

BELMONT WARRANT COMMITTEE MEETING MINUTES
DECEMBER 13, 2017, 7:30 P.M.
CHENERY COMMUNITY ROOM

JAN 25 PM 2:08

Present: Chair Epstein; Members Alcock, Crowley, Dionne, Doyle, Fallon, Fiore, Gammill, Helgen, Libenson, Lisanke, Lubien, McLaughlin, Schreiber, Slap, and Weis

Members Absent: BOS Chair Williams

The meeting was called to order at 7:33 pm by Chair Epstein.

Chair Epstein began by reviewing the evening's agenda.

Free Cash Update

Chair Epstein began by reporting the July 1, 2017 Free Cash certification was for \$5 million. The certification was made on November 8, 2017 but only just distributed to the Warrant Committee and Town Meeting members.

Chair Epstein noted that the \$1 million appropriated to the General Stabilization Fund by Town Meeting in June should be added back to the certified Free Cash amount for apples-to-apples comparisons with Free Cash in earlier years. On this basis, the recent trend in Free Cash is (2017) \$6.6 million, (2016) \$7.1 million, (2015) \$7.6 million. Free Cash therefore appears to be declining by roughly \$500,000 per year, for the past couple of years.

Member Weis asked for clarification of how the certified Free Cash number relates to any targets the town has for the amount of Free Cash. Chair Epstein explained that the Warrant Committee uses a Free Cash guideline of 3% to 5% of the operating budget.

There was a brief discussion of how the change in Free Cash is determined as the net effect of unbudgeted changes in revenue and unbudgeted changes in expenses.

Member Libenson reviewed certified Free Cash going back to 2009. The number increased each year, rising from \$2.7 million in 2009 to \$7.6 million in 2015, although there is some fluctuation.

Chair Epstein said that the Free Cash a few years ago seemed quite high, considering that the budget was lower, and that the current level did not raise any immediate alarm. He would like the Warrant Committee to take a more detailed look at the factors (revenues, expenses, and turnbacks) that account for the July 2017 number.

Chair Epstein then brought up the fact that new growth will be significantly impacted by increased assessments for the new Belmont Light substation and further completion of the Belmont Uplands residential development. He reported that these assessments were

only finalized very recently and reported to the Board of Selectmen at their December 11 meeting. The fiscal impact will be approximately \$1.2 million in additional tax revenue. This revenue will be available for the FY19 budget and beyond. While the higher assessments will generate higher tax receipts for FY18, the FY18 budget will not be changed. Chair Epstein explained the issues that make it infeasible as a practical matter to change the FY18 this late in the fiscal year, including that Town Meeting must vote to approve changes in the budget, and there was some discussion among members about this. The additional revenue to be realized this year will be available for FY19, however.

Report by Education Subcommittee re meeting with School Finance Subcommittee

Members Fiore and Slap reported on discussions held by the School Finance Subcommittee on December 12. The focus was on the continued increase in enrollment and the increased demands this will place on space and required staffing. From K-12 enrollment of 3,900 in 2011, corresponding enrollment is projected to be 4,741 students in 2019. There has been a sustained average annual increase of 105 students.

Members Fiore and Slap stated the importance of collaboration of the School Committee and the Warrant Committee in finding strategies to manage the financial impact of the growth in enrollment. Chair Epstein concurred and said it would be desirable for more frequent joint meetings between the two bodies.

Chair Epstein observed that while total enrollment grew by about 15% over 2011-2017, out-of-district (OOD) placements for special-ed grew by about 30%. He wondered about the reasons for the different growth rates.

Member Dionne stated that it was desirable to avoid an OOD placement whenever possible because they are expensive. However, education of a special needs student can require a relatively large amount of physical space that may not be available, especially when the Belmont schools are nearing capacity. A student may become an OOD placement because of Belmont space constraints. This could be one reason for the observed increase.

Chair Epstein was hopeful that a new high school could alleviate some of the current capacity issues and make it possible to keep more students in-district.

Approval of Minutes

None.

Updates: Board of Selectmen and School Committee

None from BOS. None from School Committee beyond the report by Members Fiore and Slap.

Public Contributions

None.

Chair Epstein closed by informing the Committee that Member Gammill is resigning and will not attend future meetings. He thanked him for many years of devoted service, especially for chairing the Ed subcommittee of the Warrant Committee and taking responsibility for preparing the Education chapter of the Warrant Committee report, which is one of the most demanding tasks a member can perform. A round of applause expressed the Committee's appreciation and best wishes as Mr. Gammill turns his attention to helping with the Minuteman High School.

Adjournment

Member McLaughlin moved to end the meeting at 8:29 p.m.

Submitted by Roy Epstein.