

FY 2016 Budget



**WARRANT COMMITTEE REPORT TO
BELMONT TOWN MEETING
JUNE 1, 2015**

FY 2016 Budget – Warrant Committee Report



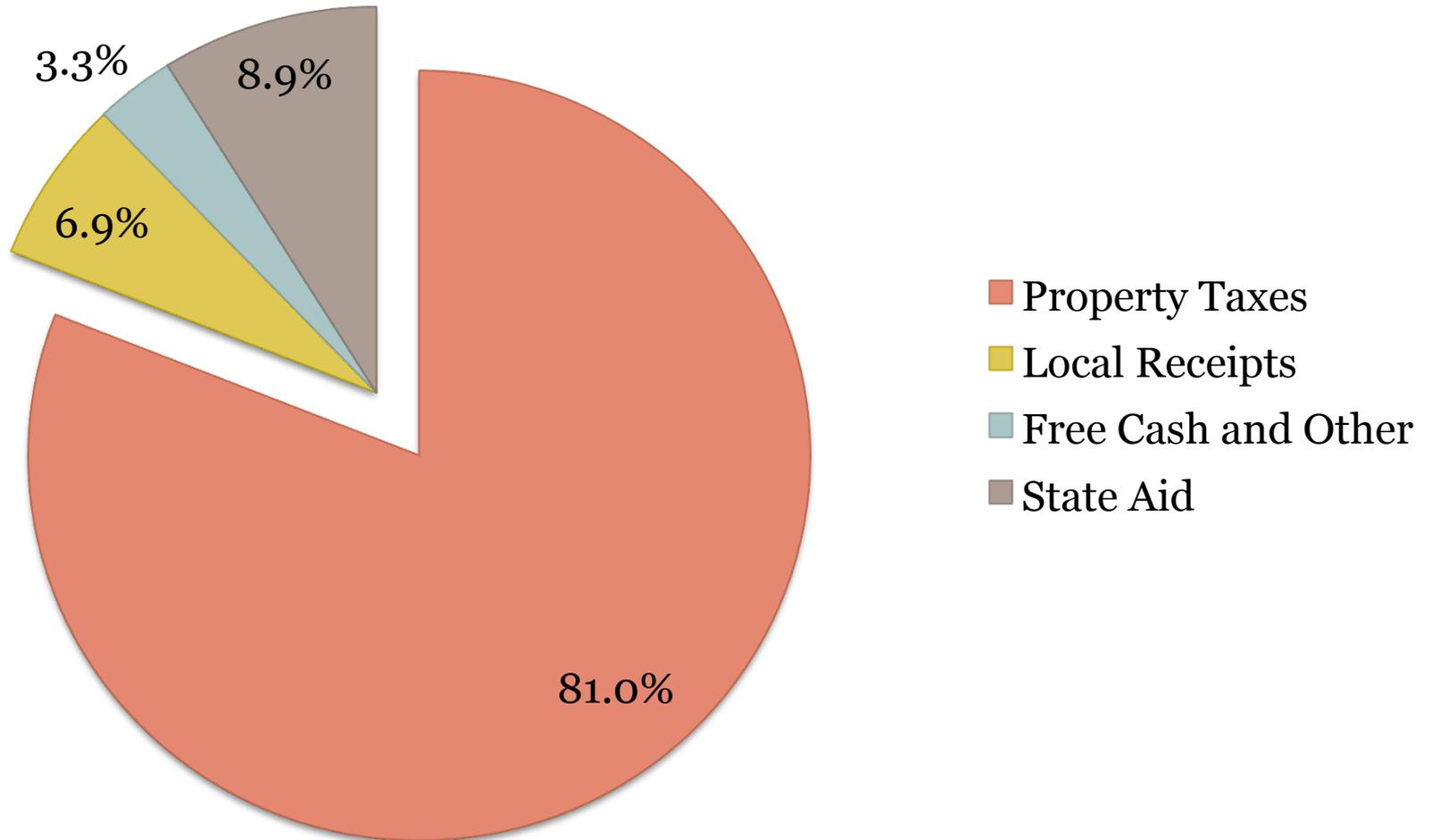
- Background
- Budget Overview
 - Revenue by Source
 - Expenditures by Department
- Free Cash and Four Stabilization Funds
- Long-Term Trends

FY 2016 Budget – Background

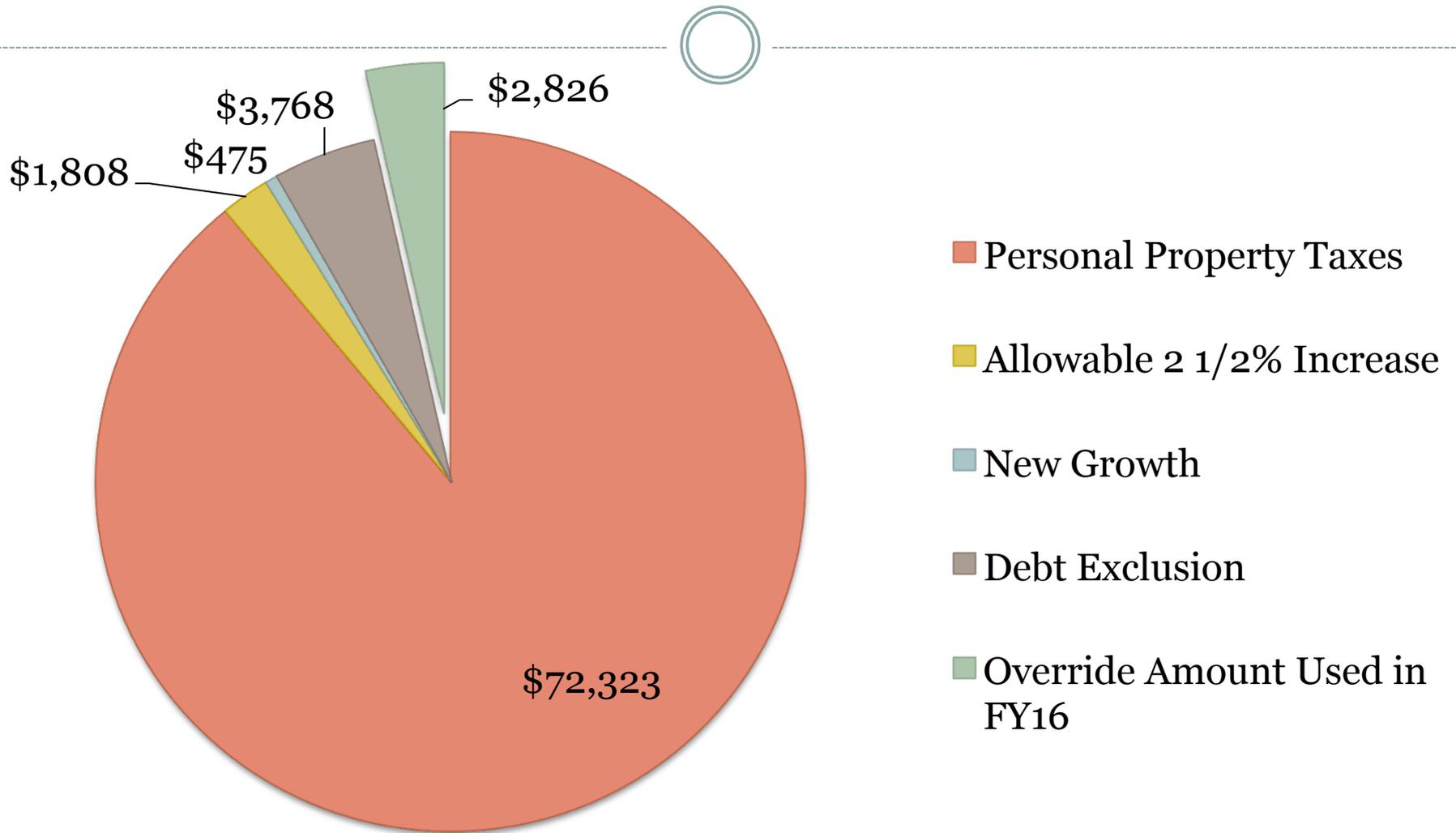


- Collaborative effort of strong, seasoned team
 - Town and School Leadership, BOS, SC, CBC, and WC
- Budget targets set and adjusted in 2014
 - Initial allocation made based on FY 2015 budget (58%/42%)
 - Override was the obvious game-changer
- Budgets drafted by Town and School Departments
 - BOS, SC, CBC oversight; WC Subcommittees
- Final budget voted May 12/13; WC Report sent May 14

FY 2016: \$100.3 MM in Available Revenue

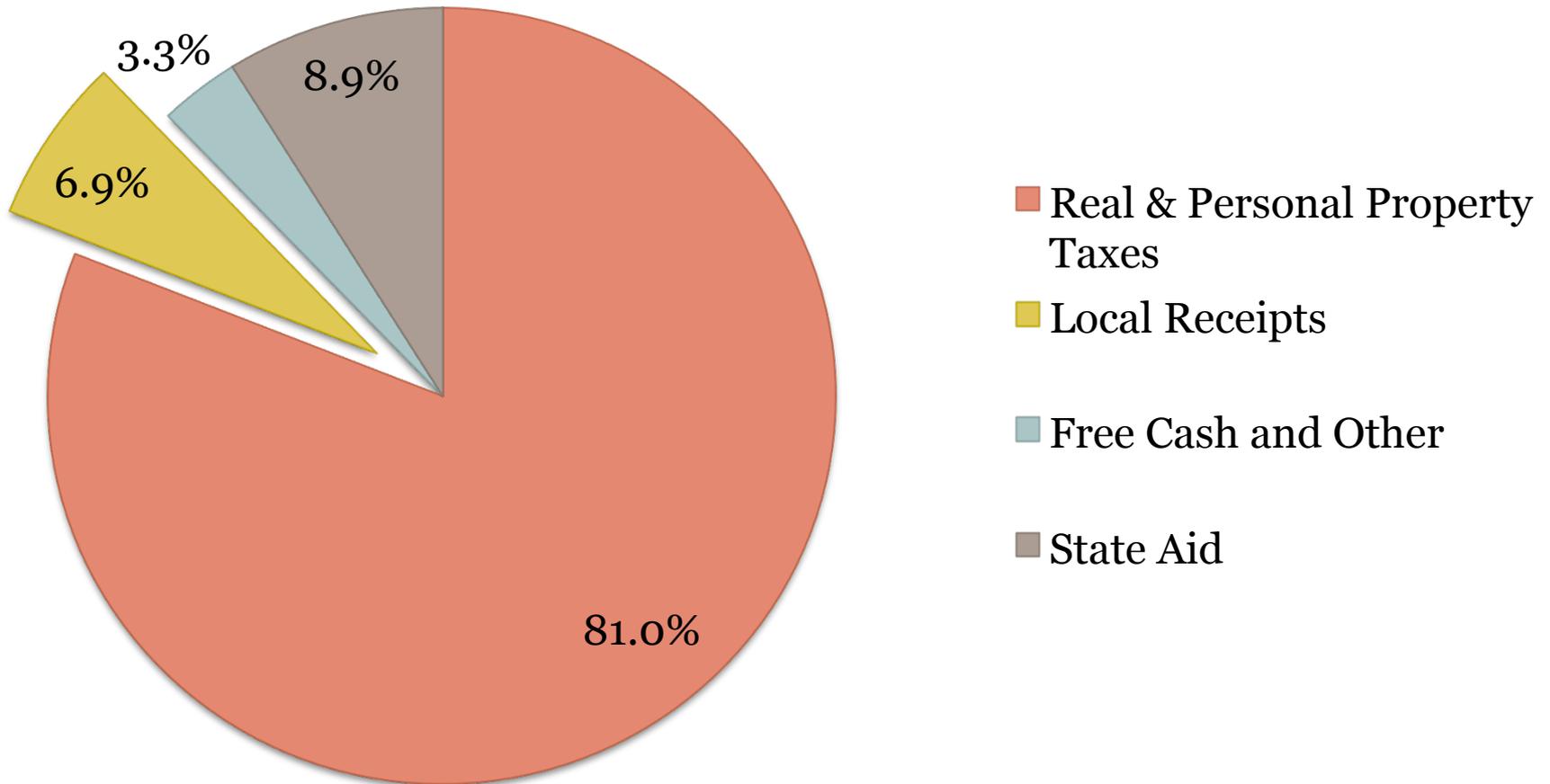


\$81.2 MM in Real & Personal Property Taxes

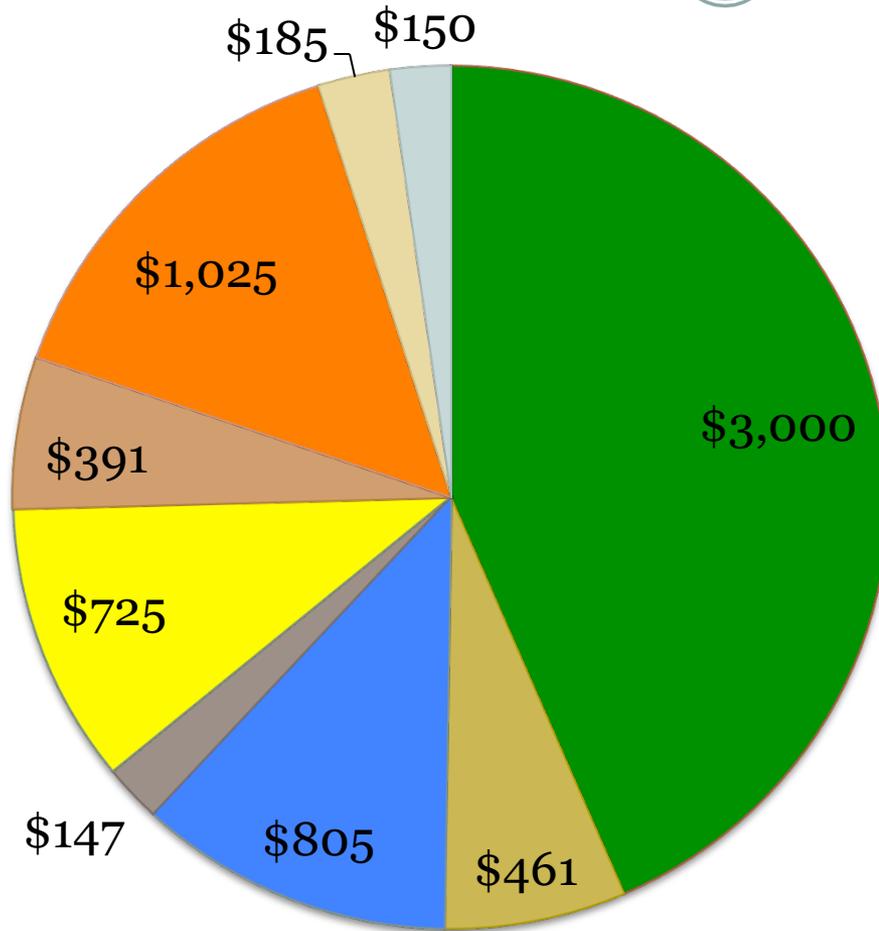


Note: Data in \$000's

FY 2016: \$100.3 MM in Available Revenue



\$6.9 MM in Local Receipts



- Motor Vehicle Excise
- Other Local Receipts
- Ambulance Receipts
- Fees
- Recreation Programs
- Other Dept Revenues
- Licenses & Permits
- Fines & Forfeits
- Interest

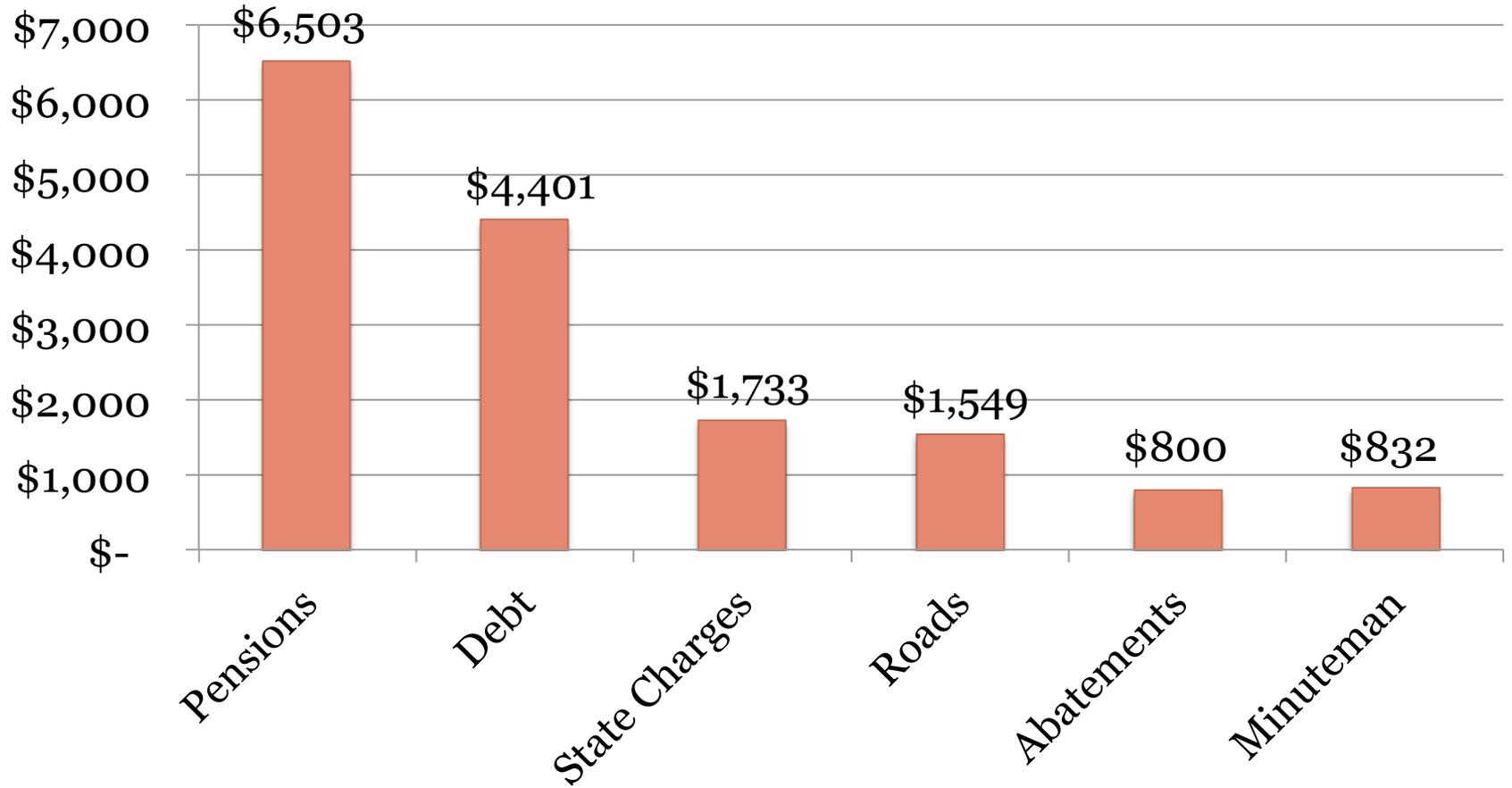
FY 2016 Budget Overview: \$100,293,295



	FY2015 (Adj)	FY2016	% change
Total Budget	\$ 95,256	\$ 100,293	5.3%
minus fixed costs	\$ 15,686	\$ 15,817	0.8%
equals operating budget	\$ 79,570	\$ 84,476	6.2%
School	\$ 46,156	\$ 49,660	7.6%
Town	\$ 32,019	\$ 32,998	3.1%
Capital Budget (Discretionary)	\$ 1,395	\$ 1,818	30.3%

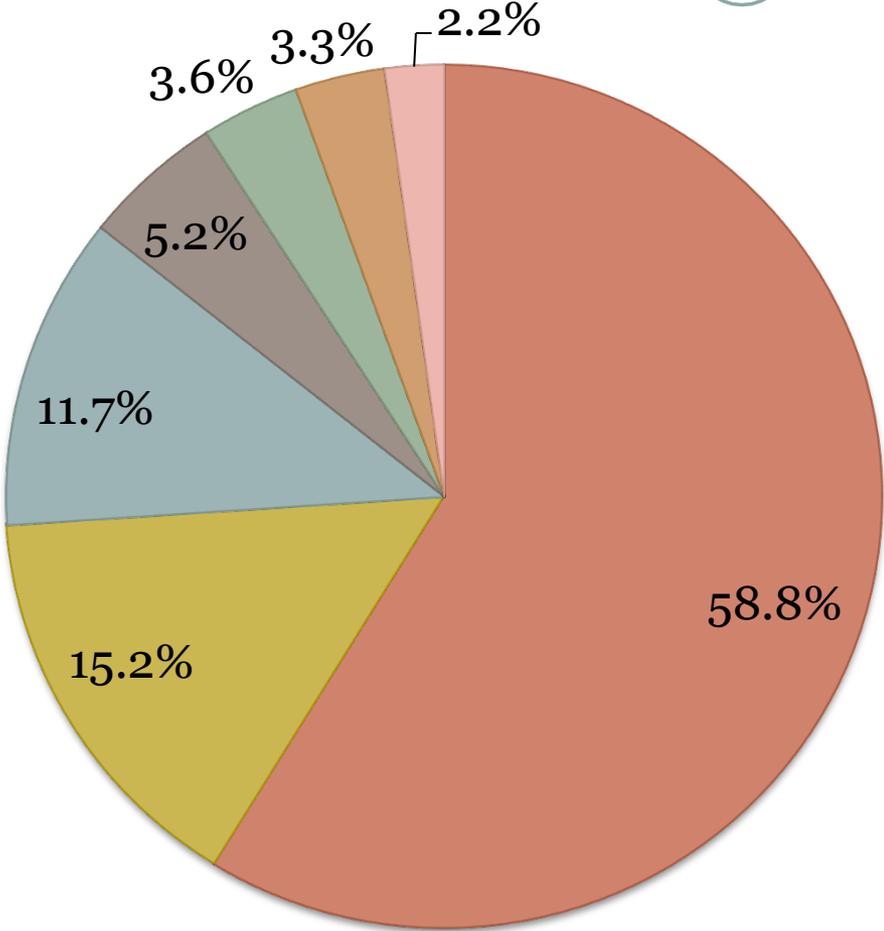
Note: \$ in 000's

\$15.8 MM in Fixed Costs: Components



Note: Data in \$000's

FY 2016 Operating Budget: \$84,476,087



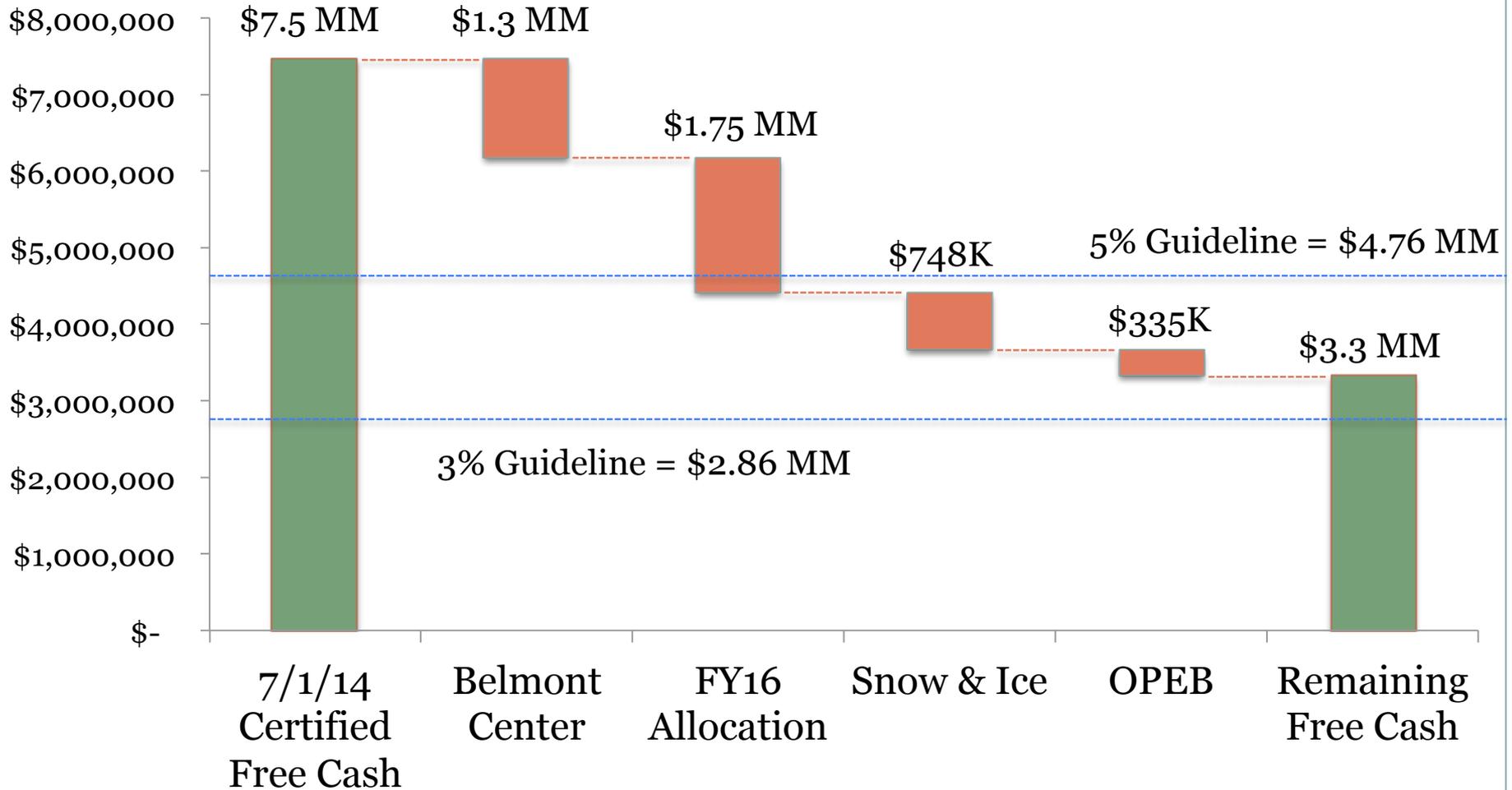
- Belmont Public Schools
- Public Safety
- Public Services
- General Government
- Human Services
- Insurance (incl. 34B)
- Capital (Discretionary)

Some Highlights



- Municipal departments funded at level service or better
- Significant School Department cuts avoided
 - 16 FTE increase; additional funds for Special Education and more
- Healthcare costs again flat
 - Enabled initial investment in FTF recreation recommendation
- Over \$1 million in additional capital spending
 - Effectively, maximum spending on roads (largest ever)

Update on Free Cash



Four Stabilization Funds



- **Special Education Stabilization Fund**
 - Article 2 (Special Town Meeting)
- **General Stabilization Fund**
 - Article 13: \$1,674,069
- **OPEB Stabilization Fund**
 - Article 17: \$366,738
- **Capital / Debt Stabilization Fund**
 - Article 19: High School, Police Station, DPW, Library

Long-Term Trends



- “Town of Homes” = 2.5 – 3.5% revenue growth
- Employee compensation is 69.5% of budget
 - Compensation growth > revenue growth = #1 challenge
- Enrollment growth and mandated school costs
- Capital, maintenance, and infrastructure
- Pension and healthcare obligations, including OPEB

Pensions and OPEB (Retirement Health)



- Pensions
 - \$6.5 MM contribution in FY 2016; 8% increase over FY 2015
 - On track to fully fund by 2027, prior to 2040 state requirement
 - Biennial valuation; Warrant Committee will evaluate options
- Other Post Employment Benefits (OPEB)
 - GASB 45: pay-as-you-go \$1.2 MM + \$367K stabilization fund
 - \$171 MM unfunded liability (was \$195 MM); “all in same boat”
 - Managing via health plan design, Medicare for eligible, 50% contribution; current pension funding switch to OPEB in 2027