



2018 Annual Town Meeting  
Warrant Article Summaries  
Finance and Warrant Commission  
March 5, 2018

Pam Dukeman  
Finance Director

# 2018 Town Meeting – Financial Articles

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## **Current Year Budget – FY18**

- Article 1 - Supplemental Appropriations FY18
- Article 2 - Supplemental Appropriations FY18
- Unpaid Prior Year's bills – Do Not Need

## **FY19 Town Operating Budgets**

### **FY19 Capital**

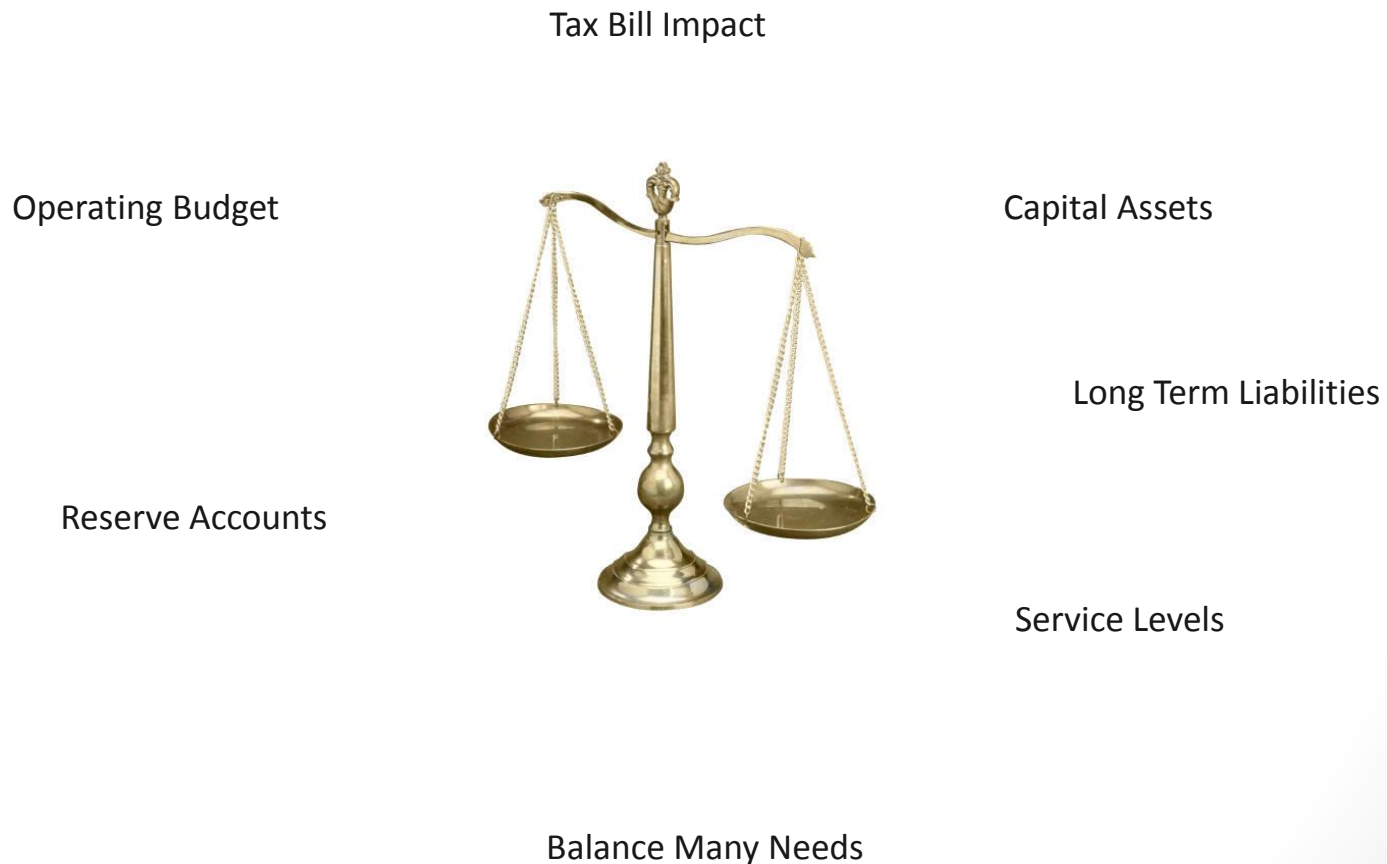
- Appropriation – Municipal Capital Improvements
- Appropriation – School Capital Improvements
- Appropriation – Sewer Capital Improvements
- Appropriation – Other Capital Improvements

### **FY19 Reserves and OPEB**

- Appropriation – to Stabilization Fund
- Appropriation – to OPEB Liability Trust Fund

# The Financial Articles Address All Areas of Town Finance

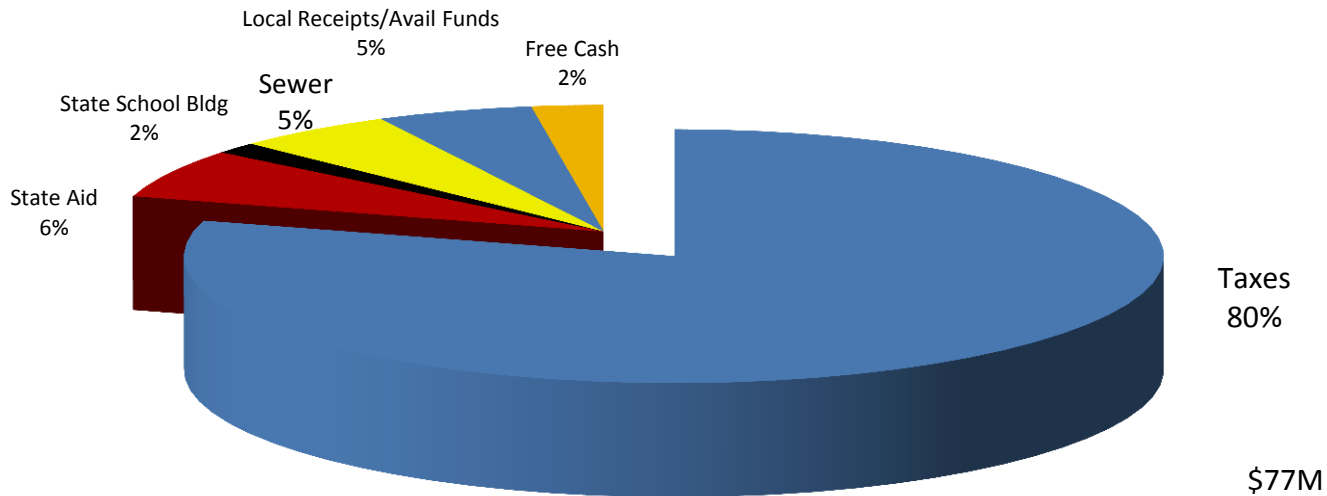
- Financial action must address multiple needs to provide for quality services and financial strength.



Town's Finances – Must Address Multiple Areas

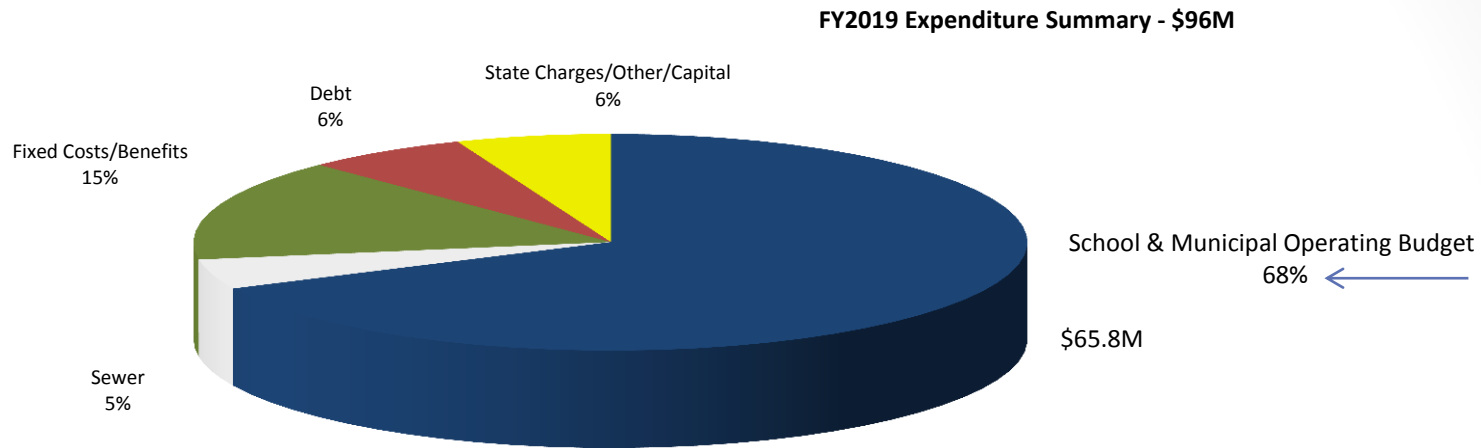
# What Revenue Funds the Town Meeting Budget?

FY2019 Projected Budget Revenue - \$96M



- Typical suburban community revenue chart
- Always a challenging financial model:
  - Main revenue source is restricted (Prop 2 ½)
  - Must balance tax bill impact

# FY19 Total Proposed Expenditures



Largest area of expenditure is the operating budgets

## Operating Budgets

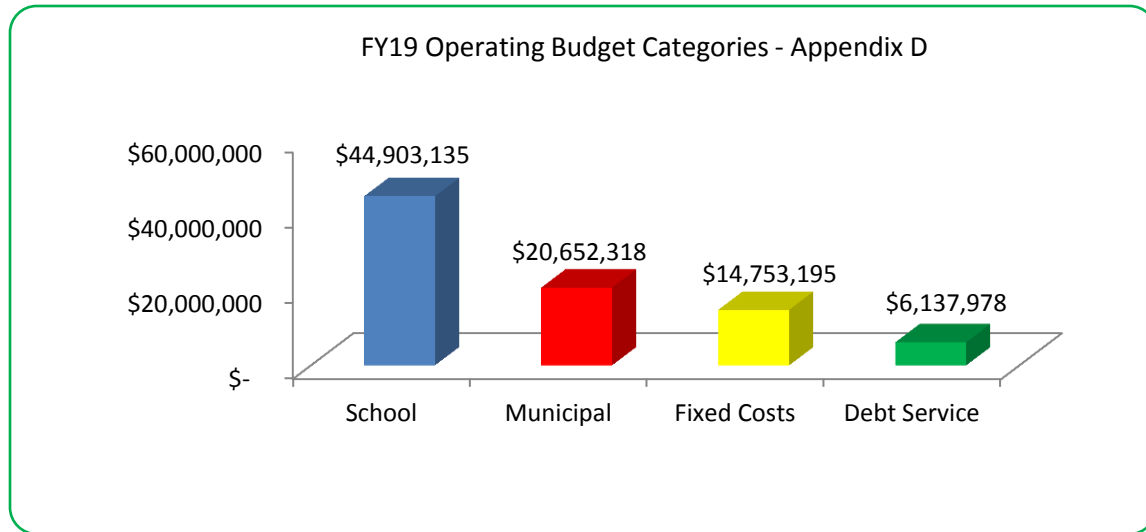
- Provide for core services to community
- Strive for operating budget stability for school and municipal budgets.
- Strive for sustainable budgets

# FY18 Budget Supplements

- Articles 1 and 2 supplement or “clean up” any issues with current year budget
  - Articles are finalized in March and done at the March 26<sup>th</sup> hearing.
- Unpaid Bills
  - None expected

# FY19 Operating Budget

- Article: FY19 Town Operating Budgets \$91,032,406
  - ✓ Maintains high quality of services provided by Town and School departments (Approximately 3% increase)



	Budget Increases			
	FY16	FY17	FY18	Proposed FY19
School	5.3%	4.9%	3.3%	3.4%
Municipal	5.2%	3.7%	3.6%	3.1%

↑  
Additional University Station Funding

↑  
More sustainable growth level

# FY19 Operating Budget Summary

- FY19 Operating Budgets \$91,032,406

FY18 Budget	Category	FY19 Selectmen Proposed	\$ Change v FY18	FY19 % Change FY19 v FY18
\$43,441,163	School Operating	\$44,903,135	\$1,461,972	3.4%
\$20,032,436	Municipal Operating	\$20,652,318	\$ 619,882	3.1%
\$ 147,489	Blue Hills	\$ 160,000	\$ 12,511	8.5%
\$ 104,579	Traffic Supervisors	\$ 106,541	\$ 1,962	1.9%
\$13,530,799	Fixed Costs	\$14,753,195	\$1,222,396	9.0%
\$ 6,366,141	Debt Service	\$ 6,137,978	\$ (228,163)	-3.6%
\$ 4,103,884	Sewer	\$ 4,319,239	\$ 215,355	5.2%
\$87,726,491	Total	\$91,032,406	\$3,305,915	3.8%

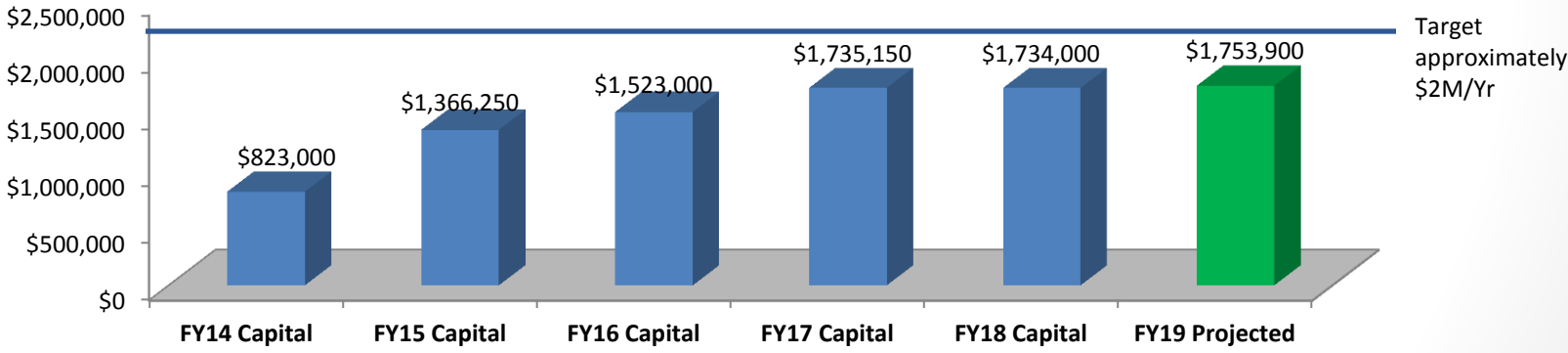
- Continued stable and sustainable operating budget growth



# Capital Budget Articles Continue Important Investment in Building and Equipment

- ✓ Continued high level of Capital Investment
  - FY19 Proposed Town Meeting budget will have articles:
    - Municipal Capital \$886,900
    - School Capital \$867,000
    - Sewer Capital \$420,000
    - Other Capital \$857,000

History of Capital Spending – Base Articles



Continue to invest in capital needs

# FY19 Municipal Capital Budget

Item	Amount	Funding
<b><u>Recommended</u></b>		
DPW – 3 One Ton Dump Trucks with Plow	\$210,000	Free Cash
Fire – Engine 1 half life major repairs	\$25,000	Free Cash
Fire – Safety Equipment – Radio upgrade & Turnout gear	\$30,000	Free Cash
Fire – Replace Engines (2) Lease Payment 2 of 5	\$226,400	Free Cash
Police – Safety Equipment – Bulletproof vests, traffic cameras, electronic control devices	\$30,000	Free Cash
IT – End User Technology	\$50,000	Free Cash
Library – Patron/Staff End User Technology	\$21,500	Free Cash
Library – Self – Check Circulation Terminals	\$22,000	Free Cash
Police – Replacement of Police Vehicles	\$172,000	Free Cash
Municipal Buildings – Facilities Maintenance/Energy Efficiency	<u>\$100,000</u>	Free Cash
<b>Total</b>	<b>\$886,900</b>	

Continued annual reinvestment in Public Safety equipment and Town buildings and assets.

# FY19 School Capital Budget Article

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Item	Amount	Funding
Technology	\$225,000	Free Cash
Roofing	\$100,000	Free Cash
Repair and Maintenance	\$256,500	Free Cash
Furniture, Fixtures, and Equipment	\$129,500	Free Cash
HVAC	\$96,000	Free Cash
Copiers	<u>\$60,000</u>	Free Cash
<b>Total</b>	<b>\$867,000</b>	

Continued important reinvestment in School equipment and buildings.

# FY19 Sewer Capital Budget Article

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Item	Amount	Funding
Easement Access Project	\$150,000	Sewer Retained Earnings
Infiltration & Inflow Reduction	\$125,000	Sewer Retained Earnings
Sewer Truck	\$95,000	Sewer Retained Earnings
Stormwater Compliance	<u>\$50,000</u>	Sewer Retained Earnings
<b>Total</b>	<b>\$420,000</b>	

Continued annual reinvestment in Sewer equipment and infrastructure.

## FY19 Other Capital Improvement Article

Item	Amount	Funding
Town Hall Reconfiguration/Renovation	\$50,000	Free Cash
Repair/Replace Middle School Elevator	\$175,000	Free Cash
Traffic Signal Improvements – High Street	\$100,000	Free Cash
• Design funds needed for State grant		
WAHA – Building Maintenance and Improvement	\$100,000	Free Cash
Pool HVAC/Dehumidification System	\$125,000	Meals Tax
High School Tennis Courts	<u>\$307,000</u>	Meals Tax
<b>Total</b>	<b>\$857,000</b>	

As has been done in the last several years,

- Continue to fund above our base capital articles
- Fund additional needs and community wide projects

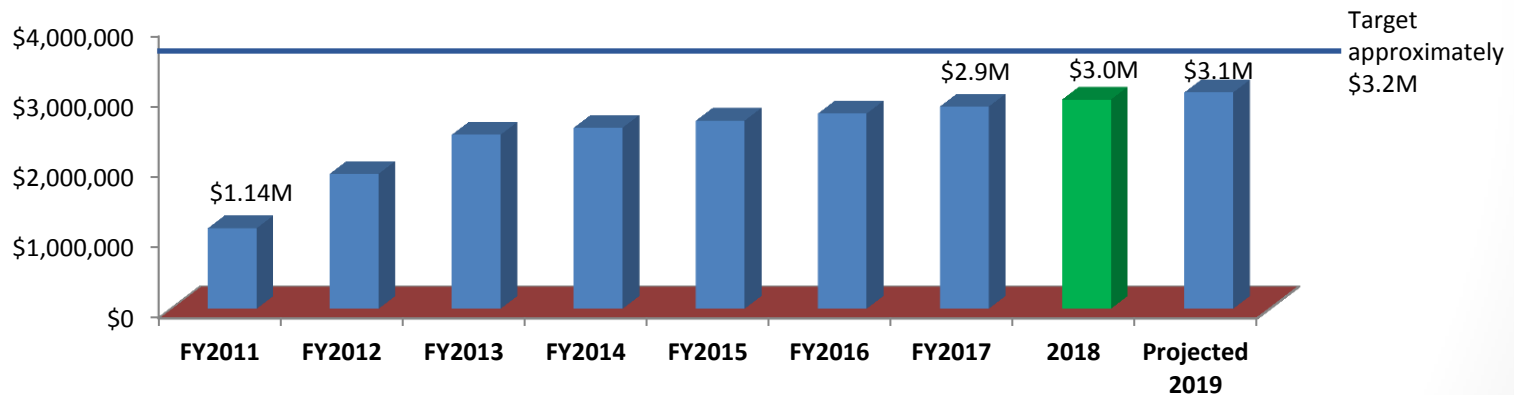
## FY19 Capital Budget Article - Ambulance Funds

Item	Amount	Funding
Fire – Rescue Equipment	\$41,865	Ambulance Receipts
Fire – SCBA Upgrade & Replacement	\$41,895	Ambulance Receipts
Fire – Replace Ambulance (A-2)	<u>\$360,000</u>	Ambulance Receipts
<b>Total</b>	<b>\$443,760</b>	

# Annual Article to fund Stabilization Fund - \$100,000

- ✓ Continued small funding to Stabilization to remain on track
  - Annual Appropriation to Stabilization Fund \$100,000
  - Funded by transfer from Free Cash
  - Town's main savings account and important component of Bond Rating (AAA)

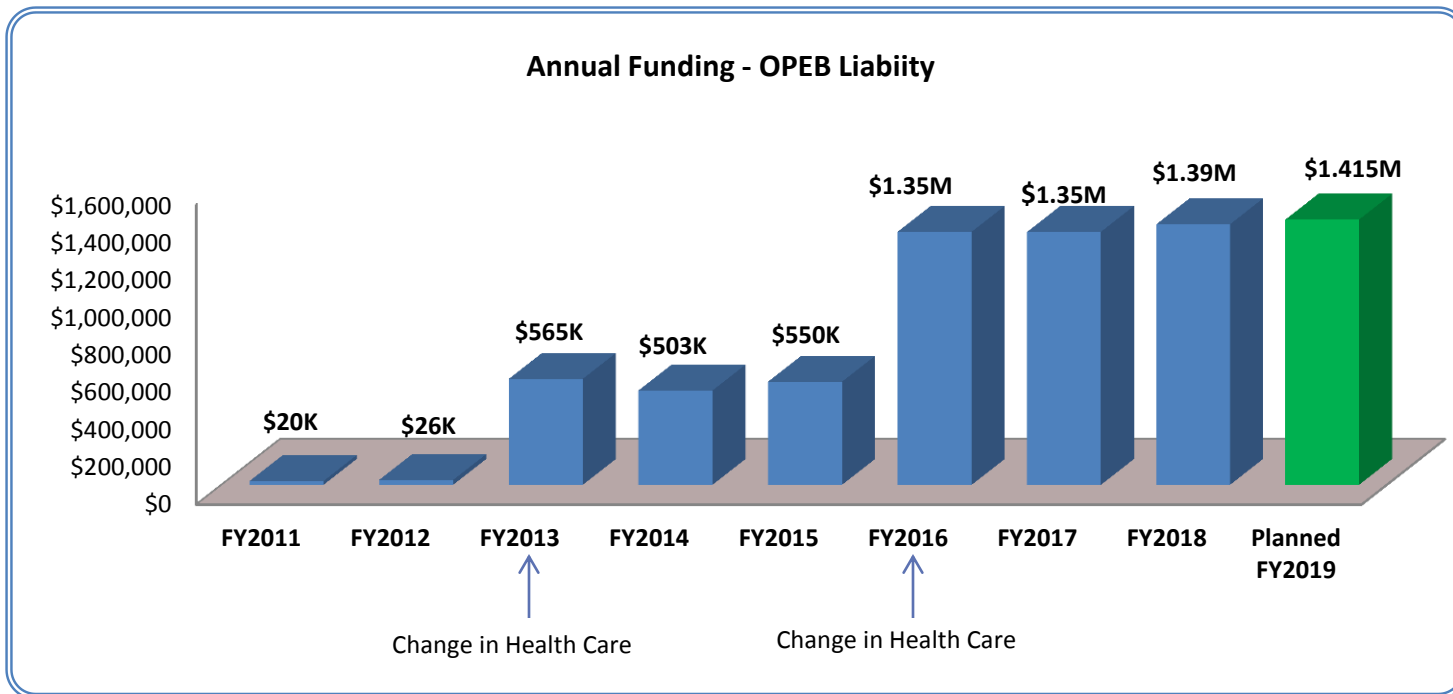
Stabilization Fund Balance Over Time



Balance is in line with Financial Policies

# Annual Appropriation to OPEB Liability Trust Fund

- ✓ Continued progress on OPEB liability
  - Appropriation to OPEB Liability Trust Fund \$1,415,000
    - Small Increase from current \$1.39M to stay on track
    - Keeps us in compliance
    - Current balance in trust account \$6.7M



## Further Information Available

- FY19 Budget Documents on Town's Website
  - Proposed Overall Budget Summary
  - Proposed Municipal Budget Detail
  - Five Year Capital Improvement Plan

