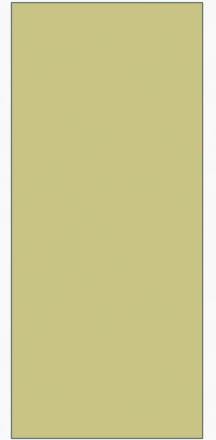


# FY18 BUDGET

WARRANT COMMITTEE REPORT TO  
BELMONT TOWN MEETING  
JUNE 5, 2017



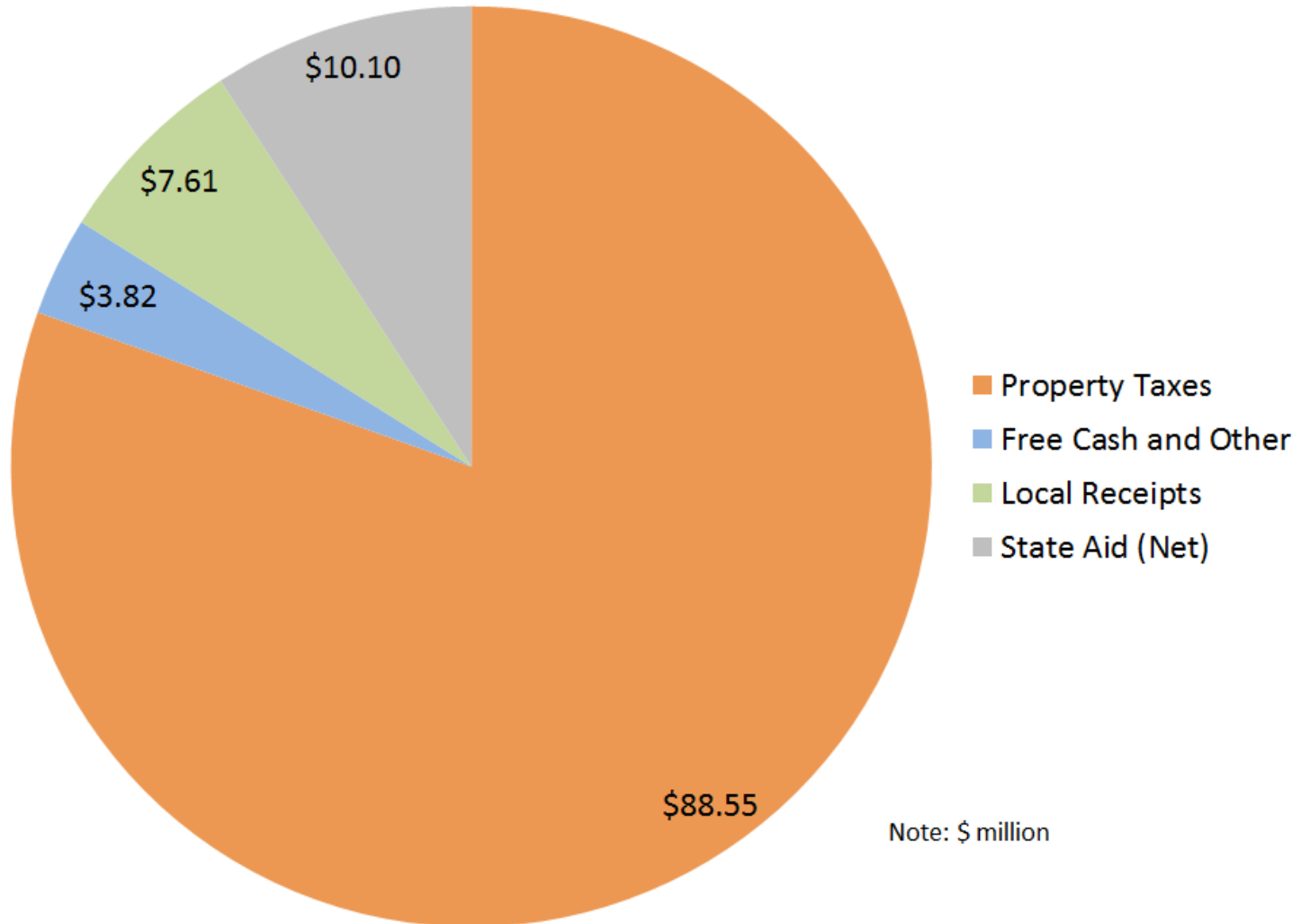
# WARRANT COMMITTEE REPORT

- Background
- Budget Overview
  - Revenue by Source
  - Expenditures by Department/Article
- Free Cash and Other Fund Balances
- Beyond FY18

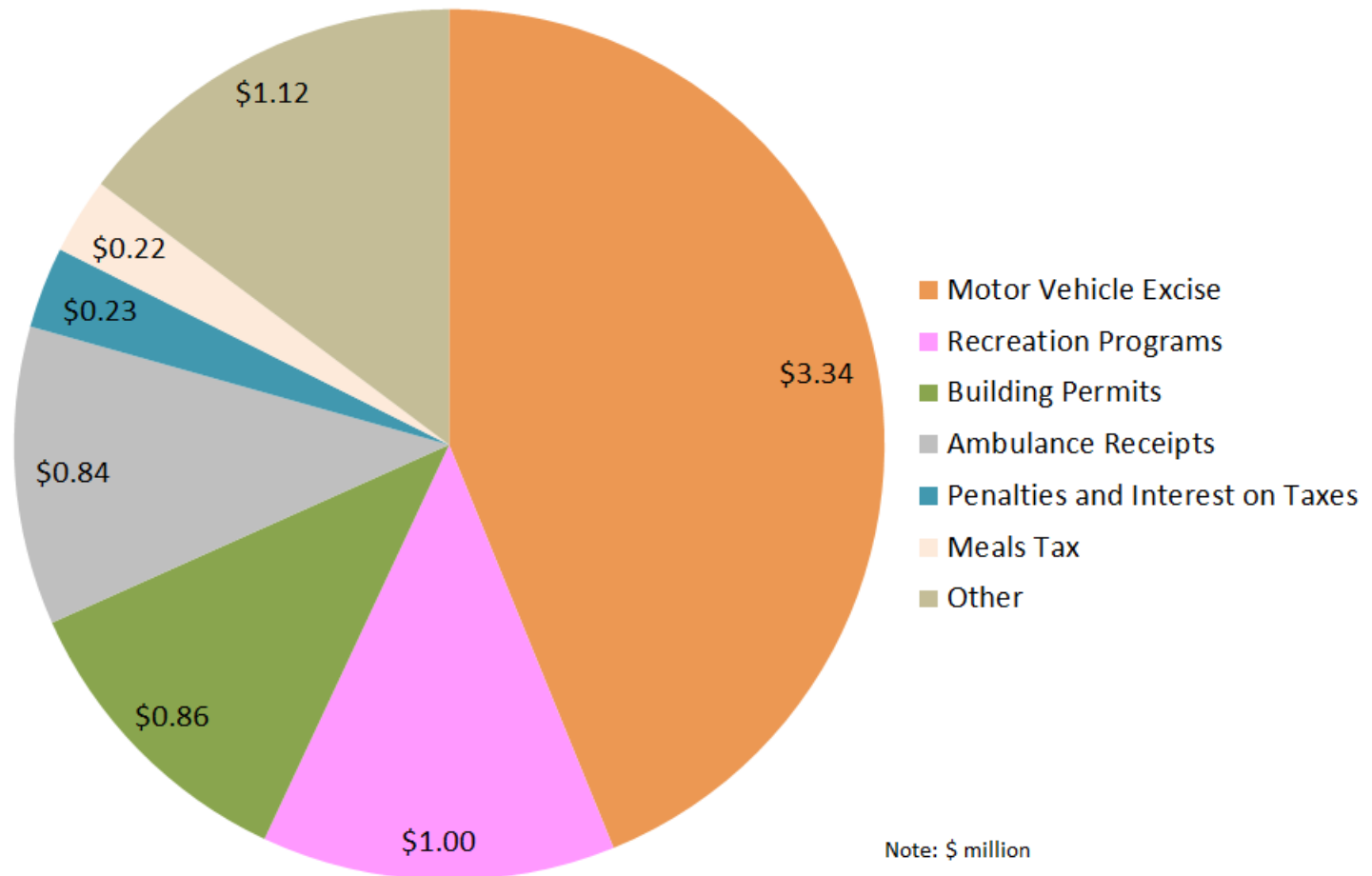
# FY18 BUDGET – BACKGROUND

- Budgets drafted by Town and School departments
  - BOS, School Committee, Warrant Committee Review
  - Capital Budget Committee Recommendations
- Key role of 2015 override to balance budget and preserve services
- Final budget voted May 15; WC Report sent May 17

# FY18 SOURCES OF GENERAL FUND REVENUE: \$110.08 MILLION



# FY18 LOCAL RECEIPTS DETAIL: \$7.6 MM



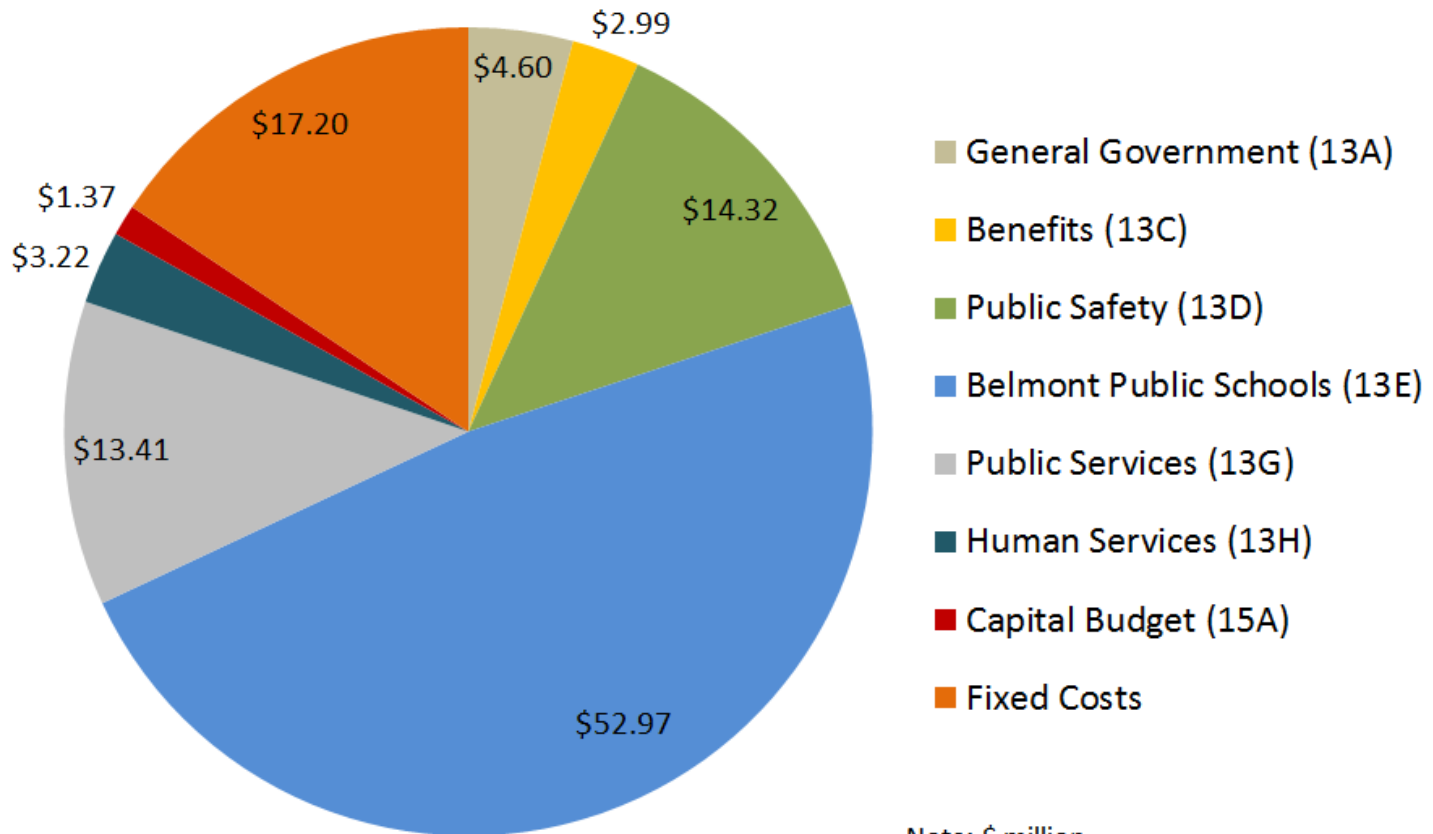
# FY18 BUDGET: \$110.08 MILLION

	<b>FY18</b>	<b>FY17</b>	<b>% Change</b>
Town	\$38.55	\$36.97	4.3%
Schools	\$52.97	\$50.13	5.7%
Capital Budget (Discretionary)	\$1.37	\$2.63	-48.1%
Fixed Costs*	\$17.19	\$16.61	3.5%
<b>Total General Fund Budget</b>	<b>\$110.08</b>	<b>\$106.34</b>	<b>3.5%</b>

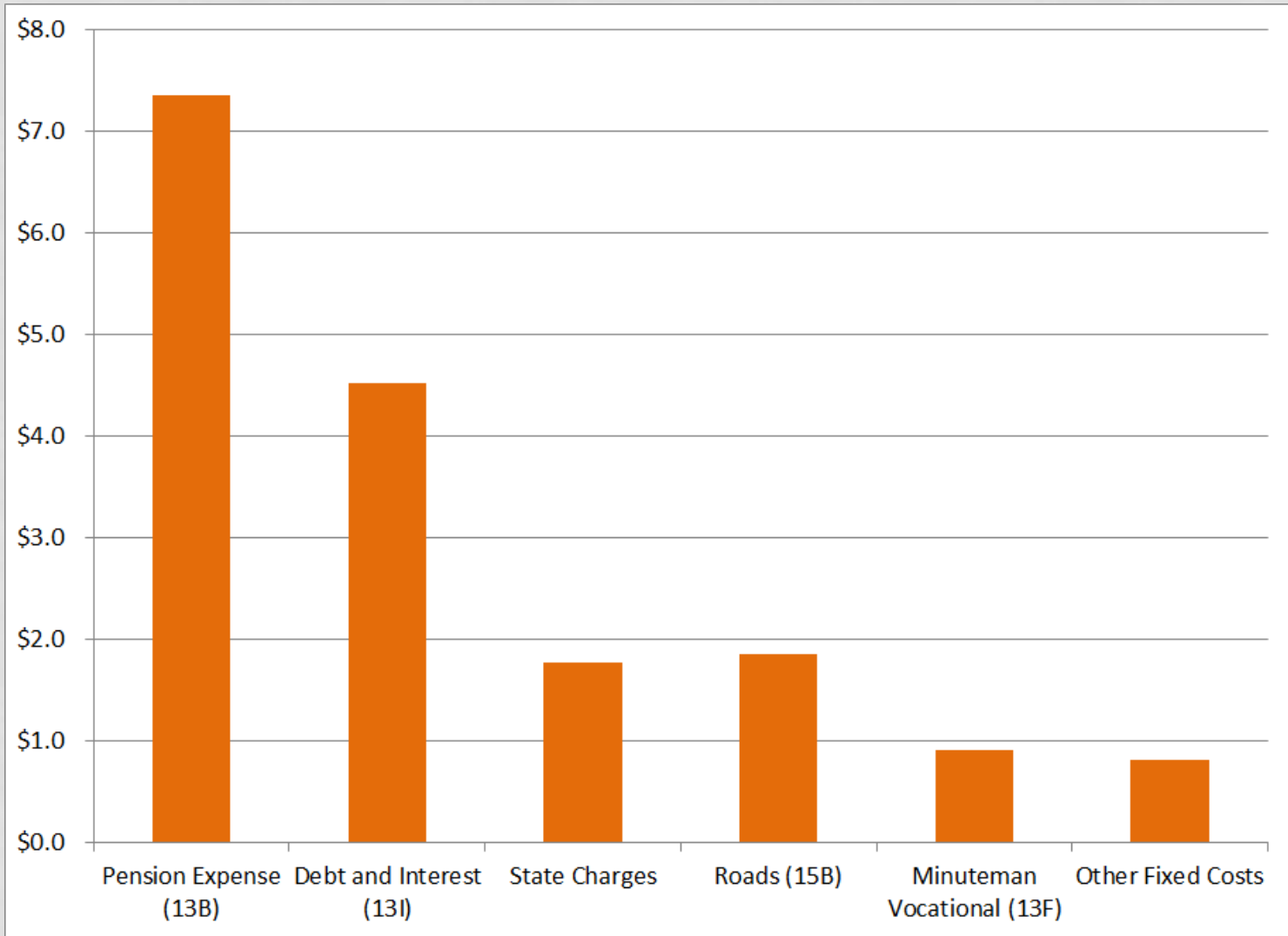
\* Fixed Costs: Pensions, Debt, Roads, State Charges, Abatements, Minuteman

Excludes Water and Sewer Enterprise

# BUDGET (\$110.08 MILLION) BY ARTICLE



# FIXED COST (\$17.2 MILLION) DETAIL



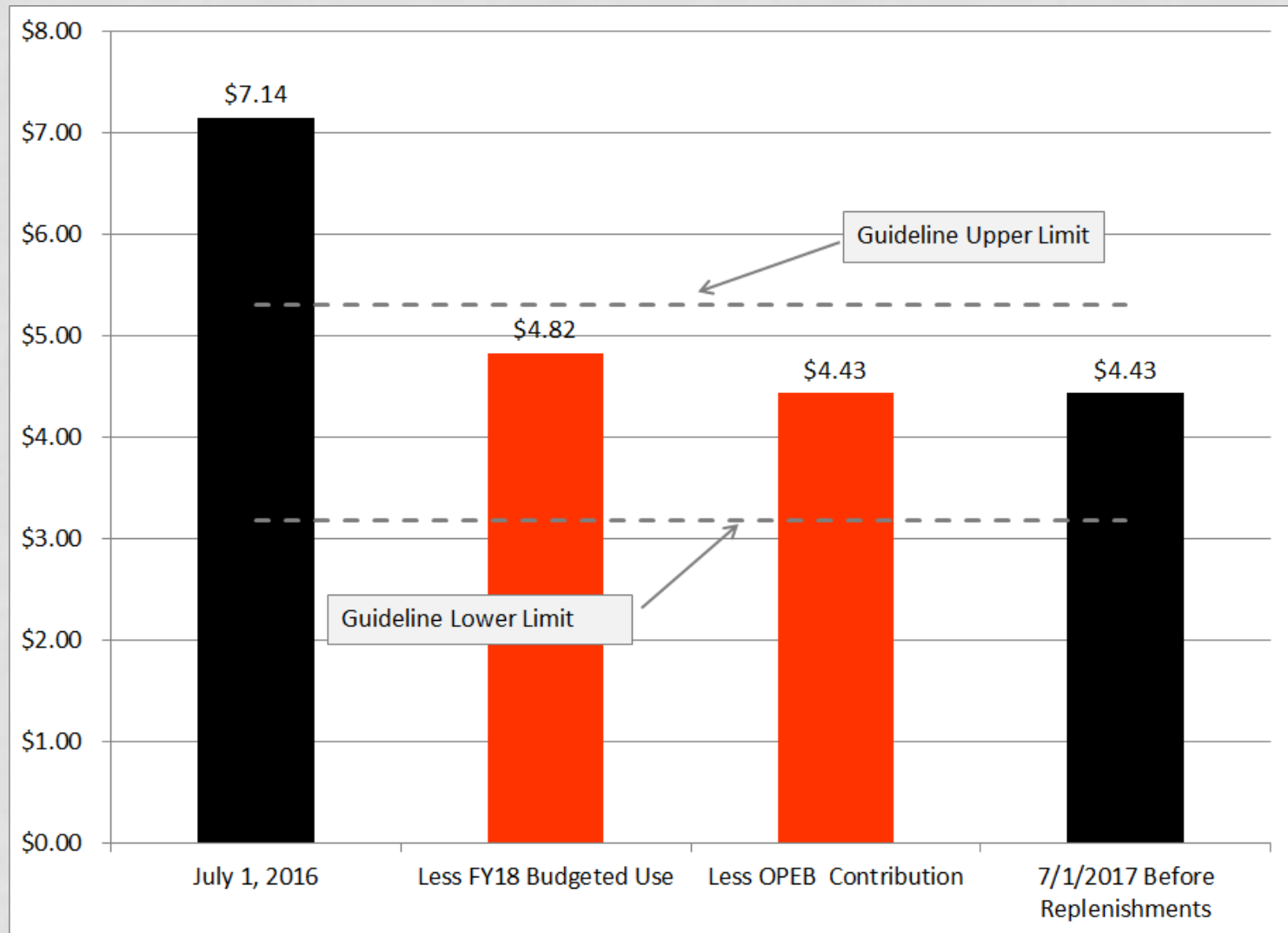




# BUDGET HIGHLIGHTS

- Municipal departments funded at level service
- School Department growth
  - 7.6 FTE increase over FY17, driven by enrollment increases
  - Enrollment up 700+ in 10 years, w/ 400 more forecast in next 4 years
- \$2.4 million for roads and sidewalks
- Healthcare expense projected 9% increase
- Pension expense 6.97% increase

# UPDATE ON FREE CASH



# UPDATE ON FUND BALANCES

- General Stabilization Fund: \$2,943,262
- OPEB Trust: \$33,053,802
  - Article 16: \$384,706 transfer to Trust
  - OPEB Study Group will report during FY18
- Capital Endowment Fund: \$3,915,993
- Kendall School Fire: \$3,042,955
- Special Education Stabilization Fund: \$3,237



# BEYOND FY18

- Prop. 2½ + new growth allows budget increases of 2.5% to 3.5% without additional revenue sources
- Pressure from rising school enrollment and special ed.
- Capital needs
- Planned amortization of unfunded pension liability by 2029
- General Stabilization Fund likely depleted in FY20
- Projected budget deficits for FY20 and later
  - **Balanced budgets are required!**

# BELMONT HOUSING PRICES RISING FASTER THAN TOWN SPENDING

