

Fiscal Year 2021 Town Manager's Budget Proposal

Select Board Meeting
January 27, 2020

Overview

- Budget Process
- Budget Overview
- Budget Highlights
 - Maintaining the Board's Override Commitments
 - 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 mid-April
- **May** - Town Meeting adopts *Operating and Capital Budgets*
- **June** - Fiscal Year ends June 30th

Budget Overview - Revenue

	FY2020	FY2021	Change	
	Budget	Budget	\$	%
Revenue				
Property Tax	\$ 133,350,155	\$ 137,117,472	\$ 3,767,317	2.8%
Local Receipts	\$ 9,871,000	\$ 9,971,000	\$ 100,000	1.0%
State Aid	\$ 22,481,187	\$ 23,120,921	\$ 639,734	2.8%
School Construction Aid	\$ 476,523	\$ 476,523	\$ -	0.0%
Free Cash	\$ 5,559,782	\$ 5,901,388	\$ 341,606	6.1%
Other Funds	\$ 200,000	\$ 200,000	\$ -	0.0%
Override Stabilization Fund	\$ -	\$ 2,061,265	\$ 2,061,265	-
TOTAL TAXES, FEES, AID, AND OTHER SOURCES	\$ 171,938,647	\$ 178,848,569	\$ 6,909,922	4.0%
Transfers in (Offsets)	\$ 2,580,233	\$ 2,640,236	\$ 60,003	2.3%
TOTAL REVENUES	\$ 174,518,880	\$ 181,488,805	\$ 6,969,925	4.0%

Budget Overview - Expenditures

	FY2020		FY2021		Change	
	Budget		Budget		\$	%
Expenditures						
Municipal Departments Appropriations *	\$	39,718,054	\$	40,761,310	\$ 1,043,256	2.6%
Offsets and Indirect Costs	\$	(2,580,233)	\$	(2,640,236)	\$ (60,003)	2.3%
Municipal Departments (Taxation Total)	\$	37,137,821	\$	38,121,074	\$ 983,253	2.6%
School Department	\$	71,427,139	\$	76,030,531	\$ 4,603,392	6.4%
Minuteman School	\$	5,384,690	\$	6,532,053	\$ 1,147,363	21.3%
Non-Departmental (Healthcare & Pensions)	\$	29,247,782	\$	31,217,722	\$ 1,969,940	6.7%
Capital (Includes Debt Service)	\$	13,196,044	\$	13,400,912	\$ 204,868	1.6%
MWRA Debt Shift	\$	5,593,112	\$	5,593,112	\$ -	0.0%
Warrant Articles	\$	1,186,867	\$	1,299,022	\$ 112,155	9.4%
Reserve Fund & Elections	\$	1,604,584	\$	1,726,724	\$ 122,140	7.6%
Override Stabilization Fund Deposit	\$	2,174,510	\$	-	-	-
TOTAL EXPENDITURES	\$	166,952,549	\$	173,921,150	\$ 6,968,601	4.2%
Non-Appropriated Expenses	\$	4,986,098	\$	4,927,419	\$ (58,679)	-1.2%
Surplus / (Deficit)	\$	-	\$	-	\$ -	-

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 respond to ongoing school enrollment pressures.
- 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 – Response to Community Needs

- Investment in Public Works Staffing – Addition of a Permit Engineer position and Systems Innovation Manager position.
- Investment in Community Policing– Addition of an additional Police Officer's position in order to create a second School Resource Officer.
- Investment in Community Services– Funding to create a full-time Librarian position for the Fox Branch Library
- Investment in Communication and Transparency – Funding to move the Public Information Officer from part-time to full-time and the addition of funding for part-time staff support to manage and respond to public records requests.

Long-Term Outlook

- Override of 2019 (FY2020) Projects to Last Through FY2023
- 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 Scheduled for February 5th
- Hearings with Finance Committee begin February 5th
- 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