

RECEIVED  
TOWN CLERK  
BELMONT, MA

2017 APR -5 PM 3:10

MINUTES  
TOWN OF BELMONT  
BOARD OF SELECTMEN  
SELECTMEN'S MEETING ROOM  
Monday, February 13, 2017  
6:00 PM

APPROVED  
BOARD OF SELECTMEN  
DATE: 04-03-2017

**CALL TO ORDER**

A joint meeting of the Board, the Warrant Committee (WC), and the School Committee (SC) was called to order in open session at 6:07 p.m. by Chair Mark Paolillo in the Selectmen's Meeting Room. Selectmen Sami Baghdady and Jim Williams were present. Town Administrator David Kale and Assistant Town Administrator Phyllis Marshall were also present.

Warrant Committee (WC) members present: Chair Epstein, Members Alcock, Dash, Crowley, Gammill, Helgen, McLaughlin, Schreiber, and Slap

Warrant Committee members absent: Libenson, Lisanke, Mennis

School Committee (SC) members present: Chair Fiore, Members Caputo, Prestwich, Shuster, Burgess-Cox

Superintendent Phelan and Finance Director Tony DiCologero

Chair Paolillo reviewed the agenda, noting that the budget portion of the meeting is a Joint Meeting with the WC and SC.

WC Chair Epstein and SC Chair Fiore called their respective committees to order at 6:08 p.m.

**COMMUNITY ANNOUNCEMENTS**

- **DPW:** Chair Paolillo and Mr. Kale thanked the town for their great work clearing snow. Mr. Kale noted how many departments worked together to make the safety decisions for the town. He thanked Superintendent Phelan for his work during the snow emergency.
- **Community Path Implementation Advisory Committee** – Public meetings are ongoing. Please see the website for the specific details.
- **Board of Health** – The Board will host a Honey Bee Forum on Wednesday, February 15 at 7:00 p.m. in the Selectmen's Meeting Room.
- **Recreation Programs** – February vacation week programs can be found on the Recreation Department website.
- **Human Rights Commission** – A discussion concerning Civil Rights Issues in Belmont will be held at the Library on March 2, 2017 at 7 p.m.
- **Belmont Vision 21 Committee** – The Committee will host Talk of the Town on Tuesday, March 21, from 7–9 pm at the Chenery Middle School.
- **V-Day Monologue Dialogue** – This event will be held on Friday and Saturday, February 17 and 18, at 7:30 p.m. at the First Church in Belmont.

APPROVED  
QUESTIONS FROM TOWN RESIDENTS

[There were none.]

**ACTION BY CONSENT**

**FY18 Budget Presentation**

***Town Budget***

Mr. Kale provided some background information on how the budget was formulated. He noted that he and the budget team worked collaboratively with Superintendent Phelan. The budget process, he said, includes looking ahead to the FY19 and 20 budgets. The FY18 budget is balanced at \$110,210,440, an increase of \$3.0M or 3.6 percent. The School budget is \$53.1M while the Town budget is \$38.5M.

Mr. Kale then reviewed the revenues that support the budget, noting that property taxes comprise 80% of the revenues, with state aid adding another 10%. He reviewed other revenues as well: ambulance receipts, building permits, excise/meals taxes, etc. Mr. Kale then provided the specific state aid numbers.

Expenditures by function were next reviewed. Mr. Kale noted that the School Department is the largest expenditure. He reviewed other expenditures as well, e.g., the fixed costs, state charges, the retirement assessment, and Minuteman.

Mr. Kale noted that the school budget has increased by 6%, while the town budget has increased by 4.1%. He reviewed the Capital Budget allocation as well as the Pavement Management Program. He noted that Health Insurance budget is up 9%.

Next steps include waiting for the state legislature to submit their state budget proposals. State aid could be impacted slightly. The financial model for the upcoming years will be revisited.

***School Budget***

Superintendent Phelan began by thanking the public safety departments as well as the Town Administrator in their efforts to ensure the public's safety. He specifically thanked Mr. Kale for working collaboratively with him for the past three years.

Superintendent Phelan reviewed the School Department's budget process. He reviewed the input/outputs for the per-pupil spending (PPS) expenditures. Belmont consistently spends less per pupil than the state average. Belmont spends about \$13K per student. Belmont, he said, receives exceptional support from the community and from its strong town partnerships. Belmont is a Level One district and performs extremely well on all state measures.

Superintendent Phelan reviewed where the override funding was spent. Increasing enrollment –

an average of 100 new students per year over six years – continues to be a pressure point for the district. Average class sizes are consistently increasing. He reviewed where Modular Units were placed at the Chenery, and noted that they will be needed at the elementary level in the near future (September 2018). The burgeoning enrollment will likely necessitate the adding of teachers and services.

Superintendent Phelan then reviewed the Belmont High School Building Project, noting that Phase One is finished and that an OPM will be hired soon. There are three grade configurations under consideration for the new BHS project: 7-12, 8-12, 9-12. The only option that solves the enrollment issues *district-wide* is the 7-12 configuration.

Superintendent Phelan then reviewed the staffing changes that impacted the FY18 budget. An additional bus needed to be added this year. Superintendent Phelan also reviewed where staff was added and the FY18 SPED allocation. The majority of the school budget is allocated to staff salaries and benefits. The superintendent noted that the proposed school budget would be reduced by \$167,000 for SPED tuitions. This will mean a percent increase in the General Fund Budget for FY18. This was a reduction from 6% when the budget process began and a 3% reduction from the proposed budget. This recommendation is based on the current circuit breaker balances.

Lastly, Superintendent Phelan reviewed the three-year fiscal plan. He noted that the ever-increasing enrollment issue has impacted many decisions in the three-year fiscal plan.

### ***Post Budget Presentation Discussion***

Chair Paolillo opened the meeting up for questions and comments. WC Member Gammill explained the Minuteman increase. Mr. Kale discussed the three-year budget model, noting that FY19 and 20 are not completely updated, but that additional school FTE's to deal with enrollment increases may be required in addition to the already planned for with the override funding. Superintendent Phelan stated that additional classroom, guidance, ELL, and nursing staff would be needed across the district to meet the enrollment needs, if funding was made available.

Mr. Kale discussed the use of the General Stabilization Fund to balance the budget. He said additional revenues could possibly be used in order to mitigate the use of the General Stabilization fund in FY18. Selectman Williams noted that the Board will soon analyze the financials of the town. He then asked about the Enterprise Funds and the planning for the remaining Capital Projects across town. Selectman Williams asked how the Modular Units will be funded. Mr. Kale stated that there are options for funding these units, e.g., a five-year bond, funds from the sale of the Cushing Parking Lot, etc. Superintendent Phelan stated that the School Department is fiscally planning for the ever-increasing enrollment issue. Selectman Baghdady asked how the Upland students would be absorbed.

WC Chair Epstein asked about the expected free cash amount in July 2017. Mr. Kale reviewed where free cash was used to balance the FY18 budget as well as how it will be replenished. He noted that there are still unknown issues relating to the FY17 budget, for example, the snow final

budget numbers are unknown. WC Chair Epstein asked if free cash was favorable – would there be an allocation made to the General Stabilization Fund. Mr. Kale spoke to the need to budget conservatively, especially with the new high school on the horizon as well as other potential budget unknowns. In order to balance the FY19 and FY20 budgets the addition of funds to the General Stabilization Fund from Free Cash or the use of increased one-time Free Cash will be required based on updated expenditure and revenue estimates.

In answer to a question posed by WC Member Fallon, Superintendent Phelan explained the SPED spending as well as the circuit breaker spend-down. WC Member McLaughlin asked if CPA funds could be used, if needed for certain items, assuming those items fall under the CPA requirements. Mr. Kale and CBC Chair Mahoney responded to this question. The CPA does cover some “capital projects”, but those projects tend not be the top Capital Budget priorities. The Capital Budget cannot cover all the requests, and sometimes the CPA can fill in, if the project qualifies. However, CPA has restricted uses for Affordable Housing, Historic Preservation and Open Space/ Recreation.

Concerning town budget vulnerabilities, Mr. Kale noted that there are areas which are not presently funded and perhaps could be in an incremental approach. The budget is conservative; it does not help to begin a service that cannot be sustained in the out years. Mr. Kale noted that there may need to be cuts in order to balance the FY19/20 budgets. But, it’s too soon to say for sure. Chair Paolillo noted that the public safety departments are running lean, especially in light of the Uplands development.

Mr. Kale stated that revisions to the FY18 Budget documents will be made to reflect the \$167,000 reduction in the FY18 School Budget and distributed during the week.

### **Employer Group Waiver Plan (EGWP)**

Ms. Jessica Porter, Human Resource Director and Ms. Sue Shillue, of Cook and Company, appeared before the Board to discuss the Employer Group Waiver Plan. Ms. Shillue explained the current retiree plan (Medicare Part A and B) supplements. She explained the current co-payments for prescription drugs. The town, she explains, gets a federal subsidy for certain drugs. Belmont has received \$195K in federal subsidies, which goes into the general fund.

She explained the EGWP, noting that the federal subsidy is built in to the plan. The new plan does not have a “donut hole” (a lapse of coverage). It could reduce the OPEB liability by \$13M. In answer to a question, she stated that there is no down-side to the town in using EGWP.

The Board took a brief recess.

The WC and SC moved to end their meetings at 7:51 p.m.

### **Executive Session**

*The Board moved:* To enter into executive session at 7:55 p.m. to discuss strategy sessions with non-union personnel or to conduct collective bargaining sessions or

contract negotiations if an open meeting may have a detrimental effect on the bargaining or litigation position of the public body and the Chair so declares. The Board will return to open session.

A roll call vote was taken: Chair Paolillo said aye, Selectmen Baghdady and Williams also said aye and the motion passed unanimously (3-0).

[The Executive Session proceeded. See separate minutes.]

### **Return to Open Session**

*The Board moved:* To exit the Executive Session and return to Open Session at 8:17 p.m. The motion passed unanimously (3-0).

### **Discussion: Transition Plan for new Town Administrator (TA) and Potential Appointment of Interim TA**

Ms. Jessica Porter, HR Director, and Mr. Brian Higgins, HR Generalist, appeared before the Board to discuss the transition of the Town Administer position.

Chair Paolillo reviewed the process, noting that a search firm will be sought to aid in the TA search. A search committee will be formed at some point this spring. Resumes for the TA position will likely come in during May. Hopefully over the summer the interviews will commence, and in August the new TA will be selected. He stressed that this is just a "rough outline of a potential timeline".

Ms. Porter noted that there is an RFP draft ready to go. She noted the companies that will receive the RFP.

*The Board moved:* To approve the RFP for consulting services to assist in hiring the Town Administrator.  
The motion passed unanimously (3-0).

Chair Paolillo outlined the plan to cover the responsibilities of the TA office during this transition.

*The Board moved:* To appoint Ms. Phyllis Marshall, Assistant TA, as *interim* TA at a base salary of \$160K for the period she serves as Interim TA.  
The motion passed unanimously (3-0).

### **Discussion and Review of Home Rule Petition on Alcohol License Transfer for Town Meeting**

Chair Paolillo noted that Town Counsel and Belmont's representatives at the state level (Senator Bröwnsberger and Representative Rogers) are supporting a new home rule petition concerning the transfer of alcohol licenses. The Board has favored the more restrictive language. The home rule petition language will likely be made into an article for Town Meeting. Ms. Marshall

explained the more restrictive petition. The Board sought to understand the application of both petitions on retail and restaurant licenses.

*The Board moved:* To approve the more restrictive language for the liquor license transfers to be included in the Warrant for restaurant and retail.  
The motion passed unanimously (3-0).

Mr. Kale spoke to the BYOB option, which will not include hard liquor. The language is being worked on for the Warrant.

[Selectman Williams left 8:37 p.m.]

**Vote to Approve State Ethics Disclosure Form for Belmont Housing Authority and Town Assessor Positions – Mr. Charles R. Lavery, III, J.D.**

Chair Paolillo read the letter concerning the State Ethics Disclosure form for Belmont Housing Authority and Town Assessor Positions.

*The Board moved:* To approve the State Ethics Disclosure Form for Belmont Housing Authority and Town Assessor Positions, details noted above.  
The motion passed unanimously (2-0).

The Board signed the appropriate letter.

**Appointment of Major Capital Projects Working Group (MCGWP)**

Ms. Anne Marie Mahoney, Capital Budget Committee (CBC) Chair, appeared before the Board to discuss the Major Capital Projects Working Group. She explained the capital building prioritizing tool that the CBC developed in 2012. The Financial Task Force also had a capital projects subcommittee. Also, the Belmont High School building project received permission from the MSBA to move forward, and the Library moved on to a feasibility study. More recently, the remaining capital projects have been discussed with a small group. Now seems like the time to create a more formal working group to continue discussing the remaining capital projects.

Chair Paolillo read the charge for this group.

Selectman Baghdady expressed his support for the formulation of this group. It is needed, he said.

*The Board moved:* To form the Major Capital Projects Working Group and to appoint the following people to the Major Capital Projects Working Group: CBC Chair Mahoney, Ms. Brusch, BOS Chair Paolillo, Ms. Fallon, WC Chair Epstein, Town Treasurer Carman, and a Town Administrator designee.  
The motion passed unanimously (2-0).

### **Town Administrator's Report**

Mr. Kale deferred his report.

- **Town Counsel – Labor Counsel Re-Appointment**

### **VII. NEXT MEETINGS**

March 3, 2017 8:15 a.m. Town Hall Board of Selectmen Room

March 6, 2017 7:00 p.m. Town Hall Board of Selectmen Room

The Board moved to adjourn the meeting at 8:46 p.m.

  
\_\_\_\_\_  
Phyllis Marshall, Interim Town Administrator