

Fiscal Year 2020 Town Manager's Budget Proposal

Select Board Meeting
January 23, 2019

Overview

- Budget Process
- Budget Overview
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 - Investments in Education
 - Investments in Response to Community Needs
- Long Term Outlook
- Next Steps

Budget Process

- **July** - Fiscal Year begins July 1st
- **September** - *Capital Budget* requests due to Town Manager
- **November** - *Operating Budget* requests due to Town Manager
- **January** - Budget books to Select Board and Finance Committee (FC) by January 15th
- **January/April** – FC hearings on budget
- **March** - Financial Plan to Select Board & FC by the end of March
- **April** - FC Report submitted to Town Meeting by April 19th
- **May** - Town Meeting adopts *Operating and Capital Budgets*
- **June** - Fiscal Year ends June 30th

Budget Overview - Revenue

	FY2019		FY2020		Change	
	Budget		Budget		\$	%
Revenue						
Property Tax	\$	124,010,977	\$	127,687,406	\$ 3,676,429	3.0%
Local Receipts	\$	9,171,000	\$	9,871,000	\$ 700,000	7.6%
State Aid	\$	20,039,795	\$	20,235,897	\$ 196,102	1.0%
School Construction Aid	\$	476,523	\$	476,523	\$ -	0.0%
Free Cash	\$	4,593,375	\$	5,559,782	\$ 966,407	21.0%
Other Funds	\$	200,000	\$	200,000	\$ -	0.0%
Override Stabilization Fund	\$	2,786,331	\$	4,372,022	\$ 1,585,691	57.0%
TOTAL TAXES, FEES, AID, AND OTHER SOURCES	\$	161,278,001	\$	168,402,630	\$ 7,124,629	4.4%
Transfers in (Offsets)	\$	2,490,562	\$	2,592,186	\$ 101,624	4.1%
TOTAL REVENUES	\$	163,768,563	\$	170,994,816	\$ 7,226,253	4.4%

Budget Overview - Expenditures

Expenditures	FY2019 Budget	FY2020 Budget	\$ Change	% Change
<i>Municipal Departments Appropriations *</i>	\$ 38,214,820	\$ 39,477,482	\$ 1,262,662	3.3%
<i>Offsets</i>	\$ (2,490,562)	\$ (2,592,186)	\$ (101,624)	4.1%
Municipal Departments (Taxation Total)	\$ 35,724,258	\$ 36,885,296	\$ 1,161,038	3.2%
School Department	\$ 66,253,022	\$ 70,375,639	\$ 4,122,617	6.2%
Minuteman School	\$ 4,936,724	\$ 5,469,796	\$ 533,072	10.8%
Non-Departmental (Healthcare & Pensions)	\$ 27,924,645	\$ 29,393,020	\$ 1,468,375	5.3%
Capital (Includes Debt Service)	\$ 12,857,157	\$ 13,039,410	\$ 182,253	1.4%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ -	0.0%
Warrant Articles	\$ 1,153,137	\$ 1,226,589	\$ 73,452	6.4%
Reserve Fund & Elections	\$ 1,553,287	\$ 1,597,575	\$ 44,288	2.9%
Override Stabilization Fund Deposit	\$ -	\$ -	\$ -	-
TOTAL EXPENDITURES	\$ 155,995,342	\$ 163,580,437	\$ 7,585,095	4.9%
Non-Appropriated Expenses	\$ 5,282,659	\$ 4,822,193	\$ (460,466)	-8.7%
Surplus / (Deficit)	\$ -	\$ -	\$ -	-

Departmental Highlights/Education

	FY 2019	FY 2020	\$ Increase	% Increase
General Education Costs	\$ 43,981,008	\$ 46,381,443	\$ 2,400,435	5.46%
Special Education Costs	\$ 21,440,034	\$ 22,940,836	\$ 1,500,802	7.00%
Growth Factor	\$ 831,980	\$ 1,053,360	\$ 221,380	26.61%
TOTAL SCHOOL BUDGET	\$ 66,253,022	\$ 70,375,639	\$ 4,122,617	6.22%

Growth Factor Breakdown	
FY 19 Enrollment Growth	210
DESE PPC for Arlington	\$ 14,332
35% of PPC for Arlington	\$ 5,016
Growth Factor (35% PPC x 210)	\$ 1,053,360

Budget Highlights – Response to Community Needs

- Continued Investment in Senior Residents with Major Renovation of Senior Center Recommended in Capital Budget
- Investment in Sustainability– \$100,000 Included to Pilot Food Scrap Diversion Program.
- Investment in Livability– Funding Recommended for Development of Sustainable Mobility Plan Along with Funding for Pedestrian and Bicycle Improvements
- Investment in Diversity & Inclusion – Creation of Manager of Diversity, Equity and Inclusion Position to work with Disabilities Commission, Human Rights Commission and Rainbow Commission

Long-Term Outlook

- Override of 2011 (FY2012) Projects to Last Through FY2021
- Town Continues Investment in Long Term Liabilities – Pension and OPEB
- Debt Exclusion for Arlington High in June
- Preparation for Override in June

Next Steps

- Long Range Planning Meeting Scheduled for February 6th
- Hearings with Finance Committee begin February 13th
- Budget and Revenue Task Force Meeting To Be Scheduled for February
- Local Aid Numbers to be Updated Following Discussion with Long Range Planning Committee
- Group Insurance Commission rates set by March 1st
- Figures Updated in Coordination with Finance Committee in Preparation for Town Meeting

Questions/Discussion