

**MINUTES  
TOWN OF BELMONT  
BOARD OF SELECTMEN  
JOINT MEETING WITH THE SCHOOL COMMITTEE  
SELECTMEN'S MEETING ROOM  
Monday, February 11, 2013  
5:00 PM**

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**CALL TO ORDER**

A Joint Meeting of the Board of Selectmen and the School Committee (SC) was called to order in open session at 5:03 pm by Chair Paolillo in the Selectmen's Meeting Room. Selectmen Jones and Rojas were present. Town Administrator David Kale and Assistant Town Administrator Kellie Hebert were also present.

SC Chair Graham called the SC to order at 5:04 p.m.

School Committee Members Present: Chair Graham, Anne Lougée, Pascha Griffiths, Laurie Slap, Kevin Cunningham.

School Department Members Present: Interim Superintendent Tom Kingston, Assistant Superintendent Janice Darias, Director of Finance Anthony DiCologero.

Chair Paolillo thanked the budget team for their efforts in putting the budget together. He said he is pleased to report that the ongoing collaboration with the SC has continued this year.

Chair Graham thanked the finance subcommittee of the SC for their efforts in the budget formation.

Chair Paolillo outlined the context for the meeting noting that both Mr. Kale and Dr. Kingston will provide budget overviews.

**Town Administrator's Budget Presentation**

Mr. Kale provided a budget overview, which included the broad FY14 budget assumptions. He began with an outline of the budget process, noting that this has been a collaborative process with department heads, which began some months ago. He said revenue and expenditure estimates have been fluid, but that he has been working closely with the Superintendent, the Town Accountant, as well as working with state officials to watch closely the state and house budgets. He said that the state budget will impact local aid and therefore will impact Belmont's budget. As of right now, the amount of \$684K (potential state aid) is not being assumed into the budget.

Mr. Kale then reviewed some of the budget assumptions:

- state charges (1% increase)

- Minuteman assessment at \$858K
- Retirement assessment (6.7%)
- Capital Budget (\$200K one time allocation)
- Chapter 70 and UGGA (state aid) is basically level funded (\$39K)

Mr. Kale then reviewed revenue sources. He noted where the revenues are from – with the largest revenue source (81%) being property taxes. The next largest revenue source is state aid (8.4%). Mr. Kale explained where free cash comes from.

Chair Paolillo noted that the Town will now provide in-house Advanced Life Support (ALS) with the hope of improving EMS Services and generating future revenue to support operations. He said that there will be quarterly reporting and if it does not work in the Town's best interest, the program can be discontinued.

Mr. Kale then reviewed the expenditures by function, noting that salaries make up the largest category. He detailed the new growth amount, the use of reserves, the free cash amount, and the school reserves. Regarding free cash, it was noted that this money is not consistently replenished so it will result in budget issues in the future. Free cash also serves as a safety valve to fund unanticipated expenditures. The school department is also using school reserves to balance their budget (\$420K).

Regarding initiatives, Mr. Kale reviewed ALS, the wiring inspector services partnership with Watertown, the Recreation Department reporting change and discontinued Director position, and restructuring within the Community Development Department.

Mr. Kale reviewed several program priorities that warrant consideration for implementing, should additional funding become available:

- Additional funding for the Capital Budget
- Facilities Maintenance
- Restoring lost School positions
- Police – Adding a School Resource Officer position
- Health Department – Adding hours for a full-time youth and family services provider
- COA – Adding summer hours for the Social Worker
- Fire Department – Restoring two Firefighter positions
- Public Works – Restoring two positions

Mr. Kale reviewed the budget challenges going forward:

- Continued usage of free cash
- Stability of the Operating Budget
- Underwood Pool/Park – Will require a debt exclusion to move forward
- Library Project - \$19M project will require a debt exclusion to move forward
- Incinerator Site – Legislation has been filed to convey the land to the Town
- High School Project – School Department moving forward with MSBA process

- Minuteman – Size and scope of project is still under discussion
- DPW, Police and Skating Rink – Older facilities that will require some type of upgrade

The next steps include waiting for state budgets to be released in the spring. Again, Mr. Kale thanked the budget team.

### **Superintendent's School Committee Budget Presentation**

Dr. Kingston thanked the DPW for its help with the blizzard snow removal before moving on to his School budget overview.

He briefly reviewed the strategic goals that inform the budget priorities.

He then described several budgeting levels the proposed budget references. A “true level service” budget would be the funds needed to maintain the quality of instructional services at current levels. He informed the Board that between the current year and FY14, upwards of 200 new students are being added to the system, and noted that a new math program will need to be implemented as Chicago Math is 20 years old, so a true level service budget would need additional funds to address these changing circumstances.

Dr. Kingston next explained the “roll-ahead” budget, whereby current staffing levels will be carried forward, but no new staff positions etc. will be added. In this scenario, services for teachers and students would effectively be reduced, since the existing resources would have to be stretched over a larger set of students. Under a roll-ahead budget, there would be no funding for a new mathematics series and class sizes are likely to increase.

Under the available revenue scenario – the actual budget being put forth – almost 8 positions will need to be eliminated and instructional services across the board will need to be reduced.

He said there are no new LABBB credits if Belmont draws down the full \$190K and that using revolving funds and SPED/Circuit Breaker money will be necessary. He stated clearly that this budget requires that services are cut, i.e. 7.75 FTE positions will be reduced. The roll-ahead budget would require even larger class sizes.

Dr. Kingston then reviewed the budget assumptions regarding state funding, grant funding, athletic fees, and a freezing of fees.

Dr. Kingston stated that the major budget cost drivers include contractual salaries. He said the classic step and lane system of pay increases is clearly not sustainable, and noted that he has been in communication about this with the president of the Belmont Education Association.

Dr. Kingston noted that Special Education (“SPED”) services are mandated. He said that SPED makes up 10% of the budget and assumes no increase in FY14. However, if there are unanticipated SPED costs in FY14, it might be necessary to access the Stabilization Fund voted by Town Meeting last year.

Mr. Kale then spoke to the fact that health insurance rates will increase 9%.

The new K-5 math series is expected to cost \$250K. Chair Paolillo asked if there is a way to get private funding for this. This question was discussed. Dr. Kingston noted that there is \$100K in the Town Education Fund that potentially could be used to offset the \$250K.

Regarding the fact that student enrollment is increasing markedly, Dr. Kingston posited that some of these newly enrolled students had been attending private schools. Upwards of 100 students are projected to be added next school year, and almost that many were added this year.

Dr. Kingston noted the adjustments to expenditures necessary to meet the available revenue. There is a deficit of \$422K which would be made up for by the reduction of positions. He then reviewed what this budget cannot provide. He said the situation is dire, but that he hopes there can be some mitigation going forward.

Selectman Jones said that this is an honest appraisal of the school budget. He thanked the SC for their efforts.

Chair Paolillo concurred that while this is concerning, he said he is looking forward to working with the school department on mitigating its budget shortfalls. Selectman Jones commented on the SPED Stabilization Fund.

Selectman Rojas thanked the presenters for the clear and clean budget overviews.

Next Steps: The SC will outline this budget at its meeting tomorrow night and then again at the Warrant Committee on Wednesday night.

Chair Graham and Chair Paolillo touched base on the topic of holding Community Forum meetings going forward.

SC Chair Graham adjourned the SC meeting at 6:35 p.m.

The Board will reconvene its regular meeting in 25 minutes at 7:00 p.m.

A handwritten signature in black ink, appearing to read 'David Kale', written over a horizontal line.

Mr. David Kale, Town Administrator