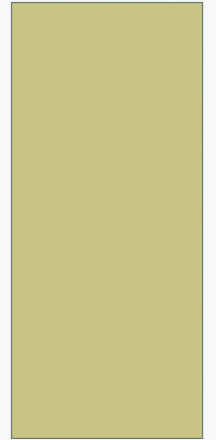


FY20 BUDGET

WARRANT COMMITTEE REPORT TO
BELMONT TOWN MEETING
JUNE 5, 2018



WARRANT COMMITTEE REPORT

- Background
- Budget Overview
 - Revenue by Source
 - Expenditures by Department/Article
- Free Cash and Other Fund Balances
- Look Ahead Beyond FY20
- Feedback re WC Report

FY20 BUDGET PROCESS

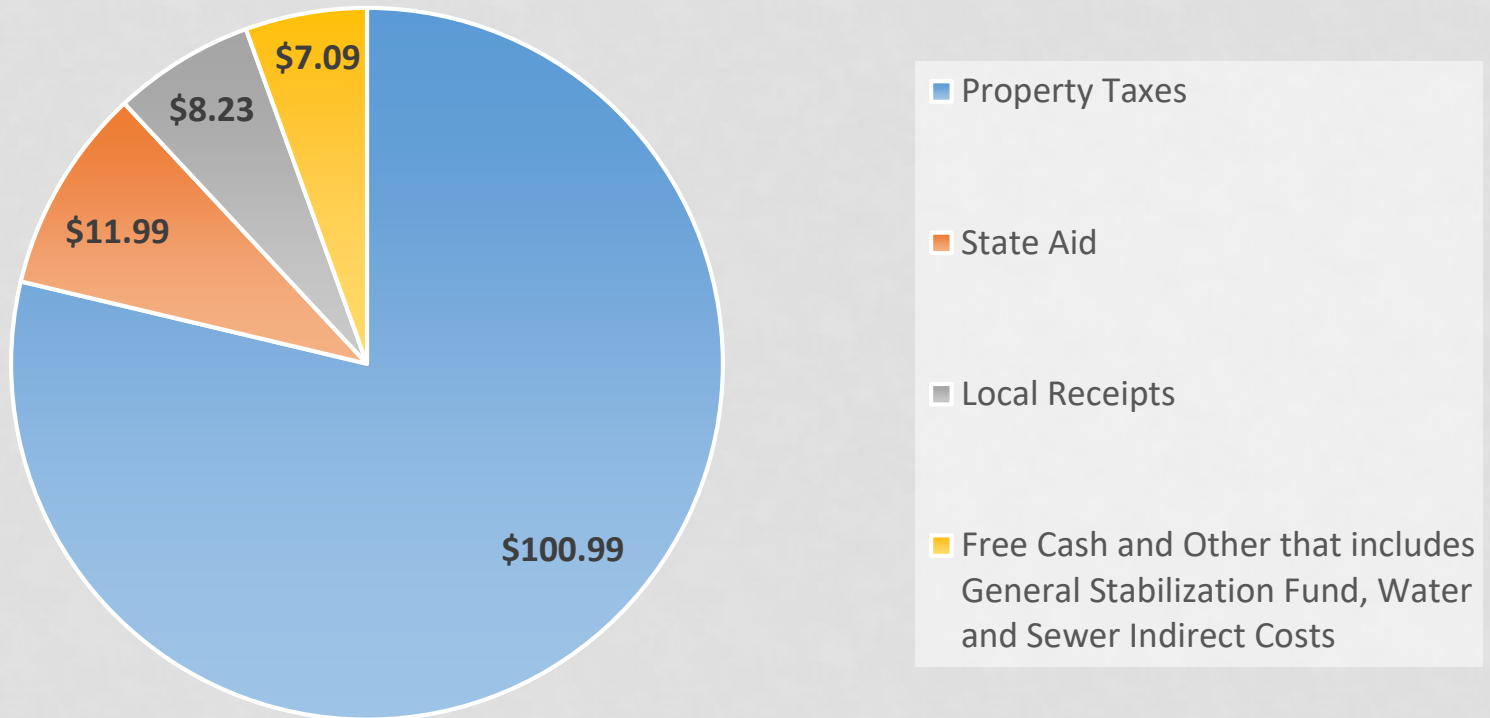
- Budgets drafted by Town and School departments
 - BOS, School Committee, Warrant Committee Review
 - Capital Budget Committee Recommendations
- WC Report, CBC, BPS reports sent to Town Meeting on May 10
- Town Meeting vote to approve FY20 budget



FY20 BUDGET – BACKGROUND

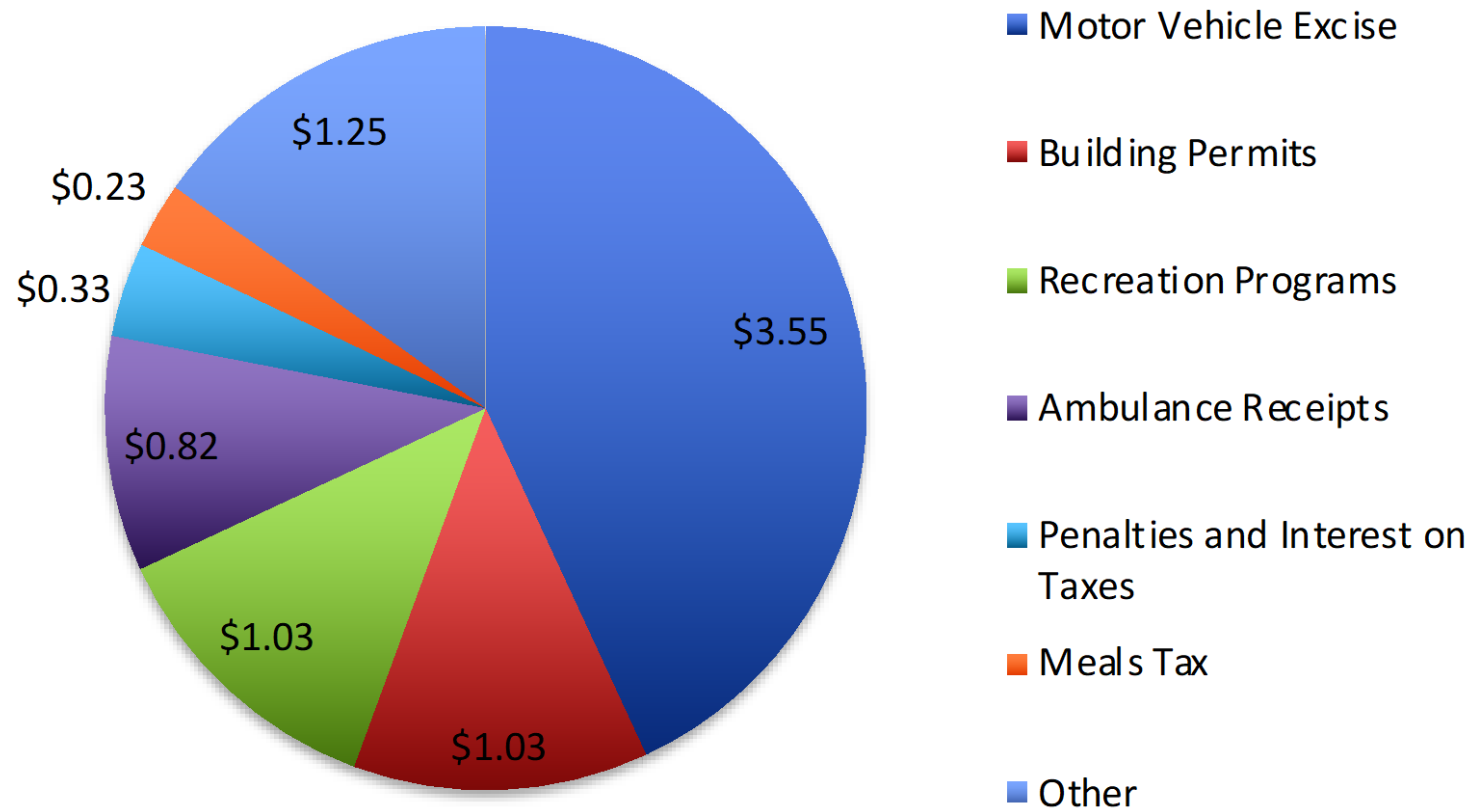
- Maintain AAA Bond Rating
- Continuing pressure from rising student enrollment
- Key role of 2015 override to balance budget and preserve services
- Construction of new Middle and High School begins in summer 2019

FY20 SOURCES OF GENERAL FUND REVENUE: \$128.32 MILLION



Note: \$ million

FY20 LOCAL RECEIPTS DETAIL: \$8.23 MM



Note: \$ million

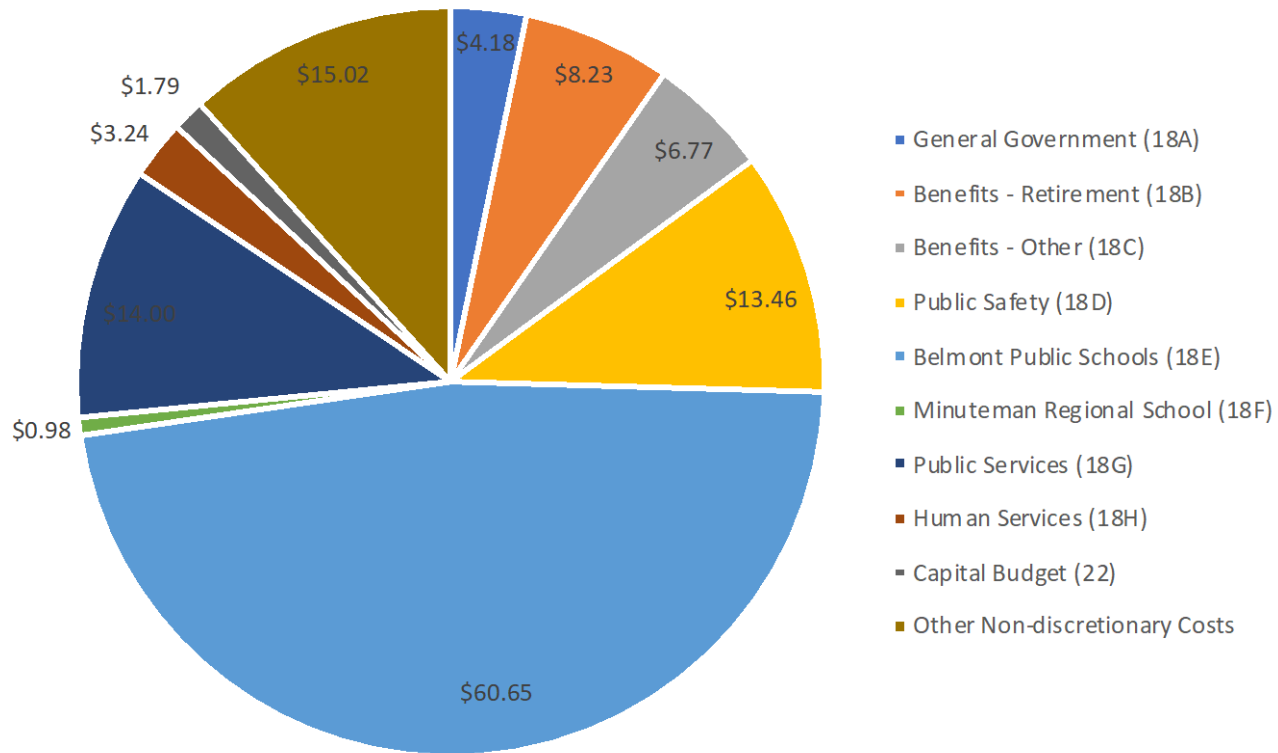
FY20 BUDGET: \$128.32 MILLION

	FY20	FY19	% Change
Town	\$ 41.64	\$ 39.88	4.4%
Schools	\$ 60.65	\$ 56.99	6.4%
Capital Budget (Discretionary)	\$ 1.79	\$ 1.40	27.4%
Non-discretionary Costs*	\$ 24.23	\$ 17.96	35.0%
Total General Fund Budget	\$ 128.32	\$ 116.23	10.4%

* Non-discretionary Costs: Legally binding obligations such as pensions, debt, roads & sidewalks, state charges, Assessors' abatement reserves, Minuteman Vocational School

Excludes Water and Sewer Enterprise

BUDGET (\$128.32 MILLION) BY ARTICLE



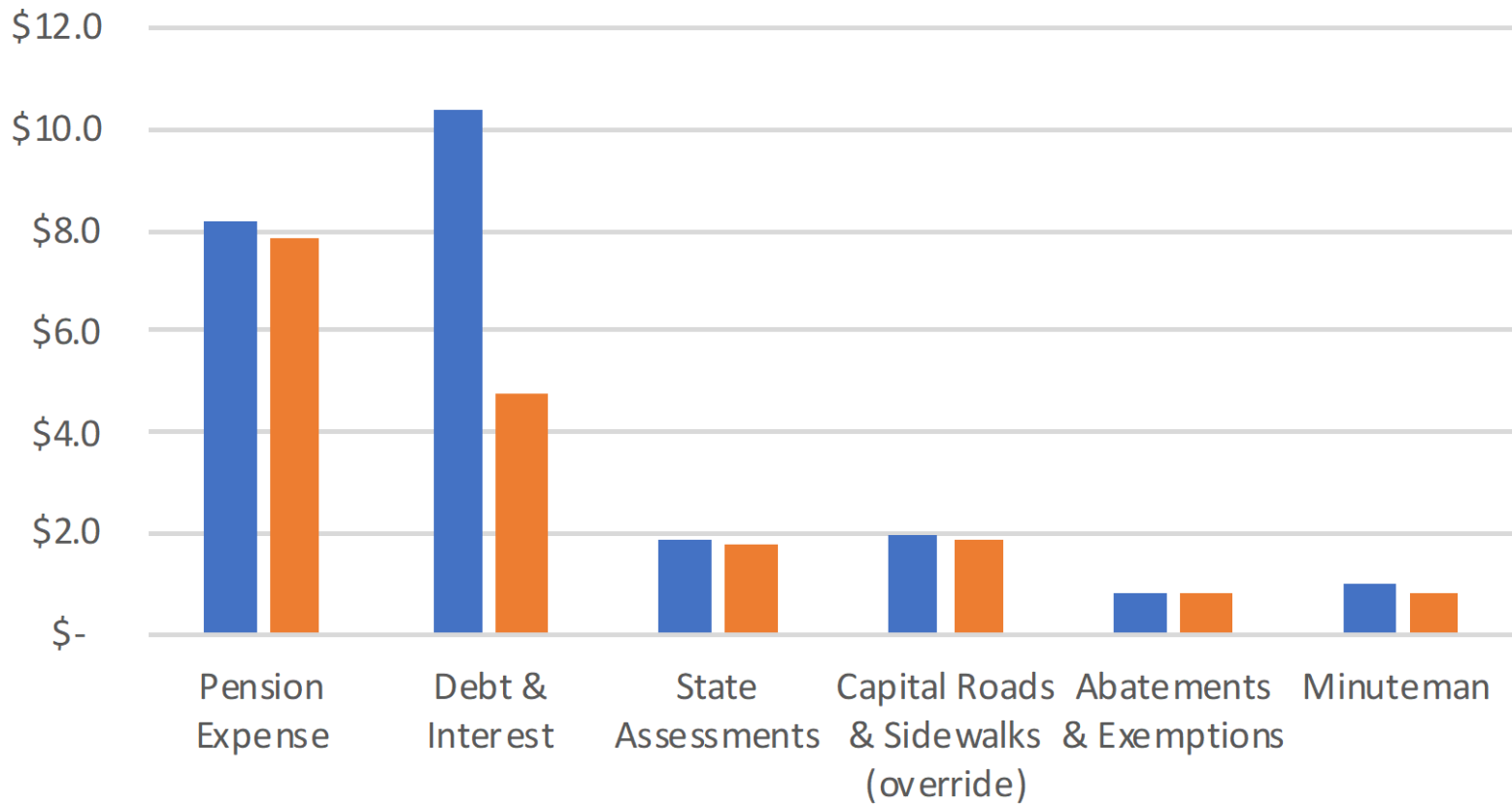
Note: \$ million



BUDGET HIGHLIGHTS

- Municipal departments up 4.4%
- School Department up 6.4%
- Health insurance projected 8% premium increase
- Discretionary Capital Budget up 27.4%
- \$2.4 million for roads and sidewalks
- Introduction of long-term debt associated with new Middle and High School

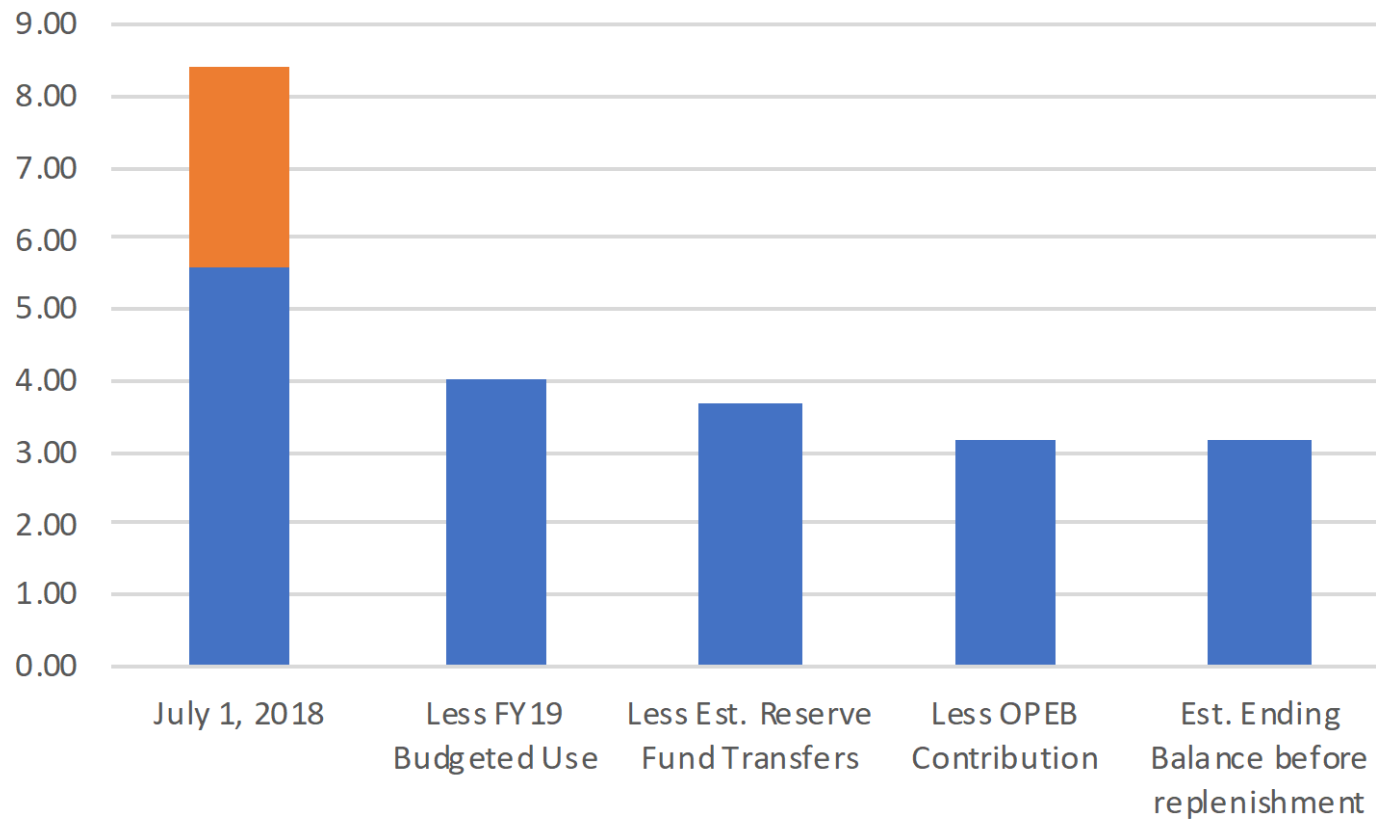
NON-DISCRETIONARY COST DETAIL (\$24.2 MILLION)



Note: \$ million

■ FY20 ■ FY19

UPDATE ON FREE CASH (UNRESERVED FUND BALANCE)



FUND BALANCES UPDATE (AS OF 6/30/18)

- General Stabilization Fund: \$3,974,844
 - FY19 Budget Use: \$1,340,341
 - FY20 Budget Use: \$2,403,105
- OPEB Trust: \$3,495,838
 - Article 19: \$593,020 additional transfer to Trust
- Capital Endowment Fund: \$3,944,403
- Kendall School Fire: \$2,509,725
- Special Education Stabilization Fund: \$3,239
- Special Education Reserve Fund: \$0
- Major Capital Projects Stabilization Fund: \$0
- Ash Landfill Stabilization Fund Balance \$3,526,357



BEYOND FY20

- 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
- Depletion of Gen. Stab. Fund (from 2015 override)
- Projected budget deficits for FY21 and later
- **Financial Task Force II at work**

TM FEEDBACK - WC REPORT

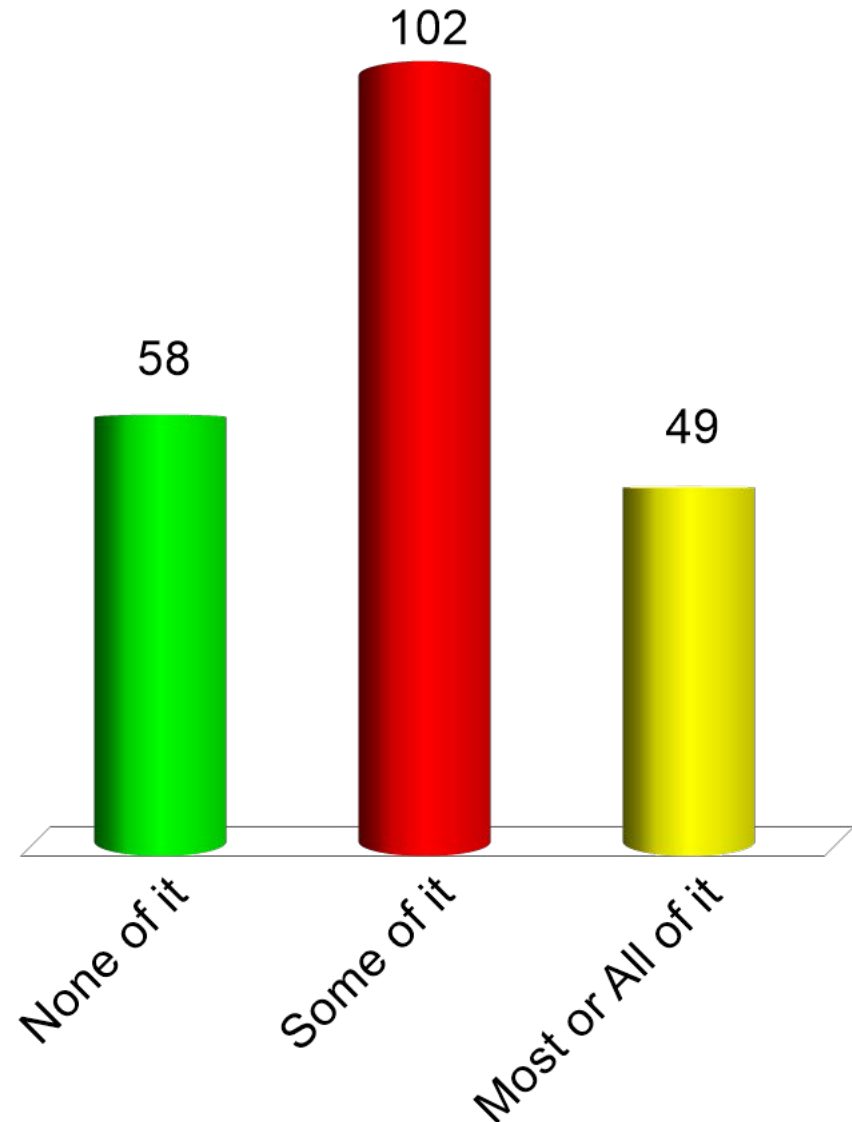
How much of this year's Warrant Committee report did you read?

- A. None of it
- B. Some of it
- C. Most or All of it

How much of this year's Warrant Committee report did you read?

0

1. None of it
2. Some of it
3. Most or All of it



TM FEEDBACK - WC REPORT

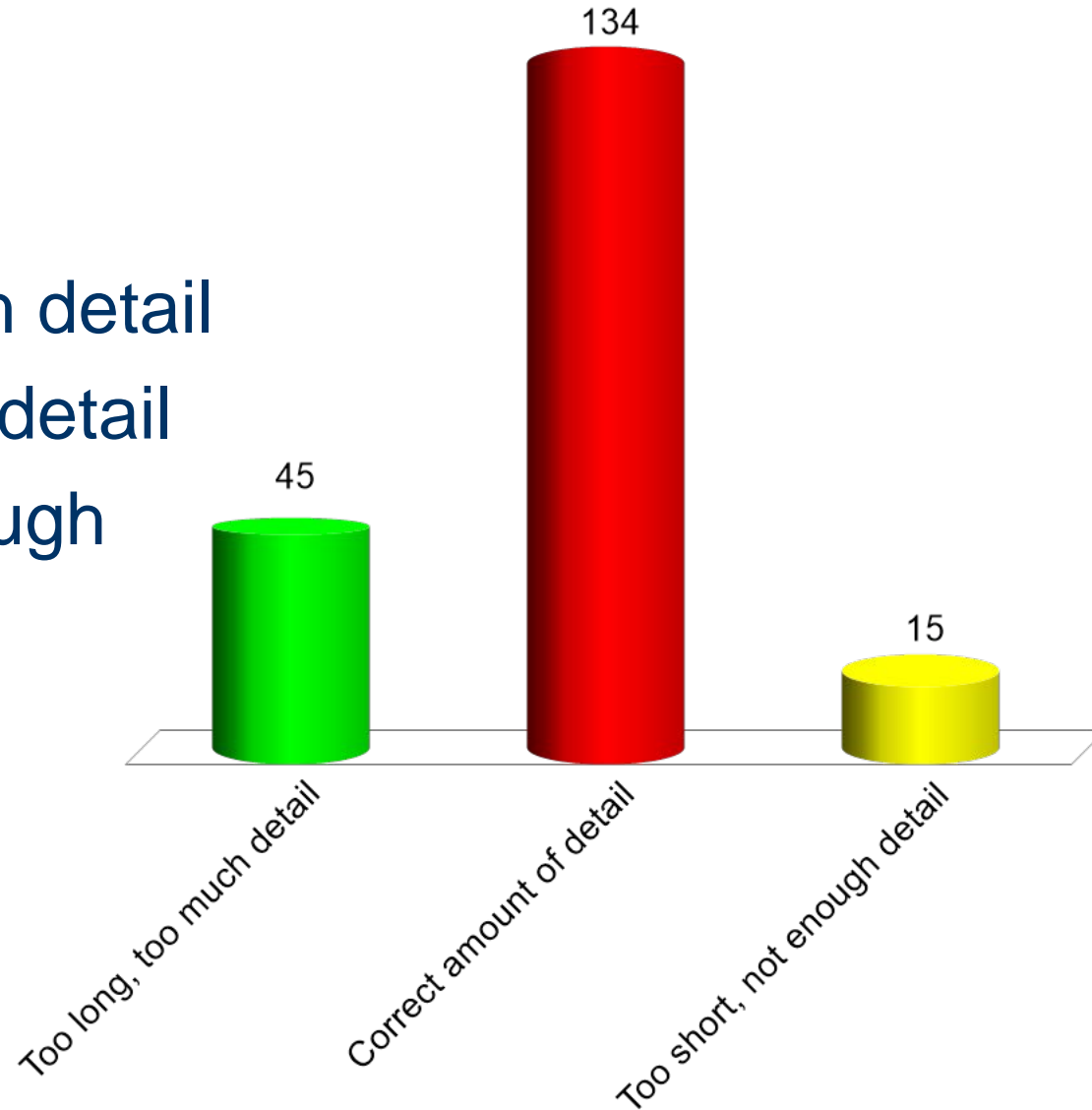
What is your impression of the Warrant Committee report?

- A. Too long, too much detail
- B. Correct amount of detail
- C. Too short, not enough detail

What is your impression of the Warrant Committee report?

0

1. Too long, too much detail
2. Correct amount of detail
3. Too short, not enough detail



TM FEEDBACK - WC REPORT

Rate your personal knowledge of Belmont budget issues.

- A. Most of it is a mystery to me
- B. I understand some but could improve my knowledge
- C. I understand most of it

Rate your personal knowledge of Belmont budget issues.

0

1. Most of it is a mystery to me
2. I understand some but could improve my knowledge
3. I understand most of it

