



**TOWN OF BELMONT  
OFFICE OF THE TOWN ADMINISTRATOR AND  
BOARD OF SELECTMEN**

May 4, 2012

Dear Town Meeting Members:

Please find enclosed a revised budget summary and revised draft motions for the Annual Town Meeting which is scheduled to resume on Monday, May 14th and Wednesday, May 16, 2012. The following changes have been updated in the revised documents:

- Revised FY13 Budget Summary: Updated to reflect an additional allocation of \$122,000 from Capital Projects that have been closed out. The funding is being reallocated in the proposed FY13 Capital Allocations.
- Revised Draft Motions for Annual Town Meeting:
- Changes: Made to Articles 3 and 8 due to an additional \$122,000 Capital Allocation.
- Changes: Made to Article 9 due to most recent budget allocations for the Water and Sewer Enterprise Budgets. (For simplicity, the prior draft motion has been deleted in its entirety and replaced with the motion as updated on May 4, 2012.)

Also enclosed with this mailing:

- Warrant Committee Report
- Capital Budget Five Year Projection
- Roads to be Reconstructed

As a reminder, Town Meeting will convene at the Belmont High School Auditorium and will begin promptly at 7:00 PM. Please note that the starting time for Town Meeting is 7:00 PM – not 7:30 PM as in some prior years.

As in the past, the League of Women Voters and Warrant Committee will co-sponsor a Warrant Briefing for Town Meeting Members. The briefing will be held Thursday, May 10<sup>th</sup> at 7:00 p.m. at the Beech Street Center to discuss and inform Town Meeting Members about the warrant articles.

Please note that all Town Meeting information is available on the Town's web page within the section on Town Meeting section: [http://www.belmontma.gov/Public\\_Documents/BelmontMA\\_WebDocs/townmeeting/index](http://www.belmontma.gov/Public_Documents/BelmontMA_WebDocs/townmeeting/index)

Thank you for your participation in this Annual Town Meeting.

Sincerely,

Mark Paolillo, Chair  
Andres Rojas, Vice Chair  
Ralph Jones

BOARD OF SELECTMEN





**REVISED DRAFT MOTIONS**

**(Second Draft as of May 4, 2012)**

**Revised from First Draft dated May 26, 2012**

**Includes changes to Articles 3, 8 and 9**

**ANNUAL TOWN MEETING**

**MAY 14, 2012**

**LIST OF MOTIONS**

**ARTICLE 3**

MOVED: That the sum of ~~\$3,464,873~~ **\$3,586,873** be transferred from the following available funds to meet a portion of the FY2013 operating budget expenses in such sums as listed below:

- \$235,000 from fund balance in Abatement and Exemption Surplus Account
- \$2,000,000 from Unreserved Fund Balance (formerly referred to as Free Cash)
- \$69,000 from Belmont Municipal Light Department for IT Support
- \$60,000 from Parking Meters Receipts
- \$68,000 Premium on Sale of Bonds to offset Property Tax Debt Exclusion
- \$157,873 from Water Revenue for indirect costs appropriated in Article 4
- \$125,000 from Sewer Revenue for indirect costs appropriated in Article 4
- \$100,000 from Capital Endowment Fund for various capital expenditures appropriated within ~~Article 4~~ **Article 8.**

Town of Belmont

\$122,000 from Capital Projects Fund for various capital expenditures appropriated within Article 8

\$650,000 from Belmont Municipal Light Department to offset the tax rate

In addition, that the entire revenue derived from the sale of electricity to private customers, municipal departments, including the cost of street lighting and from jobbing during the twelve months beginning January 1, 2012, be allocated and appropriated for the operating expenses of the Municipal Light Department including out-of-state travel, all said appropriations and payments to be expended under the direction of the Municipal Light Board and that the Town Accountant is hereby authorized to make such transfers on the books of the Town.

**Majority vote needed for passage.**

ARTICLE 4

- MOVED: That under General Government, the sum of \$4,004,692 be appropriated, to be raised by General Tax. (Said amount includes \$158,873 of water indirect costs that will be funded from water receipts and \$125,000 of sewer indirect costs that will be funded from sewer receipts).
- MOVED: That under Employee Benefits, the sum of \$5,282,835 be appropriated for Retirement expenses and \$2,006,993 be appropriated for Other Insurances, and these appropriations be raised by General Tax.
- MOVED: That under Public Safety the sum of \$11,809,570 is appropriated to be raised by General Tax.
- MOVED: That under Belmont Public Schools the sum of \$43,068,492 be appropriated, to be raised by General Tax
- MOVED: That under Minuteman Regional School the sum of \$939,999 be appropriated, to be raised by General Tax.
- MOVED: That under Public Services ,the sum of \$8,466,979 be appropriated, to be raised by General Tax;
- MOVED: That under Human Services, the sum of \$802,786 be appropriated, to be raised by General Tax.
- MOVED: That under Culture and Recreation the sum of \$2,657,914 be appropriated, to be raised by General Tax.
- MOVED: That under Debt and Interest on Debt the sum of \$5,297,426 be appropriated, to be raised by General Tax.

Town of Belmont

MOVED: That under Capital Expenditures, sums having already been appropriated under special warrant articles, no additional action is necessary under this article

**Majority vote needed for passage.**

**ARTICLE 5**

MOVED: That there be appropriated and paid to the elected officers of the Town as salaries for the fiscal year commencing July 1, 2012 the amount set forth opposite the name of each office as follows:

Town Moderator	\$200
Chairman of the Board of Selectmen	\$5,000
Selectman (2)	(each) \$4,500
Town Clerk	\$78,216
Treasurer	\$90,928
Chairman of the Board of Assessors with CAE	\$2,748
Assessor (1) with CAE	\$2,424
Assessor (1)	\$2,424
<b>TOTAL</b>	<b>\$190,940</b>

**Majority vote needed for passage.**

**ARTICLE 6**

MOVED: To dismiss Article 6 (amount appropriated in Article 4).

**Majority vote needed for passage.**

**ARTICLE 7**

MOVED: To authorize permanent construction, reconstruction, resurface or make specific repairs to all or portions of various Town Ways and to authorize the expenditures of such sums of money as may be received for the fiscal year commencing July 1, 2012 provided or to be provided by the Commonwealth of Massachusetts through the Massachusetts Department of Transportation , or take any action relative thereto.

**Majority vote needed for passage.**

**ARTICLE 8**

MOVED: That the sum of ~~\$1,160,107~~ **\$1,422,000** be, and hereby is appropriated for the lease or purchase of Public Safety Equipment, Site Improvements, Public Works

Town of Belmont

Equipment and Furnishings and Equipment for Town Facilities, and consulting services in connection therewith, to construct public ways, and for Building and Facility and Public Works Construction; and for Major Maintenance and Alterations (including design work) as follows:

Description:	Amount:
Schools:	
Network Switching Equipment (phase 3 of 3 MS)	60,000
Lot repaving, phase 1 - High School	100,000
Replace oil burner on Weil-McLean boiler at Butler to dual fuel capability, intending to use nat. gas	50,000
Repair large hot water tank at HS (reline tank, replace valves)	40,000
Ceiling fans at HS Field House	25,000
Butler School Gym Floor	75,000
High School univents (year 3 of multiple years)	50,000
FY12 Fire-Lease #2	120,000
Fire-Staff Vehicle	40,000
Police –Telephone Log Recorder	14,500
Police-Fiber Optics-JPSC	30,000
Information Technology - Electronic File Storage	90,000
Building Services -Townwide Telephone Hardware	103,729
Facilities Audit	175,000
Beech Street Center Roof Shielding	28,000
DPW- Highway - 2 Pick Up Trucks	74,600
DPW - Highway Dump Truck #11	112,030
DPW – Parks - 1 Pick Up Truck	37,300
<b><u>Balance- Road Pavings</u></b>	<b><u>100,341</u></b>
<b><u>Sidewalks – Balance-Road Pavings</u></b>	<b><u>140,341</u></b>
<b><u>Resurface Grove Street Tennis Courts</u></b>	<b><u>26,000</u></b>
<b><u>Underwood Pool - Replace Electric Motors - 4 Pumps</u></b>	<b><u>11,000</u></b>
Town Clerk – Voting Audience Response	19,500
TOTAL	<b><u>\$1,422,000</u></b>
	<b><u>\$1,300,000</u></b>

**Majority vote required for passage.**

**ARTICLE 8B**

MOVED: That there be, and hereby is, appropriated the sum of **\$1,160,107** for road paving projects, said sum to be raised by general tax and expended under the direction of the Board of Selectmen.

**Majority vote required for passage.**

ARTICLE 9

*(Motion language revised on May 3, 2012)*

**MOVED:** That there be, and hereby is, appropriated the sum of \$5,069,451.00; ( the transfer to General fund of \$157,873 indirect costs, having already been made under ARTICLE #3) : from the account classified as “Water Enterprise Fund” pursuant to Chapter 44, Section 53F½ of the General Laws for water service, said sum to be expended under the direction of the Board of Selectmen, said appropriation to be funded by a transfer from Retained Earnings of \$150,000 and \$5,077,324 from Water Revenues.

**MOVED:** That there be, and hereby is, appropriated the sum of \$7,930,104; ( the transfer to General fund of \$125,000 indirect costs, having already been made under ARTICLE #3) : from the account classified as “Sewer and Stormwater Enterprise Fund” pursuant to Chapter 44, Section 53F½ of the General Laws for sewer and stormwater services, said sum to be expended under the direction of the Board of Selectmen, said appropriation to be funded by a transfer from Retained Earnings of \$450,000 and \$7,605,104 from Sewer and Stormwater Revenues.

*(Previous Draft Motion - language from April 26, 2012)*

~~**MOVED:** — That there be, and hereby is, appropriated the sum of \$4,651,345.00 from the account classified as “Water Enterprise Fund” pursuant to Chapter 44, Section 53F½ of the General Laws for water service, said sum to be expended under the direction of the Board of Selectmen, said appropriation to be funded by a transfer from Retained Earnings of \$120,000 and \$4,531,345 from Water Revenues, less \$157,873 in water indirect costs being appropriated under Article.~~

~~**MOVED:** — That there be, and hereby is, appropriated the sum of \$7,429,581.00 from the accounts classified as “Sewer and Stormwater Enterprise Fund,” pursuant to Chapter 44, Section 53F½ of the General Laws for sewer and stormwater service, said sum to be expended under the direction of the Board of Selectmen, said appropriation to be funded by a transfer from Retained Earnings of \$430,000 and \$6,999,581 from Sewer Enterprise Revenues, less \$125,000 in water indirect costs being appropriated under Article 4.~~

Majority vote required for passage.

ARTICLE 10

**MOVED:** That the Town authorize or reauthorize revolving accounts for Fiscal Year 2013 pursuant to Chapter 53E½ of the General Laws as printed in Article 10 of the Warrant for this Annual Town Meeting, provided that the expenditure limit for

Town of Belmont

Senior Programs shall be and hereby is increased to \$57,000, and the expenditure limit for the copying and replacement of lost books shall be and hereby is increased to \$34,000.

**Majority vote required for passage.**

**ARTICLE 11**

MOVED: That the Town hear and act on the report of the Community Preservation Committee on the FY2013 Community Preservation budget and, pursuant to the recommendations of the Community Preservation Committee, take the following actions:

That the Town reserve for appropriation the following amounts from estimated FY2013 receipts \$1,083,000 as recommended by the Community Preservation Committee:

1. \$108,300 for the open space reserve account:
2. \$108,300 for the historic resources reserve account:
3. \$108,300 for the community housing reserve account:
4. \$704,100 for the budgeted reserve; and further,

that \$54,000 be appropriated for the Administrative Expenses and all other necessary proper expenses of the Community Preservation Committee for FY2013.

**Majority vote required for passage.**

**ARTICLE 12**

MOVED: That there be, and hereby is, appropriated the sum of **\$3,650,000** for the purpose of performing water main rehabilitation, including, without limitation, replacement or sliplining of unlined water mains, water main cleaning and lining, identification an replacement of water service connections constructed of lead or other services in poor condition, looping of dead-end water mains, water valve and hydrant installation or replacement, water storage tank rehabilitation, and engineering, planning, design and construction services associated with any of the foregoing (“the project”); that to meet this appropriation the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow up to **\$3,650,000** and issue bonds or notes therefore under Chapter 44 of the General Laws or any enabling authority; that the Treasurer, with the approval of the Board of Selectmen, and in connection therewith to enter into a loan agreement and/or financial assistance agreement with any federal or state entity, and that the Board of Selectmen is authorized to expend all funds for the project and to take any other action necessary to carry out the project

**Two-thirds required for passage.**

**ARTICLE 13**

MOVED: That there be, and hereby is, appropriated the sum of **\$2,300,000** for the installation of new sanitary sewers and storm drains, the relining of existing sanitary sewers and storm drains, and for other improvements to the Town's sanitary sewer and storm drain system (the "project") related to the Department of Environmental Protection - State Revolving Fund Loan Program; that to meet this appropriation the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow **\$2,300,000** and issue bonds or notes therefor under Chapter 44 of the General Laws or any other enabling authority; that the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow all or a portion of such amount from the Department of Environmental Protection (the "Department") and in connection therewith to enter into a loan agreement and/or financial assistance agreement with the Department and otherwise to contract with the Department with respect to such loan and for any federal or state aid available for the project or for the financing thereof; and that the Board of Selectmen is authorized to expend all funds for the project and to take any other action necessary to carry out the project.

**Two-thirds vote required for passage.**

**ARTICLE 14**

MOVED: That the Town appropriate from the Landfill Stabilization Fund the sum of **\$824,000** for the purpose of performing improvements to the former incinerator site, including further site analysis, design of the cap, and demolition of the former incinerator, and to pay costs incidental to or associated with such work.

**Two-thirds vote required for passage.**





# Warrant Committee Report Town of Belmont FY 2013 Budget

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May 2012

## 2011 – 2012 Warrant Committee Members

*Elisabeth Allison (chair)*

*Sami Baghdady*

*Kimberly Becker*

*M. Patricia Brusch*

*Adam Dash*

*Roy J. Epstein (secretary)*

*Elizabeth Grob*

*Michael D. Libenson*

*William M. Lynch (vice chair)*

*Raffi Manjikian*

*Mary McHugh*

*Robert McLaughlin*

*Noreen Millane*

*Robert Sarno*

*Ex officio*

*Ralph Jones, Board of Selectmen*

*Laurie Slap, School Committee*

## Warrant Committee Report

### Town Meeting, May 14, 2012

*Authorization: As prescribed by the Town of Belmont's By-Laws, it is the duty of the Warrant Committee to consider for all town meetings all articles in the Warrant which involve an appropriation of money and to report thereon to Town Meeting. It is specifically charged with recommending a budget to Town Meeting and such recommendation is contained herein.*

#### **I. Background on budget development: 2011-2012.**

**Challenged in 2011.** In 2011, arriving at a recommended FY2012 budget was a painful process. Continuing declines in state aid, the somewhat incompatible budgeting approaches of town and school, double digit increases in pension charges, a substantial increase in health care costs and a double digit increase in Minuteman assessments proved very challenging. The last minute rescue through additional state aid and cost saving initiatives by DPW and several other town departments did not fully offset the pain of the process.

**Better in 2012.** Fortunately, 2012 has provided a much better foundation for building the FY2013 budget. Through April, School and most town departments have been on budget. The decision of the School Committee to recruit an experienced superintendent and create a Finance Subcommittee has produced a much more constructive budget process.

Belmont self insures for health care benefits. Thus better than expected claims experience allowed us to budget a 0% increase in health care costs for FY2013. The Board of Selectmen used new state legislation to implement design changes in the health care plans that will generate savings of \$353,000 in FY2013, and \$470,000 in FY2014. Our pension costs are stable since state regulations dictate an actuarial study only every other year.

Finally, state aid has stabilized. Absolutely final aid numbers will not be available until mid June, but it is now certain that that FY2013 state aid will not be below FY2012.

**II. Overview of FY2013 budget** The net result of these positive developments is a recommended budget for FY2013 of \$89,241,000 (Exhibit 1). The highlights of that budget are as follows:

- All departments will receive level service funding or more.
- Four departments will see increases in "full time equivalents" (FTE's) employees: School (13.2); General Government (2.0) Police (1.7); Library (.4)

- Reductions in health insurance costs allowed more resources to flow to direct services. Within the School budget, for example, \$412,000 formerly required to cover health care costs was redirected to curriculum and services.
- Pensions and debt service account for 70% of fixed costs. (Exhibit 2)
- Five departments -School, DPW/Public Services, Police, Fire, and General Government, account for 92% of the operating budget (Exhibit 3).

**Special funds:** In addition to the FY2013 annual revenues, Town Meeting is also being asked to approve the use of \$505,000 one time funds for three purposes, 1) the establishment of reserve/stabilization fund for Special Education (SPED) costs (\$250,000), 2) a facilities maintenance fund to pay for “orphan” infrastructure projects and allow the new facilities manager some discretion (\$150,000) and 3) to resume funding of “Other Post Employment Benefits” (OPEB), the retiree healthcare benefits fund (\$105,000).

**III. Departmental Highlights:** The key analyses and recommendations for specific departments are summarized below. Detail and support is provided in the report that follows.

**Education** (School and Minuteman):

The School budget is funded at level service as requested.

- In preparing a level service budget, the School Department used a \$200,000 one time distribution from the health care trust fund (the source of the 0 premium increase) to cover recurring expenses, primarily personnel.
- An issue was raised concerning erosion of services over time. At a macro level, an analysis of ten years of staffing and enrollment statistics does not support this concern. During this period, enrollment has grown at 0.53% per year, teaching staff at 1.21% and other classroom staff at 10.0%. The student/classroom staff ratio was 14.1 in 2004 and is now 11.5. A continuing conversation about this issue and alternative metrics would be helpful.
- SPED cost and management are an ongoing challenge. Per student costs in our regional collaborative LABB [Lexington, Arlington, Belmont, Burlington and Bedford] program averaged \$45,442 per student in 2011, almost \$10,000 more than SPED private school placements.
- The rate of compensation growth continues to be an issue. An important delay in the payment of some teacher compensation was negotiated in 2011. But because there has been no change in the step and lane structure of compensation, teachers’ salaries could potentially increase by 5.9% in FY2014.

- Belmont enrollment (35 students) at Minuteman has been flat for several years, but costs increases are the highest of any department

**Public Service** (DPW, Community Development, Building Services)

- DPW continues to turn in an outstanding performance re cost control
- The majority of Community Development's resources are spent on administration and planning, with only 12% of FTE's devoted to inspection.
- Much work awaits the new facilities manager authorized by Town Meeting in 2011.

**Public Safety** (Police, Fire, Emergency Management)

There are no new issues within these departments. The major ongoing issues are:

- Continuing issues of scale in the Fire Department and lack of willing partners for regionalization.
- Need for continuing analysis and management of disability and sick leave and the related issue of overtime. Police and Fire overtime is budgeted at \$750,000 for 2013; Fire exceeded its overtime budget in 2011 and 2012 largely because of disability and related issues.

**General Government** (Financial departments: Assessors, Accounting, Treasurer; administrative departments Human Resources, Information Technology, Town Administrator, Town Clerk)

- The budget provides additional personnel resources to all of the administrative departments with the exception of IT.
- Much work awaits the new Town Administrator.

**Culture and Recreation** (Council on Aging, Health, Library, Recreation)

- COA, Health and Recreation are very small departments, with combined operating budgets of approximately \$1 million. Given the similarities in mission and high administrative costs associated with such small departments, there would be increased benefits to their constituencies from consolidation.
- COA has improved in tracking the numbers of residents served, but more work is needed. Approximately 40% of the COA budget is devoted to providing transportation services, but the reporting does not tell us whether these services are widely used by many residents or intensively used by a few.
- The Library is the most widely used of all "discretionary" town services with 65% of town residents over 5 holding an active library card. Use of fully benefited part time employees has created a tradeoff with patron services.

#### **IV. Risks and Concerns re the FY2013 Budget (operating and special funds)**

There is reason for optimism in FY2013. The state economy is strengthening, which should insulate us against midyear cuts in state aid. A new Town Administrator should be in place by early summer, and the School Department will benefit from an experienced team.

There are, however, three areas that require ongoing attention:

- As already noted, there is considerable use of one time money to cover what may well be recurring expenses. Including the \$2,000,000 transfer from cash reserves into the operating budget, the proposed SPED fund, and the perhaps unique experience of a 0% increase in health insurance costs, one time funds total over \$2.5 million. This is a known problem and solutions are being studied which need to be implemented on a timely basis.
- Most of the departmental requests for new spending were requests for additional personnel. Some of the problems addressed by these requests undoubtedly require new person hours. But additions to personnel are by definition recurring costs. The lack of any departmental requests (outside of IT) for IT or other capital investment and the lack of full cost accounting for additional personnel make it more difficult for the town to stay on budget for FY2013 and beyond.
- The FY2013 requests for additional personnel resources were not typically accompanied by benchmarks by which the value of the additional hours or personnel would be judged. These metrics need to be developed – and revisited before the FY2014 budget is developed.

#### **V. Outlook for FY2014 and Beyond**

Several of the major issues that will arise in FY2014 have already been discussed, e.g. the need to innovate and manage well enough that the expenses supported by one time money in FY2013 become one time expenses. Other major issues for FY2014 will include:

**Revenue growth:** Our “organic” annual revenue growth will be in the 2 1/2 – 3 1/2% range. While the Planning Board has several new projects before it, most of these projects would have a modest impact on Belmont fiscal balance. At current tax rates, a \$25 million project produces \$334,000 in gross annual revenue. Furthermore, there is no assurance that the development projects under discussion will generate substantial net revenue (gross tax revenues minus the costs of providing services) for the town.

**Compensation:** The multi-dimensional compensation issue is on the short list of major town issues. While town employees and managers are our single most valuable resource, finding an appropriate and sustainable way to compensate them compatible with our financial resources is not easy. This is particularly true for benefited part time employees, where generous municipal benefits can more than double the effective wage rate.

*Employee pensions.* Without a return to the bull markets of 2002-2007, the actuarial adjustment to our required pension contribution is likely to increase those costs by \$500,000 to \$600,000 in FY2014.

*Post employment health care insurance (OPEB).* There is a \$183+ million liability for retiree benefits on the Town’s balance sheet with potential impact on the town’s AAA rating. A portion of those future liabilities also flow through to the Town’s required spending each year. The FY2012 costs of health care benefits provided for early retirees not yet eligible for Medicare was \$1,528,734. By 2014 this annual cost will approach \$2 million.

*Cash compensation.* One key compensation issue has already been flagged: supporting the teacher salary increases that potentially average 5.9% on a revenue base that grows by 2 ½ to 3 ½ % per year is challenging. Major town contracts have been open for over a year. At the managerial level, increases have been small 1-2% and across the board. There is no meaningful performance incentive – financial or otherwise - even at the most senior level

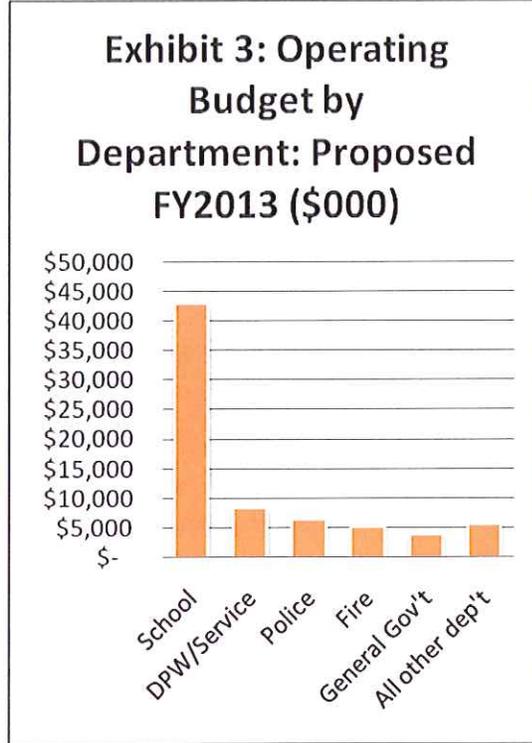
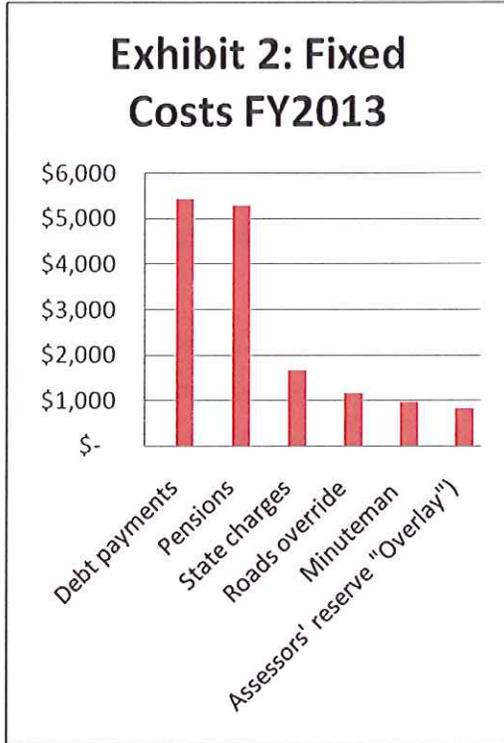
**Innovation/productivity/structural reform:** The need to revisit the structure of town government and the way work is performed to allow productivity growth to offset compensation costs has been studied at length but remains undone.

**Infrastructure:** Improvement of core infrastructure – roads, sidewalks, drainage systems, replace or renovate (alpha order) its high school, library and DPW buildings; and its recreational facilities remains a ongoing issue of ability and willingness to pay. The Treasurer’s rule of thumb is that each \$1 million borrowed for a capital project raises taxes on the average single family home by \$10.30.

**Exhibit 1: Highlights of FY2013 Budget**

	FY 2012	FY2013	% change
<b>Total Budget</b>	\$ 86,609	\$ 89,241	3.0%
minus fixed costs*	\$ 14,959	\$ 15,124	1.1%
<b>equals operating budget</b>	\$ 71,650	\$ 74,117	3.4%
School	\$ 41,576	\$ 43,068	3.6%
Town	\$ 28,850	\$ 29,749	3.1%
Capital Budget	\$ 1,224	\$ 1,300	6.2%

\*Legally binding obligations, denominated in \$ terms: pensions debt repayment, state , ,charges (e.g. MBTA), Roads override, Assessor’s reserves, and assessment from Minuteman Vocational Regional School



## VI. Organization of the report.

As in the past, Warrant Committee takes a programmatic approach to analyzing the budget. Under this approach, we endeavor to identify the programs undertaken or provided by each Town department and then analyze the cost of those programs. For each department, we have provided a spending overview and programmatic analysis. An expense analysis is provided if an ongoing expense item increased by more than \$5000 and 5%. There is description of proposed additions to programs and services, whether budgeted or not. Where useful, we have included special analyses on issues confronting a department. Each section concludes with a recap of progress with respect to recommendations made in FY2012, and then our observations and recommendations for FY2013. We continue to refine this format and welcome all feedback on how to make this report more useful to Town Meeting Members. Our email address is [WCPublic@belmont-ma.gov](mailto:WCPublic@belmont-ma.gov).

In cases where there is more detailed information on department activities than could be accommodated within the printed report, additional detail will be posted on the Town website under the Warrant Committee heading.

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## Culture and Recreation

### Council on Aging

#### Budget Overview

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$ 365,158	\$ 10,253	2.9%	5.91

#### Department Mission/ Description of Services

*Mission:* The Council on Aging's mission is to enrich the ability of seniors to live safe, independent, meaningful and healthy lives by providing appropriate services.

*Services:* The Council on Aging provides transportation; social services for seniors and their families; on-site and home-delivered meals through Springwell, a funded non-profit; fitness activities and health education; recreation, education and arts programs for socialization; volunteer service opportunities, and senior trips. It also manages the Beech Street Center rental program.

#### Budget by Program

Transportation accounts for the largest percentage of FTEs (2.456) and highest percentage of budget dollars (39.5%). FTEs for volunteers or grant funded programs are not included.

Program	FTE's	FTE %	Budget \$	Budget %
Transportation	2.456	41.6%	\$144,313	39.5%
Social Services	.9460	16.0%	\$65,315	17.9%
Nutrition	.1315	2.2%	\$9,021	2.5%
Health & Wellness	.8160	13.8%	\$46,912	12.9%
Socialization	.8950	15.2%	\$51,603	14.1%
Volunteer Services	.4150	7.0%	\$21,651	5.9%
Senior Trips	.1015	1.7%	\$7,217	2.0%
Rentals	.1500	2.5%	\$19,126	5.2%
Total	5.910	100.0%	\$365,158	100.0%

#### Expense Analysis

There were no line items that increased by more than 5% and \$ 5,000.

**Adds**

The BOS approved an additional \$ 4,300 to the initial COA Transportation program budget.

Request	Rationale/support
Additional \$ 4,300 for COA Transportation program	Allows transportation at OT rate on Tuesday evenings when Beech Street Center is open

**Special Analysis /Observations**

*Data Collection:* Although improving, data collection continues to be a challenge for the COA

*Beech Street Center Rentals:* Expenses exceed revenue

*Transportation:* Over one third of the budgeted FTEs (2.456 of 5.91) are for Transportation and the program represents 39.5% of the overall budget

*Consolidation:* COA shares a Social Worker with the Health Department and partners with the Recreation Department for transportation and space needs, illustrating the synergy between the departments

**Recommendations**

Although the COA has improved the data collection process, the department needs to continue to work on this issue and other prior year recommendations.

**Recap of Prior Year Recommendations**

Recommendation	Status
Improve Data Collection	Although improving, COA still has difficulty tracking usage
Regionalization	Shared Belder Bus use explored with Lexington, who ultimately decided on an alternative
Consolidation of COA with Health and Recreation	No progress to date
Means testing	No progress to date

**FY 2013 Recommendations**

Recommendation	Rationale
Consolidate Recreation, COA and Health departments	Small departments, potential efficiencies and cost savings, space sharing, shared general mission
Staff Alignment	Social worker FTE position should be aligned with community needs (year-long position), without incurring increased costs
Evaluate the \$4,300 increase in funding for the Transportation Program in light of usage	There was no usage projections or other data on which to base a recommendation to add \$ 4,300 to the Transportation Program budget
Improve data collection	Required for effective use of resources
Review model of Transportation Program, distribution of users	Major use of resources; private alternatives available; understand concentration of benefits

**Health Department**

**Budget Overview**

<b>FY 2013 \$</b>	<b>\$ Change from Prior Year</b>	<b>% Change from Prior Year</b>	<b>FY 2013 FTEs</b>
\$437,628	\$ 31,804	7.8%	4.5

**Department Mission/Description of Services**

*Mission:* Disease prevention, health promotion and enforcement of state and local regulations.

*Services:* Emergency planning and response, hazardous waste disposal and animal control; inspection services, including licensing and enforcement; assistance to veterans and social services to youth and families and disease prevention.

**Budget by Program**

The budgeted rate of growth in expenses exceeds the average for town departments and available revenue growth. There are no significant changes in the budget allocation among programs. Inspections and Public Safety account for the highest percentage of FTE's and the largest share of budget dollars (26.8% for each program).

Belmont shares a Public Health Nurse with Lexington through a personal service contract. The nurse is not a Belmont employee so the position is not reflected in the FTE's but the contract position cost is included in the budget.

<b>Program</b>	<b>FTE's</b>	<b>FTE %</b>	<b>Budget \$</b>	<b>Budget %</b>
Public Safety	1.3	28.9%	\$117,284	26.8%
Inspections	1.6	35.5%	\$117,284	26.8%
Social Services	.8	17.8%	\$104,156	23.8%
Disease Prevention	.8	17.8%	\$98,904	22.6%
Total	4.5	100.0%	\$437,628	100.0%

**Expense Analysis**

Two line items, full time wages and recipients and other, miscellaneous increased by more than 5% and \$ 5,000 from the previous fiscal year.

<b>Line Item</b>	<b>FY2013</b>	<b>Prior Year</b>	<b>% incr.</b>	<b>Explanation</b>
Full Time Wages	\$206,356	\$193,086	6.9%	Contractual raises and COLA
Recipients & Other, Misc	\$24,000	\$6,600	264%	Veterans benefits

## Adds

The Health Department did not request any adds for new programs or personnel.

## Special Analysis /Observations

*Fee Structure:* In 2010 and 2011, the Health Department has reviewed and adjusted fees, adding new fees for non-mandated activities to avoid subsidizing inspections. The department will reevaluate fees annually.

*Web-Based Inspections:* The department contracted with a software development firm to implement a digital PC table web-based food inspection program, which should increase efficiency and productivity for inspectors. This program is in final testing mode and is scheduled to go live prior to the 1<sup>st</sup> quarter of FY13.

*Part Time Employees:* There are no PT employees. The Youth and Family Services Coordinator position is shared with the Council on Aging.

*Veterans Benefits:* Although this budget category increases 264% from FY12 to FY13, the impact to the town is limited, given a 75% state reimbursement.

*Regionalization:* The shared Public Health Nurse holds licenses and certifications that are used to expand department response capacity and allow him to also handle other functions of the department, including public health preparedness, hazardous waste issues, environmental inspections and disease prevention.

## Recommendations

The Health Department has regionalized and consolidated services in the past and continues to work on these measures.

### Recap of Prior Year Recommendations

Recommendation	Status
Regionalization	Initial planning and discussion is in the works to establish a regional kennel facility with Lexington and Bedford
Consolidation within the town	The Board of Health has begun internal discussions of departmental restructuring

### FY 2013 Recommendations

Recommendation	Rationale
Consolidate Recreation, COA and Health departments	Small departments, potential efficiencies and cost savings, space sharing, shared general mission
Regionalization	Potentially large part of budget

**Library**

**Budget Overview**

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$ 1,962,948	\$ 85,054	4.5%	23.43

**Department Mission/Description of Services**

*Mission:* The Library’s core missions are to 1) provide free lifelong education, useful information and entertainment for adults, and 2) assist in the education of students, improve children’s proficiency and enjoyment of reading; promote literacy readiness in young children.

*Services:* Curate and circulate books and digital materials; provide reference services; teach research skills (increasingly digital); provide school project assistance; sponsor summer reading for students and story hours for young children.

**Budget by Program**

The budget as submitted calls for an increase below the town average, with no significant changes in the allocation among programs. Circulation Services accounts for the highest percentage of FTE’s (28.7%) whereas the Adult Services program consumes the highest share of budget dollars (31.4%), with the difference due to the levels of staff working in each program. Young Adult Services is by far the smallest program with respect to both measures.

Program	FTE’s	FTE %	Budget \$	Budget %
Administration	1.78	7.6%	\$314,614	16.0%
Adult Services	6.63	28.3%	\$615,945	31.4%
Young Adult Services	1.08	4.6%	\$82,556	4.2%
Children’s Services	3.59	15.3%	\$300,779	15.3%
Circulation Services	6.73	28.7%	\$401,177	20.5%
Technical Services	3.62	15.5%	\$247,877	12.6%
Total	23.43	100.0%	\$1,962,948	100.0%

**Expense Analysis**

Line items increased by more than 5% and \$ 5,000 from the previous fiscal year in building maintenance, part time salary – administration and public services and book/per/film/CD/rec.

Line Item	FY2013	Prior Year	% incr.	Explanation
Building Maintenance	\$78,725	\$68,060	15.7%	Window repair and painting
PT Salary – Administration	\$17,084	\$6,944	146.0%	Additional staff hours
PT Salary –Public Services	\$244,497	\$231,936	54.2%	Additional staff hours
Book/Per/Film/CD	\$257,960	\$306,005	18.6%	E-readers and materials

## Adds

The BOS approved additional funds for library activities as identified below.

Request	Rationale/support
Materials budget @ \$20,000 to meet MBLC standards, or inflation offset (2.5%) @\$6650	Increase of 2.5% offsets inflation
Restore one evening in Children's Room in summer months @ \$1,100	Substantial usage when summer night offered in 2006 (300+ at story hour); provides access for working parents
Increase Young Adult/Reference Librarian to full time (+5 hours) @\$7,100	Allows librarian to spend time at BHS, supporting reference training and special projects
Electronic databases and eBooks, e.g. Medigap @\$20,000	New reference databases to help residents make key decisions
Add hours for PT personnel \$8,000	To cover during peak time, vacation and illness and for special projects

## Special Analysis /Observations

*Distribution of service:* With the exception of DPW, this is the most widely used discretionary town service. Over 65% of all residents age 5 and over have an active library card. Families with young children are heavy library users. Children's books account for approximately 51% of library circulation.

*Innovation and Adoption:* The BPL has been a leader in the Minuteman Library Network in introducing digital access and services. Belmont has embraced these new services; on line book checkout is the fastest growing circulation category.

*Administrative/back office overhead:* Support programs- Circulation (checking out books and other) and Technical Services (cataloging and preparing materials for circulation)-account for 33.1% of the FY2012 budget.

*Use of Part Time Employees:* The hourly cost of a 25 hour per week employee (full benefits) is 2 to 3 times as much as a 19-hour employee. Had BPL converted its three benefited positions to four 19-hour positions – and been permitted to retain the cost savings– the savings would have covered the costs of the new personnel requests.

## Recommendations

### Recap of Prior Year Recommendations

Recommendation	Status
Add Sunday openings	13 additional openings added
Rationale custodial services	Trustees are deliberating on whether to join consolidated maintenance program

### FY 2013 Recommendations

Recommendation	Rationale
Explore IT investments for back office operations	Major portion of budget, small value added of "human touch"
Revisit use of benefited PT positions	Substantial savings
Digital expansion	Right fit for Belmont community; potential space savings
Evaluate the increase in Young Adult/Reference Librarian to full time (+5 hours) @\$7,104 and the \$8,000 for PT personnel	Pursue evaluation (jointly with School Department) of the value of this investment

### Recreation Department

#### Budget Overview

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$694,708	\$ 17,408	2.6%	16.18

#### Department Mission/Description of Services

*Mission:* Provide Belmont residents with healthy, enjoyable and affordable activities regardless of age, gender or physical ability.

*Services:* Provides Summer Underwood and Higginbottom Pool Programs, Summer Sports and Activity Programs, School Year Programs, Skating Rink Programs, Spring Programs and Special Needs Programming.

#### Budget by Program

The budget calls for an increase below the town average. There are no significant changes in the allocation among programs. The Summer Pool Program accounts for the highest percentage of FTE's (30%) and the School Year Programs, the largest share of budget dollars (28.4%).

Program	FTE's	FTE %	Budget \$	Budget %
Summer Pool Program	4.83	30%	\$147,822	21.3%
Summer Sports Program	4.62	29%	\$137,522	19.8%
School Year Programs	2.97	18%	\$197,792	28.4%
Skating Rink Programs	2.00	12%	\$64,381	9.3%
Spring Programs	.82	5%	\$71,939	10.4%
Special Needs	.94	6%	\$75,252	10.8%
<b>Total</b>	<b>16.18</b>	<b>100.0%</b>	<b>\$694,708</b>	<b>100.0%</b>

**Expense Analysis**

Only one line item increased by more than 5% and \$ 5,000 from the previous fiscal year, program wages.

<i>Line Item</i>	<i>FY2013</i>	<i>Prior Year</i>	<i>% incr.</i>	<i>Explanation</i>
Program Wages	\$47,013	\$38,663	21.6%	Program Coordinator salary upgraded from grade 7 to 10

**Adds**

The BOS approved additional funds to increase PT wages for the Special Needs program.

Request	Rationale/support
\$1,600	Increase PT wages for Special Needs program PT workers

**Special Analysis /Observations**

*Distribution of Benefits:* There are approximately 3,300 unique residents or 13% of the town who have participated in programs offered by the Recreation Department in 2012, the majority utilizing summer programming (40%), followed by school year programming at 40%, and the rink, spring and special needs programming each receiving 10%.

*Shared Resources:* The Recreation Department continues to share resources with the Council on Aging, including use of space for programming at the Beech Street Center, and shared use of transportation when the Belder bus is available.

*New Programming:* The Department is commended for offering new programming to the residents, including Musical Theatre, Dance, baby-sitting courses, added Special Olympics programs as well as fitness and social activities for special needs, an extended day option to the summer programs utilizing the Beech Street facility, and expanded private swimming lessons.

*Expense Reduction and New Revenue Initiatives:* Adding sponsorships opportunities for the spring ball programs will reduce expenses and a new revenue initiative to advertise on the boards at the Skip Virgilio skating rink is expected to defray program costs (revenue estimates range from \$8,000 - \$10,000).

*Fees:* Overall, fees have been increased to better represent the actual cost of the delivery of programming (17% increase).

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Centralization of admin of Rec. programs across town	No progress to date
Departmental Consolidation	No progress to date
Increase program volume to avoid operating losses	Progress is being made (see above, new programming)
Increase fees	Progress is being made – generally increased 17% across board

**FY 2013 Recommendations**

Recommendation	Rationale
Consolidate Recreation, COA and Health departments	Small departments, potential efficiencies and cost savings, space sharing, shared general mission
Evaluate use of CPA funds to repair/rebuild Underwood Pool	Possible method to address aging infrastructure

**General Government – Administrative Departments**

**Budget Overview**

FY 2013 \$	Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$ 2,262,322	\$221,141	1.8%	17.41

**Department Mission/Description of Services**

*Mission:* General Government Administrative Departments are responsible for the administrative, legal, technology and management functions of the town.

*Services:*

**Town Clerk:** Organize and manage elections and voter registration responsibilities; create and maintain Belmont’s records including marriages, births, deaths, pet licensing, and census; maintain Town Meeting and board, committee, and commission meeting postings and minutes; provide administrative coordination of Town Meeting, keep accurate records of Town Meeting activities and communicate with Town Meeting Members.

**Information Technology:** Provide desktop services for all town departments, ERP system administration for MUNIS system and Municipal Light Department's Cogsdale System, file server and communications administration and technical training for town systems.

**Human Resources:** Administer benefits for current employees, retirees, and survivors; handle employee and labor relations matters; implement pay and position classification revisions; ensure compliance with Federal and State employment regulations; assist other departments in recruiting staff and provide information and assistance on HR-related matters to Town departments, external agencies, and the general public.

**Town Administrator:** Serve as the Town's chief administrative officer and chief of staff for the Board of Selectmen. Oversees and coordinates activities of Town departments and external counsel. Initiates and organizes planning and budgeting; senior point of contact for residents on town services and issues.

**Budget by Program**

**Town Clerk:** Most of the cost is distributed between two areas – elections and registration and town clerk responsibilities.

**Information Technology:** The distribution of expenses is fairly even, with the exception being in technical training. Most of the costs fall in the "other" category, which included hardware refresh, software licensing and maintenance for each function.

**Human Resources:** The largest share of time and money is spent on Benefits Administration services, which include health, dental and life insurance enrollments, deductions, bill processing, COBRA notices and assistance to all Town and School employees and retirees.

**Town Administrator:** The largest amount of time is spent in General Management services, which includes but is not limited to, meeting with department heads, overseeing and procuring insurance, and handling community relations.

Program	FTE's	FTE %	Budget \$	Budget %
Town Clerk	4.50	26%	\$368,482	16%
Information Technology	5.00	29%	\$874,730	39%
Human Resources	2.71	15%	\$278,829	12%
Town Administrator	5.20	30%	\$740,281	33%
Total	17.41	100.0%	\$2,262,322	100.0%

**Expense Analysis\***

Two lines increase by more than 5% and more than \$5,000.

Line Item	FY2013	Prior Year	% incr.	Explanation
IT Software Licenses	\$128,500	\$74,500	72%	Moving toward hosted solutions, various upgrades
Town Clerk Salary (excludes registrar stipend)	78,216	62,400	25%	Market survey and job classification study by external consultant

**Adds**

Request	Rationale/support
Town Clerk (TC) Audience response system requested through capital budget (\$19,000)	Accurate immediate vote count at town meeting-cuts costs by shortening number of nights at town meeting
TC – upgrade of PT position to full time: \$13,674 salary plus cost of benefits (benefit cost not included in request)	Need for more demands from state and federal regulations, e.g. Open Meeting Laws
HR- Increase current employee from 35 to 37.5 hours; increase PT employee from 25 to 32 hours (\$12,535)	Meeting new regulation requirement and free benefits staff from administrative tasks.
HR - Pay classification study (\$25,000)	Compare current Town pay scale with market rates- last done in 2002
Town Administrator (TA) -two positions increased from part time to full time (pension cost not included in request) (\$49,000)	Maximize office coverage and increase time for budget analyst
TA-increase Town Administrator salary (\$15,000)	Attract better candidates
TA-bonus merit pool increase (\$20,000)	Reward good performance
Information technology (IT) – Provide internet access for Library patrons (\$7000)	Current service is low speed and unreliable
IT-mobile device security (\$35,600)	Allow town employees to securely access Town intranet using own devices such as iPads and smartphones (“BYOD”)

**Special Analysis/Observations**

*None*

**Recommendations:**

Town Clerk Salary: Recommend using the median salary as calculated from data provided in the consultant’s report: \$66,052 (5.9% increase) bringing total compensation to \$69,052. Salary should be evaluated as part of overall pay classification study recommended for FY2013.

IT Licenses: Recommend approval for better performance and increased efficiencies of the IT system.

Pay Classification Study: Recommend approval as a town wide study has not been done in over 10 years.

Town Administrator staff increase: Recommend approval as one support staff for main town office is not adequate and targeted analysis of Town budgets likely to reduce costs by more than increase in salary.

### Recap of Prior Year Recommendations

Recommendation	Status
TC: Work with IT dept. to develop systems internally for the town clerk's office so they are less dependent on outside departments	Completed
TC: Work with school department to streamline services wherever possible	Limited progress
HR Regionalization	No progress
HR: Consolidation with School HR	No progress
HR: Review pay classifications	Classification study in budget
HR: Drop an old health ins. plan	Done
HR: Further use of technology	Being pursued
TA: Re-work the VFW payment/lease	No progress
TA: Re-bid services	Insurance re-bid with lower premiums
TA: Market Town Hall for rentals	No progress
TA: More power to the Town Admin.	Being pursued

### FY 2013 Recommendations

Recommendation	Rationale
Better coordination of these numerous small departments	Allow more efficient use of personnel and improve information flow
Consolidation with School HR	Provide cost savings and/or specialization

## General Government – Financial Departments

### Budget Overview

FY 2013 \$	Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$1,311,272	-\$16,457	-1.2%	14.1

#### Department Mission/Description of Services

*Mission:* General Government Financial Departments are responsible for the assessing, billing, and collection of town revenues in addition to managing the town's accounting function.

#### *Services*

*Accounting:* Prepare Town financial statements, maintain general ledger, prepare required filings to MA Department of Revenue, assist with recapitulation for tax rate certification. Auditing – work with external auditors, review internal procedures and perform fraud risk assessments, assist with Town compliance with Personal Information Protection Program

Contracts/Accounts Payable – act as Chief Procurement Officer, maintain custody of all contracts, prepare and approve all warrants for payments in accordance with Massachusetts General Laws. Budgets – provide financial information to all town departments, assist in preparation of department budgets and monitoring revenues and expenditures.

**Treasurer:** The Treasurer’s Department manages all cash collections, borrowings, investing and disbursements, insuring the safety of all funds and adequate liquidity to pay obligations as due. In addition, the Treasurer is responsible for other financial functions including the administration of payrolls, deferred compensation plans, management of real estate and other tax collections, preparation of quarterly reports for the IRS, liaison with debt rating agencies, and serving as the Parking Clerk.

**Assessors:** The Assessing Office is responsible for listing and valuing all real estate and personal property in Belmont. It is also charged with the administration of tax exemptions, excise and real estate and personal property abatements as well as inspections and changes in value due to structural additions and modifications. It operates under the oversight and direction of an elected Board of Assessors.

**Budget by Program**

<b>Program</b>	<b>FTE’s</b>	<b>FTE %</b>	<b>Budget \$</b>	<b>Budget %</b>
Accounting	2.8	19.9%	\$340,735	25.9%
Treasurer	7.5	53.2%	\$594,117	45.3%
Assessors	3.8	27.0%	\$376,420	28.7%
Total	14.1	100.0%	\$1,311,272	100.0%

**Expense Analysis\***

The following line items increased by more than 5% and more than \$5,000 from 2012 Estimated Expenses.

<b>Line Item</b>	<b>FY2013</b>	<b>Prior Year</b>	<b>% incr.</b>	<b>Explanation</b>
Professional Services	\$20,500	\$7,500	173%	Periodic OPEB study by external consultant. Required by law

**Requested Adds**

None

**Special Analysis /Observations**

**Accounting:** The department is commended for a smooth transition with the retirement of Barbara Hagg and the arrival of Chitra Subramanian as the new Town Accountant. The

department uses 1 part-time intern to assist with accounts payable and filing. The position is at a straight hourly wage with no benefits.

**Treasurer: Administrative overhead:** Has declined by 1.5 FTE over the last 10 years.

**Part time employees:** The Department has two PT employees, one at 16 hours per week and a second at 4 hours per week. Neither PT position carries benefits.

**Assessors: Part time employees:** The Department has one PT employee at 12 hours per week. This position does not carry benefits.

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Consolidation of Town payment windows – Treasurer’s and BML	No Progress: Requires action by two separate agencies
Town parking lot spaces priced below market	Progress: Parking consultant has been engaged to review rates
Savings through technology	Progress: E-Billing will be available August 1, 2012
Timely Information Distribution	Progress: Have agreed to a schedule to distribute information
Use of Technology	Exemption and abatement forms are available on-line
Implement CPA	Done

**FY 2013 Recommendations**

Recommendation	Rationale
Use part-time non-benefited workers whenever possible.	Reduction in compensation expense.
Consolidate Treasurer’s and Municipal Light payment windows	One location to accept all in-person payments may reduce clerical needs, and will be a convenience to residents
Implement Payment in Lieu of Taxes Program	Non-profit institutions draw on Town Services and thus town needs to find a reimbursement model.

## Police

### Budget Summary

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$6,520,258	\$ 146,227	2.3%	59

#### Department Mission/Description of Services

*Mission:* The Police Department's primary responsibility is to protect and serve the Town residents.

*Services:* There are five primary services: 1) Police Patrol Services, 2) Traffic Management, 3) Detectives and Investigations, 4) Community Services; and 5) Public Safety Communications.

#### Budget by Program

The budget as submitted calls for an increase below the town average with no significant changes in the allocation among programs. Patrol Services accounts for the highest percentage of FTEs (50.8%) and the highest share of budget dollars (60.8%).

Program	FTE's	FTE %	Budget \$	Budget %
Patrol Services	30	50.8%	\$3,924,276	60.8%
Traffic Management	8	13.6%	\$445,886	6.9%
Detectives & Investigations	5	8.5%	\$451,492	7.0%
Community Services	3	5.1%	\$257,919	4.0%
Public Safety Comm.	8	13.6%	\$865,552	13.4%
Administration	3	5.1%	\$424,693	6.6%
Records	2	3.4%	\$83,417	1.3%
<b>Total</b>	<b>59</b>	<b>100.0%</b>	<b>\$6,453,235</b>	<b>100.0%</b>

#### Expense Analysis

Two line items changed by more than 5% and more than \$5,000 from the previous fiscal year.

<i>Line Item</i>	<i>FY2013</i>	<i>Prior Year</i>	<i>% incr.</i>	<i>Explanation</i>
Communications Wages	\$506,313	\$464,469	9%	911 grant-funded position
New Cruiser	\$150,000	\$120,000	25%	Had deferred in prior years

#### Requested Adds (not included in budget above)

Upon the approval of additional funding, one Traffic Management officer and a crossing guard (15 hours) will be added.

<i>Request</i>	<i>Rationale/support</i>
One FTE sworn officer & a per diem guard, at cost of \$66,300	See recommendation section below

**Special Analysis/Observations**

**Cost Allocation:** Police, like many Town departments could benefit from charging Administration to each operating program. There has been discrepancy on how the department reports staffing. When attempting to reconcile “FTE” counts with Human Resources and Accounting departments the numbers have varied widely (as much as 20 staff). Working with new Town Administrator and the PD leadership team within the department will enable this accounting approach to take root.

**Staffing/Service Model:** The Public Safety Subcommittee has recently begun an effort, in cooperation with Police Department leadership, to comparatively analyze the service and staffing models of neighboring towns. This benchmarking will hopefully result in insights and recommendations. Each town takes a rather different approach to expense allocation, so comparing budgets is a challenge that requires data gathering and thoughtful analysis.

**Regionalization:** For many years now, there has been discussion of major structural change between PD and the Public Safety Subcommittee, primarily through regionalization. The Police Department has been actively involved with regionalization of services; primarily through Communication/911 services and through participation of the Police Department with NEMLAC, RRT, SWAT, ICS, STARS and other regional organizations. More recently the Police Chief in collaboration with Middlesex County Sherriff Department is exploring a pilot program to evaluate the efficacy of a regionalized prisoner housing arrangement.

**Sick / Disability Management:** The Warrant Committee applauds the effort by the Fire Chief and Police Chief to take tighter control over sick / disability costs by hiring Meditrol, a benefits consulting firm. Early indications are that this investment is helping to bring costs down, but further data is needed to quantify impact.

**Recommendations**

**Recap of Prior Year Recommendations**

<i>Recommendation</i>	<i>Status</i>
Explore Regionalization	See Regionalization section above. Significant progress in this area is unlikely, however, without changes at the legislative level.

**FY 2013 Recommendations**

<i>Recommendation</i>	<i>Rationale</i>
The decision regarding the incremental Traffic Management	There are three primary traffic centers in Belmont (Belmont Center, Waverley Square, and

officer is a policy determination. It will likely add approximately \$75-90K of implied annual cost obligation (fully-loaded) with the goal of improving safety

Cushing Square) but currently only two officers. The third officer would allow better coverage of all three zones. A rigorous assessment of the cost of the incremental FTE should factor in the full lifetime cost implications (health, pension, etc.).

The decision regarding the incremental crossing guard is a policy determination. It will add \$6,300 of cost per year with the goal of improving safety

The Butler Community and Town survey indicated support for an additional resource to be in place in an active crossing point (Hawthorne / Trapelo Rd), where there is currently no guard. A new part-time FTE would create no long-term cost obligations (health, pension, etc.).

Request for new cruiser

The increases in line-item changes are consistent with the cost to maintain and operate aging service vehicles. Secondly, the cost to outfit new vehicle types with the required communication equipment is consistent with new vehicle configuration.

## Fire

### Budget Summary

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$5,332,032	\$ 103,732	2.0%	55.49

#### Department Mission/Description of Services

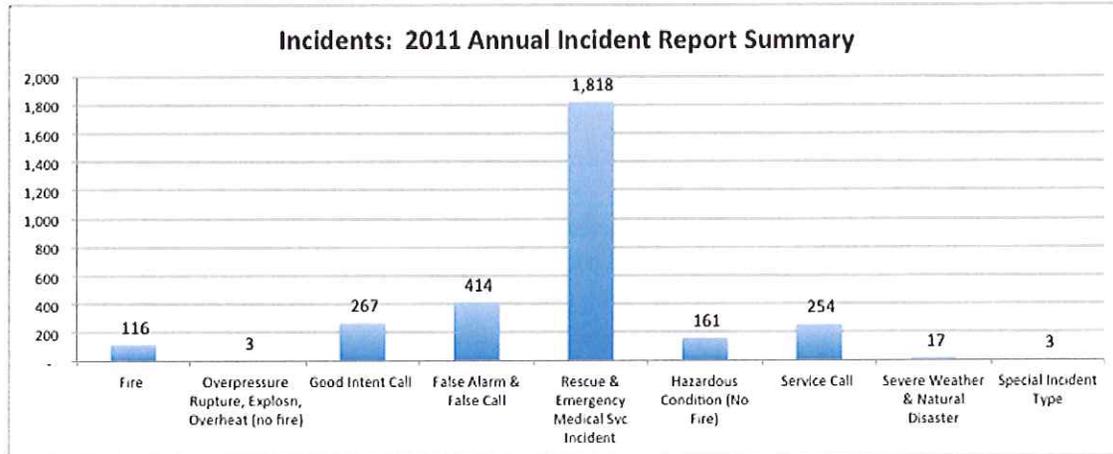
*Mission:* The Fire Department's primary responsibility is providing emergency response to Town residents.

*Services:* There are four primary services: 1) suppressing the spreading of fires, including responding to calls where a fire is likely; 2) fire prevention; 3) providing rescue services to the Town; and, 4) service calls.

#### Budget by Program

The budget as submitted calls for an increase below the town average, with no significant changes in the allocation among programs. FTEs have been allocated across programs using 2011 activity statistics from the annual incident report. (Note: Fire Prevention FTEs are allocated based on budget % and the remaining three programs based on incident types, w/ the rough assumption of all incidents being equal.) Rescue Services accounts for the largest % of both FTEs (52.5%) and budget dollars (52.2%).

<b>Program</b>	<b>FTEs</b>	<b>FTE %</b>	<b>Budget \$</b>	<b>Budget %</b>
Fire Suppression	12.83	23.1%	\$1,282,234	24.4%
Fire Prevention	6.54	11.8%	\$620,186	11.8%
Rescue Services	29.15	52.5%	\$2,747,423	52.2%
Service Calls	6.98	12.6%	\$613,984	11.7%
<b>Total</b>	<b>55.49</b>	<b>100.0%</b>	<b>\$5,263,827</b>	<b>100.0%</b>



### Expense Analysis

Four line items changed by more than 5%, and more than \$5,000, from the previous fiscal year.

<b>Line Item</b>	<b>FY2013</b>	<b>Prior Year</b>	<b>% incr.</b>	<b>Explanation</b>
Overtime	\$465,000	\$382,879	21.4%	Revised based on FY11 and FY12 experience
Uniform Maint. Allowance	\$0	\$52,500	(100%)	Rolled into Haz Mat line
Hazardous Materials Stipend	\$84,750	\$25,000	239%	Uniform. maintenance \$'s included plus increase per CBA
In Service Training	\$22,000	\$11,000	100%	Making up for cuts in prior years

### Requested Adds

None

### Special Analysis /Observations

*Overtime (OT):* The last two fiscal years have seen significant overages in OT expenditure relative to budget, requiring Reserve Fund transfers. The budget for FY13 has been increased by 21% in an effort to address. An analysis of over a dozen nearby towns indicates that Belmont's experience is not abnormal and our OT costs as a percent of budget are in line. However, ongoing management by Fire Department leadership remains vital to keep costs down.

*Staffing / Service Model.* The Public Safety Subcommittee has recently begun an effort, in cooperation with Fire Department leadership, to comparatively analyze the service and staffing models of neighboring towns. This benchmarking will hopefully result in insights and recommendations. Each town takes a rather different approach to expense allocation, so comparing budgets is a challenge that requires data gathering and thoughtful analysis.

*Regionalization:* For many years now, there has been discussion of major structural change with the Fire Department, primarily through regionalization. This is a notoriously complex issue, as it requires political and strategic alignment on proposed changes – not only within Belmont, but with any other town involved in the regionalization. It may be the case that without state-level intervention of some kind, sharing resources across towns is near impossible. Barring new data, the Subcommittee believes that meaningful new effort or dialogue on this topic is not advisable.

*Sick / Disability Management.* The Warrant Committee applauds the effort by the Fire Chief and Police chief to take tighter control over sick / disability costs by hiring Meditrol, a medical claims administration firm. Early indications suggest that this investment is helping to bring costs down, but further data is needed to quantify impact.

**Recommendations**

The Fire Department has made some progress on recommendations made in prior years

**Recap of Prior Year Recommendations**

<i>Recommendation</i>	<i>Status</i>
Address high Injured on Duty / Sick Leave	Hired an outside consultant, Meditrol, with Police Department to address issue
Make a decision whether to add ALS to EMS service	No progress
FTEs – should be broken out by programming	An initial draft has been done in this report, above, but further analysis will be done to hone

**FY 2013 Recommendations**

<i>Recommendation</i>	<i>Rationale</i>
Evaluate existing service / staffing model	A detailed analysis of benchmark towns’ cost structures and staffing models may result in cost savings opportunities or efficiency gains
Explore federal SAFER grant for buffer expansion and long-range retirement planning	With the limited staffing buffer today, continued careful management will be vital. Federal grant monies may help mitigate this issue and help plan for upcoming retirements
Barring legislative action (or new information) acknowledge that FD regionalization is impossible	The Subcommittee would welcome evaluation of options by the legislature but additional work or discussion at the local level is unproductive

## Public Works

### Budget Overview

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$6,157,953	\$ 60,612	1.0%	51.21

Note: \$ figures exclude water and sewer enterprise accounts

### Department Mission/Description of Services

*Mission and Services:* The Department of Public Works (DPW) provides a wide variety of key Town services including street and sidewalk maintenance, snow removal, vehicle fleet maintenance, forestry, grounds and delta maintenance, solid waste collection and disposal, street lighting, parks and playing fields maintenance, cemetery maintenance, water and sewer maintenance and construction.

### Budget by Program

Program	FTE's	FTE %	Budget \$	Budget %
Administration	3	5.9%	\$316,544	1.7%
Street Maintenance	5	9.8%	\$683,120	3.6%
Snow Removal	0	0.0%	\$553,274	2.9%
Central Fleet Maintenance	4	7.8%	\$553,863	2.9%
Forestry	1	2.0%	\$252,200	1.3%
Delta & Grounds	1	2.0%	\$60,222	0.3%
Solid Waste Collection & Disposal	1.5	2.9%	\$2,394,284	12.5%
Cemetery Maintenance	6.0	11.7%	\$447,443	2.3%
Parks & Facilities	5.61	11.0%	\$687,689	3.6%
Water Administration	2	3.9%	\$573,869	3.0%
Water Distribution	10.1	19.7%	\$4,697,879	24.6%
Sewer Maintenance	8	15.6%	\$7,473,863	39.1%
Stormwater Maintenance	4	7.8%	\$409,415	2.1%
Total	51.01	100.0%	\$19,103,665	100.0%

### Expense Analysis\*

The following budget line items increased by more than 5% and by more than \$5,000 from 2012 Estimated Expenses

Line Item	FY2013	Prior Year	% incr.	Explanation
Central Fleet Maintenance wages	\$21,200	\$12,483	18%	Position unfilled in part of FY2012

Solid Waste Coordinator	\$23,483	\$10,000	135%	New position
Outside Disposal	\$665,000	\$580,000	15%	Prior year came in under budget

**Requested Adds (not included in budget above)**

None.

**Special Analysis /Observations**

The department is commended for once again maintaining level services in FY 2013 within a level services budget. However, Town Meeting should understand that budgeted level services is compatible, in the short run, with underinvestment in maintaining Town infrastructure.

Sidewalk repair/reconstruction in FY2012 was budgeted at the very low level of \$7,100. However, at the last minute the Capital Budget Committee gave the DPW \$144,000 for sidewalks without a formal written request. For FY2013 this line item was again budgeted at \$7,100 but Capital Budget Committee is again supplementing this amount with an additional \$100,000.

Sidewalk reconstruction costs approximately \$30/lineal foot, so funding of \$100,000 would equate to 3,500 lineal feet, or somewhat more than half a mile. Belmont has 97 miles of sidewalks.

As we have noted in the past, the Underwood pool and the Skip Viglirolo Skating Rink are past their useful lives. These assets may fail with little warning.

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Fees for services that compete with private tradesmen, e.g., sewer rod outs	No progress
Increase recycling percentage	New waste contract in place, program to be re-evaluated

**FY 2013 Recommendations**

Recommendation	Rationale
Make greater progress on incinerator site	Funds have been set aside for this purpose

## Community Development

### Budget Overview

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$ 885,389	-\$ 19,385	-2.2%	8.97

#### Department Mission/Description of Services

*Mission and Services:* There are four departments:

**Administration** – administers and monitors requests for proposals, grants, contracts, and reimbursements.

**Inspection Services** – issues building permits and conducts building inspections, also responsible for code enforcement. Plumbing and gas inspector is a shared position with the Town of Watertown.

**Engineering** – responsible for the development, design, and oversight of road reconstruction and major sanitary sewer and storm drain rehabilitation projects.

**Planning** – provides professional “in-house” planning services to the Town offering guidance on land use issues to the Board of Selectmen and the Town Administrator. Staffs town committees including the Planning Board and the Zoning Board

#### Budget by Program

Planning accounts for the highest percentage of FTE’s (33.5%), and Administration and Planning account for approximately 60% of budget dollars.

Program	FTE’s	FTE %	Budget \$	Budget %
Administration	1.48	16.5%	\$262,415	29.6%
Engineering	2.24	25.0%	\$143,031	16.2%
Inspection	1.08	12.0%	\$183,160	20.7%
Planning	3.00	33.5%	\$256,796	29.0%
Plumbing and Gas	1.17	13.0%	\$39,987	4.5%
<b>Total</b>	<b>8.97</b>	<b>100.0%</b>	<b>\$885,389</b>	<b>100.0%</b>

#### Expense Analysis\*

There are no budget line items that increase by more than 5% from 2012 Estimated Expenses. The total budget for the Communities and Development program decreased by 2.2%.

**Requested Adds (not included in budget or discussed by Board of Selectmen above)**

Request	Rationale/support
Communication via email to TM	Better communication
Technology for 3D and architectural renderings	Better explain projects

**Special Analysis /Observations**

The department is commended for once again maintaining level services in FY 2013 within a level services budget (2.2% less than 2012), however, the level service budget limits code enforcement activities. There is a lack of coordination between the Planning Division and the Town’s Planning Board.

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Obtain historical document imaging system	No progress
Increased code enforcement	No progress

**FY 2013 Recommendations**

Recommendation	Rationale
Review organization of Planning Division and coordination with Planning Board	Align operation of related Town planning functions.

**Building Services**

**Budget Overview**

FY 2013 \$	\$ Change from Prior Year	% Change from Prior Year	FY 2013 FTEs
\$ 1,340,637	\$ 53,448	4.2%	6.75

**Department Mission/Description of Services**

*Mission and Services:*

Maintenance, cleaning, and repair of the following Town buildings including the Police Station, Town Hall, Homer Bldg, Old BMLD Bldg, the Fire Stations, the Town Yard, and the Beech Street Center.

Manage fuel and utilities for town buildings (heating oil, diesel fuel, natural gas, water, electricity).

Manage town telecommunications contracts.

Assist with oversight of Town capital projects.

**Budget by Program**

Program	FTE's	FTE %	Budget \$	Budget %
Administration	0.75	11.1%	\$45,141	14.7%
Capital Project	0.35	5.2%	\$26,185	8.5%
Energy and Security	0.65	9.6%	\$40,402	13.1%
Maintenance	5.00	74.1%	\$196,328	63.7%
Total	6.75	100.0%	\$308,056	100.0%

**Expense Analysis\***

The following budget line items increase by more than 5% and by more than \$5,000 from 2012 Estimated Expenses.

<i>Line Item</i>	<i>FY2013</i>	<i>Prior Year</i>	<i>% incr.</i>	<i>Explanation</i>
Wages	\$292,407	\$255,598	14.4%	Additional cleaning staff
Health Insurance	\$27,085	\$12,085	124.1%	Additional staff
Electricity	\$240,000	\$225,000	6.7%	Rate increase

**Requested Adds (not included in budget above)**

<i>Request</i>	<i>Rationale/support</i>
Light Rate increase of \$38,000	BMLD rates
Fuel Cost increase of \$45,000	Market price changes

**Special Analysis /Observations**

The department is commended for once again maintaining level services in FY 2013 within a level services budget. Repairs to the Police Station required much less expense than originally anticipated.

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Continue planning for consolidation with School Buildings function	Awaiting further action

**FY 2013 Recommendations**

Recommendation	Rationale
Continue planning for consolidation with School Buildings function	Long-term town policy

## Minuteman

### Budget Overview

Belmont Assessment FY 2013	Change from Prior Year	% Change from Prior Year *	FY 2013 FTEs
\$939,999	\$51,880	6.8%	NA

#### Department Mission/Description of Services

*Mission:* Minuteman’s mission is to serve a diverse student body with multiple learning styles with in academic, career, and technical training areas.

*Services:* Minuteman provides instruction to high school students in traditional academic subjects and 21 career and technical training areas, such as carpentry, plumbing, culinary arts, early education, telecommunications, biotechnology, environmental science, and computer programming/web design. Minuteman also provides career and technical training to post-graduate students.

#### Budget by Program

Minuteman’s major program areas are shown below. Because many post-graduate students are embedded into the high school programs, Minuteman does not break out the costs of post-graduate programs separately. Instructional support includes services such as special education, technology support, guidance, the library, and health. The 22% of the Minuteman budget of \$17,251,713 not reflected in the table below consists primarily of employee benefits (11.2% of the budget), which Minuteman does not allocate to the respective program areas, health benefits for retirees (3.9%), property and liability insurance (0.9%), and capital expenses (4.7%).

Program	FTE’s	FTE %	Budget \$	Budget %
Administration	18.4	14.3%	\$2,255,481	16.8%
Academic Programs	30.3	23.6%	\$2,350,367	17.5%
Career & Technical Programs	41.0	31.3%	\$3,162,239	23.5%
Instructional Support Services	27.3	21.3%	\$2,355,172	17.5%
Athletics & Student Activities	---	---	\$427,878	3.2%
Transportation	---	---	\$1,265,300	9.4%
Maintenance & Utilities	11.4	8.0%	\$1,615,135	12.0%
<b>Total</b>	<b>128.4</b>	<b>100.0%</b>	<b>\$13,456,336</b>	<b>100.0%</b>

**Expense Analysis**

The total Minuteman budget is increasing by \$816,240, or 4.97%, in Fiscal Year 2013. The bulk of the increase is due to contractual 1% salary and step and lane increases for teachers and support staff (coupled with some modest unrealized FY 2012 salary savings). Approximately 10% of the increase is due to the restoration of funding for the principal’s position, which is currently being filled on an interim basis by the Community Education director. The other significant discretionary budgetary increase is in funds for technology, which reflects the funding for an approved multi-year technology plan.

<i>Line Item</i>	<i>FY2013</i>	<i>Prior Year</i>	<i>% incr.</i>	<i>Explanation</i>
Academic Programs*	\$2,350,367	\$2,119,701	10.9%	Contracted salary increases.
Career & Technical Programs*	\$3,156,625	\$2,993,076	5.5%	Contracted salary increases.
Technology Support	\$561,174	\$335,749	67.1%	Implementation of technology plan.
Principal’s Office**	\$281,307	\$194,222	44.8%	Restoration of principal’s position.
Health Services, Guidance	\$576,553	\$498,305	15.7%	Contracted salary increases, retention of staff nursing position.

\*Prior Year budget included unspecified and unallocated budget savings from staff reductions and program eliminations. Those forecasted savings have simply been allocated to the Prior Year budgets in this table in proportion to those respective FY 2012 budgets before the anticipated savings.

\*\*Prior Year budget adjusted to reflect previously unspecified budget savings.

**Requested Adds (not included in budget above)**

There will be a request for an additional \$46,793 appropriation for unforeseen renovations at Belmont’s Special Town Meeting in May.

**Special Analysis /Observations**

*Enrollment Trends:* Total enrollment at Minuteman, which was over 900 students in 1996, is 785 students in the current (FY 2012) school year. Enrollment has grown substantially over the past several years, but virtually all of Minuteman’s enrollment growth has come from students outside of the Minuteman district (who do not pay capital costs or special assessments), and a significant portion of the growth has come from an increase in post-graduate enrollment. Belmont’s current enrollment is 37, and it unclear whether represents a plateau.

**Minuteman Enrollment from Belmont by Student Type**

Year	2007	2008	2009	2010	2011	2012
High School	22	31	33	35	37	37
Post High School	2	0	0	3	4	4

*Non-Member Tuition Increases:* Non-member tuition rates are currently set at the highest level permitted by the State, and when transportation costs (which are covered separately by the non-member towns) and special education surcharges are factored in, per-student costs for non-member towns are now higher than most member-town assessments.

*Potential Building Renovation Project:* The Minuteman school facility was constructed in 1975 and has not undergone any significant renovation since that time. Minuteman is currently working with the MSBA to obtain approval for a renovation/reconstruction of the building. In October 2011, the MSBA approved Minuteman to consider a design of a renovated school serving a maximum of 800 students. However, there is no appetite within Belmont, or within a significant number of other member towns, to bear the capital costs associated with a facility designed to serve a substantial number of non-member students. So, until a mechanism is found to address the capital costs associated with non-member students, Belmont’s approval for the renovated facility remains a critical, unresolved issue.

**Recommendations**

**Recap of Prior Year Recommendations**

Recommendation	Status
Advance plans for a new building	Enrollment study completed, but not presented to Belmont. Enrollment certification awarded by MSBA. Significant issues regarding school sizing remain unaddressed. Building Committee formed, but feasibility study not yet commenced.
Consider changes to the Regional Agreement	Effort suspended without resolution.
Increase enrollments	Total enrollments up, but all from non-member towns
Potentially admit new towns to the District	Discussions held with certain non-member towns, but no interest in joining at present
Revisit mix of career and technical programs	Draft education plan presented to the School Committee, but discussions currently only at the initial stages

**FY 2013 Recommendations**

Recommendation	Rationale
Complete enrollment study	Without agreement on school size, there is little possibility of agreement
Address non-member and post-graduate enrollments.	Need to achieve equitable cost distribution
Continue exploring admitting new Towns to the District.	Recruiting new towns to the District (e.g. Watertown, Medford, or Waltham,) could alleviate concerns regarding building sizing.

## Education

### General Fund Budget Summary

FY2012 Budget	FY2013 Budget	% Change	FY2013 FTEs
\$41,583,768	\$43,068,492	3.6%	437.16

*Note: Budget dollars and FTEs are General Fund only; see below for discussion of other funding sources and FTEs. Also, budget does not include proposed \$250,000 Special Education Stabilization Fund and Consolidated Facilities Maintenance account, both to be established with General Fund dollars.*

### Department Mission/Description of Services

The School Department, responsible for K-12 education of all Belmont children and for pre-kindergarten services to children with special needs, is Belmont's largest department. In addition to its core classroom education, it provides Belmont students with a wide array of athletic, cultural and service opportunities. The School Department also manages an adult education program and recreation programs open to both children and adults.

### Department Funding Sources

The above table, and much of this report, focuses on the General Fund budget, which is the tax-based Department budget that Town Meeting is being asked to approve, and which is by far the largest funding source for school operations. At the same time, there are two additional sources that provide significant funds, namely, Federal and State Grants and Revolving Accounts, which include athletics and student activity fees, busing fees, pre-school and all-day kindergarten tuitions, and building rentals. Combined, these sources provide 11.7 percent of total FY2013 budget dollars.

All three of these funding sources are applied against the same kinds of personnel and other costs that make up the operating budget, and line item costs are frequently transferred among the three. Therefore, when reviewing this report, it is important to remember that these other funding sources significantly impact the Department's total available resources.

For example, the proposed FY2013 Budget contains 437 staffing positions, representing an increase of about 28 FTEs from the 409 contained in the FY2012 budget approved last May; however, FY2013 positions funded by Grants and Revolving Accounts are projected to fall by 15 (with many of these FTEs being transferred to the General Fund), resulting in an overall FTE increase of 13 positions.

The following table illustrates the impact that Grant and Revolving Account funding has on the Department's operating budget and staffing levels.

Budget Component	FY2012 Budget (5/20/11)		FY2013 Budget	
	General Fund	All Funding	General Fund	All Funding
Personnel (FTEs)	408.96	472.24	437.16	485.45
Total Budget Dollars	\$41,583,768	\$47,308,743	\$43,068,492	\$48,777,890

## Programmatic Analysis

As it did last year, the Department has organized its proposed budget for FY2013 into 38 program categories, encompassing Regular Instruction (15 programs), Special Instruction (3 programs), Student & Instructional Services (11 programs), Operations (3 programs), Leadership & Administration (4 programs), and Contract Allowances & Fringe Benefits (2 programs). The table that follows presents this program allocation, for both FTEs and budget dollars, as contained in the FY2012 Budget approved at the 2011 Annual Town Meeting, a revised FY2012 budget issued by the Department last September, and the proposed FY2013 Budget. (The percentages included in the table represent percent of total budget, and not year-to-year increases.)

There are two points to keep in mind when reviewing this table. First, we have included the September budget because many of the changes from the FY2012 Town Meeting-approved budget to the proposed FY2013 budget were in fact implemented this year. In particular, some \$820,000 was reallocated from non-personnel accounts to personnel accounts; this reallocation, together with \$292,000 cost savings achieved by delaying this year's Unit A step increases, funded a substantial increase in the Department's General Fund positions from 409 in May to 433 in September.

Second, when evaluating the table's budget allocations and year-to-year changes, it is important to remember that these numbers are impacted by the transfer of costs among the three funding sources discussed above.

Particular items of note include the following.

- In general, budget allocations among programs have remained consistent from FY2012 to FY2013. With the exception of Fringe Benefits, all allocations are within 0.4% of last May's allocations.
- Compared to last May's budget, proposed FY2013 Special Education FTEs have increased by 19.6, or 30%, whereas the corresponding General Fund program budget has only increased by 1.6%. This discrepancy reflects the fact that staffing positions and budget dollars (approximately 13 FTEs and \$758,000) have been transferred from Grants to the General Fund, whereas \$804,000 in out-of-district tuition dollars have been moved in the opposite direction, from the General Fund budget to Grants.
- Psychological Services FTEs have increased from 3.73 to 6.73. Again, this is largely due to a transfer of FTE funding: two positions have been moved from Grants to the General Fund, and one new position is being added.



Program/Budget Category	FY2012 Budget (5/20/11)		Revised FY2012 Budget (9/13/11)		Proposed FY2013 Budget	
	FTE's	%	Budget \$	FTE's	%	Budget \$
<b>Operations</b>						
Buildings & Grounds	5.00	1.2%	\$ 695,161	5.00	1.2%	\$ 695,161
Custodial Services	14.00	3.4%	\$ 1,040,635	14.00	3.2%	\$ 1,040,635
Utilities	-	0.0%	\$ 1,536,031	-	0.0%	\$ 1,641,030
<b>Subtotal</b>	<b>19.00</b>	<b>4.6%</b>	<b>\$ 3,271,826</b>	<b>19.00</b>	<b>4.4%</b>	<b>\$ 3,376,826</b>
<b>Leadership &amp; Administration</b>						
Building Administration	29.02	7.1%	\$ 1,906,150	29.34	6.8%	\$ 1,910,537
Central Administration	6.40	1.6%	\$ 741,112	8.70	2.0%	\$ 826,357
Legal Services	-	0.0%	\$ 105,000	-	0.0%	\$ 105,000
School Committee	-	0.0%	\$ 19,600	-	0.0%	\$ 19,600
<b>Subtotal</b>	<b>35.42</b>	<b>8.7%</b>	<b>\$ 2,771,862</b>	<b>38.04</b>	<b>8.8%</b>	<b>\$ 2,861,494</b>
<b>Allowances &amp; Benefits</b>						
Contractual Allowances	-	0.0%	\$ 208,593	-	0.0%	\$ 150,003
Fringe Benefits	-	0.0%	\$ 5,925,266	-	0.0%	\$ 6,062,705
<b>Subtotal</b>	<b>-</b>	<b>0.0%</b>	<b>\$ 6,133,859</b>	<b>-</b>	<b>0.0%</b>	<b>\$ 6,212,708</b>
<b>Grand Total</b>	<b>408.96</b>	<b>100.0%</b>	<b>\$ 41,583,768</b>	<b>433.46</b>	<b>100.0%</b>	<b>\$ 41,583,768</b>
				<b>437.16</b>	<b>100.0%</b>	<b>\$ 43,068,492</b>
						<b>100.0%</b>

- Library program FTEs have increased from 3.03 to 5.65 (86%). This increase consists of elementary school library aide positions and has been implemented in two increments. The September budget restored the aides to FY2010 levels (2.0 FTEs shared by the four schools), and the FY2013 budget increases the total to 2.73 FTEs.
- In Central Administration, budgeted positions have increased by 2.3 FTEs since the May budget. These are clerical positions that had been projected to decrease from 6.1 in FY2011 to 3.8 in FY2012 due to a combination of retirements and a planned transfer of FTEs to Revolving Account funding, neither of which occurred as expected.

### Expense Analysis

To identify significant line item budget increases contained in the FY2013 Budget, we employed thresholds of 4% and \$5,000. Our review identified 88 items (out of a total of 734) that are either increasing by at least these amounts or are greater than \$5,000 in FY2013 after having received no funding in FY2012. The line items listed below represent the largest such increases, ranging from \$215,750 for High School Special Education Teacher salaries to \$65,478 for Middle School Technology Education Teacher salaries.

Line Item	FY2012 Budget	FY2013 Budget	Percent Increase	Explanation
HS Special Education Teachers	\$ 213,235	\$ 428,985	101.2%	3.0 Add'l. FTEs; Sal. Incr.
MS Special Education Aides	\$ 169,295	\$ 352,393	108.2%	6.42 Add'l. FTEs
Spec. Ed. Out-of-State Tuition	\$ 0	\$ 150,000	NA	Placement Reclassification
MS Special Education Teachers	\$ 444,648	\$ 587,653	32.2%	1.0 Add'l. FTE; Sal. Incr.
Winn Brook Spec. Ed. Aides	\$ 229,054	\$ 344,254	50.3%	4.71 Add'l. FTEs
Middle School Electricity	\$ 65,116	\$ 178,622	174.3%	\$ Shift from Rev. Acct.
High School Science Teachers	\$ 848,785	\$ 957,525	12.8%	2.20 Add'l. FTEs; Sal. Incr.
Long-Term Substitute Teachers	\$ 220,000	\$ 315,000	43.2%	Incr. Maternity Leaves
Burbank Spec. Ed. Teachers	\$ 145,740	\$ 239,610	64.4%	1.0 Add'l. FTE; Sal. Incr.
Wellington Elementary Tchrs.	\$ 1,035,971	\$ 1,126,399	8.7%	1.0 Add'l. FTE; Sal. Incr.
Social Studies Curr. Director	\$ 3,308	\$ 76,000	2197.5%	New 0.8 FTE
Science Curriculum Director	\$ 0	\$ 72,000	NA	New 0.8 FTE
HS Social Studies Teachers.	\$ 810,782	\$ 878,940	8.4%	0.60 Add'l. FTEs; Sal. Incr.
Buildings & Grounds Supervisor	\$ 58,510	\$ 124,280	112.4%	0.45 Add'l. FTEs; Sal. Incr.
MS Tech. Education Teachers	\$ 45,207	\$ 110,685	144.8%	1.08 Add'l FTEs; Sal. Incr.

### Adds and Cuts

In its original January budget submission, the Department provided both an Available Revenue Budget of \$42,739,922 and a Level Services Budget that, at \$43,249,144, was \$509,222 higher. Since that time, a combination of \$328,570 in increased revenues allocated to the schools, \$212,711 in health insurance cost savings due to the recent plan redesign, and changes in Department priorities have resulted in a fully funded Level Services Budget of \$43,068,492. In addition, Town Meeting will be voting on two other sources of potential school funding: (1) a

Special Education Stabilization Fund that will contain an initial balance of \$250,000; and (2) a Consolidated Building Maintenance account, seeded with \$150,000 and intended to support maintenance for both Town and School Departments.

The final FY2013 budget proposal represents a 3.6% increase over last year's approved budget. As noted earlier, the program allocations within this budget are close to those in last May's FY2012 budget, indicating similar growth rates across programs. If we look at major line item groupings, however, the variation in growth rates is more pronounced. The following table summarizes line item budget changes – adds and cuts – contained in the FY2013 budget. (Note that, to provide a full depiction of how monies are being budgeted, this table includes all funding, and not just General Fund dollars.)

Line Item Category	FY2012 Budget	FY2013 Budget	% Change
<b>Personnel Costs</b>			
FTEs	472.24	485.45	2.80%
	\$28,211,24		
Salaries	2	\$ 29,265,311	3.74%
Stipends	\$352,628	\$ 403,922	14.55%
Fringe Benefits	\$6,391,136	\$ 6,131,413	-4.06%
Contract Allowances	\$208,593	\$ 249,566	19.64%
	\$35,533,59		
<b>Total Personnel Costs</b>	<b>9</b>	<b>\$ 36,412,254</b>	<b>2.47%</b>
<b>Non-Personnel Costs</b>			
Contract Services	\$ 880,718	\$ 1,017,340	15.51%
Legal Services	\$105,000	\$ 165,000	57.14%
Technology	\$503,029	\$ 536,229	6.60%
Equipment & Supplies	\$1,192,798	\$ 1,382,026	15.86%
Textbooks/Other Books	\$17,780	\$ 53,088	198.58%
Out-of-District Placements	\$5,209,139	\$ 5,180,669	-0.55%
Regular & Spec. Ed. Transportation	\$1,389,181	\$ 1,512,886	8.90%
Facilities Maintenance/Repair	\$326,000	\$ 315,502	-3.22%
Utilities	\$1,821,030	\$ 1,882,649	3.38%
	\$11,775,16		
<b>Total Non-Personnel Costs</b>	<b>5</b>	<b>\$ 12,365,636</b>	<b>5.01%</b>

*Note: The individual cost lines do not sum to the totals provided, as not all line item categories are listed. Also, the Out-of-District Placement costs do not include the proposed \$250,000 Stabilization Fund, and the Facilities Maintenance/Repair do not reflect the Consolidated Building Maintenance account.*

With respect to potential adds to the FY2013 budget, the Department has identified a list of additional expenditures, totaling \$781,000, that it would fund with any excess revenues that became available. Most notable among these is the implementation of a new mathematics curriculum (\$200,000), an increase of the Human Resources Administrator position to 0.8 FTEs (\$23,520), and the hiring of additional teachers and other professional staff (\$520,000).

On the cuts side, there are two items within the proposed budget that we believe might be reduced.

- Contract Allowances, designed as contingencies for salary increases that might be granted in negotiations or to reward individual merit, have increased by nearly 20% from FY2012

levels. In particular, the allowance for Collective Bargaining outcomes has grown by 5.7% to \$127,841 since last May, even though several of the bargaining agreements that were pending last year (including the teachers' contract) have been settled.

- Similarly, the budget for Legal Services has increased by \$60,000, including a doubling of collective bargaining funds from \$50,000 to \$100,000. We understand that the Department's legal counsel is no longer willing to work on a retainer, but will bill on an hourly basis in the future; however, it seems logical that the need for collective bargaining services would in fact decrease substantially in a year when labor agreements have been settled.

## Special Analyses

### *Administrative/Overhead Expenses*

The Department's budget was analyzed to separate out administrative expenses -- consisting of management and clerical support staff, building maintenance and utilities, equipment replacement and repair, and dues, conferences, and other professional development activities -- from the staffing, equipment, and supplies used to provide direct services to students. In the proposed FY2013 budget, these expenses account for approximately 25.6% of the total Department budget, a figure slightly higher than in FY2012, but generally consistent with the 25%-27% range experienced in recent years.

### *Use of Part-Time Staff*

This year, the Warrant Committee is looking at the numbers of part-time employees within each department. The purpose of this analysis is to identify how many of these employees are eligible for health insurance and other fringe benefits (those working 20 or more hours per week) and/or retirement pensions (25 or more hours per week), both of which add greatly to long-term costs for the Town.

The School Department currently has 156 part-time employees: 103 work 20 or more hours per week, including 24 employees who work between 20 and 24 hours, and 53 work fewer than 20 hours per week. The following table provides a breakdown of these employees by functions and hours worked per week.

School Department Part-Time Positions						
Position	Hours Worked per Week					
	1 – 9	10 – 19	20 – 24	25 – 29	30 - 34	35-Plus
Teachers/Other Professional Staff	2	2	12	6	10	3
Instructional Aides, Tutors	1	10	7	52		
Administrators			1			
Secretarial Staff		1				
Clerical Aides		3		2		
Lunch Aides		16				
Cafeteria Staff		16	4	6	2	
<b>Totals</b>	<b>3</b>	<b>48</b>	<b>24</b>	<b>66</b>	<b>12</b>	<b>3</b>

*Note: 49 of the 52 Aides listed above work 27.5 or more hours per week; full-time for these staff is 30 hours.*

### ***Long-Term Growth***

During this year's budget season, it has been stated on a number of occasions that even a level services budget will only perpetuate what has been a significant erosion in school services during the past several years. It is argued that the fiscal constraints imposed by Proposition 2½, plus the fact that Belmont voters have not approved an operating override in recent years, have required the Department to cut back on important educational programs.

In response to this argument, the Education Subcommittee has taken a closer look at the last ten years to see how well, or badly, the Department has been able to keep pace with Belmont's educational needs. Focusing initially on classroom ratios, we have used a combination of Annual Reports and school budget documents to examine the growth in student enrollment and classroom staffing, including teachers, tutors, and instructional aides; we have also reviewed annual budget growth during this period.

Our findings are presented in the table on the following page, which provides data for the period FY2004-2012, plus the estimated numbers for FY2013. This information suggests that, at least with respect to classroom staffing, the Department has had sufficient resources to accommodate student enrollment growth. Key findings include the following.

- Enrollment has grown at an annual rate of 0.53% overall, with regular class enrollment growing by 0.96% per year and special education enrollment actually decreasing by 3.5% per year.
- Growth in teaching staff has generally matched enrollment growth, increasing 1.21% annually for all teachers, 0.87% per year for regular classroom teachers, and 3.92% per year for special education teachers. As a result, student-teacher ratios have remained relatively stable for regular classrooms (15.95 students per teacher in FY2004 and 16.08 in the FY2013 budget), and decreased dramatically for special education (from 18.41 in FY2004 to 9.45 in the FY2013 budget).
- The last ten years have seen significant growth in the number of instructional aides employed by the Department – 1.98% annually for regular classrooms and 5.39% per year for special education. These staff have worked primarily with special education students, but recently their use in regular classrooms has increased. When instructional aides and tutors are taken into account, student-to-staff ratios are reduced across the board. In regular education, the ratio was 15.71 in FY2004, when their use was limited to the English Language Learner program; in FY2013 it is expected to be 14.34. In special education, a FY2004 ratio of 7.72 students per staff member has decreased to 3.49 in the FY2013 budget. The last ten years have seen significant growth in the number of instructional aides employed by the Department – 1.98% annually for regular classrooms and 5.39% per year for special education. These staff have worked primarily with special education students, but recently their use in regular classrooms has increased. When instructional aides and tutors are taken into account, student-to-staff ratios are reduced across the board. In regular education, the ratio was 15.71 in FY2004, when their use was limited to the English Language Learner program; in FY2013 it is expected to be 14.34. In special education, a FY2004 ratio of 7.72 students per staff member has decreased to 3.49 in the FY2013 budget.

Long-Term Growth in Enrollment, Staffing, and Budget

	Fiscal Years										Total Growth	Avg. Ann. Growth	
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013			
<b>Enrollment</b>													
Total Enrollment	3,763	3,737	3,703	3,735	3,752	3,865	3,950	3,928	3,950	3,946	4.85%	0.53%	
Regular Instruction	3,336	3,275	3,239	3,274	3,328	3,475	3,598	3,618	3,640	3,636	8.98%	0.96%	
Special Education	427	462	464	461	424	390	352	310	310	310	-27.40%	-3.50%	
<b>Staffing</b>													
<b>Classroom Teachers</b>	232.37	242.60	243.30	240.90	245.35	251.19	250.22	258.04	258.81	258.91	11.42%	1.21%	
Regular Instruction	209.17	219.65	218.95	216.90	220.35	224.07	222.10	226.94	226.01	226.11	8.10%	0.87%	
Special Instruction	23.20	22.95	24.35	24.00	25.00	27.12	28.12	31.10	32.80	32.80	41.38%	3.92%	
<b>Instructional Aides/Tutors</b>	35.30	36.65	39.34	43.60	48.44	52.15	53.14	87.37	82.33	83.25	135.84%	10.00%	
Regular Instruction	3.19	2.95	3.20	3.15	3.07	7.38	3.26	22.13	27.33	27.33	756.74%	26.96%	
Special Instruction	32.11	33.70	36.14	40.45	45.37	44.77	49.88	65.24	55.00	55.92	74.15%	6.36%	
<b>All Classroom Staff</b>	267.67	279.25	282.64	284.50	293.79	303.34	303.36	345.41	341.14	342.16	27.83%	2.77%	
Regular Instruction	212.36	222.60	222.15	220.05	223.42	231.45	225.36	249.07	253.34	253.44	19.34%	1.98%	
Special Instruction	55.31	56.65	60.49	64.45	70.37	71.89	78.00	96.34	87.80	88.72	60.40%	5.39%	
<b>All Department Staff</b>	380.09	394.97	400.72	403.90	414.52	424.14	422.84	482.43	484.40	485.45	27.72%	2.76%	
<b>Student-Staffing Ratios</b>													
<b>Student-Teacher</b>	16.19	15.40	15.22	15.50	15.29	15.39	15.79	15.22	15.26	15.24			
Regular Instruction	15.95	14.91	14.79	15.09	15.10	15.51	16.20	15.94	16.11	16.08			
Special Instruction	18.41	20.13	19.06	19.21	16.96	14.38	12.52	9.97	9.45	9.45			
<b>Student-All Classroom Staff</b>	14.06	13.38	13.10	13.13	12.77	12.74	13.02	11.37	11.58	11.53			
Regular Instruction	15.71	14.71	14.58	14.88	14.90	15.01	15.97	14.53	14.37	14.34			
Special Instruction	7.72	8.16	7.67	7.15	6.03	5.42	4.51	3.22	3.53	3.49			
<b>Student-Department Staff</b>	9.90	9.46	9.24	9.25	9.05	9.11	9.34	8.14	8.15	8.13			
<b>Budgets (millions)</b>													
General Fund Only	\$29.655	\$30.924	\$33.005	\$34.869	\$37.040	\$38.471	\$37.824	\$39.703	\$41.584	\$43.068	45.23%	4.23%	
All Funding	\$30.639	\$31.824	\$34.589	\$36.580	\$38.915	\$40.885	\$42.311	\$44.225	\$47.199	\$48.778	59.20%	5.30%	

Notes: Enrollment, staffing, and budget totals for FY2004-2010 are taken from Annual Reports; totals for FY2011-2013 from School Department budget documentation.

Both Total Enrollment and Special Education Enrollment counts exclude out-of-district placements; such placement counts are not available for years prior to FY2010, so estimates have been derived from State DESE data.

Because ELL students are in the regular education student population, ELL teachers and tutors are similarly included in the regular instruction staffing counts.

The 60 FTE increase in total staffing indicated in FY2011 appears to reflect both an increase in the classroom staffing included in this table (+42 FTEs), plus the inclusion of 15.5 cafeteria staff who were likely employed, but not included in the FY2004-FY2010 Annual Reports.

The staffing and budget totals for FY2010 and FY2011 reflect ARRA and SFSF Grant funding. For years prior to FY2011, however, only General Fund and Revolving Account funding is included; no data have been found for other grant funding. It is unclear whether grant-funded staffing counts are also missing.

- Finally, the General Fund budget for the Department has increased at an average annual rate of 4.23% during the period since FY2004, and, based on the information available to us, by an even greater average (5.3% per year) if Grant and Revolving Account funding is included in the calculation.

**Observations and Recommendations**

This section reviews the major budgetary issues that the School Department faces, both this year and in future years, as it attempts to provide high quality education services within existing budgetary constraints. It provides a recap of the recommendations made in last year’s Warrant Committee Report and the Department’s responses to those recommendations; discusses the major long-term issues still confronting the Department; and sets forth our recommendations – both new and continuing – to improve the Department’s budget planning and management approach in future years.

**Recap: FY2012 Recommendations and Follow-Up**

The table below lists the recommendations made in last year’s Warrant Committee Report and the current status of the Department’s implementation of those recommendations. The subsequent discussion focuses on those recommendations that were not implemented or are still pending.

FY2012 Recommendation	Status / Follow-Up
Negotiate Unit A salary freeze in FY2012 to close \$855,000 budget gap.	Parties negotiated a half-year delay in FY2012 step rate increases, saving \$292,000.
Negotiate changes to the current Unit A salary grid to reduce the number or size of step and/or lane increases in order to limit long-term growth in personnel costs.	Contract negotiations completed with no changes made to step-and-lane grid. COLA increases in FY13 and FY14 will increase base salary grid by 4%. Net impact of contract therefore will be to increase, rather than reduce, long-term costs.
Adopt new staffing strategies to achieve more cost-effective service delivery.	No specific response. Department has begun to use instructional aides in elementary grades, but without a corresponding reduction in teachers, thus no efficiencies or cost savings are evident.
Evaluate cost-effectiveness of Special Education LABBB program.	No follow-up as of this time.
Provide quarterly updates on Department General Fund expenditures.	Implemented for FY2012.
Provide quarterly updates on Revolving Accounts receipts and expenditures.	Implemented for FY2012.
Improve timeliness of maintenance to prevent unnecessary deterioration of school buildings and systems.	School and Town Departments are preparing to implement a consolidated facilities management department in FY2013.

**Changes to Long-Term Salary Structure:** Salaries represent the largest single component of the School Department's budget, accounting for over 62% of total costs in FY2012. Consequently, increases in salaries are a major determinant of overall budget growth. As of this writing, the only view we have into future salary growth, and into the Department's efforts to control it, is a Memorandum of Agreement signed last summer that addresses the financial terms of a new three-year contract with Bargaining Unit A. (Although this is only a partial view, Unit A employees account for approximately 73% of all Department salaries.) This contract is producing savings in FY2012 of \$292,000 from a half-year delay in step rate increases. In FY2013, smaller savings totaling \$153,000 will be achieved from a quarter-year delay.

The Warrant Committee appreciates that the Department has been able to achieve these salary concessions. However, they are one-time savings only. In last year's report, we urged the Department to attempt to modify the underlying step-and-lane system, which provides for annual step increases averaging 4.2% for the first 14 years of employment and lane increases, ranging from 1.5% to 5.6%, based on graduate degrees or credits earned. We pointed out that reducing the number of steps or the size of individual step increases could yield significant savings over both the short and long terms.

Unfortunately, this system remains unchanged, and the long-term growth curve for Unit A salaries will continue. Moreover, the new contract awards 2% cost-of-living increases in years 2 and 3; these increases are implemented on a delayed schedule similar to the step raises in years 1 and 2, but nonetheless they erase any savings from the year 2 step raise delay and will likely increase year 3 costs by over \$600,000, depending on the level of staff turnover in fiscal years 2013 and 2014.

By the end of FY2014, the net impact of this contract will be a 4-plus percent increase in all salaries contained in the step-and-lane grid. Combined with the underlying raises embedded in the advancement grid, and holding FTEs constant, the new contract's terms could result in salary growth as high as 4.7% in FY2013 and 5.9% in FY2014. These increases alone would yield overall annual budget growth of 2.9% and 3.7% respectively, growth that would exceed the limits of Proposition 2 ½, and thus require either (1) significant cuts in other parts of the Department's budget, (2) a larger percentage allocation of Town revenues to the schools, thus necessitating cuts in other town services, or (3) an operating override.

**Adoption of New Staffing Strategies:** As noted above, nearly 75% of salary costs are attributable to Unit A employees, the vast majority of whom are classroom teachers. Given the relatively high costs associated with these positions, last year this Committee encouraged the Department to consider alternate service delivery models and staffing patterns that might improve the cost-effectiveness of its programs. There has been no specific response to this recommendation.

A review of Department staffing data does reveal an increasing use of instructional aides in the elementary schools (from 3.26 ELL staff FY2010 to 27.2 total in FY2012), with the new staff working primarily in kindergarten classes and as part of the Response-to-Intervention program. (Instructional aides have long been a significant component of the Special Education Program.) However, it does not appear that improved cost-effectiveness drove this staffing change, as the number of regular instruction teachers has also increased during this period.

**LABBB Program Evaluation:** Last year's report devoted considerable attention to the costs of the Special Education Program, which in FY2012 accounts for just under 20% of the total Department General Fund budget and which has been growing dramatically during the past several years. Two program components account for much of this increase. Out-of-district placement tuitions, which alone comprise about 7.6% of the FY2012 General Fund budget (and 10.7%, if one considers all funding sources and allocations), have grown at an annual rate of 10.9% since FY2004. Closely related to these placements, transportation costs, representing 2% of the GF budget, have grown an average of 12.6% annually during the same period.

For the most part, Special Education services are mandated, and the Department has limited ability to control out-of-district tuition costs. One area, however, over which the Department would seem to have some leverage, is the LABBB Program. Established by the participating school districts (Lexington, Arlington, Belmont, Burlington, and Bedford) and overseen by the five district superintendents, LABBB is described in the Department's 2009 Annual Report as a key initiative that "achieves substantial cost savings by pooling resources" with member towns. In theory, because LABBB program components are under the control of the districts, program costs can be better managed.

In practice, it is unclear whether this cost-containment objective is being achieved in any consistent way. If one looks at General Fund expenditures per student during the past two years (FY2010 and 2011), LABBB placement costs were the lowest only in 2010, at \$33,539 per student; in 2011 they averaged \$45,442, nearly \$10,000 more than private school placements. At the same time, even these findings are uncertain. Out-of-district placements are supported by both the General Fund and by Grants, however, detailed information concerning the costs of each placement type is collected only for GF expenditures. For Grants, we only know the total amount budgeted or expended for all placement types.

For these reasons, this committee recommended last year that the Department conduct a detailed evaluation of LABBB costs. To date, this has not been accomplished.

### ***Looking Forward: Recommendations for Fiscal Year 2013***

In writing this report, the primary objectives of the Warrant Committee are to identify the major components of the School Department's budget, to understand how these components contribute to budget growth, and to recommend steps that Department leadership might take to bring that growth more into line with Belmont's revenue growth.

#### ***Recommendations to Improve Financial Management Information***

***Bring Grants and Revolving Account Detail into Line with General Fund:*** As described in an earlier discussion of funding sources, monies from Grants and Revolving Accounts are frequently applied to the same program and line item costs as General Fund monies. However, it is impossible to gauge total spending on these items because the line item accounts used, including account numbers and descriptions, are different. For example, under personnel costs, the General Fund budget lists specific positions (for example, teacher, guidance counselor, administrator), whereas Grants and Revolving Accounts define personnel only as professional and support staff.

In order to understand fully the Department's budget allocations to both programs and individual line items, as well as year-to-year increases or decreases, all three budgets need to use a common set of account definitions.

**Create OOD Tuition Sub-Accounts:** Similarly, given that the Special Education Program remains a major driver of overall budget growth, and that out-of-district placement tuitions and related transportation costs are in turn principal drivers in program cost increases, we need to have a more detailed view into these costs. We know that the tuition line items for MA Public, Private, and LABBB placements incorporate not only basic tuition costs, but also the costs of a variety of ancillary services, including nurses, personal care attendants, instructional aides and tutors, and physical and occupational therapists. Further, we have learned that the costs of transportation can include monitors needed by certain students with behavioral issues.

There are important reasons for locating these component costs under the tuition and transportation accounts, primarily having to do with calculating circuit breaker reimbursement by the State. In order to create greater budget transparency, however, and to achieve a more complete understanding of these cost drivers and their individual impacts on the budget, we recommend that the Department create sub-accounts that will produce line item detail for each of these costs while at the same time preserving their close association with the tuition and transportation categories.

**Conduct Full LABBB Program Evaluation:** One of the benefits that the two accounting changes discussed above will provide on a go-forward basis is a fuller understanding of LABBB tuition costs. Especially after the line item detail for Grants is aligned with the General Fund, the Department, School Committee, and this Committee will be able to evaluate the relative cost-efficiency of this program compared to other placement options.

Because out-of-district placements are so expensive (the combined FY2013 budget for tuitions is nearly \$5.2 million), the ability to evaluate LABBB costs is critical to improved budget planning and management. Therefore, we recommend that, in addition to restructuring the budget to identify these costs in the future, the Department, together with the School Committee's Financial Subcommittee, review the past three years of invoices for out-of-district tuitions, identifying for each the placement type, detailed component service costs, and funding sources billed.

#### ***Recommendations to Improve Program Cost-Effectiveness***

**Continue to Seek Ways to Control Salary Growth:** Salaries for Unit A employees (75% of total salaries) have now been set through FY2014, with no reduction to long-term cost growth. To the extent that negotiations are still underway with other bargaining units, and that the financial parameters have not been fixed by the Unit A agreement, we urge the Department to seek as much long-term relief as it can achieve.

**Continue Exploring New Instructional Models:** This Committee continues to encourage the investigation of new instructional methods, including the use of classroom aides to extend the reach of limited teaching resources and new technologies to capitalize on regional or other remote learning opportunities.

- As noted earlier, the Department has begun to use instructional aides to support teachers in the regular instruction elementary grades. As recently as 2010, there were no such positions outside of the ELL program; this year, 27.3 such staff are assigned. At the same time, it is not clear that these aides are part of a cost-control strategy or that the Department is rethinking its instructional model.
- Technology-based learning – either purely computer-based or providing remote access to regionalized classes -- would appear to offer potential for maintaining or even expanding the educational offerings available to Belmont students while at the same time reducing the costs associated with the more traditional classroom model. The Department and School Committee have explored such options in the past, but we encourage the Department to take the next step by matching available offerings with appropriate classes or students and implementing such technology on a trial basis.

***Reconsider Human Resources Consolidation:*** The consolidation of town and school human resource functions was taken up by a study committee in the summer of 2010, but that committee suspended consideration of this option when the School Department stated that its Human Resources Director position was being reduced to a part-time staff person. The position was budgeted for 0.4 FTEs in FY2011, although budget documents indicate that it in fact remained full-time until its reduction to 0.6 FTEs in FY2012. To compensate for this reduction, the HR Clerical Assistant position was increased from 0.7 FTEs to 1.0 in last September's FY2012 budget.

This year, the HR Director position remains 0.6 FTEs, and the Department has stated its desire to increase it further, to 0.8 FTEs, should sufficient funding become available; at the same time the HR Clerical Assistant remains 1.0 FTE. The original reasoning behind the consolidation effort has again become relevant, and we recommend that the Department restart these conversations with Town officials.

***Limit the Use of One-Time Revenues:*** In estimating health insurance costs for FY2013, the Town's consultant advised that premium costs would increase by only 3% next year. It was then agreed by both Town and School Departments that health insurance budgeting for next year would assume no increase in premiums, and that the Health Insurance Trust Fund would be tapped to make up the difference between zero growth and the 3% estimate.

Recognizing that this withdrawal of Trust Fund monies must be considered a one-time only occurrence, the Town decided to apply its additional revenue toward the capital budget. The School Department, however, has applied its share – approximately \$200,000 – to the recurring operations costs within its FY2013 budget. (Note that this \$200,000 is different than the \$212,711 to be saved every year going forward from the health insurance plan redesign.) Further, many of the additional budget items identified by the Department, particularly the staffing increases totaling \$520,000 that would be implemented should funding exceed level services, are also recurring costs.

Recurring costs, especially staffing, generate continuing budget obligations. The School Department is aware, however, that it cannot anticipate tapping the Health Insurance Trust Fund on a recurring basis, and therefore that it will need to find a way within its budget to fund health insurance premium costs fully in FY2014 and beyond. More generally, to the extent that any identified revenues are one-time only, using these revenues to fund recurring costs is not

good budgetary practice, as it will create more significant budget gaps in the future. The Warrant Committee strongly recommends that the Department avoid such budgeting decisions.

***Put Legal Services Out to Bid:*** This report has already questioned whether legal costs should be expected to increase by \$50,000 in a year when all collective bargaining has been completed. In addition, given that this new billing arrangement adds uncertainty, and that the existing market for legal services might provide a continued retainer option, we recommend that the Department put its legal services out to bid. Further, if it proves practical, consolidating its legal services contract with the Town might well provide the Department greater negotiating leverage.

***Special Education Stabilization Fund:*** As noted earlier in this report, Town Meeting will be asked this year to approve a Special Education Stabilization Fund in order to provide emergency funding in the event that out-of-district tuitions exceed budgeted amounts. This fund, at least in its first year, would be established using \$250,000 of one-time revenues; in future years, the nature and amount of the fund's appropriation might vary.

The Warrant Committee recognizes that, given the State mandates that govern the Special Education Program, the requirement to place a child in an out-of-district placement is not wholly within the Department's control, and consequently that such spending cannot always be predicted accurately. We therefore support the creation of this fund, with the understanding (1) that all expenditures from the fund will require Town Meeting approval, (2) that, like the Reserve Fund Account, specific criteria will be established to guide the approval of transfers from the fund to the Department's operating budget account, and (3) that, since this fund is being created using one-time funds, the Department will immediately undertake an analysis of Special Education Program costs, to include, at a minimum, the recommended evaluation of LABBB and other out-of-district costs.

**Road to be Reconstructed in 2012 - (Pending Bid Results)**

Name	From	To	Class	PCI
<b>2012</b>				
WILSON AVE	BEECH ST	FLETT RD	Local Road	50
FLETT RD	TRAPELO RD	CREELEY RD	Local Road	47
FRANCIS ST	CREELEY RD	WILSON AVE	Local Road	29
CREELEY RD	BEECH ST	SLADE ST	Local Road	34
LESLIE RD	CREELEY RD	UPLAND RD	Local Road	50
WILEY RD	LESLIE RD	SLADE ST	Local Road	49
HOLDEN RD	SLADE ST	LESLIE RD	Local Road	49
SABINA WAY	FLETT RD	FRANCIS ST	Local Road	64
MYRTLE ST	CONCORD AVE	SCHOOL ST	Local Road	47
POPLAR ST	BELMONT ST	TRAPELO RD	Local Road	35
CLAIREMONT RD	RUTLEDGE RD	RADCLIFFE RD	Local Road	36
EDGEMOOR RD	CONCORD AVE	LOUISE RD	Local Road	37
HORNE RD	WILLISTON ST	POPLAR ST	Local Road	39
TROWBRIDGE ST	CONCORD AVE	HITTINGER ST	Local Road	33
DUNBARTON RD	COMMON ST	ROYAL RD	Local Road	34
OAK ST	SCHOOL ST	CONCORD AVE	Local Road	34
GODEN ST	SCHOOL ST	WASHINGTON ST	Minor Collector 2	43

**Road to be Reconstructed in 2013 - (Pending Utility Coordination and Bid Results)**

Name	From	To	Class	PCI
<b>2013</b>				
IRVING ST	BEECH ST	WAVERLEY ST	Local Road	54
DAVIS RD	TRAPELO RD	IRVING ST	Local Road	47
HAWTHORNE ST	TRAPELO RD	CUL-DE-SAC	Local Road	49
CAMBRIDGE ST	WAVERLEY ST	HAWTHORNE ST	Local Road	30
WHITE ST	TRAPELO RD	GRANT AVE	Local Road	50
GRANT AVE	WHITE ST	C ST	Local Road	36
C STREET	GRANT AVE	TOWN PROPERTY	Local Road	49
HAMILTON RD	240' N OF MERRILL AV	CAMBRIDGE TOWN LINE	Local Road	35
HAMILTON RD	CONCORD AVE	240' N OF MERRILL AV	Local Road	70
POPLAR ST	BELMONT ST	TRAPELO RD	Local Road	35
CLAIREMONT RD	RUTLEDGE RD	RADCLIFFE RD	Local Road	36
EDGEMOOR RD	CONCORD AVE	LOUISE RD	Local Road	37
HORNE RD	WILLISTON ST	POPLAR ST	Local Road	39
SYCAMORE ST	WHITE ST	TRAPELO RD	Minor Collector 2	41
CONCORD AVE (E.B.)	COTTAGE ST	POST OFFICE	Arterials	65
CONCORD AVE (W.B.)	COTTAGE ST	POST OFFICE	Arterials	66



**Town of Belmont**  
**REVENUE PROJECTIONS**  
**Fiscal Year 2013**

DESCRIPTION	ACTUAL FY2010	ACTUAL FY2011	TAX RECAP FY2012	ESTIMATED FY2013
REAL & PERSONAL PROPERTY TAXES	58,878,314	61,002,594	63,052,436	65,144,708
ALLOWABLE 2 1/2% INCREASE	1,471,957.85	1,525,065	1,576,311	1,628,618
NEW GROWTH	652,322	512,519	515,961	540,000
CAPACITY NOT USED	-	-	(45,426)	(69,704)
DEBT EXCLUSION	3,368,022	4,817,671	4,768,084	4,711,055
<b>TOTAL PROPERTY TAXES</b>	<b>64,370,615.85</b>	<b>67,857,849</b>	<b>69,867,366</b>	<b>71,954,677</b>
<b>OTHER TAXES AND COSTS</b>				
ALL EXCISE AND MEALS TAX	2,400,000	2,575,000	2,600,381	2,650,000
MOTOR VEHICLE EXCISE				145,000
MEALS TAX				180,000
ADDED INT & COSTS *	153,260	150,000	180,000	180,000
PAYMENT IN LIEU OF TAXES *	14,000	35,800	35,800	36,000
<b>TOTAL OTHER TAXES AND COSTS</b>	<b>2,567,260</b>	<b>2,760,800</b>	<b>2,816,181</b>	<b>3,011,000</b>
<b>FEEES - TOWN CLERK</b>	2,900	3754	1739	1739
<b>FEEES - TREASURER</b>	19,700	23168	24600	24600
<b>FEEES-PARKING MARKING</b>	24,700	19715	17130	17130
<b>DEPUTY FEEES - CLEARING</b>		338	1389	1389
<b>RMV EXCISE FEE</b>				
<b>FEEES - APPEALS BOARD</b>	7,800	7650	6650	6650
<b>ALARM FEEES</b>	3,000	2986	2774	2774
<b>FEEES-POLICE - ALARMS</b>	19,000	18825	18810	18810
<b>FIRE MASTER BOX</b>	33,500	10875	17725	17725
<b>FEEES - FIRE</b>	52,000	47000	54430	54430
<b>RENTAL FEEES</b>			0	0
<b>FEEES - SEALER WEIGHTS</b>	1,200	689	0	0
<b>COURT FINEES</b>	3,200	1300	4170	4170
<b>COURT VIOLATION FINEES</b>	33,900	25000	22935	22935
<b>ALARM FINEES - POLICE</b>	6,400	7700	6330	6330
<b>PARKING FINEES</b>	130,000	126000	127540	127540
<b>TOTAL FEEES AND FINEES</b>	<b>337,300</b>	<b>295,000</b>	<b>306,222</b>	<b>306,222</b>

**Town of Belmont**  
**REVENUE PROJECTIONS**  
**Fiscal Year 2013**

DESCRIPTION	ACTUAL FY2010	ACTUAL FY2011	TAX RECAP FY2012	ESTIMATED FY2013
RENTALS			4975	4975
OTHER SELECTMEN	37,000	24,000	24,000	38,440
OTHER TREASURER	4,175	250	0	289
OTHER ASSESSORS	191	500	500	500
OTHER TOWN CLERK	32,000	32,000	32,000	32,000
OTHER POLICE	43,000	42,000	42,000	38,490
OTHER FIRE	4,000	1,900		
OTHER SCHOOL	50	50	50	50
SCHOOL-MEDICAID REIMBURSEMENT	50,000			
OTHER HIGHWAY - DISPOSAL FEES			1,000	
OTHER HIGHWAY/RECYCLABLE	43,000	40,000	40,000	27,335
OTHER HEALTH	28,000	27,000		28,000
BUILDINGS DEPARTMENTAL	15,000		10,355	10,504
VETERANS REIMB		3581		
OTHER CEMETERY	125,000	125,000	130,000	131,000
OTHER CONSERVATION COMMISSION	1,800	11,265	910	910
OTHER COUNCIL ON AGING				
OTHER LIBRARY	49,000	45,000	40,000	43,000
OTHER RECREATION-SENIOR CITIZEN PROG.		0		
OTHER RECREATION-PROGRAMS	606,100	640,000	680,000	700,000
OTHER MISCELLANEOUS	85	89	85	30,667
AMBULANCE RECEIPTS	320,000	320,000	299,000	500,000
SALE OF INVENTORY	-	0	0	0
<b>TOTAL OTHER DEPARTMENTAL *</b>	<b>1,358,401</b>	<b>1,312,635</b>	<b>1,304,875</b>	<b>1,586,160</b>
LICENSES - SELECTMEN (LIQUOR)	39,175	37,000	37,000	37,000
LICENSES - TOWN CLERK	43,900	48,000	48,000	48,000
STREET OPENING PERMITS EFF FY2010	-	15,000	15,000	15,000
LICENSES - POLICE	90,000	90,000	90,000	90,000
LICENSES - BUILDING	226,925	435,000	510,000	510,000
<b>TOTAL LICENSES &amp; PERMITS *</b>	<b>400,000</b>	<b>625,000</b>	<b>700,000</b>	<b>700,000</b>
EARNINGS ON INVESTMENTS	400,000	330,000	100,000	125,000
<b>TOTAL INTEREST *</b>	<b>400,000</b>	<b>330,000</b>	<b>100,000</b>	<b>125,000</b>
<b>TOTAL LOCAL RECEIPTS</b>	<b>5,062,961</b>	<b>5,323,435</b>	<b>5,227,278</b>	<b>5,728,382</b>

Board of Selectmen's Office

Updated FY13 Executive Budget as of May 4, 2012  
Added \$122K as per Capital Budget Committee turnbacks

**Town of Belmont  
REVENUE PROJECTIONS  
Fiscal Year 2013**

DESCRIPTION	ACTUAL FY2010	ACTUAL FY2011	TAX RECAP FY2012	ESTIMATED FY2013
<b>OTHER AVAILABLE FUNDS</b>				
<b>FOR OPERATING COSTS</b>				
RECEIPTS RESERVED APPROP	125,000	125,000	210,000	60,000
UNRESERVED FUND BALANCE-OPER.	1,322,938	1,000,000	2,000,000	2,000,000
PREMIUM ON SALE OF BONDS DECREASE DEBT EXCLUSION	13,000	70,323.19	59,559	68,000
FUND BAL ABATE & EXEMPT/OVERLAY	450,000	450,000	125,000	235,000
TRANS FROM LIGHT DEPT FOR IT SUPPORT		65,000	67,000	69,000
TRANS. FROM LIGHT DEPT-DEBT SERVICE	-	-		
TRANS FROM LIGHT DEPT FOR TAX REDUCTION	650,000	650,000	650,000	650,000
TRANS FROM WATER FOR OPER COSTS	157,873	157,873	157,873	157,873
TRANS FROM SEWER FOR OPER COSTS	125,000	125,000	125,000	125,000
TRANS FROM LEFTOVER CAPITAL ITEMS	30,928	30,185.00	167,464.45	122,000.00
<b>CAPITAL FUNDING:</b>				
CAPITAL ENDOWMENT FUND SPEC PROJ	100,000	100,000	100,000	100,000
TRANSFER - KENDALL SCHOOL	75,000	-	-	-
TRANSFER - SPECIAL REVENUE	-	-	110,000	-
<b>TOTAL OTHER AVAILABLE FUNDS</b>	<b>3,049,739</b>	<b>2,773,381</b>	<b>3,771,897</b>	<b>3,586,873</b>

**Town of Belmont  
REVENUE PROJECTIONS  
Fiscal Year 2013**

DESCRIPTION	ACTUAL	ACTUAL	TAX RECAP	ESTIMATED
	FY2010	FY2011	FY2012	FY2013
STATE AID				
SCHOOL AID CHAPTER 70	4,511,739	5,541,573	5,571,323	5,724,243
SCH CONSTR-STATE AID	537,455	382,498	382,498	382,498
CHARTER SCHOOL REIMB	50,249	10,551	-	1,036
RERSERVE FOR SCHOOL LUNCHEES AND LIBRARY AID			45,269	
GENERAL MUNICIPAL AID	1,989,365	1,909,790	1,771,704	1,909,790
ADDITIONAL ASSISTANCE				
SCHOOL TRANSPORTATION PROGRAMS				
LOTTERY				
FY09 GF Supplemental - Hold harmless Lottery				
POLICE CAREER INCENTIVE	36,048	20,799	-	-
EXEMPTION REIMBURSEMENT TOTAL	66,150	60,642	67,927	58,088
VETERANS' BENEFITS		3,581	-	17,697
LOSS OF TAXES VETERANS, BLIND, SURV SPOUSE				
LOSS OF TAXES SURV SPOUSES				
LOSS OF TAXES ELDERLY				
<b>TOTAL STATE AID</b>	<b>7,191,006</b>	<b>7,929,434</b>	<b>7,838,721</b>	<b>8,093,352</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>79,674,322</b>	<b>83,884,099</b>	<b>86,705,262</b>	<b>89,363,284</b>
<b>ENTERPRISE FUNDS &amp; CHAPTER 90</b>				
	<b>ACTUAL REVENUES</b>	<b>ACTUAL REVENUES</b>	<b>TAX RECAP</b>	<b>ESTIMATED</b>
	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>
Water Revenues	4,721,490	5,043,847	5,045,449	5,077,324
Water Retained Earnings	300,000	-		150,000
Sewer Revenues	6,874,942	7,040,465	7,710,485	7,605,104
Sewer Retained Earnings	377,407			450,000
Chapter 90 - actual expenditures & budget for 10	398,880	411,639	532,410	533,176

Town of Belmont  
EXPENDITURES  
Fiscal Year 2013

MUNIS Org & Obj	Account Title	FY10 EXPENDED	FY11 EXPENDED	FY12 TOWN FINAL VOTE	FY12 TOWN EST EXP	FY13 TOWN REQ LEVEL SERVICE	% Chg Level Service to FY 12
<b>SUMMARY BY FUNCTION</b>							
1100	LEGISLATIVE SERVICE	11,563	10,906	12,135	12,135	13,200	8.8%
1620	ELECTION & REGISTRATION	110,186	123,563	177,580	234,119	212,914	19.9%
1610	TOWN CLERK	159,627	133,001	137,474	138,794	158,588	15.4%
1220	BOARD OF SELECTMEN	47,325	48,743	51,605	51,605	71,686	38.9%
1544	VFW LEASE	7,500	7,500	7,500	7,500	7,500	0.0%
1970	COMMUNITY RELATIONS	618	762	-	-	-	
1980	COMMISSIONS/COMMITTEES	21,670	21,370	21,895	21,895	37,662	72.0%
1230	GENERAL MANAGEMENT SERVICES	297,275	284,291	300,964	300,964	383,793	27.5%
1550	INFORMATION TECHNOLOGY	573,452	659,054	841,099	833,379	875,930	4.1%
1520	HUMAN RESOURCES	244,526	229,690	250,929	250,929	292,147	16.4%
1510	LEGAL SERVICES	237,327	187,968	240,000	240,000	240,000	0.0%
1320	RESERVE FUND	400,000	400,000	400,000	400,000	400,000	0.0%
1350	FINANCE & ACCOUNTING SERVICE:	312,889	347,314	363,809	363,984	340,735	-6.3%
1410	ASSESSING SERVICES	360,518	354,463	391,319	377,253	376,420	-3.8%
1450	TREASURY MANAGEMENT & COLL	456,735	460,923	539,687	539,987	551,100	2.1%
1470	PARKING CLERK	19,316	20,895	43,015	43,015	43,017	0.0%
	<b>TOTAL GENERAL GOVERNMENT</b>	<b>3,260,526</b>	<b>3,290,443</b>	<b>3,779,011</b>	<b>3,815,559</b>	<b>4,004,692</b>	<b>6.0%</b>
9110	RETIREMENT	4,354,685	4,564,181	5,070,588	5,048,088	5,282,835	4.2%
9450	INSURANCE & RESERVE	1,658,547	1,638,550	1,893,210	1,896,210	2,006,993	6.0%
	<b>TOTAL BENEFITS UNCLASSIFIED</b>	<b>6,013,233</b>	<b>6,202,731</b>	<b>6,963,798</b>	<b>6,944,298</b>	<b>7,289,828</b>	<b>4.7%</b>
2110	POLICE ADMINISTRATION	344,847	376,011	410,774	422,322	424,693	3.4%
2960	PUBLIC SAFETY COMMUNICATIONS	787,446	762,176	816,591	861,635	865,552	6.0%
2120	POLICE RECORDS	80,591	82,309	83,184	83,384	83,417	0.3%
2130	POLICE PATROL SERVICES	3,509,200	3,658,539	3,918,915	3,868,580	3,924,276	0.1%
2140	POLICE TRAFFIC MANAGEMENT	386,875	363,795	440,260	442,853	512,909	16.5%
2150	POLICE DETECTION & INVESTIGAT	451,809	435,997	449,496	449,496	451,492	0.4%
2160	POLICE COMMUNITY SERVICE	305,969	266,900	254,811	258,368	257,919	1.2%
2210	FIRE ADMINISTRATION	553,640	578,673	573,081	574,233	582,549	1.7%
2220	FIRE SUPPRESSION & CONTROL	4,124,980	4,377,957	4,422,069	4,567,369	4,512,642	2.0%
2300	EMERGENCY MEDICAL SERVICE	158,153	161,579	168,720	168,720	169,875	0.7%
2910	EMERGENCY MANAGE AGENCY (BI	14,806	15,691	21,710	21,710	24,246	11.7%
	<b>TOTAL PUBLIC SAFETY</b>	<b>10,718,318</b>	<b>11,079,627</b>	<b>11,559,611</b>	<b>11,718,670</b>	<b>11,809,570</b>	<b>2.2%</b>
3000	PUBLIC SCHOOLS - OPERATING	39,197,659	39,753,823	41,583,768	41,583,768	43,068,492	3.6%
3900	PUBLIC SCHOOL - LARGE MAINT PR	-	-	-	-	-	
	MINUTEMAN REGIONAL VOC. SCHC	806,365	751,311	880,134	880,134	939,999	6.8%
	<b>TOTAL PUBLIC SCHOOLS</b>	<b>40,004,024</b>	<b>40,505,134</b>	<b>42,463,902</b>	<b>42,463,902</b>	<b>44,008,491</b>	<b>3.6%</b>

Town of Belmont  
EXPENDITURES  
Fiscal Year 2013

MUNIS Org & Obj	Account Title	FY10 EXPENDED	FY11 EXPENDED	FY12 TOWN FINAL VOTE	FY12 TOWN EST EXP	FY13 TOWN REQ LEVEL SERVICE	% Chg Level Service to FY 12
1800	COMM. DEVELOPMENT-ADMIN	250,375	231,519	270,415	272,179	262,415	-3.0%
1750	COMM. DEVELOPMENT- PLANNING	342,038	225,913	257,019	254,769	256,796	-0.1%
4110	COMM.DEVELOPMENT-ENGINEERIN	130,946	134,324	145,753	145,753	143,031	-1.9%
2410	COMM.DEVELOPMENT-INSPECTION	220,973	224,225	232,037	214,226	223,147	-3.8%
4210	PUBLIC WORKS ADMINISTRATION	290,720	299,065	310,926	312,021	317,032	2.0%
4220	STREET MAINTENANCE	510,267	564,738	629,630	654,418	627,466	-0.3%
4230	SNOW REMOVAL	543,788	915,252	552,373	552,373	553,274	0.2%
4250	CENTRAL FLEET MAINT-HWY FAC	452,367	483,034	552,366	518,162	555,821	0.6%
4260	FORESTRY SERVICE	283,737	262,073	248,435	333,435	252,430	1.6%
6510	DELTA MAINTENANCE	48,472	49,434	58,540	58,652	60,502	3.4%
6500	PARKS & FACILITIES	643,458	682,827	673,698	668,218	688,018	2.1%
4330	SOLID WASTE/COLL & DISPOSAL	2,309,730	2,386,776	2,349,615	2,221,594	2,395,121	1.9%
4910	CEMETERY MAINTENANCE	437,322	419,765	438,004	438,976	448,288	2.3%
4240	STREET LIGHTING	246,606	245,883	283,754	250,000	260,000	-8.4%
1920	BUILDINGS	1,153,657	1,234,249	1,287,189	1,286,632	1,423,637	10.6%
	<b>TOTAL PUBLIC SERVICES</b>	<b>7,864,456</b>	<b>8,359,077</b>	<b>8,289,754</b>	<b>8,181,408</b>	<b>8,466,979</b>	<b>2.1%</b>
5100	HEALTH SERVICES	325,047	273,085	304,848	298,848	317,940	4.3%
2920	ANIMAL CONTROL	70,893	72,350	75,451	76,089	76,763	1.7%
5420	YOUTH COMMISSION	-	-	-	-	-	-
2440	SEALER OF WEIGHTS & MEASURES	5,220	2,000	-	-	-	-
5410	COUNCIL ON AGING	367,356	329,089	354,905	355,605	365,158	2.9%
5430	VETERANS' SERVICES	22,920	27,692	25,525	39,925	42,925	68.2%
	<b>TOTAL HUMAN SERVICES</b>	<b>791,437</b>	<b>704,216</b>	<b>760,729</b>	<b>770,467</b>	<b>802,786</b>	<b>5.5%</b>
6110	LIBRARY ADMINISTRATION	368,975	372,112	399,096	398,919	421,958	5.7%
6120	LIBRARY PUBLIC SERVICES	1,075,161	1,118,682	1,216,025	1,215,634	1,282,877	5.5%
6130	LIBRARY TECHNICAL SERVICES	240,177	253,975	262,773	256,179	258,348	-1.7%
6310	RECREATION ADMINISTRATION	166,886	160,838	158,149	83,987	160,971	1.8%
6320	RECREATION PROGRAMS	479,595	486,834	519,151	508,030	533,760	2.8%
	<b>TOTAL CULTURE &amp; RECREATION</b>	<b>2,330,793</b>	<b>2,392,441</b>	<b>2,555,194</b>	<b>2,462,749</b>	<b>2,657,914</b>	<b>4.0%</b>
7100	MATURING DEBT	3,643,170	3,958,191	3,553,191	3,553,191	3,593,191	1.1%
7510	INTEREST ON MATURING DEBT	1,334,798	1,996,963	2,023,331	2,023,331	1,704,235	-15.8%
	<b>TOTAL DEBT &amp; INTEREST</b>	<b>4,977,968</b>	<b>5,955,154</b>	<b>5,576,522</b>	<b>5,576,522</b>	<b>5,297,426</b>	<b>-5.0%</b>

Town of Belmont  
EXPENDITURES  
Fiscal Year 2013

MUNIS Org & Obj	Account Title	FY10 EXPENDED	FY11 EXPENDED	FY12 TOWN FINAL VOTE	FY12 TOWN EST EXP	FY13 TOWN REQ LEVEL SERVICE	% Chg Level Service to FY 12
9000	TRANSFER TO OTHER FUNDS	-	157,200	-	-	-	
	CONTINGENCY FOR PY SHORTFALL	-	-	-	-	-	
	TRANSFER OUT	-	157,200	-	-	-	
	CAPITAL PROJ - DISCRETIONARY	681,098	955,793	1,224,232	1,224,232	1,422,000	16.2%
	CAPITAL PROJ - ROADS NON DISCR	1,077,275	1,104,207	1,132,000	1,132,000	1,160,000	2.5%
	<b>TOTAL CAPITAL BUDGET</b>	<b>1,758,373</b>	<b>2,060,000</b>	<b>2,356,232</b>	<b>2,356,232</b>	<b>2,582,000</b>	<b>9.6%</b>
	<b>TOTAL OPERATING BUDGET</b>	<b>77,719,128</b>	<b>80,706,024</b>	<b>84,304,753</b>	<b>84,289,807</b>	<b>86,919,686</b>	<b>3.1%</b>
	ABATEMENTS & EXEMPTIONS	800,000	800,000	881,000	881,000	800,000	-9.2%
	<b>TOTAL OVERLAY</b>	<b>800,000</b>	<b>800,000</b>	<b>881,000</b>	<b>881,000</b>	<b>800,000</b>	<b>-9.2%</b>
	<b>TOTAL TOWN OPERATING BUDGE</b>	<b>78,519,128</b>	<b>81,506,024</b>	<b>85,185,753</b>	<b>85,170,807</b>	<b>87,719,686</b>	<b>3.0%</b>
8000	CHERRY SHEET CHARGES	1,507,260	1,488,230	1,496,775	1,496,775	1,643,598	9.8%
	<b>TOTAL STATE CHARGES</b>	<b>1,507,260</b>	<b>1,488,230</b>	<b>1,496,775</b>	<b>1,496,775</b>	<b>1,643,598</b>	<b>9.8%</b>
	<b>GRAND TOTALS</b>	<b>80,026,388</b>	<b>82,994,254</b>	<b>86,682,528</b>	<b>86,667,582</b>	<b>89,363,284</b>	<b>3.1%</b>



**BELMONT CAPITAL BUDGET 5-YEAR EXPECTED REQUESTS - FY2013**

Department	Item	Cost
<b>2014</b>		
Fire	Engine replacement (1988)	\$475,000
	Ladder Truck	\$900,000
	Shift commander's response vehicle	\$48,000
	Subtotal	<b>\$1,423,000</b>
Police	Replace main and stand-by Radio Repeaters	\$30,000
	Electronic sign / information board trailer	\$21,500
	New Traffic Speed Trailer	\$16,000
	Replace Police Radio Comparator	\$14,000
	Subtotal	<b>\$81,500</b>
Community Development	Pavement management - capital budget / chap 90	\$1,564,110
	Trapelo Road Design & Construction - capital budget / chap 90	\$75,000
	Subtotal	<b>\$1,639,110</b>
Schools	New maintenance stand-by facility at High School	\$1,000,000
	Replace Boiler in White Field House	\$60,000
	Systemwide univent rebuild/replacement (multiple years)	\$50,000
	Replace MS master clock system from analog to digital (yr 1 of multi-yrs)	\$20,000
	Systemwide Building envelope (yr 4 of multi-yrs, 2007 Bldg Env Study)	\$250,000
	Renovation of High School pool ceiling	\$50,000
	Installation of natural gas co-generation system to provide electricity, heat and hot water to HS pool area	\$275,000
	Replace gymnasium floor at HS	\$150,000
	High School univents (yr 3 of multiple yrs)	\$50,000
	Replace Blazer, model year 1996	\$30,000
	Pick-up truck	\$30,000
	BHS Lot repaving, phase 2 - BK	\$250,000
	Replace HS interior corridor fire doors (year 1 of 2)	\$40,000
	Systemwide bldg energy mgt system replacement/repair (multi-year)	\$100,000
	Subtotal	<b>\$2,355,000</b>
DPW	Material Spreader/Truck Rehab #37 (Highway)	\$26,500
	Snowfighter Conversion #35 (Highway)	\$42,800
	15,000 GV W fleet maint. Vehicle (Highway)	\$60,000
	Toro 16' Riding Mower (Parks)	\$73,500
	Replace Turf @ Field (Parks)	\$840,000
	72 inch Cut Riding Mower (Parks)	\$13,000
	Resurfaced Basketball Courts Grove, Town Field, PQ (Parks)	\$75,000
	Chain Link Fence Replacement Program (Parks)	\$29,800
	Paint Fence Around Grove St Cemetery (Cemetery)	\$12,000
	Subtotal	<b>\$1,172,600</b>
	Information Tech	Move network hubs at lib and 450 Concord Ave - phase I (see text)
Health	Replace animal control vehicle	\$40,000
Library	Public Safety - Parking lot lighting	\$65,520
	Aging Asbestos tiles	\$10,920
Subtotal	<b>\$76,440</b>	
Town Clerk	Fire Records Storage Project	\$25,000
	Vital Records Preservation and Scanning Project	\$193,800
	Subtotal	<b>\$218,800</b>
Total	Non-enterprise total	<b>\$7,086,450</b>
Enterprise Projects	Half Ton PickUp Replacement (Water)	\$25,000
	Water Meters (Water)	\$139,100
	Administrative Vehicle (Water)	\$23,800
	GVW Dump Truck #14 (Sewer)	\$116,530
	1 Ton Pick Up Truck # 21 (Sewer)	\$37,800
	Sewer Rodder #53 (Sewer)	\$33,700
	Emergency Service Van # 52 (Sewer)	\$38,400
	Sewer and Drain CCTV and Design Report (Pavement Mgt)	\$40,000
	Sewer and Drain Design	\$20,000
	Sewer and Drain Relining and Point Repairs	\$150,000
	Design - Spy Pond Water Quality	\$90,000
	MWRA SSES (Debt Service)	\$75,086
	Sewer Bond - FY 06 (Debt Service)	\$198,888
	CWSRF - w/Stimulus (Debt Service)	\$540,000
	New MWRA I/I Project pt 1 (Debt Service)	\$55,000
	New MWRA I/I Project pt 2 (Debt Service)	\$55,000
	CWSRF (2012) (Debt Service)	\$100,000
	Subtotal	<b>\$1,738,304</b>

**2015**

Police	Replace 300 gal. fuel tank and overhaul emergency generator	\$20,000
	Replace CAD / Records Management server & QED	\$38,000
	Subtotal	<b>\$58,000</b>
Community Development	Pavement management - capital budget / chap 90	\$1,593,838
	Trapelo Road Design & Construction - capital budget / chap 90	\$75,000
	Subtotal	<b>\$1,668,838</b>
Schools	Systemwide Building envelope (yr 5 of multi-yr, 2007 Bldg Env Study)	\$250,000
	Systemwide univent rebuild/replacement (multiple years)	\$50,000
	Replace MS master clock system from analog to digital (yr 2 of multi-yr)	\$10,000
	Replace HS interior corridor fire doors (year 2 of 2)	\$40,000
	Lot repaving, phase 3 - BT, WB	\$250,000
	Systemwide bldg energy mgt system replacement/repair (multi-year)	\$100,000
	Subtotal	<b>\$700,000</b>
DPW	8 Foot Material Spreader #70	\$13,000
	Sidewalk Tractor #39	\$120,700
	Brush Chipper #55	\$30,600
	1 Ton 4WD Pick Up Truck	\$37,800
	GVW Dump Truck #106	\$60,000
	Replace Fibar for Playgrounds	\$12,400
	GVW Dump Truck #119	\$60,000
	???	\$12,000
	Subtotal	<b>\$346,500</b>
Information Tech	Move fiber network hubs - phase II (see text)	\$80,000
Health	Replace Department Inspection Vehicle	\$30,000
Library	Mechanical / Electrical - Elevator	\$283,920
	Automatic Door Openers	\$34,070
	Storm Windows	\$51,106
	Subtotal	<b>\$369,096</b>
Total	Non-enterprise total	<b>\$3,252,434</b>
Enterprise Projects	Water Meters (Water)	\$143,275
	Closed Utility 4WD Truck (Water)	\$75,500
	1 Ton Pick Up Truck #3 (Sewer)	\$37,800
	GVW Dump Truck #15 (Sewer)	\$116,530
	SKID Steer Loader #22 (Sewer)	\$45,150
	Sewer and Drain CCTV and Design Report (Pavement Mgt)	\$40,000
	Sewer and Drain Design	\$20,000
	Sewer and Drain Relining and Point Repairs	\$150,000
	Construction - Spy Pond Water Quality	\$90,000
	Sewer Bond - FY 06 (Debt Service)	\$193,731
	CWSRF - w/Stimulus (Debt Service)	\$540,000
	New MWRA III Project pt 1 (Debt Service)	\$55,000
	New MWRA III Project pt 2 (Debt Service)	\$55,000
	CWSRF (2012) (Debt Service)	\$100,000
	Subtotal	<b>\$1,661,986</b>

2016		
Fire	Replace Staff Vehicle	\$40,000
Police	Incident command vehicle for major incidents & events	\$20,000
	Replace BAPERN radio control station	\$38,000
	Replacement of radio equipment at antenna site	\$134,000
	Subtotal	\$192,000
Community Development	Pavement management - capital budget / chap 90	\$1,699,309
	Trapelo Road Design & Construction - capital budget / chap 90	\$0
	Subtotal	\$1,699,309
Schools	Systemwide Building envelope (yr 6 of multi-yr, 2007 Bldg Env Study)	\$250,000
	Systemwide univent rebuild/replacement (multiple years)	\$50,000
	Replace MS master clock system from analog to digital (yr 3 of multi-yr)	\$10,000
	Systemwide bldg energy mgt system replacement/repair (multi-year)	\$100,000
	Duct work cleaning	\$10,000
	Subtotal	\$420,000
DPW	Sidewalk Tractor #43 (Hwy)	\$120,700
	1 Ton Pick Up Truck #5 (Hwy)	\$37,800
	1.5 Ton Sidewalk Roller #62 (Hwy)	\$15,000
	Chiller Barrel @ Skating Rink (Parks)	\$21,000
	Small Front End Loader #108 (Parks)	\$82,700
	Chain Link Fence Replacement Program (Parks)	\$29,800
	72 Inch Cut Riding Mower (Cemetery)	\$13,000
	Subtotal	\$320,000
Information Tech	Move fiber network hubs - phase III (see text)	\$80,000
Library	Mechanical / Electrical - Boiler (HVAC system)	\$1,038,193
Total	Non-enterprise total	\$3,789,502
Enterprise Projects	Water Meters (Water)	\$147,575
	Administrative Vehicle (Sewer)	\$38,900
	Street Sweeper # 31 (Sewer)	\$164,400
	Sewer and Drain CCTV and Design Report	\$40,000
	Sewer and Drain Design	\$20,000
	Sewer and Drain Relining and Point Repairs	\$150,000
	Construction - Spy Pond Water Quality	\$90,000
	Sewer Bond - FY 06 (Debt Service)	\$188,575
	CWSRF - w/Stimulus (Debt Service)	\$540,000
	New MWRA I/I Project pt 1 (Debt Service)	\$55,000
	New MWRA I/I Project pt 2 (Debt Service)	\$55,000
	CWSRF (2012) (Debt Service)	\$100,000
	Subtotal	\$1,589,450

?  
?

**2017**

Fire	Rescue Ambulance	\$250,000
	Staff Vehicle	\$40,000
	Portable Radios	\$55,000
	Subtotal	<b>\$345,000</b>
Police	Replacement of File Server and Exchange Server Hardware	\$20,000
	Replace 40 Portable Radios (half of project)	\$38,000
	Subtotal	<b>\$58,000</b>
Community Development	Pavement management - capital budget / chap 90	\$1,730,541
	Trapelo Road Design & Construction - capital budget / chap 90	\$0
	Subtotal	<b>\$1,730,541</b>
Schools	Systemwide Building envelope (yr 7 of multi-ys, 2007 Bldg Env Study)	\$250,000
	Systemwide univent rebuild/replacement (multiple years)	\$50,000
	Replace MS master clock system from analog to digital (yr 4 of multi-yr)	\$10,000
	Systemwide bldg energy mgt system replacement/repair (multi-year)	\$100,000
	Duct work cleaning	\$10,000
	Subtotal	<b>\$420,000</b>
DPW	19,000 GVW Dump Truck #9 (Highway)	\$60,000
	8 Foot material spreader (Highway )	\$13,000
	Zamboni Ice Making Machine	\$90,000
	Replace Fibar for Playgrounds	\$12,400
	19,000 GVW Dump Truck #116 (Cemetery)	\$60,000
	Subtotal	<b>\$235,400</b>
Information Tech	Additional Data Storage Network - Capacity increase	\$90,000
Library	Public Safety - New Lighting	\$323,916
	Public Safety - New Power	\$503,870
	Subtotal	<b>\$827,786</b>
Total	Non-enterprise total	<b>\$3,706,727</b>
Enterprise Projects	Loader Backhoe (Water)	\$89,635
	Water Meters (Water)	\$152,100
	Pickup Truck #8 (Sewer)	\$37,800
	Sewer and Drain CCTV and Design Report	\$40,000
	Sewer and Drain Design	\$20,000
	Sewer and Drain Relining and Point Repairs	\$150,000
	Construction - Spy Pond Water Quality	\$90,000
	Sewer Bond - FY 06 (Debt Service)	\$176,075
	CWSRF - w/Stimulus (Debt Service)	\$540,000
	New MWRA I/I Project pt 2 (Debt Service)	\$55,000
	CWSRF (2012) (Debt Service)	\$100,000
	Subtotal	<b>\$1,450,610</b>

<b>2018</b>		
Police	Replace 35 Portable Radios (half of project)	\$70,000
	Subtotal	<b>\$70,000</b>
Community Development	Pavement management - capital budget / chap 90	\$1,762,555
	Trapelo Road Design & Construction - capital budget / chap 90	\$0
	Subtotal	<b>\$1,762,555</b>
Schools	Systemwide Building envelope (yr 8 of multi-yrs, 2007 Bldg Env Study)	\$250,000
	Systemwide univent rebuild/replacement (multiple years)	\$50,000
	Replace MS master clock system from analog to digital (yr 5 of multi-yr)	\$10,000
	Systemwide bldg energy mgt system replacement/repair (multi-year)	\$100,000
	Duct work cleaning	\$10,000
	Subtotal	<b>\$420,000</b>
DPW	Snow Fighter Conversion #34 (Highway)	\$42,800
	Snow Fighter Conversion #32 (Highway)	\$42,800
	1 Ton 4WD Pick Up (Parks)	\$37,800
	Close in Hockey Rink (Parks)	\$60,000
	Loader - Backhoe #120 (Cemetery)	\$89,635
	Subtotal	<b>\$273,035</b>
Library	Structural - Repair Roof Structure	\$127,749
	Replace Roof	\$153,298
	Subtotal	<b>\$281,047</b>
Total	Non-enterprise total	<b>\$2,806,637</b>
Enterprise Projects	1 Ton Pick Up Truck #82 (Water)	\$37,800
	Water Meters (Water)	\$156,600
	Air Compressor (Sewer)	\$25,000
	Administrative Vehicle (Sewer)	\$38,900
	Sewer and Drain CCTV and Design Report	\$40,000
	Sewer and Drain Design	\$20,000
	Sewer and Drain Relining and Point Repairs	\$150,000
	Follow-up sampling - Spy Pond Water Quality	\$30,000
	Sewer Bond - FY 06 (Debt Service)	\$176,075
	CWSRF - w/Stimulus (Debt Service)	\$540,000
	New MWRA III Project pt 2 (Debt Service)	\$55,000
	CWSRF (2012) (Debt Service)	\$100,000
	Subtotal	<b>\$1,369,375</b>

<b>2019</b>		
Fire	Shift Commander's Response Vehicle	\$48,000
Library	Mechanical / Electrical - Fire Suppression System	\$350,348
Total	Non-enterprise total	<b>\$398,348</b>



**Capital Budget Committee  
FY13 Capital Allocations**

Departments	Projects	Amt.
<b>Schools</b>		
	Network Switching Equipment (phase 3 of 3 MS)	\$ 60,000.00
	Lot repaving, phase 1 - High School	\$ 100,000.00
	Replace oil burner on Weil-McLean boiler at Butler to dual fuel capability, intending to use nat. gas	\$ 50,000.00
	Repair large hot water tank at HS (reline tank, replace valves)	\$ 40,000.00
	Installation of large air flow ceiling fans at HS Field House	\$ 25,000.00
	Butler School Gym Floor	\$ 75,000.00
	High School univents (year 3 of multiple years)	\$ 50,000.00
	<b>Sub Total</b>	<b>\$ 400,000.00</b>
<b>Fire Department</b>		
	FY 2012 Lease Payment # 2	\$ 120,000.00
	Staff Vehicle	\$ 40,000.00
<b>Police Department</b>		
	Replace Telephone Logging Recorder	\$ 14,500.00
	Provide and install fiber equipment from antenna site to JPSC	\$ 30,000.00
<b>Information Technology</b>		
	Additional Data Storage Network - Capacity increase for electronic file storage	\$ 90,000.00
<b>Building Services</b>		
	Town - wide Telephone Hardware	\$ 103,729.00
	Facilities audit - in preparation for B&G consolidation	\$ 175,000.00
	Beech Street Center Roof Shielding	\$ 28,000.00
<b>Public Works</b>		
	Highway- 1Ton Pick Up Truck #7	\$ 37,300.00
	Highway- 1Ton Pick Up Truck #4	\$ 37,300.00
	Highway - 37,000 GVW Dump Truck #11	\$ 112,030.00
	Parks - 1 Ton 4WD Pick Up Truck #110	\$ 37,300.00
	Resurface Tennis Courts Grove Street	\$ 26,000.00
	Underwood Pool - Replace Electric Motors - 4 Pumps	\$ 11,000.00
	Sidewalks	\$ 140,341.00
<b>Town Clerk</b>		
	Audience Response System for Town Meeting	\$ 19,500.00
	<b>Sub Total</b>	<b>\$ 1,022,000.00</b>
<b>Water</b>		
	Water main replacement program	\$ 400,000.00
	Water main bond repayment	\$ 521,357.00
	<b>Sub Total</b>	<b>\$ 921,357.00</b>
<b>Sewer</b>		
	Pumping station emergency generator	\$ 40,000.00
	Sewer and Drain	\$ 210,000.00
	Front End Loader	\$ 170,000.00
	<b>Sub Total</b>	<b>\$ 420,000.00</b>
<b>Community Development</b>		
	Pavement Management	\$ 1,160,107.00
	<b>Sub Total</b>	<b>\$ 1,160,107.00</b>
<b>Total Capital Budget</b>		<b>\$ 1,422,000.00</b>
<b>Total Capital Expenditures</b>		<b>\$ 1,422,000.00</b>
<b>Net</b>		<b>\$ -</b>

RECEIVED  
TOWN CLERK  
BELMONT, MA

MAY 10 2 42 PM '12

# MEMO

To: Office of Town Clerk  
From: Liz Allison, Chair Warrant Committee  
Date: May 10, 2012

Amendment to be considered at the continuation of the April Town Meeting, 2012 This is an amendment to the motion concerning Article 5, "Salaries of Elected Officials."

Moved: That the salary of the Town Clerk for the fiscal year commencing July 1, 2012 be set at \$66,052, and that the first sentence of Article 4 be accordingly amended to read " That under General Government, the sum of \$3,992,528 be appropriate to be raised by General Tax....."

Submitted on behalf of the Warrant Committee.

*Liz Allison*

Liz Allison, Chair

May 10, 2012

Roads to be Reconstructed in 2012 - (Pending Bid Results)

Name	From	To	Class	PCI
<b>2012</b>				
WILSON AVE	BEECH ST	FLETT RD	Local Road	50
FLETT RD	TRAPELO RD	CREELEY RD	Local Road	47
FRANCIS ST	CREELEY RD	WILSON AVE	Local Road	29
CREELEY RD	BEECH ST	SLADE ST	Local Road	34
LESLIE RD	CREELEY RD	UPLAND RD	Local Road	50
WILEY RD	LESLIE RD	SLADE ST	Local Road	49
HOLDEN RD	SLADE ST	LESLIE RD	Local Road	49
SABINA WAY	FLETT RD	FRANCIS ST	Local Road	64
MYRTLE ST	CONCORD AVE	SCHOOL ST	Local Road	47
POPLAR ST	BELMONT ST	TRAPELO RD	Local Road	35
CLAIREMONT RD	RUTLEDGE RD	RADCLIFFE RD	Local Road	36
EDGEWOOD RD	CONCORD AVE	LOUISE RD	Local Road	37
HORNE RD	WILLISTON ST	POPLAR ST	Local Road	39
TROWBRIDGE ST	CONCORD AVE	HITTINGER ST	Local Road	33
DUNBARTON RD	COMMON ST	ROYAL RD	Local Road	34
OAK ST	SCHOOL ST	CONCORD AVE	Local Road	34
GODEN ST	SCHOOL ST	WASHINGTON ST	Minor Collector 2	43

Reconstructed in 2013 - (Pending Utility Coordination and Bid Results) UPDATED

Name	From	To	Class	PCI
<b>2013</b>				
IRVING ST	BEECH ST	WAVERLEY ST	Local Road	54
DAVIS RD	TRAPELO RD	IRVING ST	Local Road	47
HAWTHORNE ST	TRAPELO RD	CUL-DE-SAC	Local Road	49
CAMBRIDGE ST	WAVERLEY ST	HAWTHORNE ST	Local Road	30
WHITE ST	TRAPELO RD	GRANT AVE	Local Road	50
GRANT AVE	WHITE ST	C ST	Local Road	36
C STREET	GRANT AVE	TOWN PROPERTY	Local Road	49
HAMILTON RD	240' N OF MERRILL AV	CAMBRIDGE TOWN LINE	Local Road	35
HAMILTON RD	CONCORD AVE	240' N OF MERRILL AV	Local Road	70
SYCAMORE ST	WHITE ST	TRAPELO RD	Minor Collector 2	41
CONCORD AVE (E.B.)	COTTAGE ST	POST OFFICE	Arterials	65
CONCORD AVE (W.B.)	COTTAGE ST	POST OFFICE	Arterials	66



**TOWN OF BELMONT  
OFFICE OF COMMUNITY DEVELOPMENT**

Homer Municipal Building  
19 Moore Street  
Belmont, Massachusetts 02478

Telephone: (617) 993-2666 Fax: (617) 993-2651

TO: Town Meeting Members  
FROM: Sami Baghdady, Chair, Planning Board  
DATE: May 10, 2012

RE: Planning Board Report to the May 2012 Special Town Meeting  
ARTICLE 9: Amend Zoning By-Law: Solar Energy Systems

---

Pursuant to the requirements of Massachusetts General Laws, Chapter 40A, Section 5, the Planning Board hereby submits the following recommendation on Article 9, Solar Energy Systems, to the May 2012 Special Town Meeting. The Board held the required public hearing on April 17, 2012. Sitting for the Board was Sami Baghdady, Chair, Michael Battista, Charles Clark, and Joseph DeStefano.

The Solar Energy Systems Zoning By-Law, adopted at the January 2012 Special Town Meeting, contained a sunset clause (June 30, 2012) in order that the Planning Board and Belmont Energy Committee would collaborate on a zoning by-law that both bodies would fully support and that would be brought forward to Town Meeting. This amendment is the culmination of that work.

Similar to the previous zoning amendment, this Article seeks to reasonably regulate Solar Energy Systems and to protect the public health, safety, and welfare of the residents of the Town. More specifically, Part A requires a Special Permit for a Solar Energy System when it is the principal use of the premise; Part B allows it by-right if it is an accessory use; and, Part C establishes dimensional regulations and design standards when installing a system.

There are 2 basic differences between the by-law adopted at the January 2012 Special Town Meeting and the current draft before Town Meeting. First, the previous by-law broke out the systems based on roof-mounted or ground-mounted regardless of the underlying zoning district; the current draft breaks out the systems based on residential vs. non-residential zoning districts and then further breaks them out based on roof-mounted v. ground-mounted systems. Secondly, the current draft eliminates Design and Site Plan Review for all roof-mounted systems.

More specifically, the current draft includes separate definitions and standards sections (general, residential, or non-residential). All dimensional regulations are consistent with the existing zoning by-laws and were reviewed and agreed to by solar energy system installers.

In the residential zoning districts, a certain height is established for roof-mounted systems and allows the Planning Board to grant a Special Permit to exceed that limit. Additionally, ground-mounted systems are included in the total lot coverage for the property, limited to 8' in height, and prohibited in the front yards. Again the Planning Board can grant a Special Permit to exceed the height limit.

With respect to the non-residential zoning districts, screening is required for everything except for the panels themselves and roof-mounted systems are treated like any other roof-top mechanical system. Ground-mounted systems are limited to 10' in height, included in lot coverage, and prohibited in the front yards.

Both the Planning Board and Belmont Energy Committee fully support this zoning amendment and believe that this amendment provides a good balance between protecting the Town's residential districts without being too restrictive.

Therefore,

**The Planning Board voted (4-0) to recommend ADOPTION of Article 9.**

Questions or requests for additional information concerning this article and recommendation can be directed to the planning staff at the Office of Community Development.



TOWN OF BELMONT  
OFFICE OF COMMUNITY DEVELOPMENT

Homer Municipal Building  
19 Moore Street  
Belmont, Massachusetts 02478

Telephone: (617) 993-2666 Fax: (617) 993-2651

TO: Town Meeting Members  
FROM: Sami Baghdady, Chair, Planning Board  
DATE: May 10, 2012

RE: Planning Board Report to the May 2012 Special Town Meeting  
Article 10: Citizen Petition: Central/Palfrey Squares Overlay District

---

As required by Massachusetts General Laws Chapter 40A, Section 5, the Planning Board hereby submits the following recommendation on Article 10, Citizen Petition on extending the expiration of the Central/Palfrey Squares Interim Planning Overlay District, to the May 2012 Special Town Meeting. The Planning Board held the required public hearing on May 8, 2012. Sitting for the Board was Sami Baghdady, Chair, Michael Battista, and Charles Clark.

A. Background.

The 2010 Annual Town Meeting adopted the Interim By-law as a temporary zoning measure which would be re-evaluated by the Planning Board within two years. It creates an "overlay" district, meaning it does not change the underlying zoning in any way. However, the Interim By-law does authorize additional height, density and development rights. By its terms, the By-law expires at the close of the 2012 Annual Town Meeting. At its meeting on February 14, 2012, the Planning Board decided that it would be in the best interests of the Town to allow this Interim By-law to expire.

B. Unintended Development.

The area covered by the Interim By-law is what the Planning Board refers to as a "transition zone" along Trapelo Road in between Cushing and Waverly Squares. It is an area composed primarily of residential homes and low impact commercial uses.

The Planning Board believes that the current version of the Interim By-law is not appropriate for the following reasons:

I. The Interim By-law promotes development that is too large and dense.

First, the Interim By-law applies only to lots having an area in excess of 12,000 square feet of land. Yet, most lots in the Overlay District contain 4,000 to 6,000 square feet. Therefore, the Interim By-law encourages the assemblage of lots for larger scale development.

In addition, the By-law allows a building height of three stories, without any step-backs of the third story; requires zero (0) feet front, side and rear setbacks (except when abutting a residential district); and, allows a lot coverage of up to 55%, considerably reducing the availability of open and green space. Such features promote dense, urban scale development which is out of character with the transition zone.

Finally, the By-law allows a floor area ratio of up to 2.75. This means that the area of the building can be up to 2.75 times the area of the land on which it is being built. Such a floor area ratio can practically never be attained, but it promotes the argument (which has been presented to the Planning Board) that Town Meeting intended dense urban development by allowing an unusually high floor area ratio.

II. The By-law will likely produce unintended development of three-story residential apartment buildings with minimal commercial use of the first floor.

The underlying zoning within the Overlay District is Local Business-III (LB-III). Apartment houses are not an allowed use within the LB-III District. However, the Interim By-law "in effect" allows three-story apartment buildings under the classification of "mixed use development." The Planning Board prefers to encourage desirable commercial and retail uses, with more balanced residential. The development of this transition area into a residential apartment district is not in the best interest of the Town.

C. Conclusion.

Article 10 is being advanced for the possible development of a single lot located at 307 Trapelo Road. At the public hearing it was reported that the owner of the property is still negotiating with a bank, and the extension of the Interim By-law is requested as a back-up option. The bank use is allowed by right in the underlying LB-III zoning district.

The Planning Board believes that under such circumstances it would be in the best interests of the Town to focus on the unintended consequences of the Interim By-law, rather than the possible development options of a single property owner.

For the foregoing reasons, it is the Planning Board's recommendation to Town Meeting that the Interim By-law be allowed to expire by its terms upon the conclusion of the 2012 Town Meeting.

Therefore, at the conclusion of the public hearing,

**The Planning Board voted 2 to 1 not to support passage of Article 10.**

In closing, the Planning Board did commit at the public hearing to work on a permanent Overlay Zoning By-law as a priority in order to accommodate the possible development of 307 Trapelo Road and other properties in the district.

September 7, 2010

Ms. Barbara Hagg  
Town Accountant  
Town of Belmont  
19 Moore Street  
Belmont, MA 02478

Dear Barbara:

We are pleased to present the enclosed report summarizing the results of our actuarial valuation of the Town of Belmont postemployment health insurance benefit program as of July 1, 2010.

Our valuation was performed in accordance with the provisions contained in the GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45).

The principal results of our valuation are summarized in Section I. The Substantive Plan Provisions and Actuarial Methods and Assumptions are shown in Sections VI and VII, respectively. Section VIII summarizes the demographic profile of active employees and retirees.

The required disclosures under GASB 45 are presented in Section II.

Our best estimate health care cost trend assumptions are based on recent experience and anticipated future cost increases under the Town of Belmont medical plans. Section V illustrates the sensitivity of actuarial accrued liability and normal cost to a one percentage increase and decrease in the health care cost trend assumption for each future year.

Our actuarial valuation is based on a discount rate of 5.00% compounded annually. To illustrate the impact on cost of prefunding the Town's benefit liabilities, our report also includes valuation results based on an alternative 8.00% discount rate.

We also provide a 10-year forecast of both the Annual Required Contribution (ARC) and the Net OPEB Obligation in Sections III and IV, respectively.

Our calculations were based on participant census data and other information provided by the Town of Belmont and the benefit provisions of your medical plans as described in your benefit summaries. Our valuation is also based on medical plan rates provided in the worksheet "12-22-09 letter to Willis w/ OPEB backup".

Our valuation follows generally accepted actuarial methods and we perform such tests as we consider necessary to assure the accuracy of the results. The amounts presented in this report have been appropriately determined according to the actuarial assumptions and methods stated herein.

Ms. Barbara Hagg  
September 7, 2010  
Page 2

We are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

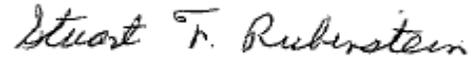
We appreciate this opportunity to be of service to the Town of Belmont. We are available to answer any questions with respect to our valuation.

Respectfully submitted,



---

Linda L. Bournival, FSA  
Member, American Academy of Actuaries  
781-444-7121



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Stuart F. Rubinstein, FSA  
Member, American Academy of Actuaries  
617-351-7510

**TOWN OF BELMONT  
POSTEMPLOYMENT BENEFITS  
OTHER THAN PENSIONS  
ACTUARIAL VALUATION**

**July 1, 2010**

**Reported Submitted  
September 7, 2010**

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## *Executive Summary*

### **Background**

The Town of Belmont provides postemployment medical, dental and life insurance benefits to Town retirees and their covered dependents. The Town provides benefits for any employee who retires at age 55 with 10 years of creditable service or any age with 20 years of creditable service. Medical coverage continues to the spouse after the death of the retiree provided the spouse makes the required contributions.

### **GASB 45**

The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting standards for governmental entities. Calculations developed in accordance with GASB standards are required when providing financial statements. The GASB has issued GASB Statement Number 45 (GASB 45) that dramatically changes the way the Town accounts for the cost of its postemployment insurance benefits.

GASB believes that postemployment benefits are a form of deferred compensation whose cost should be recognized while the employee actually renders services rather than when the actual benefits are paid, many years later. Ideally under the GASB standard the entire postemployment liability is recognized by the time an active participant begins to receive postemployment benefits. GASB 45's focus is on postemployment benefits other than pensions, such as medical, dental and life insurance benefits. Unlike pensions where sponsors are pre-funding for benefits due in the future, the impact of GASB 45 will be to significantly increase current cash pay-as-you-go expense.

The effective date for GASB 45 is a function of the Town's total annual revenues in the first fiscal year ending after June 15, 1999. We understand that this is your fiscal year that ended June 30, 1999, and that your related revenues were greater than \$10 million and less than \$100 million. As a result, the Town was required to comply with GASB 45 for the fiscal year beginning July 1, 2008.

### **Actuarial Valuation**

As of July 1, 2010, there are 750 active employees who may be eligible for benefits in the future and 512 retired employees and survivors who are currently receiving benefits. There are 81 retired employees included in the data submitted currently not covered under any medical plan or life insurance. Coverage is for individuals and families or individuals and spouses depending on the coverage selected. Summaries of the active and retired employees are included in Section VIII, Demographic Information.

Under the previous approach, the annual cost recognized is the annual premiums or benefits paid plus administrative expenses less any participant contributions paid towards the coverage. Under GASB 45, an annual cost for postemployment coverage is developed for any person who is currently receiving or who is currently actively employed and may be eligible to receive benefits in the future. In developing the GASB 45 cost, the payment of future benefits is determined using the current schedule of premiums modified to reflect the population and the fact that actual healthcare expenses are higher as individuals age. These age-adjusted costs are increased in the future under annual healthcare cost trend rate assumptions. The age-adjusted per capita costs utilized in this valuation are detailed in Section VII, Actuarial Methods and Assumptions.

***Executive Summary***

It is important to understand that even though the Town charges participants for coverage based on the individual or family premium schedule presented in our report, in developing a liability for the Town, GASB requires that these premiums be adjusted as noted above. So in reality the plan premium represents less than 100% of the actual cost that is required to be recognized under the GASB standard.

**Actuarial Assumptions**

The most important assumption for GASB 45 is the discount rate, which is used to discount future benefits to current age. GASB 45 requires that the discount rate accurately reflects the rate of return on assets dedicated to paying the retiree medical benefits. This means that a traditional pay-as-you-go system, which pays benefits from the Town's annual budget and not a dedicated trust, must use a discount rate close to 4%, the rate of return on cash. Full pre-funding by use of a dedicated trust with a mixture of stocks and bonds can employ a higher discount rate that accurately reflects the expected return on trust assets dedicated to pay retiree medical benefits. For the Town of Belmont, we selected a 5% discount rate to reflect the partial pre-funding of future payments. We show the sensitivity to the selection of the discount rate in the principal results of the July 1, 2010 valuation:

	<b>Partial Pre- Funded</b>	<b>Full Pre- Funded</b>
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
<b>Present Value of Future Benefits</b>		
Pre-Medicare Gross Benefit	\$66,853,037	\$46,102,366
Pre-Medicare Participant Contributions	10,191,102	7,060,679
Net Pre-Medicare Benefit	\$56,661,935	\$39,041,687
Post - Medicare Gross Benefit	\$242,367,181	\$144,171,106
Post - Medicare Participant Contributions	60,399,574	35,322,562
Net Post - Medicare Benefit	\$181,967,607	\$108,848,544
<b>Total Present Value of Future Benefits</b>	<b>\$238,629,542</b>	<b>\$147,890,231</b>
 <b>Actuarial Accrued Liability</b>		
Pre-Medicare Gross Benefit	\$47,908,304	\$36,651,936
Pre-Medicare Participant Contributions	7,327,228	5,627,066
Net Pre-Medicare Benefit	\$40,581,076	\$31,024,870
Post - Medicare Gross Benefit	\$192,680,064	\$125,224,379
Post - Medicare Participant Contributions	48,354,038	30,897,270
Net Post - Medicare Benefit	\$144,326,026	\$94,327,109
<b>Total Actuarial Accrued Liability</b>	<b>\$184,907,102</b>	<b>\$125,351,979</b>

**Town of Belmont**  
**Postemployment Benefits Other Than Pensions**  
**Actuarial Valuation as of July 1, 2010**

***Executive Summary***

**Normal Cost**

Pre-Medicare Gross Benefit	\$1,939,037	\$1,095,651
Pre-Medicare Participant Contributions	291,414	164,951
Net Pre-Medicare Benefit	\$1,647,623	\$930,700
Post - Medicare Gross Benefit	\$5,700,686	\$2,555,053
Post - Medicare Participant Contributions	1,388,942	601,743
Net Post - Medicare Benefit	\$4,311,744	\$1,953,310
<b>Total Normal Cost</b>	<u>\$5,959,367</u>	<u>\$2,884,010</u>

The annual expense under GASB 45 equals the Normal Cost plus the 30-year amortization of the unfunded actuarial accrued liability plus interest to the end of the fiscal year.

	<u>Partial Pre- Funded</u>	<u>Full Pre- Funded</u>
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
Normal Cost	\$5,959,367	\$2,884,010
Unfunded Actuarial Accrued Liability	183,897,208	124,342,085
30-Year Amortization of Unfunded Actuarial Accrued Liabi	11,393,879	10,225,500
Interest	867,662	1,048,761
<b>Annual Required Contribution</b>	<u><b>\$18,220,908</b></u>	<u><b>\$14,158,271</b></u>

**Changes**

All plan provisions used in this valuation are the same as those used in the prior valuation. The discount rate used to discount future benefits to current age on a pay-as-you-go basis remains at 5%. Health care trend rates are assumed to be 10% in the near-term trending down to 5% in 2016. All assumptions used in this valuation are detailed in Section VII.

**Results**

The Annual Required Contribution for the fiscal year ending June 30, 2010 of \$16,827,151, using a discount rate of 5%, is greater than the cash pay-as-you-go expense of \$3,304,630. When the Annual Required Contribution exceeds employer contributions, a Net OPEB Obligation is created. The Net OPEB Obligation is recorded as a liability on the employer's balance sheet.

*Executive Summary*

**Actuarial Certification**

This report presents the results of the Actuarial Valuation for the Town of Belmont Postemployment Benefits Other Than Pensions as of July 1, 2010. The report presents the accounting and financial reporting information in accordance with Statement Number 45 of the Governmental Accounting Standards Board (GASB 45).

This valuation was performed using employee data and financial information provided to us by the Town. Although we did not audit the data used in the valuation, we believe that the information is complete and reliable.

This report was completed in accordance with generally accepted actuarial standards and procedures, and conforms to the Code of Professional Conduct of the American Academy of Actuaries. The actuarial assumptions other than those explicitly applicable to the postemployment benefit plans are consistent with those used by the Belmont Contributory Retirement System's actuaries for the Retirement System pension valuations.

This report is intended for the sole use of the Town of Belmont and is intended to provide information to comply with the stated purpose of the report. It may not be appropriate for other purposes.

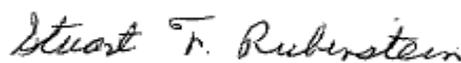
The undersigned credentialed actuaries are Members of the American Academy of Actuaries and together meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinion contained herein. They are available to answer any questions with regard to this report.

Respectfully submitted,



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Linda L. Bournival, FSA  
Member, American Academy of Actuaries  
781-444-7121



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Stuart F. Rubinstein, FSA  
Member, American Academy of Actuaries  
617-351-7510

**Section I - Principal Valuation Results**

The Actuarial Present Value of Future Benefits is the present value of the cost to finance all benefits payable in the future, discounted to reflect the probability of payment and the time value of money. Below is the Actuarial Present Value of Future Benefits assuming a discount rate of 5%, the rate of return on cash, and 8%, the rate of return on a dedicated trust if the Town were to pre-fund benefits:

**Exhibit A - Actuarial Present Value of Future Benefits**

	Partial Pre- Funded	Full Pre- Funded
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
<b>Current Active Employees</b>		
Pre-Medicare Gross Benefit	\$47,976,790	\$29,447,441
Pre-Medicare Participant Contributions	7,202,755	4,426,082
Net Pre-Medicare Benefit	\$40,774,035	\$25,021,359
Post - Medicare Gross Benefit	\$140,681,445	\$68,833,183
Post - Medicare Participant Contributions	34,221,806	16,165,421
Net Post - Medicare Benefit	\$106,459,639	\$52,667,762
<b>Total Current Active Employees</b>	<b>\$147,233,674</b>	<b>\$77,689,121</b>
<b>Current Retirees</b>		
Pre-Medicare Gross Benefit	\$18,876,247	\$16,654,925
Pre-Medicare Participant Contributions	2,988,347	2,634,597
Net Pre-Medicare Benefit	\$15,887,900	\$14,020,328
Post - Medicare Gross Benefit	\$101,685,736	\$75,337,923
Post - Medicare Participant Contributions	26,177,768	19,157,141
Net Post - Medicare Benefit	\$75,507,968	\$56,180,782
<b>Total Current Retirees</b>	<b>\$91,395,868</b>	<b>\$70,201,110</b>
<b>Total Present Value of Future Benefits (PVFB)</b>	<b>\$238,629,542</b>	<b>\$147,890,231</b>

**Section I - Principal Valuation Results**

The Actuarial Accrued Liability is the portion of the Actuarial Present Value of Future Benefits which is allocated to all periods prior to a valuation year and therefore is not provided for by future Normal Costs. Below is the Actuarial Accrued Liability assuming a discount rate of 5%, the rate of return on cash, and 8%, the rate of return on a dedicated trust if the Town were to pre-fund benefits:

**Exhibit B - Actuarial Accrued Liability**

	Partial Pre- Funded	Full Pre- Funded
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
<b>Current Active Employees</b>		
Pre-Medicare Gross Benefit	\$29,032,057	\$19,997,011
Pre-Medicare Participant Contributions	4,338,881	2,992,469
Net Pre-Medicare Benefit	\$24,693,176	\$17,004,542
Post - Medicare Gross Benefit	\$90,994,328	\$49,886,456
Post - Medicare Participant Contributions	22,176,270	11,740,129
Net Post - Medicare Benefit	\$68,818,058	\$38,146,327
<b>Total Current Active Employees</b>	<b>\$93,511,234</b>	<b>\$55,150,869</b>
<b>Current Retirees</b>		
Pre-Medicare Gross Benefit	\$18,876,247	\$16,654,925
Pre-Medicare Participant Contributions	2,988,347	2,634,597
Net Pre-Medicare Benefit	\$15,887,900	\$14,020,328
Post - Medicare Gross Benefit	\$101,685,736	\$75,337,923
Post - Medicare Participant Contributions	26,177,768	19,157,141
Net Post - Medicare Benefit	\$75,507,968	\$56,180,782
<b>Total Current Retirees</b>	<b>\$91,395,868</b>	<b>\$70,201,110</b>
<b>Total Actuarial Accrued Liability (AAL)</b>	<b>\$184,907,102</b>	<b>\$125,351,979</b>

**Section I - Principal Valuation Results**

The Normal Cost is the portion of the Actuarial Present Value of Future Benefits which is allocated to a valuation year. Below is the Normal Cost assuming a discount rate of 5%, the rate of return on cash, and 8%, the rate of return on a dedicated trust if the Town were to pre-fund benefits:

**Exhibit C - Normal Cost**

	<b>Partial Pre- Funded</b>	<b>Full Pre- Funded</b>
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
<b>Current Active Employees</b>		
Pre-Medicare Gross Benefit	\$1,939,037	\$1,095,651
Pre-Medicare Participant Contributions	291,414	164,951
Net Pre-Medicare Benefit	\$1,647,623	\$930,700
Post - Medicare Gross Benefit	\$5,700,686	\$2,555,053
Post - Medicare Participant Contributions	1,388,942	601,743
Net Post - Medicare Benefit	\$4,311,744	\$1,953,310
<b>Total Current Active Employees</b>	<b>\$5,959,367</b>	<b>\$2,884,010</b>
<b>Current Retirees</b>		
Pre-Medicare Gross Benefit	\$0	\$0
Pre-Medicare Participant Contributions	0	0
Net Pre-Medicare Benefit	\$0	\$0
Post - Medicare Gross Benefit	\$0	\$0
Post - Medicare Participant Contributions	0	0
Net Post - Medicare Benefit	\$0	\$0
<b>Total Current Retirees</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Normal Cost (NC)</b>	<b>\$5,959,367</b>	<b>\$2,884,010</b>

**Section I - Principal Valuation Results**

Under GASB 45, the Annual Required Contribution (ARC) of the employer equals the Normal Cost plus a provision for amortizing the Unfunded Actuarial Accrued Liability. We have assumed level dollar amortization over the maximum acceptable amortization period of 30 years. For the period beginning July 1, 2010, the ARC, calculated under the parameters of this actuarial valuation, would be:

**Exhibit D - Annual Required Contribution**

	Partial Pre- Funded	Full Pre- Funded
<b>Discount Rate</b>	<b>5%</b>	<b>8%</b>
1. Normal Cost	\$5,959,367	\$2,884,010
2. Unfunded Actuarial Accrued Liability		
a. Actuarial Accrued Liability	\$184,907,102	\$125,351,979
b. Actuarial Value of Plan Assets	\$1,009,894	\$1,009,894
c. Unfunded Actuarial Accrued Liability	\$183,897,208	\$124,342,085
3. Amortization of Unfunded Actuarial Accrued Liability		
a. Unfunded Actuarial Accrued Liability	\$183,897,208	\$124,342,085
b. Amortization Period	30	30
c. Factor Increasing Rate	0.0%	0.0%
d. Amortization Factor	16.14	12.16
e. Amortization Amount (3.a. / 3.d.)	\$11,393,879	\$10,225,500
4. Interest	\$867,662	\$1,048,761
5. Annual Required Contribution (1. + 3.e. + 4.)	\$18,220,908	\$14,158,271

**Section II - GASB 45 Accounting Disclosures**

GASB 45 requires disclosure of the annual OPEB cost, the Net OPEB Obligation and the Schedule of Funding Progress. In addition, information about the Actuarial Methods and Assumptions used in the valuation and a summary of the Substantive Plan Provisions are disclosed, which are provided in Sections VII and VI, respectively.

**Annual OPEB Cost and Net OPEB Obligation**

Fiscal Year Ending	6/30/2009	6/30/2010
1. Annual Required Contribution	\$16,827,151	\$16,827,151
2. Interest on Net OPEB Obligation	0	671,922
3. Adjustment to annual required contribution	0	832,617
4. Annual OPEB cost/(expense)	\$16,827,151	\$16,666,456
5. Employer contributions made*	3,388,713	3,304,630
6. Change in Net OPEB Obligation	\$13,438,438	\$13,361,826
7. Net OPEB Obligation - beginning of year	\$0	\$13,438,438
8. Net OPEB Obligation - end of year	\$13,438,438	\$26,800,264

\* Information received from the Town of Belmont.

**Plan History**

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Increase in Net OPEB Obligation
6/30/2010	16,666,456	20%	13,361,826
6/30/2009	16,827,151	20%	13,438,438

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
7/1/2010	1,009,894	184,907,102	183,897,208	0.55%	43,878,648	419.1%
7/1/2008	501,409	166,550,323	166,048,914	0.30%	33,252,323	499.4%

**Section III - 10-Year Forecast of Annual Required Contributions**

Fiscal Year, July 1	Normal Cost	Actuarial Accrued Liability	Assets	Unfunded Actuarial Accrued Liability (UAAL)	Expected Benefit Payments	Interest on UAAL	Contributions	Amortization Amount	Interest	ARC
2010	5,959,367	184,907,102	1,009,894	183,897,208	7,571,592	9,354,034	7,571,592	11,393,879	867,662	18,220,908
2011	6,257,335	192,648,911	1,060,389	191,588,522	8,198,567	9,740,348	8,198,567	11,870,416	906,388	19,034,139
2012	6,570,202	200,448,027	1,113,408	199,334,619	8,883,176	10,128,832	8,883,176	12,350,348	946,028	19,866,578
2013	6,898,712	208,263,885	1,169,078	207,094,807	9,426,622	10,522,464	9,426,622	12,831,153	986,493	20,716,358
2014	7,243,648	216,258,439	1,227,532	215,030,907	9,837,011	10,929,179	9,837,011	13,322,857	1,028,325	21,594,830
2015	7,605,830	224,594,254	1,288,909	223,305,345	10,253,134	11,353,676	10,253,134	13,835,523	1,072,068	22,513,421
2016	7,986,122	233,300,626	1,353,354	231,947,272	10,448,359	11,803,128	10,448,359	14,370,959	1,117,854	23,474,935
2017	8,385,428	242,641,518	1,421,022	241,220,496	10,722,683	12,283,280	10,722,683	14,945,508	1,166,547	24,497,483
2018	8,804,699	252,587,543	1,492,073	251,095,470	10,975,719	12,795,219	10,975,719	15,557,340	1,218,102	25,580,141
2019	9,244,934	263,211,741	1,566,677	261,645,064	11,232,398	13,342,024	11,232,398	16,210,971	1,272,795	26,728,700

Notes:

1. Normal Cost is assumed to increase annually by the discount rate of 5.00%.
2. Unfunded Actuarial Accrued Liability, end of year, equals Unfunded Actuarial Accrued Liability, beginning of year, plus Normal Cost and Interest, less Expected Benefit Payments.
3. Interest on UAAL is computed on the Unfunded Actuarial Accrued Liability, Normal Cost and 1/2 Expected Benefit Payments.
4. Amortization Amount is the amount necessary to amortize the Unfunded Actuarial Accrued Liability over 30 years at a discount rate of 5.00%.
5. Interest is computed on the Normal Cost and the Amortization Amount.
6. The ARC (Annual Required Contribution) is the Normal Cost plus the Amortization Amount plus Interest.

**Town of Belmont**  
**Postemployment Benefits Other Than Pensions**  
**Actuarial Valuation as of July 1, 2010**

**Section IV - 10-Year Forecast of Net OPEB Obligation**

Fiscal Year, July 1	ARC	Interest on Net OPEB Obligation	ARC Adjustment	Amortization Factor	OPEB Cost	Contributions	Change in Net OPEB Obligation	Net OPEB Obligation Balance
2008					16,827,151	3,388,713	13,438,438	13,438,438
2009					16,666,456	3,304,630	13,361,826	26,800,264
2010	18,220,908	1,340,013	1,743,674	15.37	17,817,247	7,571,592	10,245,655	37,045,919
2011	19,034,139	1,852,296	2,410,275	15.37	18,476,160	8,198,567	10,277,593	47,323,512
2012	19,866,578	2,366,176	3,078,953	15.37	19,153,801	8,883,176	10,270,625	57,594,137
2013	20,716,358	2,879,707	3,747,179	15.37	19,848,886	9,426,622	10,422,264	68,016,401
2014	21,594,830	3,400,820	4,425,270	15.37	20,570,380	9,837,011	10,733,369	78,749,769
2015	22,513,421	3,937,488	5,123,602	15.37	21,327,307	10,253,134	11,074,173	89,823,942
2016	23,474,935	4,491,197	5,844,108	15.37	22,122,024	10,448,359	11,673,665	101,497,608
2017	24,497,483	5,074,880	6,603,618	15.37	22,968,745	10,722,683	12,246,062	113,743,670
2018	25,580,141	5,687,183	7,400,369	15.37	23,866,955	10,975,719	12,891,236	126,634,905
2019	26,728,700	6,331,745	8,239,096	15.37	24,821,349	11,232,398	13,588,951	140,223,856

Notes:

1. ARC and Contributions are from 10-Year Forecast of Annual Required Contribution.
2. Interest on Net OPEB Obligation is computed on the prior year Net OPEB Obligation Balance at the discount rate of 5.00%.
3. ARC Adjustment is the prior year Net OPEB Obligation Balance amortized over 30 years at the discount rate of 5.00%.
4. OPEB Cost is the ARC plus Interest on Net OPEB Obligation less ARC Adjustment.
5. Change in Net OPEB Obligation is the difference between the OPEB Cost and Contribution.
6. Net OPEB Obligation is the prior year Net OPEB Obligation Balance plus Change in Net OPEB Obligation.

**Section V - Sensitivity Analysis**

Below we illustrate the sensitivity of Actuarial Accrued Liability to a one percentage increase and decrease in health care cost trend assumption for each future year:

**Exhibit E - Sensitivity Analysis of Actuarial Accrued Liability**

	<u>Assumed Trend</u>	<u>Trend +1%</u>	<u>Trend -1%</u>
<b>Discount Rate</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
<b>Current Active Employees</b>			
Pre-Medicare Gross Benefit	\$29,032,057	\$33,156,008	\$25,569,270
Pre-Medicare Participant Contributions	4,338,881	4,951,737	3,823,977
Net Pre-Medicare Benefit	\$24,693,176	\$28,204,271	\$21,745,293
Post - Medicare Gross Benefit	\$90,994,328	\$113,886,049	\$73,663,475
Post - Medicare Participant Contributions	22,176,270	28,068,300	17,744,261
Net Post - Medicare Benefit	\$68,818,058	\$85,817,749	\$55,919,214
<b>Total Current Active Employees</b>	<b>\$93,511,234</b>	<b>\$114,022,020</b>	<b>\$77,664,507</b>
<b>Current Retirees</b>			
Pre-Medicare Gross Benefit	\$18,876,247	\$19,653,874	\$18,159,245
Pre-Medicare Participant Contributions	2,988,347	3,112,172	2,874,148
Net Pre-Medicare Benefit	\$15,887,900	\$16,541,702	\$15,285,097
Post - Medicare Gross Benefit	\$101,685,736	\$113,300,515	\$91,831,708
Post - Medicare Participant Contributions	26,177,768	29,280,235	23,543,370
Net Post - Medicare Benefit	\$75,507,968	\$84,020,280	\$68,288,338
<b>Total Current Retirees</b>	<b>\$91,395,868</b>	<b>\$100,561,982</b>	<b>\$83,573,435</b>
<b>Total Actuarial Accrued Liability (AAL)</b>	<b>\$184,907,102</b>	<b>\$214,584,002</b>	<b>\$161,237,942</b>

**Section V - Sensitivity Analysis**

Below we illustrate the sensitivity of Normal Cost to a one percentage increase and decrease in health care cost trend assumption for each future year:

**Exhibit F - Sensitivity Analysis of Normal Cost**

	<u>Assumed Trend</u>	<u>Trend +1%</u>	<u>Trend -1%</u>
<b>Discount Rate</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
<b>Current Active Employees</b>			
Pre-Medicare Gross Benefit	\$1,939,037	\$2,371,593	\$1,594,913
Pre-Medicare Participant Contributions	291,414	356,079	239,918
Net Pre-Medicare Benefit	\$1,647,623	\$2,015,514	\$1,354,995
Post - Medicare Gross Benefit	\$5,700,686	\$7,671,434	\$4,298,756
Post - Medicare Participant Contributions	1,388,942	1,889,950	1,035,460
Net Post - Medicare Benefit	\$4,311,744	\$5,781,484	\$3,263,296
<b>Total Current Active Employees</b>	<b>\$5,959,367</b>	<b>\$7,796,998</b>	<b>\$4,618,291</b>
<b>Current Retirees</b>			
Pre-Medicare Gross Benefit	\$0	\$0	\$0
Pre-Medicare Participant Contributions	0	0	0
Net Pre-Medicare Benefit	\$0	\$0	\$0
Post - Medicare Gross Benefit	\$0	\$0	\$0
Post - Medicare Participant Contributions	0	0	0
Net Post - Medicare Benefit	\$0	\$0	\$0
<b>Total Current Retirees</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Normal Cost</b>	<b>\$5,959,367</b>	<b>\$7,796,998</b>	<b>\$4,618,291</b>

**Section VI - Substantive Plan Provisions**

**Eligibility:** Retirement at age 55 with 10 years of creditable service or any age with 20 years of creditable service.

**Medical Premium Rates:** The total annual cost for the year beginning July 1, 2010 by plan are shown

<u>Non-Medicare Plans</u>	<u>Individual</u>	<u>Family</u>
Harvard Pilgrim PPO	11,379	30,951
Harvard Pilgrim HMO	7,126	19,305
<u>Medicare Plans</u>		
Medicare Enhance	6,350	
First Seniority	3,566	

**Participant Contributions:** Eligible retirees not participating in Medicare and their spouses contribute 20% of premium rates for the HMO plan and 50% of premium rates for the PPO plan. Medicare-eligible retirees and their spouses contribute 50% of the cost of the Medicare Enhance Supplement and First Seniority Plan.

**Continuation of Coverage to Spouse After Death of Retiree:** Surviving spouse may continue coverage for lifetime by paying the required percentage of the medical plan premium rate.

**Life Insurance:** Retired employees are eligible for a \$2,000 life insurance benefit.

**Life Insurance Contributions:** Retired employees electing life insurance contribute \$28.44 annually for the benefit.

**Section VII - Actuarial Methods and Assumptions**

**Valuation Date:** July 1, 2010

**Discount Rates:** 5.00% partial pre-funded  
 8.00% full pre-funded

**Amortization Method:** Level dollar amount over thirty (30) years on an open amortization period.

**Health Care Cost Trend Rates:**

<u>Year</u>	<u>Current Valuation</u>	<u>Previous Valuation</u>
2008	N/A	10.00%
2009	N/A	9.00%
2010	10.00%	8.00%
2011	9.00%	7.00%
2012	8.00%	6.00%
2013	7.00%	5.00%
2014	6.00%	5.00%
Ultimate	5.00%	5.00%

**Mortality Table:** RP-2000 Mortality Table.

**Turnover Rates:** Illustrative turnover rates are shown below:

<u>Years of Service</u>	<u>General</u>	<u>Public Safety</u>
0	15.0%	1.5%
1	12.0%	1.5%
2	10.0%	1.5%
3	9.0%	1.5%
4	8.0%	1.5%
5	7.6%	1.5%
10	5.4%	1.5%
15	3.3%	0.0%
20	2.0%	0.0%
25	1.0%	0.0%
30	0.0%	0.0%

**Disability Rates:** None

**Section VII - Actuarial Methods and Assumptions**

**Retirement Rates:** Illustrative retirement rates are shown below:

<u>Age</u>	<u>General</u>		<u>Public Safety</u>
	<u>Male</u>	<u>Female</u>	
45	0.0%	0.0%	1.0%
50	1.0%	1.5%	2.0%
55	2.0%	5.5%	15.0%
60	12.0%	5.0%	20.0%
62	30.0%	15.0%	25.0%
65	100.0%	100.0%	100.0%

**Medical Plan Participation:** 85% of eligible retirees will elect to participate.

**Life Insurance Participation:** 60% of eligible retirees will elect to participate.

**Dependent Status:** Male spouses are assumed to be three years older and female spouses are assumed to be three years younger than the retired employee.  
  
35% of retired employees are assumed to retire with a covered spouse.

**Medical Per Capita Costs:** Annual per capita costs for the fiscal year beginning July 1, 2010 are as follows:

<u>Age</u>	<u>Incurred Medical Costs</u>
Under 50	15,331
50-54	15,331
55-59	18,191
60-64	22,089
65-69	17,613
70-74	9,388
75-79	8,011
80-84	7,123
85-89	10,327
90+	11,599

*Section VII - Actuarial Methods and Assumptions*

**Medicare Part B Premiums:**

The Town of Belmont pays 50% of Medicare Part B premiums for retirees and spouses participating in Medicare. For the year beginning July 1, 2010, the monthly Medicare Part B premium was assumed to be \$98.60.

**Participant Contributions:** Annual per capita participant contributions for the fiscal year beginning July 1, 2010 are as follows:

	<u>Contributions</u>
Non-Medicare	3,234
Medicare	2,802

**Section 18 of Chapter 32B:** We understand that the Town has adopted Section 18 of Chapter 32B of the Massachusetts General Laws, which requires all Medicare-eligible retirees to enroll in a Medicare supplemental plan.

**Actuarial Cost Method:** Projected Unit Credit. The costs of each employee's postemployment benefits are allocated on a pro rata basis from the employee's date of hire to the date the employee is fully eligible for benefits.

**Employee Data:** Employee and retiree data were submitted by the Town. We made reasonable adjustments for missing or invalid data.

*Section VIII - Demographic Information*

**Active Employees by Age and Years of Service as of July 1, 2010**

<u>Age</u>	<u>Years of Service</u>									<u>Total</u>	<u>Percent</u>
	<u>0 to 4</u>	<u>5 to 9</u>	<u>10 to 14</u>	<u>15 to 19</u>	<u>20 to 24</u>	<u>25 to 29</u>	<u>30 to 34</u>	<u>35 to 39</u>	<u>40 &amp; up</u>		
Under 25	13	3	0	0	0	0	0	0	0	16	2%
25 to 29	87	21	4	0	0	0	0	0	0	112	15%
30 to 34	46	50	5	0	0	0	0	0	0	101	13%
35 to 39	12	29	26	1	0	0	0	0	0	68	9%
40 to 44	19	20	22	12	3	1	0	0	0	77	10%
45 to 49	16	16	22	7	9	11	0	0	0	81	11%
50 to 54	18	11	30	10	12	12	3	0	0	96	14%
55 to 59	16	13	22	12	7	6	6	2	0	84	11%
60 to 64	7	13	11	15	10	6	7	4	3	76	10%
65 to 69	0	10	4	2	2	2	2	2	1	25	3%
70 & up	0	3	3	2	0	2	2	2	0	14	2%
Total	234	189	149	61	43	40	20	10	4	750	
Percent	31%	25%	20%	8%	6%	5%	3%	1%	1%		100%

*Section VIII - Demographic Information*

**Retired Plan Participants and Survivors as of July 1, 2010**

Age	Harvard Pilgrim HMO	Harvard Pilgrim PPO	Medicare Enhance	First Seniority	Life only	Total
Under 40	0	0	0	0	0	0
40 to 44	1	1	0	0	0	2
45 to 49	1	0	0	0	0	1
50 to 54	3	1	1	0	0	5
55 to 59	18	0	0	0	1	19
60 to 64	63	10	0	0	5	78
65 to 69	22	7	43	33	6	111
70 to 74	6	8	47	20	6	87
75 to 79	3	1	55	11	6	76
80 to 84	0	2	46	13	5	66
85 to 89	1	0	21	8	10	40
90+	2	3	17	2	3	27
Total	120	33	230	87	42	512

In addition, 81 retirees were included in the data with neither medical nor life coverage.

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*Section IX - Glossary of Terms*

**Actuarial Accrued Liability** – The portion of the Actuarial Present Value of future benefits which is allocated to all periods prior to a valuation year and therefore is not provided by future Normal Costs.

**Actuarial Assumptions** – Assumptions as to the occurrence of future events affecting OPEB costs, such as mortality, withdrawal, disablement and retirement; changes in compensation and Government provided pension benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; characteristics of future entrants for Open Group Actuarial Cost Methods; and other relevant items.

**Actuarial Present Value of Future Benefits** – The present value of the cost to finance all benefits payable in the future, discounted to reflect the probability of payment and the time value of money.

**Actuarial Valuation** – the determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets and related Actuarial Present Values for an OPEB plan.

**Actuarial Value of Assets** – The value of plan assets used in an actuarial valuation. The Actuarial Value of Assets may reflect smoothing techniques intended to dampen year-to-year fluctuations in the market value of assets.

**Annual OPEB Cost** - The accrual basis annual cost for the OPEB plan sponsored by the employer. In the year of implementation of GASB 45, the Annual OPEB Cost equals the ARC. In subsequent years, if an employer has a Net OPEB Obligation, Annual OPEB Cost equals the ARC plus one year's interest on the Net OPEB Obligation plus an adjustment to the ARC.

**Annual Required Contribution (ARC)** – Includes the employer's Normal Cost and a provision for amortizing the Unfunded Actuarial Accrued Liability.

**Explicit Subsidy** – The difference between (a) the blended rates based on combined active and retired member experience and (b) actual cash contributions made by the employer.

**Funded Ratio** – The Actuarial Value of Assets expressed as a percentage of the Actuarial Accrued Liability.

**Health Cost Trend Rate** – The rate of change in per capita health claims cost over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

**Implicit Subsidy** – In an experience-rated healthcare plan that includes both active employees and retirees with blended premium rates for all plan members, the difference between (a) the age-adjusted premiums approximating claim costs for retirees in the group and (b) the blended rates based on combined active and retired member experience.

**Net OPEB Obligation** – The cumulative excess since adoption of GASB 45 of Annual OPEB Cost over the employer's contributions to the plan.

**Normal Cost** – The portion of the Actuarial Present Value of Future Benefits which is allocated to a valuation year.

*Section IX - Glossary of Terms*

**OPEB** – Other Postemployment Benefits including medical, dental, vision, hearing and life insurance benefits.

**Plan Assets** – Investments segregated and restricted in a trust or similar agreement under which:

- employer contributions to the trust are irrevocable,
- assets are dedicated to providing plan benefits, and
- assets are legally protected from creditors.

**Pay-As-You-Go** – A method of financing an OPEB plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

**Present Value of Future Benefits** – The actuarial present value of the cost to finance benefits payable in the future, discounted to reflect the expected effects of the time value of money and the probabilities of payment.

**Projected Unit Credit Actuarial Cost Method** – A method under which the projected benefits of each individual included in an Actuarial Valuation are allocated by a consistent formula to valuation years. Projected Unit Credit is one of the actuarial cost methods allowed and most often used for developing liabilities under GASB 45.

**Substantive Plan** – The terms of an OPEB plan as understood by the employer and plan members.

**Unfunded Actuarial Accrued Liability** – The excess of Actuarial Accrued Liability over the Actuarial Value of Assets.

**Town of Belmont**  
**Postemployment Benefits Other Than Pensions**  
**Actuarial Valuation as of July 1, 2010**

**Section X - Unit Allocation**

Unit	General	School	Public Safety	Light	Sewer	Water	Total
<b>Summary of Member Data</b>							
Active Members	89	514	93	30	10	14	750
Average Age	54	43	43	44	44	48	44
Average Service	15	9	14	13	9	13	11
Retired Members and Survivors	92	316	139	30	1	15	593
Average Age	73	73	72	73	67	73	73
<b>Actuarial Accrued Liability - 5%</b>							
Active Employees	15,203,154	51,983,662	17,967,196	4,858,918	1,187,688	2,310,616	93,511,234
Retired Employees	14,691,560	43,406,105	26,785,985	4,004,011	346,001	2,162,206	91,395,868
Total	29,894,714	95,389,767	44,753,181	8,862,929	1,533,689	4,472,822	184,907,102
<b>Actuarial Value of Plan Assets</b>							
Contributions-to-date	114,278	364,645	171,077	136,634	100,000	100,000	986,634
Interest-to-date	2,694	8,596	4,033	3,221	2,358	2,358	23,260
Actuarial Value of Plan Assets	116,972	373,241	175,110	139,855	102,358	102,358	1,009,894
<b>Unfunded Actuarial Accrued Liability</b>	<b>29,777,742</b>	<b>95,016,526</b>	<b>44,578,071</b>	<b>8,723,074</b>	<b>1,431,331</b>	<b>4,370,464</b>	<b>183,897,208</b>
<b>Annual Required Contribution (ARC) - 5%</b>							
Normal Cost	576,014	3,971,288	1,029,185	167,477	99,826	115,577	5,959,367
Amortization of UAL	1,844,965	5,887,022	2,761,962	540,463	88,682	270,785	11,393,879
Interest	121,049	492,916	189,557	35,397	9,425	19,318	867,662
Total	2,542,028	10,351,226	3,980,704	743,337	197,933	405,680	18,220,908