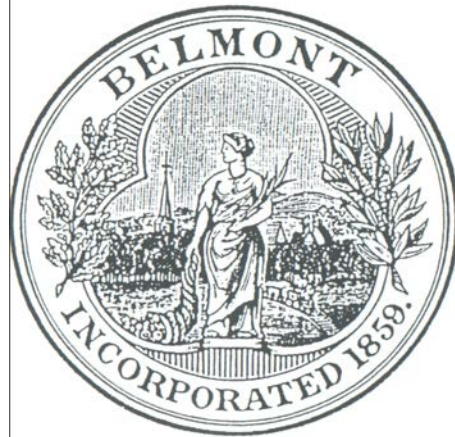


FY₂₀ PROPOSED BUDGET





DEVELOPING FY20 BUDGET

- Guided by Good Financial Planning
 - Finance Team
 - Following Policies (FC, OPEB, Reserve)
 - FY15 Override
 - High School Borrowing
 - March 2019
 - March 2020
- FY 21 Financial Task Force II



DEVELOPING FY20 BUDGET

- Changes in Layout
 - Health Insurance Medicare pulled out Town Budgets
 - Moved Phones from Facilities to IT
 - Recreation Budget pulled out of DPW (Enterprise)
 - Break out of Salaries verse Expenses in Narrative
 - FTE Focused



DEVELOPING FY20 BUDGET

- Assumptions

- Governor's State Aide

- Asked to Level Service

- Applied two Collins Center Recommendations

- (Local Receipts and Enterprise)

- Health Insurance 8% verses 10% (Health Insurance Trust)



BUDGET HIGHLIGHTS

- \$129M Budget

11.8% Total Increase Over FY19

Town	4.4%	Over FY19
School	6.4%	Over FY19
Capital	52.2%	Over FY19
Fixed Costs	41.8%	Over FY19



BUDGET HIGHLIGHTS

- Includes a \$2.6M transfer from Stabilization Fund
- Includes a \$2.9M transfer from Free Cash
- Belmont Public School: \$61M
- Other Town Departments: \$41M
- Minuteman Tech: \$984K
- Benefits and Insurance: \$4.3M
- Debt Service Increases: \$6.8M
- Pension Increase \$348k
- OPEB: \$552k

BUDGET PRIORITIES

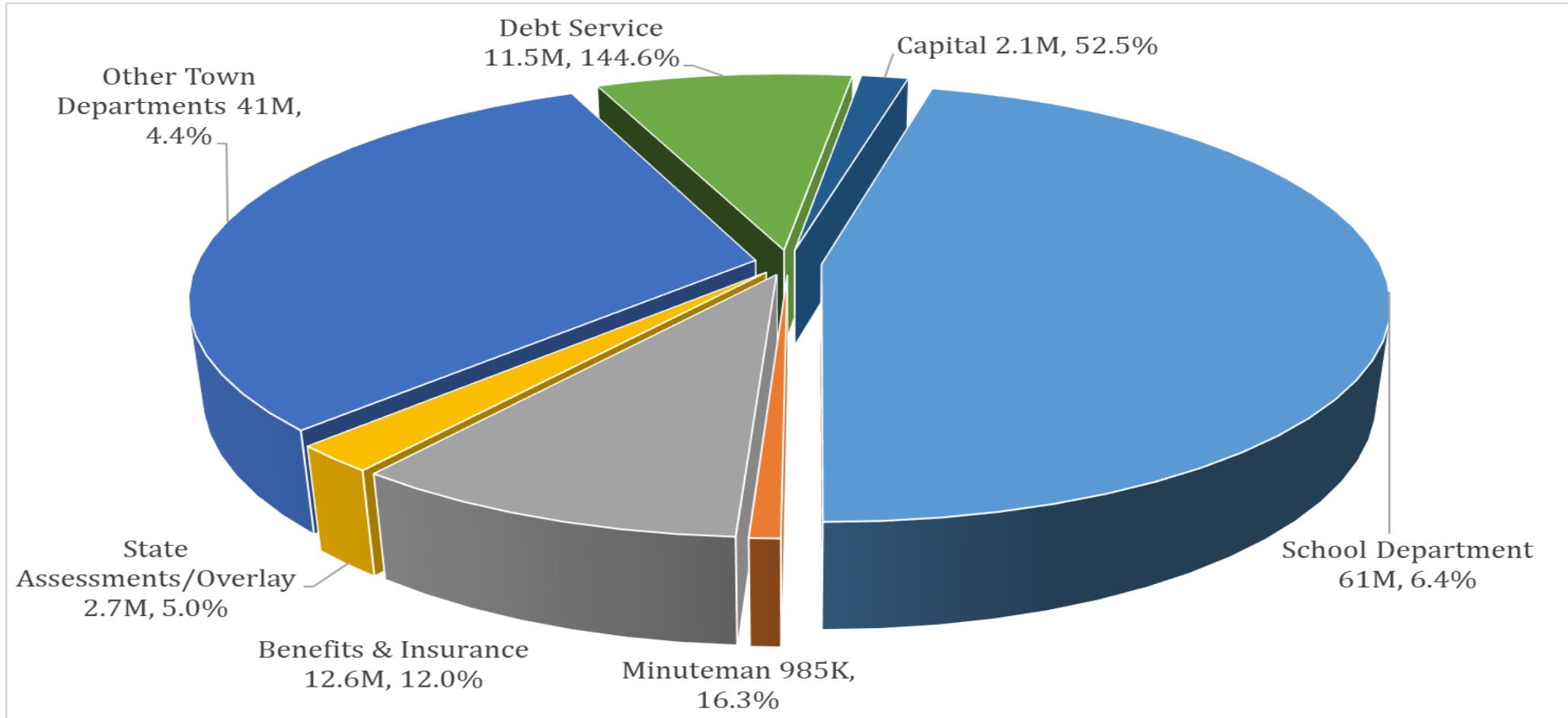
- Education
- Facilities
- Capital Infrastructure
- Maintaining 10% in Undesignated Fund Balance



EXPENDITURE SUMMARY

		<u>INCREASE FROM FY19</u>
School Department	\$61M	6.4%
Minuteman	\$985K	16.3%
Benefits & Insurance	\$12.5M	12.0%
State Assessments/Overlay	\$2.7M	5.0%
Other Town Departments	\$41M	4.4%
Debt Service	\$11.5M	144.6%
Capital	\$2.1M	52.5%

EXPENDITURE SUMMARY





MAJOR EXPENDITURE INCREASES

Belmont Public Schools:	\$61M	6.4%
Other Town Departments:	\$41M	4.4%
Health Insurance:	\$4.9M	8.0%
Pension:	\$8.2M	4.4%
OPEB:	\$0.6M	17.1%
DEBT:	\$11.5M	144.6%

DEPARTMENT REQUESTS NOT FUNDED TOTALING \$585K

FACILITIES

ADDITIONAL FUNDS FOR MAINTENANCE AND REPAIRS

FACILITIES

1 FTE, FACILITIES COORDINATOR

COMMUNITY DEVELOPMENT

1 FTE, TRAFFIC ENGINEER

TOWN ADMINISTRATOR

GENERAL EXPENSES & PART TIME SALARY

ACCOUNTING

REDUCED OT AND LEVEL FUNDED PROF/TECH

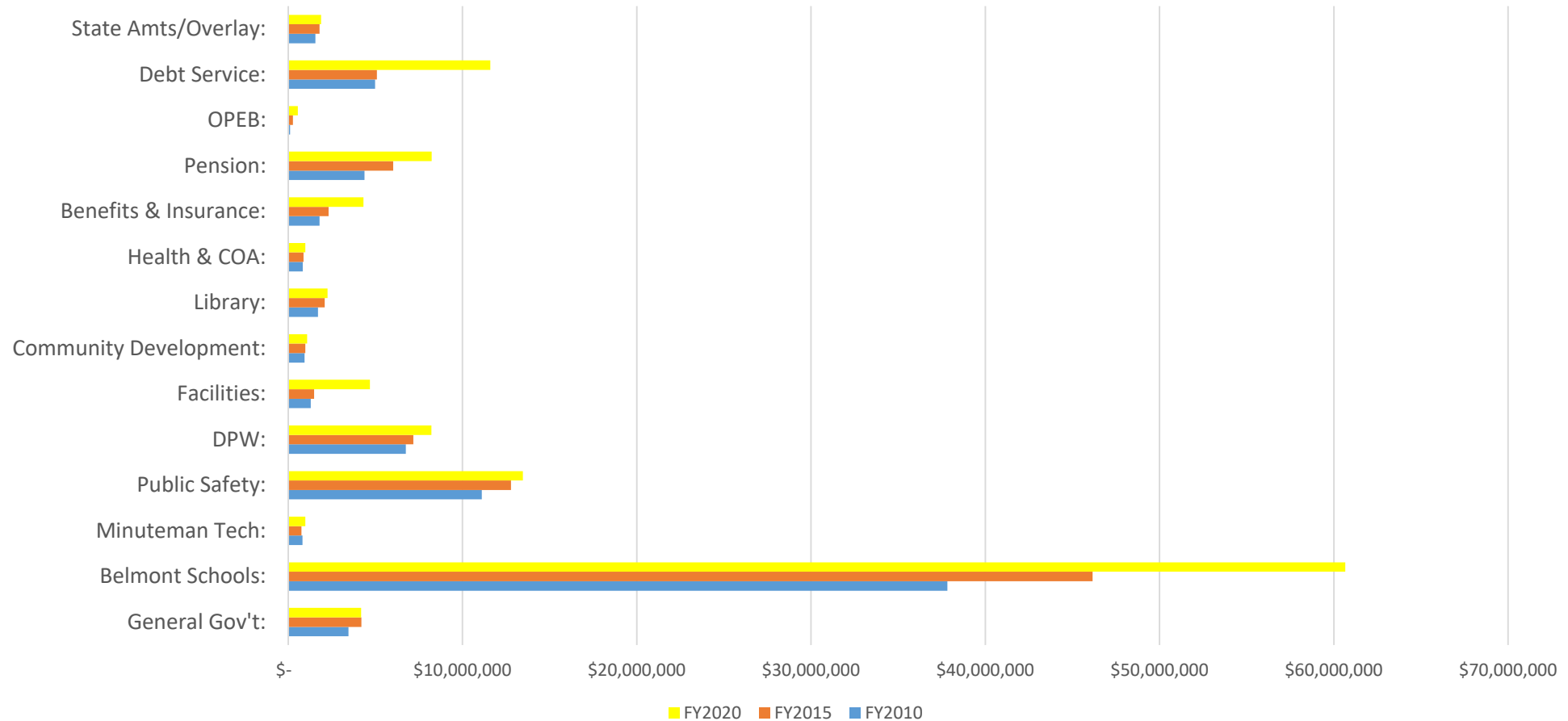
5 FISCAL YEAR EXPENDITURE COMPARISON

	<u>FY15</u>	<u>FY20</u>	<u>\$Change</u>	<u>%Change</u>
General Gov't:	\$4.13M	\$4.18M	\$(5K)	-13%
Belmont Schools:	\$43.6M	\$61M	\$17.4M	40%
Minuteman Tech:	\$749K	\$985K	\$236K	32%
Public Safety:	\$12.8M	\$13.4M	\$600K	4.6%
DPW:	\$7.0M	\$8.2M	\$1.2M	17%
Facilities:	\$3.9M	\$4.6M	\$.7M	18%
Community Development:	\$ 978K	\$1.0M	\$109K	14%
Library:	\$2.1M	\$2.3M	\$200K	9.5%
Health & COA	\$ 873K	\$985K	\$112K	13%
Benefits & Insurance:	\$2.3M	\$4.3M	\$2M	86%
Pension:	\$6M	\$8M	\$2M	33%
OPEB:	\$0.2M	\$0.5M	\$0.3M	150%
Debt Service:	\$5.0M	\$11.5M	\$6.5M	130%
State Amts/Overlay:	\$1.7M	\$1.8M	\$0.1M	5.8%

10 FISCAL YEAR EXPENDITURE COMPARISON

	<u>FY10</u>	<u>FY20</u>	<u>\$Change</u>	<u>%Change</u>
General Government:	\$3.5M	\$4.18M	\$0.68M	19%
Belmont Schools:	\$38M	\$61M	\$23M	60.5%
Minuteman Tech:	\$810K	\$985K	\$175K	21.6%
Public Safety:	\$11.1M	\$13.4M	\$2.3M	20.7%
DPW	\$6.7M	\$8.2M	\$1.5M	22.3%
Facilities	\$1.2M	\$4.6M	\$3.4M	283%
Community Development	\$938K	\$1.0M	\$62K	6.6%
Library	\$1.7M	\$2.3M	\$500K	29%
Health & COA	\$825K	\$985K	\$160K	19.3%
Benefits & Insurance	\$1.8M	\$4.3M	\$2.5M	138%
Pension:	\$4M	\$8M	\$4M	100%
OPEB:	\$0.1M	\$0.5M	\$0.4M	400%
Debt Service	\$4.9M	\$11.5M	\$6.6M	135%
State Amts/Overlay	\$1.5M	\$1.8M	\$300K	20%

EXPENDITURE COMPARISONS



NON-EXCLUDED DEBT SERVICE

		<u>\$ Change</u>	<u>% Change</u>
FY 15:	\$399K	\$202K	103%
FY 16:	\$572K	\$173K	43.4%
FY 17:	\$889K	\$318K	55.4%
FY 18:	\$861K	(\$29K)	-3.1%
FY 19:	\$1.1M	\$239K	27.8%
FY 20:	\$1.6M	\$500K	45%

EXCLUDED DEBT SERVICE

[LONG TERM DEBT]

		<u>\$ Change</u>	<u>% Change</u>
FY 15:	\$4.6M	(\$200K)	-4.2%
FY 16:	\$3.7M	(\$900K)	-19.6%
FY 17:	\$3.7M	\$0	0%
FY 18:	\$3.6M	(\$100K)	-2.7%
FY 19:	\$3.5M	(\$100K)	-2.7%
FY 20:	\$9.9M	\$6.4M	183%

GENERAL GOVERNMENT FTES

	<u>FTEs*</u>	<u>Department</u>
FY 15:	248.8	Accounting, Vets Serv.
FY 16:	251.5	Accounting, Rec, Lib.
FY 17:	256.2	Police, CD, Fac., Vets Serv.
FY 18:	258.5	Rec, Treasury, CD
FY 19:	259.6	Health
FY 20:	260.6	Facilities

*w/o school and enterprise



ENTERPRISE FUND

	<u>FY19</u>	<u>FY20</u>	<u>\$ Change</u>	<u>% Change</u>
Water	\$7.0M	\$7.3M	\$302K	4%
Sewer	\$9.3M	\$9.6M	\$354K	4%



REVENUE SUMMARY

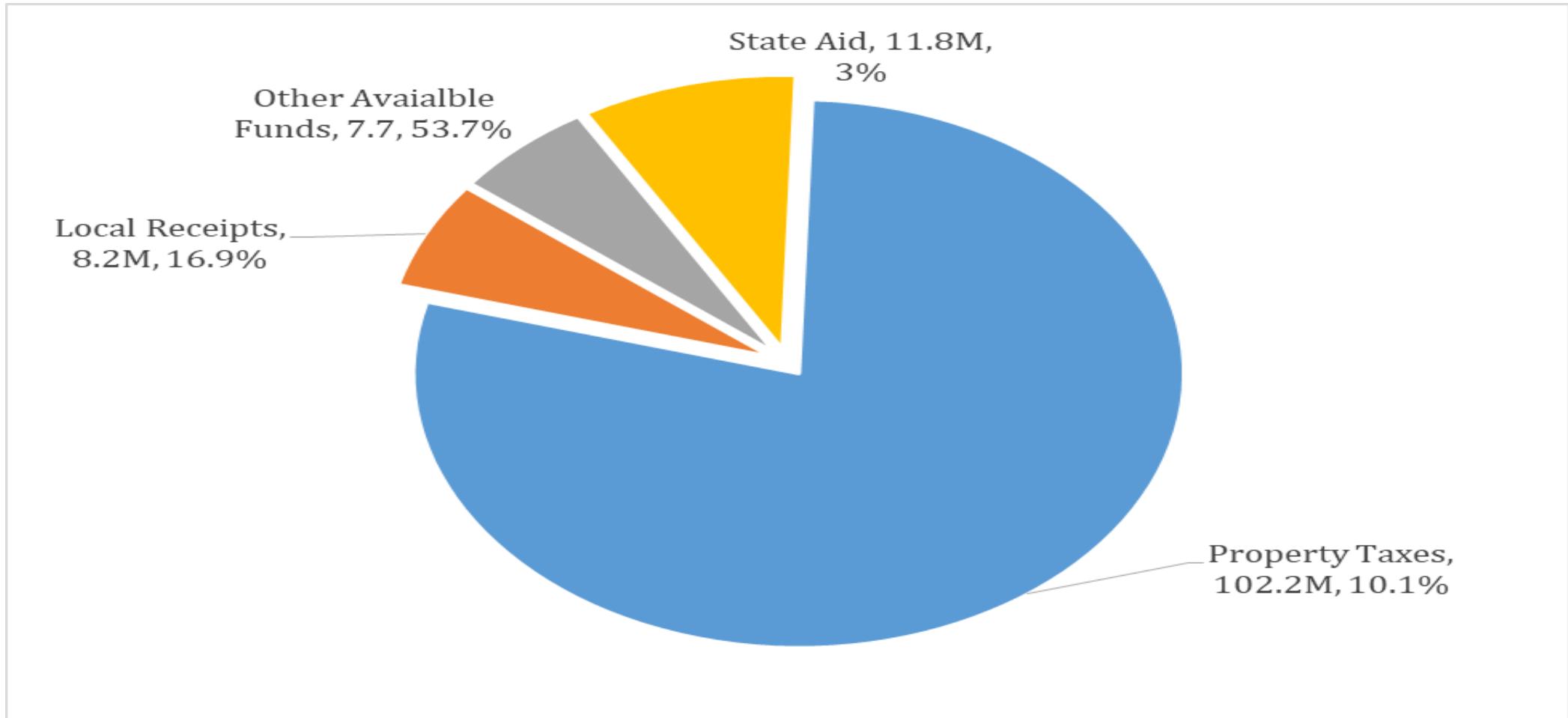
\$129,907,400 TOTAL BUDGET

Property Tax:	\$ 102.2M	10.1%
State Aid:	\$ 11.8M	3.0%
Local Receipts:	\$ 8.2M	16.9%
Available Funds:	<u>\$ 7.7M</u>	<u>53.7%</u>
TOTAL	\$129.9M	83.7%

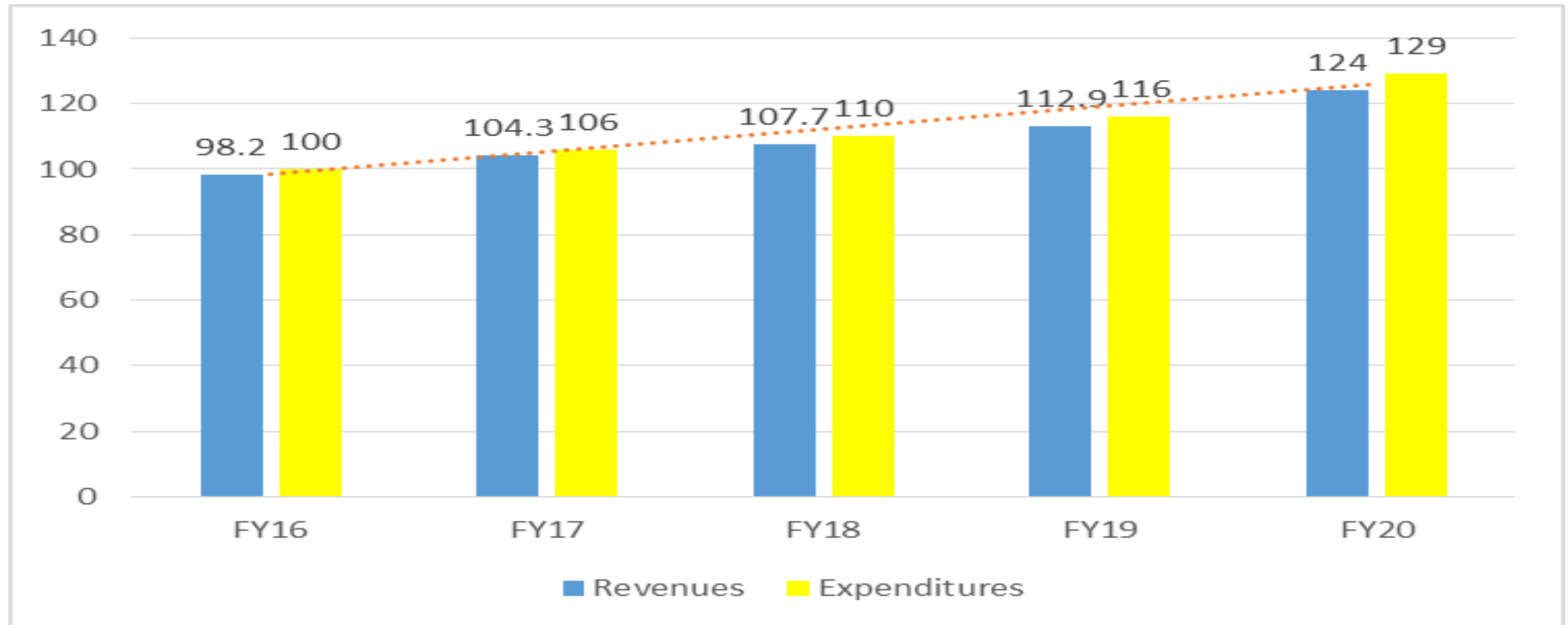
SUMMARY STATE AID AND CHAPTER 70

	FY19	FY20	\$ Change	% Change
SCHOOL AID CHAPTER 70	9,036,713	9,304,779	268,066	3.0%
SCH CONSTR-STATE AID	-	-	-	#DIV/0!
CHARTER SCHOOL REIMB	893	1,856	963	107.8%
GENERAL MUNICIPAL AID	2,334,595	2,397,629	63,034	2.7%
VETERANS' BENEFITS	17,116	31,195	14,079	82.3%
LOSS OF TAXES VETERANS, BLIND, SURV SPOUSE	46,289	42,925	(3,364)	-7.3%
TOTAL STATE AID	\$ 11,435,606.00	\$ 11,778,384.00	\$ 342,778.00	3.0%

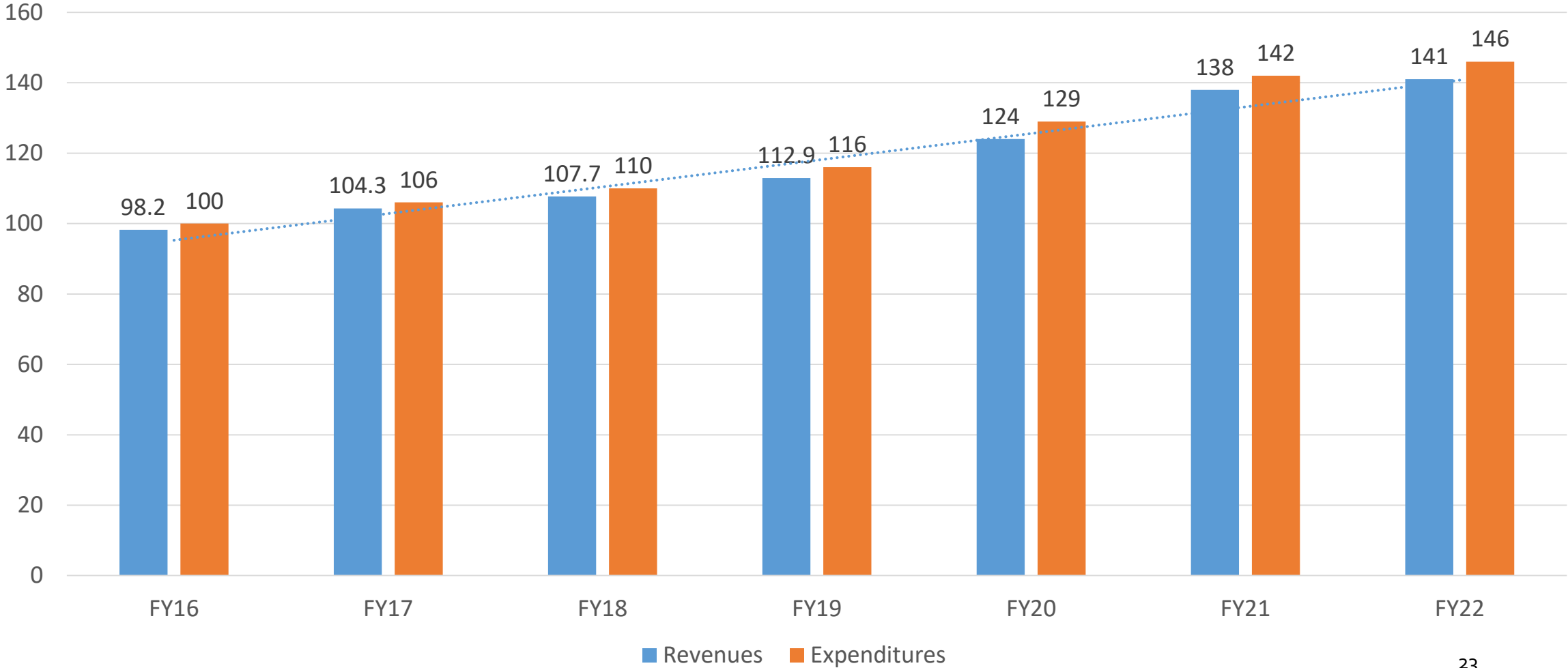
REVENUE SUMMARY



REVENUE & EXPENDITURES COMPARISON

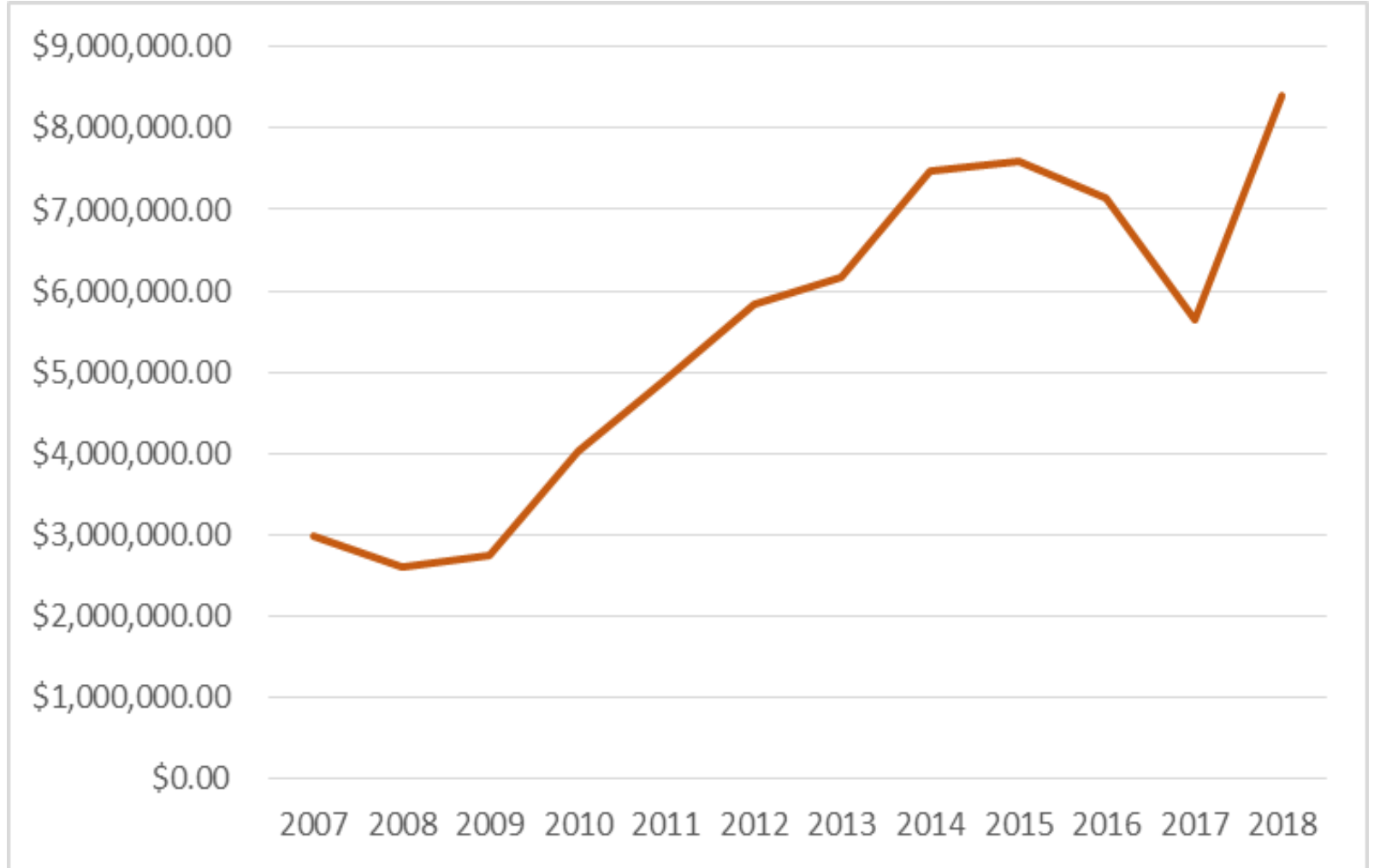


REVENUE & EXPENDITURES COMPARISON



CERTIFIED FREE CASH

YEAR	FREE CASH
2007	\$2,973,112.00
2008	\$2,594,800.00
2009	\$2,741,366.00
2010	\$4,019,916.00
2011	\$4,904,820.00
2012	\$5,825,793.00
2013	\$6,169,590.00
2014	\$7,465,047.00
2015	\$7,604,052.00
2016	\$7,135,275.00
2017	\$5,646,719.00
2018	\$8,406,183.00





AVAILABLE FY20 NEW REVENUE SOURCES

Property Tax:

Property Taxes	\$2,981,782
Debt Exclusion:	<u>\$6,463,446</u>
Total	\$9,445,228

State Aid (3%):	\$ 342,778
Local Receipts (16.9%):	\$ 1,195,126
Available Funds (53.7%):	\$ 2,696,684

TOTAL NEW ADDITIONAL REV: \$13,679,816

REVENUE BREAKOUT

TOTAL NEW ADDITIONAL REV: \$13,676,816

School \$	3,663,859.00	26.8%
Town \$	1,764,497.00	12.9%
Fixed Costs \$	7,514,955.00	54.9%
Capital \$	736,505.00	5.4%
	<hr/>	
	\$ 13,679,816.00	100.0%

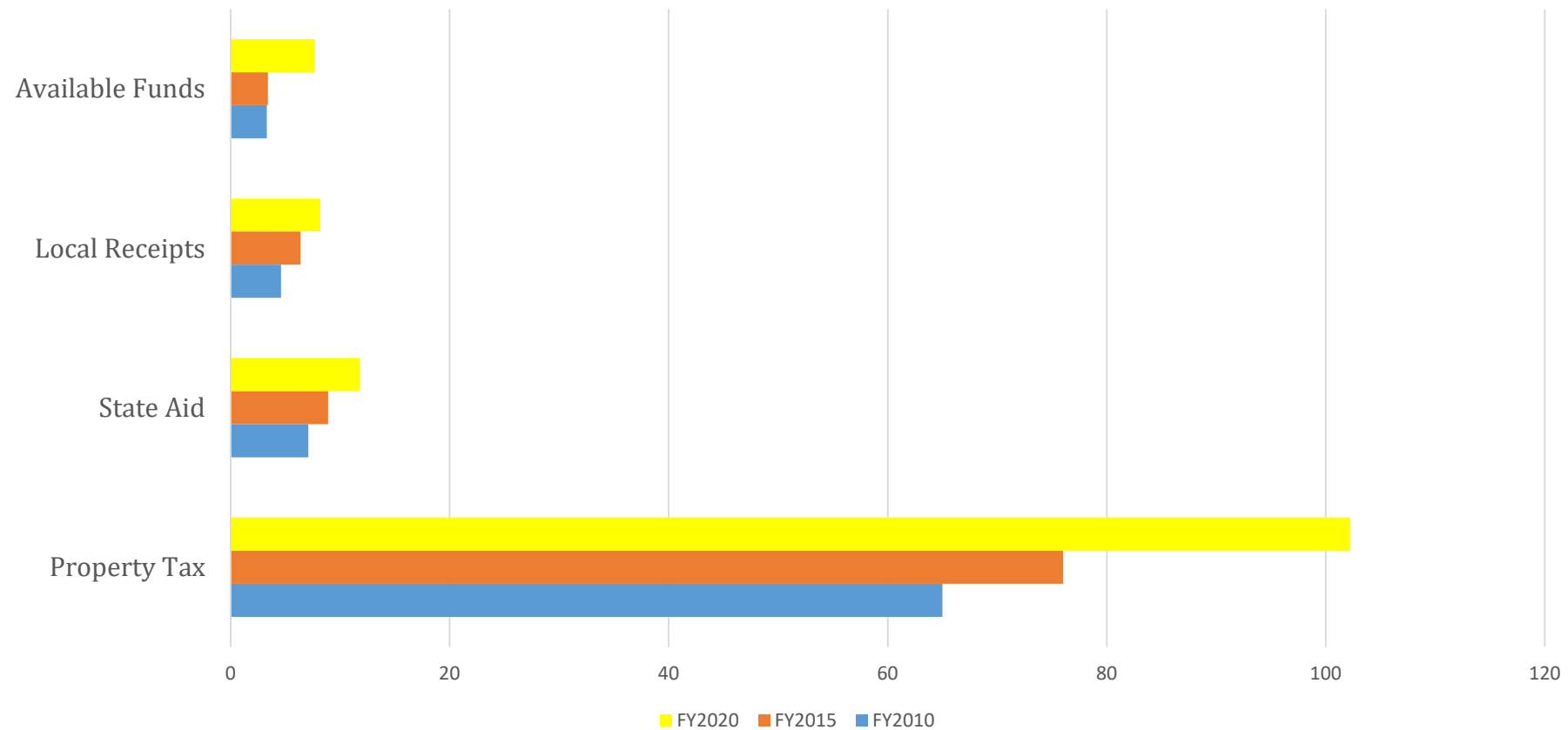
5 YEAR REVENUE COMPARISON

	<u>FY 15</u>	<u>FY 20</u>	<u>\$ Change</u>	<u>% change</u>
Property Tax	\$76M	\$102.2M	\$26.2M	34.5%
State Aid	\$8.9M	\$11.8M	\$ 2.9M	32.6%
Local Receipts	\$6.4M	\$8.2M	\$1.8M	28.1%
Available Funds	\$3.4M	\$7.7M	\$4.3M	126.5%

10 YEAR REVENUE COMPARISON

	<u>FY 10</u>	<u>FY 20</u>	<u>\$Change</u>	<u>% Change</u>
Property Tax	\$65M	\$102.2M	\$37.2M	57%
State Aid	\$7.1M	\$11.8M	\$ 4.7M	66%
Local Receipts	\$4.6M	\$8.2M	\$ 3.6M	78%
Available Funds	\$3.3M	\$7.7M	\$4.4M	133%

REVENUE COMPARISONS



PROPERTY TAX

Formula for Base Levey:

$$(\text{BASE LEVY} * 2\frac{1}{2}) + \text{New Growth} = \text{Total Base Levey}$$

	<u>FY 13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Base Levy	\$65.1M	\$73.9M	\$70M	\$75.1M	\$79.1M	\$82M	\$86M	\$89M
2 ½ Increase	\$1.6M	\$1.7M	\$1.7M	\$1.8M	\$2M	\$2M	\$2.1M	\$2.2M
New Growth	\$708K	\$500K	\$500K	\$475K	\$720K	\$900K	\$900K	\$740K
Total base Levy	\$72.0M	\$74M	\$76.4M	\$81.2M	\$85.5M	\$88.5M	\$92.6M	\$102.1M

BUDGET FORECAST FY20 & FY21

- FY20 Balanced Level Service Budget for Town
- FY20 Use of One time Revenue Stabilization Fund will be exhausted
- FY21 Possible Request for Operating Override

BUDGET FORECAST FY20 & FY21

FACTORS TO CONSIDER

- Decrease in free cash/stabilization fund (BOND RATING)
- Revenues and expenditures increasing at diff rates
- Town side expenses barely keeping up with new additional revenue
- Discretionary Capital Expenditures 2.5%
- All Town and School Teacher Union contracts expire in 2020

BUDGET FORECAST FY20 & FY21

- 2 ½ Limit
- Fixed Cost Increases
- High School and other Facilities Operations
- Maintain Quality Services

BUDGET FORECAST FY20 & FY21

STRATEGIES MOVING FORWARD

- Continued Financial Planning- Financial Policies/Forecasts
- Financial Task Force II
 - Capital Planning Committee Recommendation
 - Recreation Enterprise Financial Task Force 1
- Seek Grants Opportunities
- Collective Bargaining Contracts
- Determine Impact to Services
- Investigate Regional Opportunities

Questions?