

Belmont Warrant Committee Meeting Minutes
FINAL
April 21, 2010, 7:30 p.m.
Chenery Middle School Community Room

Present: Vice Chair Allison, Becker, Brusch, Callanan, Dash, Epstein, Manjikian, McLaughlin, Millane, Smith; BOS Chair Jones; School Committee Chair Rittenburg

Town Administrator Younger, Assistant Town Administrator Conti, Town Accountant Hagg, Superintendent Entwistle

Members Absent: Chair Curtis, Members Hofmann, Libenson, and Lynch

The meeting was called to order at 7:31 pm by Vice Chair Allison.

Vice Chair Allison began by noting that the evening's agenda would include an available revenue split conversation with three short presentations: BOS Chair Jones, Selectman Paolillo, and Superintendent Entwistle.

Split Discussion

BOS Chair Jones began by saying that he felt it was important to present data which supports the fact that the town has been losing employees year after year. He acknowledged that the sacrifice has been shared, but not shared equally. The town's budget has been more flat compared to the school budget. Also, the number of school employees has grown, while the number of town employees has decreased. The town side feels that their work load has increased, while personnel has gone down. Department heads are frustrated because free cash comes from the town side, but gets split with the school side. He noted that compensation (e.g., salary and health insurance) are the biggest cost issues to get under control and, until we do so, he said, the town will continue to face yearly deficits.

Selectman Paolillo noted that he was asked to work with Town Administrator Younger and the school department to understand the available revenue split. He said he went through the town budget carefully to see if additional funds could be found to help the school out with its significant shortfall. The town offered two components: \$60K from an overtime account and maybe \$40K from as yet unidentified sources – perhaps reducing the Capital Budget (certain projects there could be deferred for another year). There is also another \$200K from the Capital Budget (which would impact school projects). When the \$200K from the Capital Budget is added to the \$60K and \$40K noted above, the total is \$300K offered from the town to offset school reductions.

Dr. Entwistle noted that the student needs based budget is what is necessary and anything less than that will not adequately meet the needs of the students. He said while he will not question the split, he will remain a chief advocate for the schools. Regarding

restoration, he said that, with \$600K, he would restore 25% of the reductions in places where they would have the greatest impact, including some teaching positions across the board. SC Chair Rittenburg stated that the role of the SC is to advocate for the needs of the schools and its position remains firm that the student needs budget in full is necessary to meet student needs. She said she had been hopeful that a program-based budgeting approach would avoid resorting to a split without examining specific programs.

Vice Chair Allison recapped the highlights of the March 24 WC split discussion. The WC, she said, began by asking if there were any general principles to apply and ended up with 2.5 principles:

1. respect TM's past allocations
2. discourage the use of one-time revenue for recurring expenses, as it does not work well to use one time money in long term commitment areas
- 2.5. try not to reduce the dollar level from last year's budget, unless it has been determined as a matter of strategy.

In looking at the FY11 revenue, the town has \$3M more this year than last year. The WC split the new money the same way TM split it last year. The WC looked at one-time grants and saw that the town had no expectation of one-time grant money, while the schools had a potential of \$634K. Also, the schools had \$1.7M in FY10 stimulus money, which did not recur this year. SC Chair Rittenburg explained that the Governor corrected Chapter 70 longtime under-funding to Belmont and that one-time money was allocated again in FY11 as Chapter 70. She said it would have been more logical to take TM's allocation including the stimulus funding. Vice Chair Allison replied that it was unclear that, when TM allowed stimulus funding to go to the schools, that TM wanted to fundamentally change the split allocation going forward.

Member Millane said she is not sure how the school budget can be sustained, as Belmont already pays a lot in taxes relative to other towns. Member Becker asked what the needs of the students that we are required by law to meet are, and whether that has become a larger percentage over the last 10 years. Dr. Entwistle replied that, yes, there have been big changes in last 10 years in student needs, requiring positions that never existed before. He said that Belmont is inundated with mandates, standards, and requirements that require additional staffing. Member McLaughlin noted that if the Schools are asking for more money – it's a zero sum game. We will be forfeiting either school teachers or policemen. No one will get the funding they need. Member Smith noted that the March 24 split discussion led to a "preliminary" split which was intended to be a starting point. This year, he said, the split impacted the schools more than the town.

Member Dash wondered what specifically would be added to the schools and what would be cut from the town using the \$300K amount. Member Epstein noted that, by offering the schools \$300K from the town side, this makes the split effectively what is was in FY10.

The WC discussed issues relating to the available revenue split.

Vice Chair Allison said that there are basically four alternatives on the table and that she would like to take a straw vote on those alternatives.

- learn more about the items on the margin by Monday evening – 4 voted for this
- keep the split as it is -1 voted for this
- take Selectman Paolillo's proposal of moving \$300K to school side - 6 voted for this
- increase the split

SC Chair Rittenburg said that TM members should weigh in on this decision, as amendments on the floor could adjust money allocations. Vice Chair Allison said that TM will receive a budget report at TM on Wednesday evening. Member Bruschi said that she agrees with SC Chair Rittenburg that TM will need to discuss the override budget and be able to speak about it. Town Moderator Widmer said (from the audience and at the invitation of the Vice Chair) that it is late in the game to schedule a full blown budget discussion.

Vice Allison Chair Allison said that at 5:30 on Wednesday, the WC will discuss how moving more than \$300K would impact the town side and what would be restored on the school side (in \$100K increments).

Subcommittee Reports Discussion

Vice Chair Allison said that the WC will have to produce a report for TM and that it needs to be useful, readable, and finished. She said that subcommittees should be ready to plug in the override numbers, once they are firm. Reports, she said, will be due May 5.

Member McLaughlin moved to adjourn at 9:11 pm.

Submitted by Lisa Gibalerio
WC Recording Secretary