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Minutes
Town of Belmont
Select Board

Beech Street Center

Monday, February 10, 2020

7:00pm

Approved by
the Select Board on:

3/2/2020

CALL TO ORDER:

A meeting of the Select Board was called to order at 7:08pm by Chair Tom Caputo. Vice Chair Adam Dash and Select Board member Roy Epstein were present. Town Administrator Patrice Garvin was present.

The meeting was to present the proposed FY21 budget, and was joint with the School Committee, Warrant Committee and Capital Budget Committee. The School Committee and Warrant Committee each called their meetings to order; the Capital Budget Committee did not have a quorum.

COMMUNITY ANNOUNCEMENTS:

[There were none.]

ACTION BY CONSENT:

Discussion on Clafflin Street Parking Passes

The Town Treasurer had submitted a request to increase the number of available monthly parking passes from 76 to 80. The item had previously been discussed at the February 3 Select Board meeting, where it was requested that Garvin follow-up with the Belmont Center Business Association and Locatelli Properties; she had done so, and both parties were agreeable to the change.

Motion: To increase the number of available monthly parking passes in the Clafflin Street Parking Lot from 76 to 80. (Vote passed 3-0)

FY21 Budget presentation by Town Administrator and School Superintendent

Town Administrator's presentation

Garvin gave a presentation covering the proposed operating budget of the Town for fiscal year 2021. The full presentation can be found here on the Town's website. The total budget of \$136m represented a 6.4% increase from FY20; this increase was largely driven by increased fixed costs, as the Town and School operating budgets showed only modest increases (0.3% and 3.1%, respectively). To balance the budget without an operating override, a combination of one-time revenues totaling \$5.6m had been identified; this extended the use of funds from the 2015 override (planned to last for three years) into its sixth year.

Following the presentation, the floor was open for comments/questions:

- *Epstein:* Provided several comments:
 - o In the cover letter, would be helpful to include prior year comparisons.

- What would be the impact of a 1% COLA increase? Would it affect the FY21 budget if a higher COLA increase was agreed upon in negotiations?
 - Garvin reiterated that the budget was presently carrying a 0% COLA, could not say more due to pending union negotiations.
- Belmont Light PILOT one-time revenue was a smart idea, however Epstein would follow-up with suggestions for modifying the payback schedule.
- Concern that if \$2.4m is left in free cash, this would be below the Town's free cash guideline. The free cash guideline needs revising as it includes secured debt exclusions, which distorts the calculation of the amount that should be kept in reserve.
- Total PILOT other than Belmont Light only \$36k – anything being done to increase this amount?
 - Garvin noted a subcommittee of the Warrant Committee was taking up this topic at present; there were also ongoing discussions with Belmont Hill School related to their newly acquired properties.
- *Michael Crowley (School Committee)*: Lot of uncertainty with respect to the \$1.35m being carried for vocational education – might make sense to plan to have a reserve fund going forward.
- *Anne Marie Mahoney (Capital Budget Committee)*: Should we include the ~\$500k in Chapter 90 road money as a part of revenue sources?
 - These funds were not included on either the revenue or cost sides of the budget at present.
- *Chris Doyle (Warrant Committee)*: Chapter 70 increase is the smallest it has been in years. Is there a sense that this is a new normal, or a result of the new foundation budget approach?
 - Garvin was not sure what the trend would be going forward. The smaller increase this year was a surprise; from a budgeting perspective, had to find an additional \$300k to make up for the difference.
- *Jack Weis (Warrant Committee)*: Use of free cash this year does not seem wildly inconsistent with past years.
 - Garvin stressed that if an override for FY22 was not approved, the amount left in free cash and the general stabilization fund would likely have to be used up, potentially with a negative impact on the Town's bond rating.
- *Chris Doyle (Warrant Committee)*: Free cash chart is misleading – should use a segmented bar to show the breakdown of the sources of free cash.
- *Anne Helgen (Warrant Committee)*: Requested clarification on the slide outlining the property tax figures over the last five years; the numbers for the base levy did not seem to carry over to the amount for the next year.
 - Budget Director Castro explained the 'Total Base Levy' figure included debt exclusions.
 - Helgen suggested to modify the slide to make the calculation more clear.

[Close comments/questions.]

School Superintendent's presentation

Next, School Superintendent Phelan presented the School's proposed FY21 budget. The full presentation can be found [here](#) on the School's website. Analysis of the budget was given from three perspectives: 1) using FY20 to inform FY21; 2) recognition of enrollment and class size issues; 3) FY21 budget planning, including cost drivers, financial highlights and budget assumptions.

Enrolment as of October 1, 2019, had increased by 65 students from the previous year, closely following the projections given by consultant McKibben Associates. This amounted to an increase of 733 students in total since 2011. The 3.1% increase to the budget from FY20 to FY21 included a *reduction* of \$1.7m in the ask for out-of-district tuitions, which would be covered using Circuit Breaker reserve funds. This was a one-time offset, and the funds would need to be replenished in FY22 to keep in line with the State's recommendations for maintaining special education reserves.

Comments/questions:

- *Jack Weis (Warrant Committee)*: Does the roll forward numbers for salaries include COLA increases?
 - o Phelan did not comment due to ongoing union negotiations.
- *Paul Roberts*: Any sense of the impact of the budget to in-district fees?
 - o Phelan: Don't plan on raising fees; budget includes breakdown of the revolving accounts.
- *Laurie Slap (Warrant Committee)*: Hope the Chapter 70 money comes in higher than expected – in that case, would need to have a discussion about where that money goes.
- *Chris Doyle (Warrant Committee)*: Nothing related to grade reconfiguration – what is the planning process?
 - o Currently there are several committees working on different aspects of grade reconfiguration. Trying to stagger the process based on when the new building comes online; projected timelines available on the School's website.
 - o Phelan stressed additional FTEs are being added incrementally, and are driven by enrollment vs reconfiguration.

[Close questions/comments.]

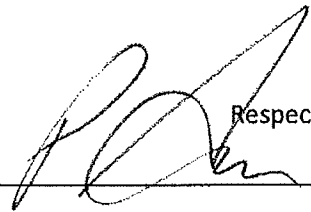
Caputo thanked those involved for the work of preparing the budget, and commented that it was remarkable to be able to stretch the previous override for another year.

Next steps involved continuing to vet the budget leading up to Town Meeting. Also, the Financial Task Force II is in process of developing a five year forecast model (using the FY21 budget numbers) to inform a potential operating override request in November of 2020. Input and vetting of this model from various groups (Warrant Committee, School Committee, Capital Budget Committee) would be key in the coming months.

The Warrant Committee and School Committee adjourned.

ADJOURNMENT:

Motion: To adjourn at 8:39pm. (Vote passed 3-0)


Respectfully Submitted,

PATRICE GARVIN, Town Administrator