

# Fiscal Year 2023 Town Manager's Budget Proposal

Select Board Meeting  
February 7, 2022

# Overview

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# 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 mid-April
- **May** - Town Meeting adopts *Operating and Capital Budgets*
- **June** - Fiscal Year ends June 30th

# Budget Overview - Revenue

Revenue	FY2022		FY2023		Change	
	Budget		Budget		\$	%
Property Tax	\$	142,948,226	\$	145,110,564	\$ 2,162,338	1.51%
Local Receipts	\$	8,873,350	\$	9,225,900	\$ 352,550	3.97%
State Aid	\$	23,529,766	\$	24,923,804	\$ 1,394,038	5.92%
American Rescue Plan Act (ARPA)	\$	-	\$	5,000,000	\$ 5,000,000	-
Free Cash	\$	5,659,184	\$	5,539,215	\$ (119,969)	-2.12%
Other Funds	\$	400,000	\$	400,000	\$ -	0.00%
Override Stabilization Fund	\$	6,248,581	\$	3,142,145	\$ (3,106,436)	-49.71%
TOTAL TAXES, FEES, AID, AND OTHER SOURC	\$	187,659,107	\$	193,341,628	\$ 5,682,521	3.03%
Transfers in (Offsets)	\$	2,916,046	\$	3,220,747	\$ 304,701	10.45%
TOTAL REVENUES	\$	190,575,153	\$	196,562,375	\$ 5,987,222	3.14%

# Budget Overview - Expenditures

Expenditures	FY2022		FY2023		Change	
	Budget		Budget		\$	%
Municipal Departments Appropriations	\$ 41,755,150	\$	43,225,024	\$	1,469,874	3.52%
Offsets and Indirect Costs	\$ (2,916,046)	\$	(3,220,747)	\$	(304,701)	-10.45%
Municipal Departments (Taxation Total)	\$ 38,839,104	\$	40,004,277	\$	1,165,173	3.00%
School Department	\$ 80,104,634	\$	84,447,869	\$	4,343,235	5.42%
Minuteman School	\$ 6,795,546	\$	7,947,938	\$	1,152,392	16.96%
Non-Departmental (Healthcare & Pensions)	\$ 32,848,298	\$	34,897,318	\$	2,049,020	6.24%
Capital (Includes Debt Service)	\$ 18,303,789	\$	18,368,227	\$	64,438	0.35%
MWRA Debt Shift	\$ 1,845,727	\$	-	\$	(1,845,727)	-100.00%
Warrant Articles	\$ 1,054,291	\$	1,363,530	\$	309,239	29.33%
Reserve Fund	\$ 1,720,145	\$	1,753,178	\$	33,033	1.92%
Override Stabilization Fund Deposit	\$ 1,094,055	\$	-	\$	(1,094,055)	-100.00%
TOTAL EXPENDITURES	\$ 182,605,589	\$	188,782,337	\$	6,176,748	3.38%
Non-Appropriated Expenses	\$ 5,053,518	\$	4,559,291	\$	(494,227)	-9.78%
Surplus / (Deficit)	\$ -	\$	-	\$	-	0.00%

# Maintaining Board's Override Commitments

- This budget maintains the Board's commitment in regards to exercising fiscal discipline while maintaining quality municipal services.
- This budget maintains the Board's commitment to Building Arlington's Future.
- Actions separate from this budget, but already undertaken have maintained the Board's commitment to minimizing the impact of last year's override and debt exclusion on taxpayers, particularly seniors and those with income challenges.
- This budget maintains the Board's commitment to keeping a 5% financial reserve for the duration of the four-year plan.

# Budget Highlights – Level Services

## Budget – Targeted Investments

- Recycling and Trash Contract Stability
- Investment in DPW Modernization
- Investment in Accessibility – Enhancing existing DEI position to serve as ADA Coordinator
- Investment in Regulatory Support – Enhancing existing ZBA staff position to more fully meet technical and administrative needs of the ZBA and AHC

# Long-Term Outlook

- Override of 2019 (FY2020) Projects to Last Through FY2023 – Override Discussion for FY2024
- Town Continues Investment in Long Term Liabilities – Pension and OPEB
- Continued Monitoring of Enrollment Trends
- Continued State Advocacy for New and Varied Revenue Sources

# Next Steps

- Long Range Planning Meeting and Budget and Revenue Taskforce Scheduled for February and March
- Hearings with Finance Committee begin the week of February 7<sup>th</sup>
- Group Insurance Commission rates set by March 3<sup>rd</sup>
- Figures Updated in Coordination with Finance Committee in Preparation for Town Meeting

# Questions/Discussion