Expenditure Categories: expenditure categories were selected based on major object classifications in the Town and School budgets that are significant in terms of their impact on projected future budget costs. The Town of Belmont budget structure, which reflects the state Department of Revenue expenditure classification system, forms the basis of the categories selected. In the case of School expenditures, Massachusetts Department of Elementary and Secondary Education standard reporting categories are also reflected. The categories are as follows:

- Fixed Costs – including the Overlay account, state assessments, excluded and non-excluded debt, retirement assessment, roads override (capital), and Minuteman Regional Vocational School assessments
- Town Operating Budgets – including salaries and wages, health insurance, other employee benefits, energy costs, waste collection/disposal/recycling costs, department operating costs, and major capital equipment
- School Operating Budgets – including salaries and wages base costs, cost-of-living (COLAs), salary schedule step increases, and an estimate of enrollment-driven additional teacher staffing costs; health insurance;

other employee benefits; energy costs; special education tuition, transportation and specialist contracted special services; department/school operating expenses; and major capital equipment

- Undistributed Expenditures - includes expenses not specifically allocated to Town or School departmental operating budgets, such as other insurance (auto, fire, liability), reserve fund, pay-as-we-go capital.

III. Historical Data: FY2012 – FY2014 Actuals, and FY2015 Budget

Three years (FY12-FY14) of historical General Fund actual revenue and expenditure data are provided in the charts. Also, FY15 amounts are taken from the approved FY14-15 Budget. Sources of the data are as follows:

Revenues: Data for fiscal years 2012-13 were taken from the Massachusetts Department of Revenue "Recap" sheets. All Massachusetts communities submit end-of-year fiscal data which is summarized on standardized recap sheets and is utilized in the approval of property tax rates each year.

Fiscal year 2014 revenues were obtained from Town of Belmont end-of-year financial reports (6/30/14), as the DOR recap sheets are not yet available for FY2014. FY2015 estimated revenues were taken from the approved FY2014-15 Budget.

Expenditures: DOR expenditure data (Schedule A) is summarized in categories that we determined were not useful for projecting future anticipated costs. We therefore took expenditure data from Town of Belmont end-of-year financial reports for FY2012-2014 and the FY2015 from the approved Budget. These are the same sources for the data submitted to the DOR each year, but are detailed and can be organized differently to facilitate projections of future costs.

Summary – FY12-14 Actual Revenues and Expenditures & FY15 Budget
(Amounts in $millions)

	FY12 Actual	FY13 Actual	FY14 Actual	*FY12-14 CAGR**		FY14 Budget	FY15 Budget	Change FY14 Bgt to FY15 Bgt	% Chg. FY14 Bgt to FY15 Bgt
Revenues	$ 86.7	$ 89.9	$ 92.8	*3.5%*		$ 91.7	$ 95.3	$ 3.5	3.8%
Expenditures	84.7	88.2	90.6	*3.4%*		91.7	95.3	3.5	3.8%
Difference	2.0	1.7	2.2			0	0		

**CAGR = Compound Annual Growth Rate*

In general, from FY12-14 actual revenues exceeded budget, and actual expenditures were less than budgeted. These differentials helped to replenish the Town's free cash position during this period. To facilitate comparisons and explanations of FY16-FY19 projections, more detailed information on FY12-15 revenue and expenditure trends is included in the following section on projections.

IV. Projected Revenues and Expenditures – FY2016-19

A. "Level Service" Assumption

In this document, projected revenues and expenditures generally reflect a "level service" perspective on programs and services provided by the Town and Schools of Belmont (with the exceptions noted below).

On the revenue side, this means the projections take into account growth in base property taxes limited by Proposition 2 ½, property tax growth due to new development, moderate growth of local revenues based on generally improving financial conditions (supported by historical trend data), and other known factors. The projections specifically assume no increase in state aid and take into account the final state payment (in FY15) of school construction aid for the Chenery School project.

On the expenditure side, projections take into account judgments as to future inflation of certain budget categories (primarily large significant items such as health insurance, retirement, energy, special education costs), salary and wage increases, staffing needs due to natural growth such as school enrollment trends, increases and decreases in debt service for bonds already issued, and other known factors. Projections do not presume any significant new program initiatives, nor expansion or elimination of existing programs.

Exceptions to the above are as follows:

- In FY17-FY19, we have projected significant New Growth property taxes resulting from potential major new projects (Uplands, Cushing Village, NSTAR Personal Property), totaling $979,000 over the three years.

- In FY16 and FY17, inclusion of funding for bonding $500,000/year for major capital projects not yet approved. The bonds would be paid off over five years. Annual cost, including principal and interest, starts at $120,000 in FY16, increases to $236,000 in FY17, and declines thereafter. More detail on capital needs are presented in the Financial Task Force Capital Projects Sub-Group Report.

- In FY16 and subsequent years, inclusion of $300,000/year in additional funding for Roads Improvements (supplementing the current Roads Override appropriation of $1.3 million), and a new appropriation of $200,000/year for Sidewalk Improvements. Further information on these items is also provided in the Capital Projects Sub-Group Report.

- Increased funding for School Department teacher staffing to address significant enrollment growth over the past three years, and projected for future years, that has resulted in larger class sizes, fewer options for high school students, very high counselor/student caseload ratios, and inadequate specialist services. We project the need for 10.0 FTE positions in FY16, and an additional 5.0 FTE positions in FY17. These projections were based on a careful review of future enrollment projections and significant discussions with the School administration. The School administration is preparing a report on these needs.

- Realistically funding the costs of special education contracted services for in-district students requiring highly specialized services. This cost has increased dramatically since FY12 ($323,000, or 64.5%), and funding has had to be provided from reductions in other general fund accounts, grant funds where available, and Labb Collaborative prior year credits. In FY16, we estimate a one-time addition of $425,000 to this budget to bring the budget in line with actual cost increases, and 7% annual increases thereafter.

B. Gap between Projected Revenues and Projected Expenditures – FY16-19

Over the 4-year period FY16-19, budget expenditures are estimated to increase at a greater rate than revenues to fund the budget.

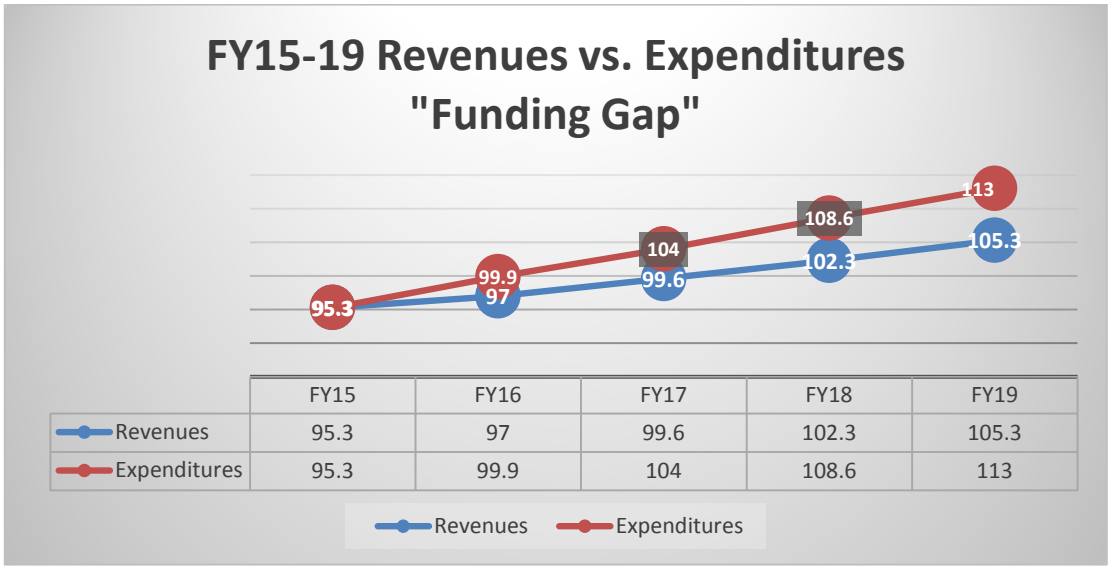
4-Year Revenue & Expenditure Increases – FY16-19 (Amounts in $millions)

	Baseline FY15		FY16	FY17	FY18	FY19	FY15-19 Total $ Increase	FY15-19 Total % Increase	FY15-19 CAGR*
Revenues	$ 95.3		97.0	99.6	102.3	105.3	$ 10.0	10.5%	2.5%
Expenditures	95.3		99.9	104.0	108.6	113.0	17.7	18.6%	4.4%
Funding "Gap"	***0***		***(2.9)***	***(4.4)***	***(6.3)***	***(7.7)***			

**CAGR = Compound Annual Growth Rate*

As described in Section C below, revenues are projected somewhat conservatively. However, the annual "Funding Gaps" identified above would require a major source of new revenues, significant budget reductions, and/or elimination of identified capital needs to close the Gaps. In the event that actual revenues did exceed estimates, such excess amounts would be able to replenish Free Cash (see Section C-4 following), and thereby be available for budget revenue allocation in future years.

The line chart graphic below demonstrates this "Funding Gap" between projected revenues and projected expenditures. The gap between the revenue and expenditure lines shows the growing shortfall in revenues to support the projected expenditure needs. Any actions taken to reduce the gap in the early years will reduce the gap in the following years.



Specific explanations of projections for various revenue and expenditure categories are contained in the following sections

C. Revenue Estimates

Revenue estimates are typically conservative. The reasons for this are two-fold:

1) if actual revenues received during the fiscal year are trending lower than the estimates used in funding the annual budget (and in setting the tax rate), budget reductions will be necessary to make up the difference. Budget reductions during the fiscal year have significantly more impact because spending has generally proceeded at the originally planned rate up to that point, and there is less time remaining until the end of the fiscal year to make up the difference.
2) if actual revenues come in higher than estimates for the year, the surplus spills over into Free Cash to replenish that balance for future years (see *Other Available Funds* below).

Thus, there is limited downside to conservatively estimating revenues, as long as a reasonable balance between program needs and available funding, including property taxes, is maintained.

As can be seen from the following table, from FY12 through the projected FY19 fiscal year, Property Taxes have borne and will continue to bear the major burden of budget increases, with the percentage of total revenues increasing from 79.7% in FY12 to 82.1% in FY19. All other sources have percentage declines.

Revenues Summary – FY12-14 Actual, FY15 Budget & FY16-19 Projections
Revenue Category as a Percentage of Total Revenues (Amounts in $Millions)

Revenue Category	FY12 Actual		FY14 Actual		FY15 Budget		FY16 Projected		FY17 Projected		FY19 Projected	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Property Taxes	**$69.1**	*79.7%*	**$73.6**	*79.3%*	**$76.5**	*80.3%*	**$78.4**	*80.8%*	**$80.9**	*81.2%*	**$86.4**	*82.1%*
Local Receipts	**6.3**	*7.3*	**7.4**	*8.0*	**6.5**	*6.8*	**6.9**	*7.1*	**7.1**	*7.1*	**7.3**	*6.9*
State Aid	**7.8**	*9.0*	**8.3**	*8.9*	**8.9**	*9.3*	**8.5**	*8.8*	**8.6**	*8.6*	**8.5**	*8.1*
Free Cash	**2.0**	*2.3*	**2.0**	*2.2*	**1.9**	*2.0*	**1.7**	*1.8*	**1.6**	*1.6*	**1.5**	*1.4*
Other Available Funds	**1.5**	*1.7*	**1.5**	*1.6*	**1.5**	*1.6*	**1.4**	*1.5*	**1.5**	*1.5*	**1.6**	*1.5*
Total Revenues	**$86.7**	*100%*	**$92.8**	*100%*	**$95.3**	*100%*	**$97.0**	*100%*	**$99.7**	*100%*	**$105.3**	*100%*

Please note: 1st two columns (FY12-14) and last two columns (FY17-19) have 2-year gaps.

The following chart displays revenue growth from FY12 through FY19 (7-year period). Property taxes are estimated to increase 25% during this period. Local receipts are expected to grow by 15.9%, largely the result of extraordinary building permit revenues resulting from anticipated major projects. Overall revenues are estimated to increase by 21.5%. Note that these numbers and percentages do not reflect any revenue increases that may be deemed necessary to help close the "funding gap" created by a higher rate of projected expenditure increase (see page 4).

FY12-19 – Total Projected Revenue Growth (7 Years)

Revenue Category	FY12 Actual ($millions)	FY19 Projected ($millions)	Increase Amount	% Increase
Property Taxes	**$69.1**	**$86.4**	**$17.3**	**25.0%**
Local Receipts	**6.3**	**7.3**	**1.0**	**15.9**
State Aid	**7.8**	**8.5**	**.7**	**9.0**
Free Cash	**2.0**	**1.5**	**(0.5)**	**(25.0)**
Other Available Funds	**1.5**	**1.6**	**0.1**	**6.7**
Total Revenues	**$86.7**	**$105.3**	**$18.6**	**21.5%**

1. **Property Taxes:** Property taxes in FY15 comprise 80.3% of total revenues supporting the General Fund budget. This is only slightly higher than FY12 (79.7%) and FY14 (79.3%). Property taxes include both base

taxes, which are subject to Proposition 2/12 limitations, plus Debt Exclusion property taxes which are specifically dedicated to paying for voter-approved debt service on major capital projects (infrastructure, facilities, equipment).

For FY16-19, the projections assume a 2.5% increase in the base, plus taxes from normal new growth, increase in revenues of $475,000/year in FY16, with 2.5% increases thereafter. In addition, we estimate an increase in new growth in FY17 through FY19 (total of $979,000) due to major new private construction projects in Cushing Village, the Uplands, and an NSTAR equipment project. By FY19, Property Taxes as a percentage of total revenues are projected to increase to 82.1%.

Property taxes raised to fund existing debt exclusion authorizations will decline by $675,000 from FY15 to FY19 as the debt service for those projects is reduced through annual principal payments.

2. **Local Receipts**: The Department of Revenue (DOR) reviews current year and prior year local receipts information as part of the process of approving the tax rate of a community. DOR requires that local receipts used as an estimate in the current fiscal year be at least equal to actual prior year collections. If a community is using a local revenue estimate that is more than collected in the prior year, a written statement must be provided to explain the reason. A community will not be allowed to use a revenue of significance that cannot be demonstrated by prior year collections or other explicit documentation of a change that justifies the reasons for an increase.

   Total local receipts represent 6.8% of total General Fund revenues in FY15. In FY12 the corresponding percentage was 7.3%, and in FY14, it was 8.0%.

   - *Motor vehicle excise taxes* ($2,793,000) represent 43.2% of local receipts in FY15. MV excise has increased by 7.5% annually over the past three years, but is expected to moderate to 3.7% over the next four years. This represents an increase of over $438k from FY15 to FY19.
   - *Meals taxes, penalties and interest on taxes, and payments in lieu of taxes* comprise 6.7% of total local receipts in FY15, and are projected to increase minimally from FY16-19.
   - *Charges for ambulance service* ($805,000) are the second largest local revenue source in FY15, representing 12.5% of the total. This revenue source increased significantly from FY12 to FY14 with the implementation of Advanced Life Support (ALS) services (from $551K to $803K, a 45.7% increase). This item is projected to stabilize and increase only slightly from FY16-19.
   - *Recreation program revenues* ($700,000 in FY15 budget) are estimated to increase by 3.5% in FY16 and 1.5% thereafter.
   - *Police licenses and permits* from commuter parking passes in municipal lots are projected to increase from $90,000 in FY15 to $140,000 in FY19 as a result of new rates adopted by the Board of Selectmen in October, 2014 (recommended by Financial Task Force working group).
   - *Building permits* ($595,000 in FY15 budget) were estimated to significantly decline from FY14 ($950k) when there was a major classroom expansion at Belmont Hill School ($110,000 in building permit revenue), and several unusually large residential projects. In FY16, we project additional growth of $205,000 in this revenue item, and 2.5% annually thereafter.

     The timing and impact of possible major new growth projects in the Uplands and Cushing Village was uncertain when the FY15 budget was approved. Since then, the Uplands project has proceeded and building permit revenue of $457,000 was received this Fall that was not in budgeted revenue estimates. At this time, the Cushing Village project is still pending. The third major new growth project, the Electric Light Substation, does not involve building permit revenue since it is a municipal

department. The new growth revenue in the property tax revenue estimates is growth in personal property taxes resulting from NSTAR equipment to be installed in the new substation.

- *All other local receipts* are expected to remain level or experience minor changes during the period FY16-19.

3. **State Aid:** *Total State Aid* in FY15 comprises 9.3% ($8,903,000) of General Fund revenues. This compares to 9.0% in FY12 and 8.9% in FY14. The CH70 School Aid category increased at an average annual rate of 2.6% from FY12-14, while general municipal aid increased at an average annual rate of 5% for the same period.

   Given the history of uncertainty that annually surrounds state aid, and the recent announcements of potential major state budget shortfalls in FY15, at this time we are projecting level funding from FY16-19.

   However, the final state school construction reimbursements for the Chenery School project will occur in FY15, resulting in a loss of $383,000 in FY16. This is accompanied by a reduction of project debt service costs at the same time.

   In FY19, the percentage of General Fund appropriations funded by state aid is projected to be 8.1%.

4. **Other Available Funds:** Other Available Funds represent 3.6% ($3,426,000) of total General Fund revenues in FY15. In FY12 this percentage was 4.0% and in FY14, 3.7%.

   - *Free Cash* is the largest source of other available funds. In FY15, $1,680,000 in free cash was applied to supporting the operating budget, and $200,000 was applied to capital (sidewalks) projects. In addition, $344,000 was transferred from free cash to the Other Post-Employment Benefits (OPEB) reserve, which is a non-general fund ledger account set up to help cover the cost of future retirees' benefits, primarily health insurance.
   - Free cash represents funds raised or received in previous fiscal years that were not expended in those years. There are two primary sources: unexpended end-of-year general fund budget balances, and revenues/receipts in excess of estimates used in approving the general fund budget and setting the property tax rate. Also, occasionally contributing to free cash are one-time unexpected receipts such as FEMA claim reimbursements, legal settlements, bond premiums and the like.
   - Free Cash needs to be annually replenished from the above sources in order to be consistently utilized to support the General Fund budget as well as major capital expenditures. Absent free cash infusions, budget reductions would be necessary. Thus, we are generally conservative in estimating revenues, since over-estimating would result in a reduction in funding available from free cash. In the FY17-19 projections, we have taken the approach of lowering the "free cash available" funding assumption by the same amount as local receipts projections have increased. We believe this is a prudent approach to maintaining free cash balances which otherwise might be depleted.
   - The DOR and bond-rating agencies strongly recommend that communities not use Free Cash to offset the tax rate, but rather to focus its use on capital needs and other major one-time items. Among communities in Massachusetts that have achieved this goal are Brookline and Winchester. Belmont should consider moving in this direction.
   - *Transfers from Belmont Enterprise Funds* is the second major source of other available funds. Based on agreements with the Light Department and Water and Sewer Department, annual transfers from those independent revenue-producing departments are made to the Town of Belmont to cover costs of services provided by the Town. This has been an ongoing arrangement for a number of years. These amounts total $937,000 in FY15, and are projected to increase slightly from FY16-19.

- *Other* – in FY15, $214,000 in unexpended balances was closed out from previous year capital projects that had been completed. This was a large one-time event, and lesser amounts ($54,000/year) are estimated from FY16-19.

D. Expenditure Estimates

As stated previously, General Fund expenditures have been separated into four categories as described below.

Expenditures Summary – FY12-14 Actual, FY15 Budget & FY16-19 Projections
Expenditure Category as a Percentage of Total Expenditures (Amounts in $Millions)

Expenditure Category	*FY12 Actual*		*FY14 Actual*		*FY15 Budget*		*FY16 Projected*		*FY17 Projected*		*FY19 Projected*	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Fixed Costs	**$14.8**	*17.5%*	**$15.1**	*16.7%*	**$15.7**	*16.5%*	**$16.1**	*16.1%*	**$16.7**	*16.1%*	**$18.1**	*16.0%*
Operating Budgets - Town	**26.8**	*31.6*	**29.4**	*32.4*	**31.2**	*32.7*	**32.1**	*32.1*	**33.1**	*31.8*	**35.3**	*31.2*
Operating Budgets - School	**41.6**	*49.1*	**44.5**	*49.2*	**46.2**	*48.5*	**49.8**	*49.9*	**52.3**	*50.3*	**57.7**	*51.0*
Undistributed	**1.5**	*1.8*	**1.6**	*1.7*	**2.2**	*2.3*	**1.8**	*1.9*	**1.9**	*1.8*	**2.0**	*1.8*
Total Expenditures	**$84.7**	*100%*	**$90.6**	*100%*	**$95.3**	*100%*	**$99.8**	*100%*	**$104.0**	*100%*	**$113.1**	*100%*

Please note: 1st two columns (FY12-14) and last two columns (FY17-19) have 2-year gaps.

FY12-19 – Total Projected Expenditure Growth (7 Years)

Expenditure Category	FY12 Actual ($millions)	FY19 Projected ($millions)	Increase Amount	% Increase	Average annual % Incr.*
Fixed Costs	**$14.8**	**$18.1**	**$3.3**	**22.3%**	***3.2%***
Operating Budgets - Town	**26.8**	**35.3**	**8.5**	**31.7**	***4.5***
Operating Budgets - School	**41.6**	**57.7**	**16.1**	**38.7**	***5.5***
Undistributed	**1.5**	**2.0**	**.5**	**33.3**	***4.8***
Total Expenditures	**$84.7**	**$113.1**	**$28.4**	**33.6%**	***4.8***

**not compounded*

1. **Fixed Costs**: although not technically "fixed" costs (for example, increases in Debt Service are subject to Town decision-making, as is the Roads Override authorization, and Minutemen assessments vary with enrollment), these items generally are either assessments established by external agencies (State Assessments, Retirement Board, Minuteman Regional), previously-authorized obligations such as existing debt service, or DOR-required set-asides related to setting the tax rate (Overlay/Reserve for abatements).

   - Fixed costs represent 16.5% of the total FY15 Adopted Budget. This percentage has declined only slightly since FY12, when it was 17.5% of the budget. In FY19, this item is estimated to be 16.0% of the budget.
   - State assessments increased at an average annual percentage rate of 5.6% from FY12 to FY15, and Retirement assessments increased at an annual rate of 5.7% during the same period. Both Excluded Debt costs (debt payoff) and Minuteman Regional (lower Belmont enrollment) assessments declined during that period.
   - Fixed costs are projected to increase at a moderate annual rate of 3.7% from FY15 to FY19. State assessments are projected to increase 2.5% annually, and Retirement costs are estimated to increase 7% annually. Minuteman operating assessments will increase as a result of state-mandated changes reducing the tuition rate Minuteman can charge non-member communities for attending students, thereby increasing the member communities' share of costs. Also, Belmont enrollments at

Minuteman, relative to other member communities will have an impact. Also, a major capital project funded by debt is planned by Minuteman and is expected to impact town budgets in FY18. Absent detailed information on project costs, we are estimating $300,000 in Belmont's share of debt service costs beginning in FY18, and an additional $300K in FY19. This debt will gradually decline thereafter.

- As Debt is paid off, debt service costs (principal and interest) for existing debt will decline over the FY16-19 period. However, as described previously, (see page 2), we are projecting new debt for capital projects in FY16 and FY17 that will offset some of the decline. Also, we are projecting the need for increasing the Roads Override allocation (currently $1.2 million) by $300,000 in FY16 and thereafter, to address significant deterioration of town roads infrastructure, as well as a new allocation of $200,000 for sidewalks improvements, beginning in FY16 as well. These latter two items are proposed for funding as annual capital budget items, not debt.

2. **Operating Budgets –Town**: this category includes Town department operating expenditures including: salaries and wages base costs, cost-of-living (COLAs), and salary schedule step increases; health insurance, other employee benefits, energy costs, waste collection/disposal/recycling costs, department operating costs, and major capital equipment. (*Note: in other Town financial reports, salaries and wages, health insurance and other employee benefits are lumped together under a general heading of "Salaries". Since the rates of increase will vary for each of these categories, we have chosen to break them out for purposes of more accurate projections.)*

   - Operating budgets of Town departments comprise 32.8% of the total FY15 Budget. The percentage in FY12 was 31.6% and in FY14 it was 32.4%. Town operating budget costs have increased at an average annual rate of 4.7% during the period FY12-FY14. This compares to total budget average annual increases of 3.4% for this period.
   - Salaries and wages, health insurance and other employee benefits make up 71.8% ($22.4 million) of the total FY15 Town operating budget ($31.2 million). In FY12 the corresponding items made up 73.6% of the Town operating budget.
   - The next largest item is the combined cost of waste collection, disposal and recycling, which is 7.6% ($2.4 million) in FY15, and was 8.4% in FY12. These items, together, are projected to slightly increase from FY17-19.
   - From FY15 through FY19, Town operating budgets are projected to increase at a cumulative annual growth rate of 3.1%. Salaries and wages at 3.2%, health insurance at 2.5% in FY16 and 5% thereafter, and other benefits at 3% will make up the bulk of this increase. Energy costs are estimated to increase at a 5% annual rate, and department operating budgets at 2.5%.

3. **Operating Budgets – School:** this category includes School department operating expenditures including: salaries and wages base costs, cost-of-living (COLAs), salary schedule step increases, and an estimate of enrollment-driven additional teacher staffing costs; health insurance; other employee benefits; energy costs; special education tuition, transportation and specialist contracted special services; department/school operating expenses; and major capital equipment. (Note: School pension costs are primarily covered by the Massachusetts Teachers' Retirement Fund, although health insurance for retired school employees is covered in the school budget. A small number of non-teacher staff have pension costs covered in the "Fixed Cost – Retirement Assessment" account.)
   - The operating budgets of the School Department comprise 48.5% of the total Town of Belmont FY15 budget and are estimated to increase to 51.0% by FY19.
   - The percentage in FY12 was 49.1%. School operating budgets have increased at an average rate of 3.5% from FY12 – FY14.

- Salaries and wages, health insurance and other employee benefits make up 81.3% ($37.5 million) of the total FY15 School operating budget ($46.2 million). In FY12 the corresponding items made up 78.9% of the School operating budget. There have been steady enrollment increases during this period, requiring the addition of some additional staffing. From FY15-FY19, these three items are projected to increase at average annual percentage rates of 5.3%, 5%, and 3%, respectively. The health insurance estimates include 2.5% in FY16, 5% from FY17-19, and the additional insurance costs of increased FTE staffing in FY16-19
- As described previously on page three, and included in the salary and wage budget increases, we are projecting the enrollment-driven 10 FTE additional positions in FY16 (cost - $650,000 annually) and the additional 5 FTE positions in each year from FY17-FY19 (cost - $325,000/year).
- The next largest item is the combined cost of Special Education tuitions for placements of students outside the district, special education transportation costs, and special education specialist contracted services. These combined items comprise 9.8% ($4.5 million) of the School operating budget in FY15. In FY12, the corresponding percentage was 11.2%. General Fund Special Education tuition expenses have declined at an average annual rate of 5.0% from FY12-FY14, partially due to offsets from other funding sources, including both federal grants and state "circuit-breaker" funds. These three items are each projected to annually increase by 7% from FY15 through FY19.
- In addition, in FY16, a large infusion ($425,000) of funding for specialist contracted services is necessary to cover cost increases over the past few years that have not been directly funded and have required reallocations from other School accounts (see page 3). This is projected to continue in future years. To some extent, these expenditures may moderate increased costs of out-of-district placements by retaining students in-district.
- Overall School operating budget costs are projected to increase at a compound annual growth rate of 5.7% from FY15 through FY19.

4. **Undistributed Expenditures**: includes expenses not specifically allocated to Town or School departmental operating budgets; other insurance (auto, fire, liability), reserve fund, pay-as-we-go capital.
   - As stated previously, undistributed expenditures are those not directly allocated to Town or School budgets in the budget approval process. These include Other Insurance (fire, liability, etc.), the Reserve Fund, and Capital Pay-as-we-Go project funds.
   - As each fiscal year progresses, transfers out of the Reserve Fund are approved for allocation to specific departments to cover expenditures for emergencies, significant unforeseen circumstances, and the like. Thus, actual departmental expenditures at year-end include these expenditures, and the Reserve Fund is often depleted to zero, as is reflected in the FY12-FY14 actual expenditures. Each year, a new Reserve Fund amount is approved in the adopted budget, and the process begins anew.
   - Other insurance has increased annually at a rate of 6.0% from FY12-FY14, while Pay-as-we-Go Capital has decreased slightly at an annual rate of 0.7%. Total undistributed has increased an average rate of 0.6% during this period.
   - From FY15-FY19, undistributed expenditures are projected to decrease by 2.8% ($238,000). This is primarily due to a decrease in Pay-as-we-go capital project funding corresponding to reductions in allocation of one-time revenues in FY15 to fund this item (including $200,000 for sidewalks projects).

5. **Total Expenditures:** From FY12-FY14, total Belmont expenditures in all categories increased at a compound annual growth rate of 3.4%. From FY15-FY19 total expenditures are projected to increase at a compound annual growth rate of 4.4%. This assumes the "level service" criteria, with exceptions as noted, stated at the beginning of this narrative.

Town of Belmont - Five Year Financial Estimates FY15-19 - Summary

amounts in thousands (000)

Previous Fiscal Years				Revenues	FY14 - FY15 Budgets				FY16-19 Projections				
FY12 Actual	FY13 Actual	FY14 Actual	FY12-14 CAGR*		FY14 Adj Bgt	FY15 Adopted Budget	Change FY14 Bgt to FY15 Bgt	% Chg. FY14 Bgt to FY15 Bgt	FY16	FY17	FY18	FY19	FY15-19 CAGR*
69,127	71,245	73,589		Property Taxes - Base		69,935			72,323	74,606	77,180	79,936	
				Property Taxes - Debt Exclusion		4,235			3,768	3,690	3,615	3,560	
				Allowable 2 1/2% Incr. (on base)		1,748			1,808	1,865	1,929	1,998	
				New Growth		550			475	708	827	942	
69,127	71,245	73,589	3.2%	Total Property Taxes	73,994	76,468	2,474	3.3%	78,374	80,870	83,551	86,437	3.1%
6,335	6,837	7,434	8.3%	Local Receipts	6,010	6,459	449	7.5%	6,889	7,032	7,179	7,318	3.2%
7,777	8,064	8,304	3.3%	State Aid	8,281	8,903	622	7.5%	8,521	8,521	8,521	8,521	-1.1%
2,000	2,000	2,000	0.0%	Free Cash-Unreserved Fnd Bal	2,000	1,880	(120)	-6.0%	1,750	1,602	1,500	1,500	-5.5%
1,452	1,790	1,465	0.4%	Other Available Funds	1,465	1,546	81	5.5%	1,447	1,528	1,534	1,550	0.1%
86,691	89,936	92,792	3.5%	Total Available Revenues	$ 91,749	$ 95,256	3,507	3.8%	96,981	99,552	102,285	105,326	2.5%
	3,245	*2,856*		*$ change from prior year*		*2,464*			*1,725*	*2,571*	*2,732*	*3,041*	
	3.7%	*3.2%*		*% change from prior year*		*2.7%*			*1.8%*	*2.7%*	*2.7%*	*3.0%*	

*** CAGR = Cumulative Annual Growth Rate**

- Source of FY12-FY13 actual revenues are Department of Revenue (DOR) Tax Recap Sheets from each fiscal year.

- FY14 Actual revenues and FY14 & FY15 Budget revenues are from Town of Belmont financial and budget reports.

- FY16-19 revenues are estimates

- Source of FY12-14 actual expenditures are Town of Belmont financial reports for each fiscal year. DOR Schedule A Tax Recap sheets are insufficiently detailed for purposes of the FY16-19 financial estimates.

- FY15 Budget expenditures are from Town of Belmont FY15 Adopted Budget documents

- FY16-19 expenditures are estimates

Town of Belmont - Five Year Financial Estimates FY15-19 - Summary

amounts in thousands (000)

Previous Fiscal Years				Expenditures	FY14 - FY15 Budgets				FY16-19 Projections				
FY12	FY13	FY14 Actual	FY12-14 CAGR*		FY14 Adj Budget	FY15 Adj. Bgt	Change: FY14 Bgt to FY15 BGT	% Chg. FY14 Bgt to FY15 Bgt	FY16	FY17	FY18	FY19	FY15-19 CAGR*
				Fixed Costs									
881	800	812	-4.0%	Overlay	812	813	1	0.1%	800	800	800	800	-0.4%
1,507	1,642	1,678	5.5%	Intergov. Assessments (State)	1,656	1,726	70	4.2%	1,770	1,814	1,859	1,906	2.5%
5,303	5,245	4,984	-3.1%	Current Debt Service	5,036	5,088	52	1.0%	4,400	4,300	4,210	4,138	-5.0%
				New Debt Service - Capital Proj.					120	236	228	220	
5,051	5,282	5,634	5.6%	Retirement	5,634	6,024	389	6.9%	6,445	6,896	7,379	7,896	7.0%
1,132	1,160	1,189	2.5%	Roads Override	1,189	1,284	95	8.0%	1,249	1,280	1,312	1,345	1.2%
				New Roads & Sidewalks Override					500	513	525	538	
927	939	852	-4.1%	Minuteman Assessment	852	751	(101)	-11.8%	862	905	1,250	1,297	14.6%
14,801	15,068	15,149	1.2%	**Sub-Total Fixed Costs**	15,180	15,686	506	3.3%	16,146	16,743	17,564	18,140	3.7%
				Operating Budgets-Town									
15,659	16,225	17,423	5.5%	Salary & wages	17,646	18,330	684	3.9%	18,930	19,544	20,174	20,819	3.2%
4,035	3,933	3,558	-6.1%	Health Insur. & Oth. Ben.	4,151	4,116	(35)	-0.9%	4,221	4,422	4,633	4,854	4.2%
7,079	8,106	8,371	8.7%	Other Expenses	8,437	8,772	335	4.0%	8,939	9,135	9,384	9,641	2.4%
26,773	28,264	29,352	4.7%	**Sub-Total Town:**	30,234	31,219	984	3.3%	32,090	33,101	34,190	35,314	3.1%
				Operating Budgets-School									
26,976	28,610	29,592	4.7%	Salary & wages	29,627	31,221	1,594	5.4%	33,215	34,844	36,555	38,321	5.3%
5,816	5,852	5,973	1.3%	Health Insur. & Oth. Ben.	6,080	6,300	220	3.6%	6,521	6,860	7,215	7,588	4.8%
8,790	8,622	8,978	1.1%	Other Expenses	8,642	8,635	(7)	-0.1%	10,034	10,571	11,142	11,748	8.0%
41,583	43,084	44,543	3.5%	**Sub-Tot: Schools**	44,349	46,156	1,807	4.1%	49,770	52,275	54,912	57,657	5.7%
				Undistributed Expend. -Other									
308	335	346	6.0%	Other (Liab. Ins, Reserve Fd, Oth	764	801	38	4.9%	833	868	906	946	4.2%
1,240	1,422	1,222	-0.7%	Capital: Pay-as-we-Go	1,222	1,395	173	14.1%	1,012	1,012	1,012	1,012	-7.7%
1,548	1,757	1,568	0.6%	**Sub-Total: Undistributed**	1,986	2,196	210	10.6%	1,845	1,880	1,918	1,958	-2.8%
84,705	88,173	90,613	3.4%	**Total Expenditures**	91,749	95,256	3,508	3.8%	99,851	104,000	108,584	113,069	4.4%
	3,469	*2,440*		*$ change from prior year*		*4,643*			*4,595*	*4,149*	*4,584*	*4,485*	
	4.1%	*2.8%*		*% change from prior year*		*5.1%*			*4.8%*	*4.2%*	*4.4%*	*4.1%*	
1,986	***1,762***	***2,179***		**Difference: Estimated Revenues less Estimated Expenditures**		**(0)**			**(2,870)**	**(4,448)**	**(6,299)**	**(7,743)**	

Town of Belmont - Revenues Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

FY12 - FY14 Actual Revenues				Category	FY14 - FY15 Budgets				FY16 - FY19 Projections					
FY12 Actual	FY13 Actual	FY14 Actual	FY12-14 CAGR*	Revenues	FY14 Adj Bgt	FY15 Adj. Bgt	Change: FY14 Bgt to FY15 Bgt	% Chg. FY14 Bgt to FY15 Bgt	FY16	FY17	FY18	FY19	FY15-19 CAGR*	FY16-19 Assumptions
				Property Taxes										
				Base Property Taxes - Real & PP		69,935			72,323	74,606	77,180	79,936		
				Debt Exclusion - Prop. Taxes		4,235			3,768	3,690	3,615	3,560		FY16- Chenery Debt Paid-off
69,127	71,245	73,589		sub-total:		74,170			76,091	78,296	80,795	83,497		
	-	-		Allowable 2 1/2% Incr (on base)		1,748			1,808	1,865	1,929	1,998		2.5% annual incr
	-	-		New Growth (NG) - general		550			475	487	499	512		2.5% annual incr
				NG - Uplands/Cushing Village/NSTAR		-			-	221	328	430		major projects
69,127	**71,245**	**73,589**	**3.2%**	**Total Prop Taxes**	**73,994**	**76,468**	**2,474**	**3.3%**	**78,374**	**80,870**	**83,551**	**86,437**	**3.1%**	
1,269	2,118	2,344		*Amount Change from Prior Year actual*		2,474			1,906	2,495	2,682	2,886		
1.87%	3.06%	3.29%		*% Change from Prior Year actual*		*3.36%*			2.49%	3.18%	3.32%	3.45%		
				Local Receipts										
2,661	2,839	3,077	**7.5%**	Motor Vehicle Excise	2,650	2,793	**143**	**5.4%**	3,000	3,075	3,152	3,231	**3.7%**	FY17-19 2.5% annual incr.
172	185	196	**6.7%**	Meals Tax & Other	145	195	**50**	**34.5%**	205	205	205	205	**1.3%**	level revenues
189	379	390	**43.6%**	Penalties and Interest on Taxes	180	200	**20**	**11.1%**	220	220	220	220	**2.4%**	10% Incr. in FY16
37	29	47	**12.7%**	Payments in Lieu of Taxes	36	36	**-**	**0.0%**	36	36	36	36	**0.0%**	Voluntary pyts.
3,059	**3,432**	**3,710**	**10.1%**	**sub-total: Other Taxes**	**3,011**	**3,224**	**213**	**7.1%**	**3,461**	**3,536**	**3,613**	**3,692**	**3.4%**	
551	**694**	**803**	**20.7%**	**Charges for Svc - Ambulance**	**805**	**805**	**0**	**0.0%**	**805**	**821**	**838**	**854**	**1.5%**	FY16 - level, FY17-19 - 2% incr
145	**145**	**176**	**10.2%**	**Department Fees**	**142**	**146**	**4**	**2.8%**	**147**	**149**	**150**	**152**	**1.0%**	1% annual incr.
42	43	38	**-4.9%**	Other Dept. Revenue - Library	43	43	**-**	**0.0%**	43	43	43	43	**0.0%**	level revenue
131	131	136	**1.9%**	Other Dept. Revenue - Cemetary	125	125	**-**	**0.0%**	125	**125**	**125**	**125**	**0.0%**	level revenue
800	792	755	**-2.9%**	Other Dept. Revenue - Recreation	700	700	**-**	**0.0%**	725	735	746	758	**2.0%**	FY16 3.5%, FY17-19 1.5% incr.
-	-			Other Dept. Revenue - One-Time Rev.	-	88	**88**		-	-	-	-		
224	237	238	**3.1%**	Other Dept. Revenue - All Other	179	223	**44**	**24.6%**	223	223	223	223	**0.0%**	level revenue
1,197	**1,203**	**1,167**	**-1.3%**	**sub-total: Other Dept. Revenue**	**1,047**	**1,179**	**132**	**12.6%**	**1,116**	**1,126**	**1,137**	**1,149**	**-0.7%**	
42	44	49	**8.0%**	Licenses & Permits - Selectmen	37	37	**-**	**0.0%**	37	37	37	37	**0.0%**	level revenue
48	51	52	**4.2%**	Licenses & Permits - Town Clerk	48	48	**-**	**0.0%**	48	48	48	48	**0.0%**	level revenue
39	48	42	**3.8%**	Street Opening Permits - DPW	30	30	**-**	**0.0%**	30	30	30	30	**0.0%**	level revenue
91	96	78	**-7.4%**	Licenses & Permits - Police	90	90	**-**	**0.0%**	110	120	130	140	**11.7%**	Incr - Pkg Permits commuters
851	794	950	**5.7%**	Licenses & Permits - Building	551	595	**44**	**7.9%**	800	820	841	862	**9.7%**	+205K in FY16, FY17-19 2.5% incr
1,071	**1,033**	**1,171**	**4.6%**	**sub-total: Licenses and Permits**	**756**	**800**	**44**	**5.8%**	**1,025**	**1,055**	**1,086**	**1,117**	**8.7%**	
			***CAGR = Cumulative Annual Growth Rate**											

Town of Belmont - Revenues Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

118	139	172	**20.7%**	Fines and Forfeits - Parking	115	150	**35**	**30.4%**	150	160	170	170	**3.2%**	$10K Incr. in FY17 and $10K in FY18
41	46	53	**13.7%**	Fines and Forfeits - All Other	33	35	**2**	**4.7%**	35	35	35	35	**0.0%**	level revenue
159	**185**	**225**	**19.0%**	**sub-total: Fines & Forfeits**	**148**	**185**	**37**	**24.6%**	**185**	**195**	**205**	**205**	**2.6%**	
153	**145**	**182**	**9.1%**	**Earnings on Investments**	**100**	**120**	**20**	**20.0%**	**150**	**150**	**150**	**150**	**5.7%**	FY16 - +30k, FY17-19 - level
6,335	**6,837**	**7,434**	**8.3%**	**Total: Local Receipts**	**6,010**	**6,459**	**449**	**7.5%**	**6,889**	**7,032**	**7,179**	**7,318**	**3.2%**	
272	502	598		*Amount Change from Prior Year actual*		(975)			*430*	*143*	*146*	*139*		
4.49%	*7.92%*	*8.74%*		*% Change from Prior Year actual*		*-13.12%*			*6.66%*	*2.08%*	*2.08%*	*1.94%*		
				State Aid										
5,571	5,724	5,865	**2.6%**	School Aid - Ch 70	5,864	6,420	**556**	**9.5%**	6,421	6,421	6,421	6,421	**0.0%**	level revenues
383	383	383	**0.0%**	MSBA Reimbursement (Chenery Sch)	383	383	**(0)**	**-0.1%**	-	-	-	-	**-100.0%**	Reimb ends FY15
8	8	24	**73.2%**	Charter School Reimb.	3	21	**18**	**580.9%**	21	21	21	21	**0.0%**	level revenues
1,772	1,910	1,955	**5.0%**	General Municipal Aid	1,955	2,009	**54**	**2.8%**	2,009	2,009	2,009	2,009	**0.0%**	level revenues
-	-	-		Police Career Incentive	-	-	**-**		-	-	-	-		
-	-	-		Exemption Reimbursement	-	-	**-**		-	-	-	-		
34	18	21	**-21.4%**	Veterans' Benefits	19	13	**(6)**	**-32.7%**	13	13	13	13	**0.0%**	level revenues
9	21	56	**149.4%**	Loss of Taxes - Veterans/Blind/Surv. Sp.	56	57	**1**	**2.1%**	57	57	57	57	**0.0%**	level revenues
7,777	**8,064**	**8,304**	**3.3%**	**Total: State Aid**	**8,281**	**8,903**	**622**	**7.5%**	**8,521**	**8,521**	**8,521**	**8,521**	**-1.1%**	
(152)	*287*	*240*		*Amount Change from Prior Year actual*		*599*			*(382)*	-	-	-		
-1.92%	*3.69%*	*2.98%*		*% Change from Prior Year actual*		*7.21%*			*-4.29%*	*0.00%*	*0.00%*	*0.00%*		
				Other Available Funds										
2,000	**2,000**	**2,000**	**0.0%**	Free Cash - Apply to Operating Bgt	2,000	1,680	**(320)**	**-16.0%**	1,581	1,438	1,341	1,345	**-5.4%**	local rev incr offset by free cash decr
				Free Cash - Apply to Capital (sidewalks)	-	200	**200**		-	-	-			1-time allocation
				FC - Apply to Belmont Ctr. Proj. (est)					169	164	159	155		
2,000	**2,000**	**2,000**	**0.0%**	**Unreserved Fund Bal. -Free Cash**	**2,000**	**1,880**	**(120)**	**-6.0%**	**1,750**	**1,602**	**1,500**	**1,500**	**-5.5%**	
125	235	235	**37.1%**	Fund Bal.- Abatemnt/Exempt. Overlay	235	235	**-**	**0.0%**	235	235	235	235	**0.0%**	level revenue
650	650	650	**0.0%**	Trf. from Light Dept for Tax Red. (Pilot)	650	650	**-**	**0.0%**	650	650	650	650	**0.0%**	level revenues
158	158	160	**0.6%**	Trf. from Water for Operating Costs	160	160	**(0)**	**-0.2%**	163	166	170	173	**2.0%**	2.0% Incr.
125	125	127	**0.8%**	Trf. From Sewer for Operating Costs	127	127	**0**	**0.1%**	130	132	135	137	**2.0%**	2.0% Incr.
122	122	65	**-27.0%**	Trf. From Leftover Prior Yrs Capital Items	65	214	**149**	**229.2%**	54	54	54	54	**-29.1%**	Base est.
100	100	100	**0.0%**	Capital Endowment Fd. - Spec. Proj.	100	100	**-**	**0.0%**	125	125	125	125	**5.7%**	level revenues
172	400	128	**-13.7%**	All Other Available Funds	128	60	**(68)**	**-53.1%**	90	165	165	175		FY15 Fee incr & FY16 (Leonard St.) Bel. Ctr. Meters
1,452	**1,790**	**1,465**	**0.4%**	**Sub-total : Non-Free Cash Avail Fds**	**1,465**	**1,546**	**81**	**5.5%**	**1,447**	**1,528**	**1,534**	**1,550**	**0.1%**	
3,452	**3,790**	**3,465**	**0.2%**	**Total: Other Available Funds**	**3,465**	**3,426**	**(39)**	**-1.1%**	**3,197**	**3,129**	**3,034**	**3,050**	**-2.9%**	
679	*338*	*(325)*		*Amount Change from Prior Year actual*		*(39)*			*(229)*	*(68)*	*(96)*	*16*		
24.49%	*9.79%*	*-8.58%*		*% Change from Prior Year actual*		*-1.13%*			-6.69%	-2.11%	-3.05%	0.53%		
86,691	**89,936**	**92,792**	**3.5%**	**Grand Total: Revenues**	**91,749**	**95,256**	**3,507**	**3.8%**	**96,981**	**99,552**	**102,285**	**105,326**	**2.5%**	
2,068	*3,245*	*2,856*		*Amount Change from Prior Year actual*		*2,464*			*1,725*	*2,571*	*2,732*	*3,041*		
2.4%	*3.7%*	*3.2%*		*% Change from Prior Year actual*		*2.7%*			*1.8%*	*2.7%*	*2.7%*	*3.0%*		

Town of Belmont - Revenues Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

Summary by Revenue Category

FY12 - FY14 Actual Revenues				Category	FY14 - FY15 Budgets				FY16 - FY19 Projctions				
FY12 Actual	FY13 Actual	FY14 Actual	FY12-14 CAGR*	Revenues	FY14 Adopted Bgt	FY15 Adopted Bgt	Change: FY14 Bgt to FY15 Bgt	% Chg. FY14 Bgt to FY15 Bgt	FY16	FY17	FY18	FY19	FY15-19 CAGR*
69,127	71,245	73,589	3.2%	Total Prop Taxes	73,994	76,468	2,474	3.3%	78,374	80,870	83,551	86,437	3.1%
6,335	6,837	7,434	8.3%	Total: Local Receipts	6,010	6,459	449	7.5%	6,889	7,032	7,179	7,318	3.2%
7,777	8,064	8,304	3.3%	Total: State Aid	8,281	8,903	622	7.5%	8,521	8,521	8,521	8,521	-1.1%
2,000	2,000	2,000	0.0%	Total: Free Cash - Unreserved Fund Bal.	2,000	1,880	(120)	-6.0%	1,750	1,602	1,500	1,500	-5.5%
1,452	1,790	1,465	0.2%	Total: Other Available Funds	1,465	1,546	81	5.5%	1,447	1,528	1,534	1,550	0.1%
86,691	89,936	92,792	3.5%	Grand Total: Revenues	91,749	95,256	3,507	3.8%	96,981	99,552	102,285	105,326	2.5%
2,068	*3,245*	*2,856*		*$ Change from prior year actual*		*2,464*			*1,725*	*2,571*	*2,732*	*3,041*	
2.4%	*3.7%*	*3.2%*		*% Change from prior year actual*		*2.7%*			*1.8%*	*2.7%*	*2.7%*	*3.0%*	

Revenue Categories as a Percentage of Total Revenues

FY12 - FY14 Actual Revenues				Category	FY14 - FY15 Budgets				FY16 - FY19 Projctions				
FY12 Actual	FY13 Actual	FY14 Actual		Revenues	FY14 Adopted Bgt	FY15 Adopted Bgt			FY16	FY17	FY18	FY19	
79.7%	79.2%	79.3%		Total Prop Taxes	80.6%	80.3%			80.8%	81.2%	81.7%	82.1%	
7.3%	7.6%	8.0%		Total: Local Receipts	6.5%	6.8%			7.1%	7.1%	7.0%	6.9%	
9.0%	9.0%	8.9%		Total: State Aid	9.0%	9.3%			8.8%	8.6%	8.3%	8.1%	
2.3%	2.2%	2.2%		Total: Free Cash - Unreserved Fund Bal.	2.2%	2.0%			1.8%	1.6%	1.5%	1.4%	
1.7%	2.0%	1.6%		Total: Other Available Funds	1.6%	1.6%			1.5%	1.5%	1.5%	1.5%	
100.0%	100.0%	100.0%		Grand Total: Revenues	100.0%	100.0%			100.0%	100.0%	100.0%	100.0%	

Town of Belmont - Expenditure Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

FY12-FY14 Actual Expenditures				Category	FY14 - FY15 Budgets				FY16 - FY19 Projections						
FY12 Actual	FY13 Actual	FY14 Actual	FY12-14 CAGR*	Expenditures	FY14 Adj. Bgt	FY15 Adj. Bgt	Change: FY14 Bgt to FY15 Bgt	% Chg. FY14 Bgt to FY15 Bgt	FY16	FY17	FY18	FY19	FY15-19 CAGR*	FY16 - 19 Assumptions	
				Fixed Costs:											
881	800	812	**-4.0%**	Overlay	812	813	1	0.1%	800	800	800	800	**-0.4%**	0%	level
1,507	1,642	1,678	**5.5%**	State Assessments	1,656	1,726	70	4.2%	1,770	1,814	1,859	1,906	**2.5%**	2.5%	incr.
5,097	5,044	4,787	**-3.1%**	Excluded Debt	4,787	4650	(137)	-2.9%	3,789	3,710	3,634	3,578	**-6.3%**	FY15 Debt sch	
206	201	196	**-2.5%**	Non-Excluded Debt	249	438	189	75.9%	611	590	576	560	**6.4%**	FY15 Debt sch	
5,303	5,245	4,984	**-3.1%**	Total Current Debt Service	5,036	5,088	52	1.0%	4,400	4,300	4,210	4,138	**-5.0%**	FY15 Debt sch	
				New Debt - Capital Projects - $500K in 5-yr bonds in FY16 & FY17					120	236	228	220		$500,000 each year in FY16 and FY17, paid off over 5 yrs.	
5,051	5,282	5,634	**5.6%**	Retirement Assessment	5,634	6,024	389	6.9%	6,445	6,896	7,379	7,896	**7.0%**	7.0%	incr.
1,132	1,160	1,189	**2.5%**	Roads Override - Capital	1,189	1,284	95	8.0%	1,249	1,280	1,312	1,345	**1.2%**	2.5%	incr.
				New Addt'l Roads Capital					300	308	315	323		2.5%	incr.
				New Sidewalks Capital					200	205	210	215		2.5%	incr
927	939	852	**-4.1%**	Minuteman Assessment	852	751	(101)	-11.8%	862	905	950	997	**7.3%**	5.0%	incr. $111K in FY16 plus 5%
				Minuteman Debt Excl.					-	-	300	300		MM Cap. Proj.	
14,801	15,068	15,149	**1.2%**	**Total: Fixed Costs**	15,180	15,686	506	3.3%	16,146	16,743	17,564	18,140	**3.7%**		
				Operating Budgets-Town											
15,659	16,225	17,423	**5.5%**	Salary & wages	17,646	18,330	684	3.9%	18,330	18,930	19,544	20,174	-		
				COLA & Steps/Merit/Degr Incr.					599	614	630	645	-		
15,659	16,225	17,423	**5.5%**	Sub-tot: Sal. & Wages	17,646	18,330	684	3.9%	18,930	19,544	20,174	20,819	**3.2%**	2.7% Incr.	
3,629	3,544	3,171	**-6.5%**	Health Insurance	3,619	3,634	15	0.4%	3,725	3,911	4,107	4,312	**4.4%**	5.0%	FY16 2.5%, FY17-19 5%
407	389	387	**-2.4%**	Other Employee Benefits	532	482	(50)	-9.4%	496	511	527	542	**3.0%**	3.0%	Incr.
683	702	805	**8.5%**	Energy	860	945	85	9.9%	992	1,042	1,094	1,149	**5.0%**	5.0%	Incr.
2,239	2,203	2,188	**-1.1%**	Waste Coll/Disposal/Recycl	2,366	2,366	(0)	0.0%	2,366	2,390	2,461	2,535	**1.7%**	FY17-1% incr /FY18-19 - 3%	
3,603	4,488	4,713	**14.4%**	Dept. Operating Expenses	4,567	4,772	205	4.5%	4,891	5,014	5,139	5,267	**2.5%**	2.5%	Incr.
553	713	665	**9.6%**	Major Equipment/Capital	644	689	46	7.1%	689	689	689	689	**0.0%**	0%	level
26,773	28,264	29,352	**4.7%**	**Total: Town Operating Bgts**	30,234	31,219	984	3.3%	32,090	33,101	34,190	35,314	**3.1%**		

Town of Belmont - Expenditure Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

				Operating Budgets-School											
26,094	27,315	28,576	**4.6%**	Salary & wages: Base	28,728	30,156	1,428	5.0%	30,154	32,023	33,652	35,333	**4.0%**		
882	1,295	1,016	**7.3%**	Non-Base/Temp Salaries	899	1,065	166		1,192	1,192	1,222	1,252	**4.1%**	2.5%	Incr.
-	-			COLA & Steps/Degrees Incr.			-		1,219	1,304	1,356	1,410		4.0%	Incr.
-	-			Enrollment Increases/staffing			-		650	325	325	325		FY16 10.0 fte, FY17-19 5.0 fte/yr	
26,976	28,610	29,592	**4.7%**	Sub-tot: Sal. & Wages	29,627	31,221	1,594	5.4%	33,215	34,844	36,555	38,321	**5.3%**		Incr.
5,229	5,121	5,340	**1.1%**	Health Insurance	5,275	5,461	186	3.5%	5,657	5,970	6,299	6,644	**5.0%**	5.0%	FY16 2.5%, FY17-19 5%, & new FTEs
587	731	633	**3.9%**	Other Employee Benefits	805	839	34	4.2%	864	890	917	944	**3.0%**	3.0%	Incr.
1,219	1,353	1,343	**5.0%**	Energy	1,433	1,205	(228)	-15.9%	1,265	1,329	1,395	1,465	**5.0%**	5.0%	Incr.
3,334	2,946	2,994	**-5.2%**	Special Educ. Tuitions	3,098	3,123	25	0.8%	3,765	4,029	4,311	4,612	**10.2%**	7.0%	Incr. Plus FY15 Lost LABB Credits
812	715	922	**6.6%**	Special Educ - Transp.	903	840	(63)	-7.0%	1,045	1,118	1,196	1,280	**11.1%**	7.0%	Incr.plus FY15 shrtfall
501	658	824	**28.3%**	Special Ed - Contr. Svcs./Spec.	482	550	68	14.1%	975	1,043	1,116	1,194	**21.4%**	7.0%	+ 425K in FY16
2,675	2,706	2,827	**2.8%**	Dept. Operating Expenses	2,570	2,700	130	5.0%	2,767	2,836	2,907	2,980	**2.5%**	2.5%	Incr.
250	244	68	**-47.8%**	Equipment	156	217	61	39.2%	217	217	217	217	**0.0%**	0%	level
41,583	43,084	44,543	**3.5%**	**Total: School Operating Bgt.**	44,349	46,156	1,807	4.1%	49,770	52,275	54,912	57,657	**5.7%**		
				Undistributed Expenditures											
308	335	346	**6.0%**	Other Insurance (Liab/Fire)	364	401	38	10.4%	433	468	506	546	**8.0%**	8.0%	Incr.
-	-	-		Reserve Fund	400	400	-	0.0%	400	400	400	400	**0.0%**	0%	level
1,240	1,422	1,222	**-0.7%**	Pay-As-We-Go Capital	1,222	1,395	173	14.1%	1,012	1,012	1,012	1,012	**-7.7%**	FY16 = FY15 less 1-time revenue items	
1,548	1,757	1,568	**0.6%**	**Total: Undistributed**	1,986	2,196	210	10.6%	1,845	1,880	1,918	1,958	**-2.8%**		
84,705	88,173	90,613	**3.4%**	**Total Expenditures**	91,749	95,256	3,508	3.8%	99,851	104,000	108,584	113,069	**4.4%**		

Town of Belmont - Expenditure Detail - FY12-14 Actuals, FY15 Budget, and FY16-19 Estimates - Amounts in (000)

Summary

FY12-FY14 Actual Expenditures					FY14 - FY15 Budgets				FY16 - FY19 Projctions				
FY12 Actual	FY13 Actual	FY14 Actual	FY12-14 CAGR*	Expenditures	FY14 Adj. Bgt	FY15 Adj. Bgt	Change: FY14 to FY15	% Chg. FY14 to FY15	FY16	FY17	FY18	FY19	FY15-19 CAGR*
14,801	15,068	15,149	1.2%	**Total: Fixed Costs**	15,180	15,686	506	3.3%	16,146	16,743	17,564	18,140	3.7%
26,773	28,264	29,352	4.7%	**Total: Town Operating Bgts**	30,234	31,219	984	3.3%	32,090	33,101	34,190	35,314	3.1%
41,583	43,084	44,543	3.5%	**Total: School Operating Bgt.**	44,349	46,156	1,807	4.1%	49,770	52,275	54,912	57,657	5.7%
1,548	1,757	1,568	0.6%	**Total: Undistributed**	1,986	2,196	210	10.6%	1,845	1,880	1,918	1,958	-2.8%
84,705	88,173	90,613	3.4%	**Total Expenditures**	91,749	95,256	3,508	3.8%	99,851	104,000	108,584	113,069	4.4%

Expenditure Categories as a Percentage of Total Budget

FY12 Actual	FY13 Actual	FY14 Actual		Category	FY14 Approved Budget	FY15 Adj. Bgt			FY16	FY17	FY18	FY19
17.5%	17.1%	16.7%		**Total: Fixed Costs**	16.5%	16.5%			16.2%	16.1%	16.2%	16.0%
31.6%	32.1%	32.4%		**Total: Town Operating Bgts**	33.0%	32.8%			32.1%	31.8%	31.5%	31.2%
49.1%	48.9%	49.2%		**Total: School Operating Bgt.**	48.3%	48.5%			49.8%	50.3%	50.6%	51.0%
1.8%	2.0%	1.7%		**Total: Undistributed**	2.2%	2.3%			1.8%	1.8%	1.8%	1.7%
100.0%	100.0%	100.0%		**Total Expenditures**	100.0%	100.0%			100.0%	100.0%	100.0%	100.0%

Town of Belmont - Actual Revenues and Expenditures - FY10-14 - Summary

amounts in thousands (000)

Previous Fiscal Years						Revenues
FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY10-14 CAGR*	
64,371	67,858	69,127	71,245	73,589		Property Taxes - Base
						Property Taxes - Debt Exclusion
						Allowable 2 1/2% Incr. (on base)
						New Growth
64,371	67,858	69,127	71,245	73,589	3.40%	Total Property Taxes
5,572	6,063	6,335	6,837	7,434	7.48%	Local Receipts
7,191	7,929	7,777	8,064	8,304	3.66%	State Aid
1,323	1,000	2,000	2,000	2,000	10.88%	Free Cash-Unreserved Fnd Bal
1,727	1,773	1,452	1,790	1,465	-4.03%	Other Available Funds
$ 80,184	84,623	86,691	89,936	92,792	3.72%	Total Available Revenues
-	*4,439*	*2,068*	*3,245*	*2,856*		*$ change from prior year*
	5.5%	*2.4%*	*3.7%*	*3.2%*		*% change from prior year*

***CAGR = Cumulative Annual Growth Rate**

Notes: Revenues: **- Source of FY10-FY13 actual revenues are Department of Revenue (DOR) Tax Recap Sheets from each fiscal year.**

- FY14 Actual revenues are from Town of Belmont financial and budget r

Expenditures: **- Source of FY10-14 actual expenditures are Town of Belmont financial reports for each fiscal year.**

Town of Belmont - Actual Revenues and Expenditures - FY10-14 - Summary

amounts in thousands (000)

FY10-FY14 Actual Expenditures						Expenditures
FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY10-14 CAGR*	
						Fixed Costs
800	800	881	800	812	0.38%	Overlay
1,507	1,488	1,507	1,642	1,678	2.72%	Intergov. Assessments (State)
4,978	5,955	5,303	5,245	4,984	0.03%	Current Debt Service
4,355	4,564	5,051	5,282	5,634	6.65%	Retirement
1,077	1,104	1,132	1,160	1,189	2.50%	Roads Override
806	751	927	939	852	1.39%	Minuteman Assessment
13,524	14,663	14,801	15,068	15,149	2.88%	**Sub-Total Fixed Costs**
						Operating Budgets-Town
15,203	15,622	15,659	16,225	17,423	3.47%	Salary & wages
3,852	3,949	4,036	3,933	3,558	-1.96%	Health Insur. & Oth. Ben.
6,889	7,388	7,078	8,106	8,371	4.99%	Other Expenses
25,945	26,958	26,773	28,264	29,352	3.13%	**Sub-Total Town:**
						Operating Budgets-School
25,753	25,446	26,976	28,610	29,592	3.54%	Salary & wages
5,539	5,853	5,816	5,852	5,973	1.90%	Health Insur. & Oth. Ben.
7,907	8,455	8,790	8,622	8,978	3.23%	Other Expenses
39,198	39,754	41,583	43,084	44,543	3.25%	**Sub-Tot: Schools**
						Undistributed Expend. -Other
279	263	308	335	346	5.57%	Other (Liab. Ins, Reserve Fd, Other)
681	956	1,240	1,422	1,222	15.74%	Capital: Pay-as-we-Go
960	1,219	1,548	1,757	1,568	13.06%	**Sub-Total: Undistributed**
79,626	82,594	84,705	88,173	90,613	3.28%	**Total Expenditures**
	2,968	2,111	3,469	2,440		$ change from prior year
	3.7%	2.6%	4.1%	2.8%		% change from prior year
558	2,029	*1,986*	*1,762*	*2,179*		**Difference: Revenues less Expenditures**

Town of Belmont - Revenues Detail - FY10-14 Actuals - Amounts in (000)

FY10 - FY14 Actual Revenues						Category
FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY10-14 CAGR*	Revenues
64,371	**67,858**	**69,127**	**71,245**	**73,589**	**3.40%**	**Total Prop Taxes**
-	3,487	1,269	2,118	2,344		*Amount Change from Prior Year actual*
	5.42%	1.87%	3.06%	3.29%		*% Change from Prior Year actual*
						Local Receipts
2,508	2,858	2,661	2,839	3,077	**5.24%**	Motor Vehicle Excise
39	-	172	185	196	**49.73%**	Meals Tax & Other
177	212	189	379	390	**21.84%**	Penalties and Interest on Taxes
34	36	37	29	47	**8.43%**	Payments in Lieu of Taxes
2,758	**3,106**	**3,059**	**3,432**	**3,710**	**7.69%**	**sub-total: Other Taxes**
320	**379**	**551**	**694**	**803**	**25.86%**	**Charges for Svc - Ambulance**
138	**145**	**145**	**145**	**176**	**6.27%**	**Department Fees**
45	42	42	43	38	**-4.14%**	Other Dept. Revenue - Library
132	138	131	131	136	**0.75%**	Other Dept. Revenue - Cemetary
684	737	800	792	755	**2.50%**	Other Dept. Revenue - Recreation
241	197	224	237	238	**-0.31%**	Other Dept. Revenue - All Other
1,102	**1,114**	**1,197**	**1,203**	**1,167**	**1.44%**	**sub-total: Other Dept. Revenue**
39	37	42	44	49	**5.87%**	Licenses & Permits - Selectmen
44	48	48	51	52	**4.32%**	Licenses & Permits - Town Clerk
-	15	39	48	42	**40.95%**	Street Opening Permits - DPW
90	90	91	96	78	**-3.51%**	Licenses & Permits - Police
562	733	851	794	950	**14.03%**	Licenses & Permits - Building
735	**923**	**1,071**	**1,033**	**1,171**	**12.36%**	**sub-total: Licenses and Permits**
125	127	118	139	172	**8.31%**	Fines and Forfeits - Parking
44	34	41	46	53	**4.76%**	Fines and Forfeits - All Other
169	**161**	**159**	**185**	**225**	**7.42%**	**sub-total: Fines & Forfeits**
350	**235**	**153**	**145**	**182**	**-15.08%**	**Earnings on Investments**
5,572	**6,063**	**6,335**	**6,837**	**7,434**	**7.48%**	**Total: Local Receipts**
	491	272	502	598		*Amount Change from Prior Year actual*
	8.81%	*4.49%*	*7.92%*	*8.74%*		*% Change from Prior Year actual*
						State Aid
4,512	5,541	5,571	5,724	5,865	**6.78%**	School Aid - Ch 70
538	383	383	383	383	**-8.14%**	MSBA Reimbursement (Chenery Sch)
50	10	8	8	24	**-16.76%**	Charter School Reimb.
1,989	1,910	1,772	1,910	1,955	**-0.43%**	General Municipal Aid
36	21	-	-	-		Police Career Incentive
66	61	-	-	-		Exemption Reimbursement
-	3	34	18	21	**91.29%**	Veterans' Benefits

** CAGR = Cumulative Annual Growth Rate*

Town of Belmont - Revenues Detail - FY10-14 Actuals - Amounts in (000)

-	-	9	21	56	**149.44%**	Loss of Taxes - Veterans/Blind/Surv. Sp.
7,191	**7,929**	**7,777**	**8,064**	**8,304**	**3.66%**	**Total: State Aid**
	738	*(152)*	*287*	*240*		*Amount Change from Prior Year actual*
	10.26%	*-1.92%*	*3.69%*	*2.98%*		*% Change from Prior Year actual*
						Other Available Funds
1,323	**1,000**	**2,000**	**2,000**	**2,000**		Free Cash - Apply to Operating Bgt
1,323	**1,000**	**2,000**	**2,000**	**2,000**	**10.88%**	**Unreserved Fund Bal. -Free Cash**
450	450	125	235	235	**-14.99%**	Fund Bal.- Abatemnt/Exempt. Overlay
650	650	650	650	650		Trf. from Light Dept for Tax Red. (Pilot)
158	158	158	158	160	**0.31%**	Trf. from Water for Operating Costs
125	125	125	125	127	**0.40%**	Trf. From Sewer for Operating Costs
31	30	122	122	65	**20.33%**	Trf. From Leftover Prior Yrs Capital Items
100	100	100	100	100		Capital Endowment Fd. - Spec. Proj.
213	260	172	400	128	**-11.95%**	All Other Available Funds
1,727	**1,773**	**1,452**	**1,790**	**1,465**	**-4.03%**	**Sub-total : Non-Free Cash Avail Fds**
3,050	**2,773**	**3,452**	**3,790**	**3,465**	**3.24%**	**Total: Other Available Funds**
	(277)	*679*	*338*	*(325)*		*Amount Change from Prior Year actual*
	-9.08%	*24.49%*	*9.79%*	*-8.58%*		*% Change from Prior Year actual*
80,184	**84,623**	**86,691**	**89,936**	**92,792**	**3.72%**	**Grand Total: Revenues**
	4,439	*2,068*	*3,245*	*2,856*		*Amount Change from Prior Year actual*
	5.5%	*2.4%*	*3.7%*	*3.2%*		*% Change from Prior Year actual*

Summary by Revenue Category

FY10 - FY14 Actual Revenues						Category
FY10 Actual	**FY11 Actual**	**FY12 Actual**	**FY13 Actual**	**FY14 Actual**		**Revenues**
64,371	**67,858**	**69,127**	**71,245**	**73,589**		**Total Prop Taxes**
5,572	**6,063**	**6,335**	**6,837**	**7,434**		**Total: Local Receipts**
7,191	**7,929**	**7,777**	**8,064**	**8,304**		**Total: State Aid**
1,323	**1,000**	**2,000**	**2,000**	**2,000**		**Total: Free Cash - Unreserved Fund Bal.**
1,727	**1,773**	**1,452**	**1,790**	**1,465**		**Total: Other Available Funds**
80,184	**84,623**	**86,691**	**89,936**	**92,792**		**Grand Total: Revenues**
	4,439	***2,068***	***3,245***	***2,856***		***$ Change from prior year actual***
	5.5%	***2.4%***	***3.7%***	***3.2%***		***% Change from prior year actual***

** CAGR = Cumulative Annual Growth Rate*

Town of Belmont - 5 Year Expenditure History - FY10-FY14 - Amounts in (000)

FY10-FY14 Actual Expenditures						Category
FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY10-14 CAGR*	Expenditures
						Fixed Costs:
800	800	881	800	812	0.38%	Overlay
1,507	1,488	1,507	1,642	1,678	2.72%	State Assessments
4,978	5,955	5,097	5,044	4,787	-0.97%	Excluded Debt
-	-	206	201	196		Non-Excluded Debt
4,978	5,955	5,303	5,245	4,984	0.03%	Total Current Debt Service
4,355	4,564	5,051	5,282	5,634	6.65%	Retirement Assessment
1,077	1,104	1,132	1,160	1,189	2.50%	Roads Override - Capital
806	751	927	939	852	1.39%	Minuteman Assessment
13,524	14,663	14,801	15,068	15,149	2.88%	**Total: Fixed Costs**
						Operating Budgets-Town
15,203	15,622	15,659	16,225	17,423	3.47%	Salary & wages
3,398	3,503	3,629	3,544	3,171	-1.71%	Health Insurance
454	446	407	389	387	-3.92%	Other Employee Benefits
675	718	683	702	805	4.51%	Energy
2,225	2,284	2,239	2,203	2,188	-0.42%	Waste Coll/Disposal/Recycl
3,512	3,899	3,603	4,488	4,713	7.63%	Dept. Operating Expenses
478	487	553	713	665	8.62%	Major Equipment/Capital
25,945	26,958	26,773	28,264	29,352	3.13%	**Total: Town Operating Bgts**

Town of Belmont - 5 Year Expenditure History - FY10-FY14 - Amounts in (000)

						Operating Budgets-School
25,753	25,446	26,094	27,315	28,576	2.63%	Salary & wages: Base
		882	1,295	1,016		Non-Base/Temp Salaries
25,753	25,446	26,976	28,610	29,592	3.54%	Sub-tot: Sal. & Wages
4,996	5,231	5,229	5,121	5,340	1.68%	Health Insurance
543	623	587	731	633	3.90%	Other Employee Benefits
1,152	1,297	1,219	1,353	1,343	3.92%	Energy
3,077	3,628	3,334	2,946	2,994	-0.68%	Special Educ. Tuitions
764	815	812	715	922	4.82%	Special Educ - Transp.
390	397	501	658	824	20.55%	Special Ed - Contr. Svcs./Spec.
2,407	2,129	2,675	2,706	2,827	4.10%	Dept. Operating Expenses
117	189	250	244	68	-12.65%	Equipment
39,198	39,754	41,583	43,084	44,543	3.25%	**Total: School Operating Bgt.**
						Undistributed Expenditures
279	263	308	335	346	5.57%	Other Insurance (Liab/Fire)
-	-	-	-	-		Reserve Fund
681	956	1,240	1,422	1,222	15.74%	Pay-As-We-Go Capital
960	1,219	1,548	1,757	1,568	13.06%	**Total: Undistributed**
79,626	82,594	84,705	88,173	90,613	3.28%	**Total Expenditures**

** CAGR = Cumulative Annual Growth Rate*

Summary

FY10-FY14 Actual Expenditures						Expenditure Categories
FY10 Actual	**FY11 Actual**	**FY12 Actual**	**FY13 Actual**	**FY14 Actual**		
13,524	14,663	14,801	15,068	15,149		**Total: Fixed Costs**
25,945	26,958	26,773	28,264	29,352		**Total: Town Operating Bgts**
39,198	39,754	41,583	43,084	44,543		**Total: School Operating Bgt.**
960	1,219	1,548	1,757	1,568		**Total: Undistributed**
79,626	82,594	84,705	88,173	90,613		**Total Expenditures**
-	-	-	-	-		