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**BELMONT WARRANT COMMITTEE MEETING MINUTES  
JOINT WITH BOARD OF SELECTMEN, SCHOOL COMMITTEE, CAPITAL  
BUDGET COMMITTEE  
MARCH 4, 2019, 7:00PM  
SELECTMEN'S MEETING ROOM**

Present: Chair Epstein, Vice-Chair Slap; Members Alcock, Crowley, Dionne, Fallon, Halston, Lubien, McLaughlin, Read, Rickter, Schreiber, and Weis.  
School Committee Liaison Norton.  
Selectmen Dash. Town Administrator Garvin.

This was a joint meeting to view and discuss the FY20 budget presentations from both the Town (Town Administrator Garvin) and School (Superintendent John Phelan). The meeting was called to order at 7:28pm by Chair Epstein.

***Town FY20 Budget Presentation and Discussion***

Town Administrator (TA) Garvin gave a presentation of the Town's FY20 budget. Some points covered were: noting good financial management from the FY15 override, which saw it last for 5 years; changes to the format of the budget book; assumptions used, including incorporation of the Collins Center recommendations concerning Water/Sewer enterprise funds and local receipts; budget priorities; unfunded supplementary requests.

She noted that as of FY20 the stabilization fund from the 2015 override would be fully exhausted. Going forward, maintaining a 10% level of undesignated fund balances (liquidity) would be crucial for the Town's bond rating, which had an impact on the cost of borrowing for recent large scale projects such as the new 7-12 School. Finally, some key strategies for future budgets issues included work of the Financial Task Force II, establishing Recreation enterprise funds, pursuing grants to take pressure of operating budgets, 2020 collective bargaining, and pursuing regional opportunities.

[Open for questions/comments.]

- *Member Weis*: Need to communicate to the public the fact that increases to the budget were driven in part by the debt exclusion for the new school and not entirely by increases to the operating budget.
  - o TA Garvin agreed, expressing it was a challenge to draft the budget message, and that she would continue to work on it.
- *Anne Marie Mahoney (Chair, Capital Budget Committee)*: The Capital Budget Committee objects to putting the DPW/Police Station project into the capital budget, implying a 52% increase in funds, which is deceptive; discretionary funds had only increased by 2.5%. This should be called out in the budget more clearly, otherwise would be difficult to communicate to public/Town Meeting.
- *Tom Caputo (Board of Selectmen)*: Appreciate the changes, but it can make it hard

- for the public to understand comparisons year-over-year. Suggest calling out one-time/unusual changes that would allow for easier comparisons across years.
- *Chair Epstein*: Thanks for the masterful summary of the budget. The Warrant Committee received the materials on Friday, so was not able to digest fully. Seems that the process was delayed this year and could TA Garvin speak to this.
    - o TA Garvin said there were some scheduling issues, and she wanted to make sure the numbers presented were correct; she would aim to improve on the process for next year. Selectmen Dash noted this was her first year taking over the budget process.
  - *Mark Paolillo (Board of Selectmen)*: Any sense of how the projected State aid will come in? What about projected new growth?
    - o TA Garvin said State aid projected at ~3%; Selectmen Dash had recently attended a regional meeting where this number was discussed as well. The \$740k in new growth was based on the recommendation from the Board of Assessors.
  - *Chair Epstein*: With respect to certain assumptions about revenue (\$2.6m semi-recurring; increased vehicle excise), what are the implications for Free Cash/undesigned balances if these projections fall short?
    - o TA Garvin said the \$2.6m was comprised of parking meter revenue plus capturing costs from the Water and Sewer Enterprise Funds (Collins Center recommendation). Her conversations with Town Treasurer Carman indicated that the Free Cash guidelines would hold up this year.
  - *Member Fallon*: Important to communicate with the public (especially in anticipation of a possible future override) that this is a level service budget and still an increase of 4.4%; i.e., an assumption of 2.5% increase to maintain the same level of services is not realistic.
  - *Tom Caputo (Board of Selectmen)*: Great to see health care costs as a separate line item – are there thoughts on how to limit future increases?
    - o TA Garvin noted the Insurance Advisory Committee was discussing strategies at a meeting tomorrow. The Town’s benefit levels had not kept up with the State GIC plan; matching the GIC plan would help control costs. Such changes would require negotiation with the unions. The Town should look at a policy for making contributions to the health insurance trust fund in years with no increases.
    - o Member Lubien raised a request from the pension/OPEB subcommittee to have retiree health care costs called out; TA Garvin confirmed they were called out in the budget.

The budget book would be posted online for the public tomorrow.

### ***School FY20 Budget Presentation and Discussion***

Superintendent John Phelan gave a presentation of the School’s FY20 budget. Absent the key factors of increased enrolment, rising health insurance costs, and fulfilling English Language Learning (ELL) requirements, the budget had increased by 3.5%. The latest enrolment numbers were exactly in line with projections; middle school class sizes were in

excess of class size guidelines. The budget was planned around increased enrolment in a way that continued to incrementally address the problem – this year’s budget proposed adding 3.6 FTEs. ELL requirements were State mandated and around 10% of the school population fell into this category.

Other topics addressed in the presentation included: proposed bills in the State legislature that would change the funding formula for schools; three year revolving fund for special education; athletic fees had not been raised in five years, may be something to look at going forward; need for more guidance counsellors/social workers; next steps in the budget process (this was the first draft).

[Open for questions/comments.]

- *Member Crowley:* If projected enrolments continue to materialize, are we making progress towards reducing class sizes?
  - o Superintendent Phelan said class sizes at the elementary level were stable, the largest wave of students was currently in grades 5-8; would need to continue to add staff incrementally to address middle school and future high school class sizes.
- *Member Fallon:* With the new 7-12 school, is there an investment plan (physical plant and staffing) for grade reconfiguration?
  - o With respect to the physical plant, Superintendent Phelan said the changes were outlined in the SMA report, therefore requirements are known; with respect to staffing, there is a projected plan for the realignment with existing staff, still necessary to identify gaps and work towards filling them.
- *Mark Paolillo (Board of Selectmen):* 1) Simple calculation shows that for Belmont to spend at the State average would require an additional \$11.3m. 2) What is the reason for the decline in out-of-district placements? 3) Having 1 social worker for 4,900 students does not seem adequate.
  - o In reply to point 2), Superintendent Phelan explained the decline was due to where the students are in the progression.
- *Member Dionne:* 1) With the new school, are there plans for additional programming that would help keep out-of-district students in-district? 2) What are the additional requirements recently imposed for ELL, and was any funding provided to assist with meeting these requirements?
  - o Superintendent Phelan responded: 1) Yes, there would be additional space at the new school for SPED programs and freed up space at Chenery. 2) The ‘Look Bill’ which established the new ELL requirements included 2-3 testing sessions per year and substantial reporting. No additional funding was provided.
- *Chair Epstein:* What is the forecast for the number of ELL students, and how long do they typically stay in the program?
  - o Superintendent Phelan: The MSBA/McKibben projections did not address the ELL population because it is too hard to predict. Majority of ELL services are provided in elementary/middle school and students are usually transitioned off by the end of middle school.

- *Tom Caputo (Board of Selectmen):* Any comments on the proposed legislation to change the funding formula for schools?
  - o Superintendent Phelan thought that the changes would be favorable to Belmont, but noted there were several different versions of the bill, and it depended on what ultimately was brought to a vote.

School Committee Chair Susan Burgess-Cox thanked Superintendent Phelan, Tony DiCologero and TA Garvin for their work on the budget. The budget booklet had been posted online last week or was available in paper form on request.

### *Adjournment*

*Motion (Member McLaughlin): To adjourn. Motion passed.*

Submitted by  
Christopher S. Henry