



VISION 2020 FISCAL RESOURCES TASK GROUP
Meeting Minutes 7:30 PM 4/19/18

Senior Center First Floor Conference Room

ATTENDEES: Gordon Jamieson (Co-Chair), David Garbarino, Heather Remoff, Brian Hasbrouck, Pete Howard (Secretary),

ENVISION ARLINGTON: The group discussed the Select Board's recommended vote to change the name. Pete voiced concern with the wording that implies Town Goals will be discarded. Gordon says he was promised that this was not the objective and that a change to the vote's wording would be made. Pete received the group's support for a substitute motion to clarify the issue.

LEADERSHIP INTERVIEWS: Kathy Bodie has not ok'd the draft yet. Gordon will follow up. Pete & Heather volunteered to talk with Chief of Police Fred Ryan.

PRIMER ON ARLINGTON GOVERNMENT: Gordon reported on mention at Candidate's Night. Heather reported on public media. Primer has been widely disseminated.

SCHOOL CFO: Gordon suggested we invite John Danizio to a future meeting to complete our series on interviews with the town/school's financial 'officers'. The group thought this a good idea.

FINANCIAL PLAN REVIEW: Gordon recounted efforts made in this area in the past. He provided relevant new material and explained it as follows.

The current Long Range Financial Projection (Five Year Plan) (Ref 1) shows the Override Stabilization Fund exhausted in FY20. To maintain current levels of service, an override will be needed at the very latest in the spring of 2020 in order to balance the budget in FY21 without any other budget adjustments.. The assumptions for this projection are shown on the text page that accompanies the spreadsheet. Gordon took the group through some of these assumptions

Local Receipts are assumed to increase \$100k per year. Ref 2, provided by Sandy Pooler, details the history of the 15 components of this revenue item. For most of the items, the actual revenue in FY17 exceeded the budget. Overall the excess in FY17 was 19% or \$1.7m. Also shown are various other ways to project Local Receipts using averages over 8 yrs & 5 yrs. The question is how best to budget this revenue stream?

New growth is shown on Ref 3 to vary considerably but to average around \$800k. The current projection (\$650K in the Long Range Projection, Ref 1)) could be increased.

Free cash is charted in Fig 4. This item varies a great deal. Again the question is how best to budget this item

The Structural Deficit is estimated in Fig 5. The annual difference between expenses and revenues is roughly \$2.4m. This means a \$10m override would last about 4 yrs.

Gordon also discussed the Overlay Reserve (Ref 6), the funds set aside for settling real estate abatements. He pointed out that because of a recent State law change, the reserve over past years may be lumped together thus reducing the "insurance" risk. If the annual appropriation were increased by \$400k, the structural deficit would be reduced 25%.

Gordon made an initial stab at revising the 5 yr plan by increasing the use of free cash and revising the overlay reserve and overlay surplus values (Ref 7). The result is to delay an override 1 yr.

Gordon provided some override scenarios as prepared by the Long Range Planning Committee (obtained from their minutes). There was insufficient time to fully address these items.

Goal is to use these materials to develop LOW – MED – HIGH 5yr projections

Next mtg May 17, 2018

Meetings monthly - 3rd Thursdays 7:30 PM - Usually in Senior Center

Ref 1 Long Range Financial Projections

Ref 2 Local Receipt Summary

Ref 3 New Growth

Ref 4 Free Cash

Ref 5 Structural Deficit.

Ref 6 Overlay Reserve

Ref 7 Revised 5 yr plan.

Ref 8 Override Scenarios.

Ref 1

Long Range Financial Projection
 Long Range Planning Meeting
 February 7, 2018

	FY 2018 RECAP	FY 2019	Dollar Change	Percent Change	FY 2020	Dollar Change	Percent Change	FY 2021	Dollar Change	Percent Change	FY 2022	Dollar Change	Percent Change	FY 2023	Dollar Change	Percent Change
I REVENUE																
A. State Aid	19,207,063	19,807,315	600,252	3.13%	20,001,105	193,790	0.98%	20,198,832	195,727	0.98%	20,594,177	396,345	0.98%	20,994,177	397,842	0.98%
School Construction Aid	1,615,914	476,523	(1,139,391)	-70.51%	476,523	0	0.00%	476,523	0	0.00%	0	0	0.00%	0	0	0.00%
B. Local Receipts	9,071,000	9,471,000	400,000	4.41%	9,271,000	(200,000)	-2.11%	9,371,000	100,000	1.08%	9,471,000	100,000	1.07%	9,571,000	100,000	1.06%
C. Free Cash	4,650,566	4,993,375	(257,191)	-5.15%	2,901,145	(1,692,230)	-56.84%	2,901,145	0	0.00%	2,901,145	0	0.00%	2,901,145	0	0.00%
D. Overlay Reserve Surplus	500,000	(900,000)	(1,400,000)	-280.00%	200,000	(1,000,000)	-500.00%	200,000	0	0.00%	200,000	0	0.00%	200,000	0	0.00%
E. Property Tax	117,255,201	121,229,281	3,974,080	3.39%	124,596,041	3,366,760	2.76%	127,975,623	3,379,582	2.71%	131,368,752	3,393,129	2.65%	134,861,105	3,512,353	2.67%
F. Override Stabilization Fund	3,298,761	3,298,761	0	0.00%	8,582,041	5,283,280	160.20%	11,472,501	2,889,740	33.23%	13,368,752	1,896,251	16.63%	15,265,003	1,896,251	14.22%
TOTAL REVENUES	152,499,744	158,776,255	6,276,511	4.12%	166,027,855	7,251,600	4.57%	172,593,624	6,565,769	3.95%	181,447,427	8,849,602	5.04%	188,147,427	6,699,822	3.62%
II APPROPRIATIONS																
A. Operating Budgets																
School	38,787,542	42,860,305	4,072,763	10.50%	45,221,515	2,361,210	5.51%	47,781,869	2,560,354	5.66%	50,087,396	2,305,527	4.83%	52,661,032	2,573,636	5.14%
General Education Costs	20,037,415	21,440,034	1,402,619	7.00%	22,940,836	1,500,802	7.00%	24,546,985	1,606,149	7.00%	26,264,964	1,718,269	7.00%	28,103,511	1,838,547	7.00%
Special Education Costs	970,000	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%	970,000	0	0.00%
Kindergarten Fee Offset	1,133,528	831,980	(301,548)	-26.60%	944,542	(192,986)	-17.00%	911,500	(332,992)	-35.23%	792,828	(181,078)	-29.60%	665,584	(127,244)	-16.05%
Growth Factor	60,928,485	66,102,319	5,173,834	8.49%	70,076,893	3,974,574	6.01%	73,910,314	3,833,421	5.47%	78,115,188	4,204,874	5.69%	82,400,127	4,284,939	5.49%
Net School Budget	4,291,333	4,896,724	605,391	14.11%	5,109,509	212,785	4.35%	5,289,342	178,833	3.50%	5,473,454	184,112	3.35%	5,665,004	181,550	3.29%
Maintenance, Operating and Capital	25,722,171	27,679,831	1,957,660	7.61%	28,579,426	899,595	3.25%	29,508,257	928,831	3.25%	30,457,275	949,018	3.25%	31,457,461	990,186	3.25%
Personnel Services	10,314,386	10,518,652	204,266	1.98%	10,860,715	346,063	3.25%	11,213,688	352,973	3.25%	11,578,133	364,445	3.25%	11,954,422	376,289	3.25%
Expenses	2,436,791	2,479,812	43,021	1.77%	2,560,406	80,594	3.25%	2,643,619	83,213	3.25%	2,729,557	85,938	3.25%	2,818,247	88,681	3.25%
Enterprise Fund/Other	34,599,766	35,718,871	1,119,105	3.23%	36,879,735	1,160,864	3.23%	38,074,326	1,194,591	3.23%	39,315,871	1,237,545	3.23%	40,593,636	1,277,765	3.23%
Net Town Budget	5,593,112	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%	5,593,112	0	0.00%
MWRA Debt Shift	3,175,427	1,938,973	(1,236,454)	-38.94%	1,871,604	(67,269)	-3.47%	1,781,204	(90,400)	-4.83%	1,191,079	(590,125)	-33.13%	1,159,032	(32,047)	-2.69%
Exempt Debt Service	7,281,619	6,829,730	(451,889)	-6.20%	6,542,461	(287,269)	-4.13%	6,947,111	404,650	6.19%	7,173,285	226,174	3.25%	7,061,990	(111,295)	-1.59%
Non-Exempt Service	3,941,928	2,695,027	(1,246,901)	-31.63%	2,176,735	(18,292)	-0.84%	2,419,080	(257,675)	-9.63%	2,225,544	(193,536)	-8.00%	2,213,383	(12,161)	-0.55%
Cash	(2,875,349)	(907,165)	1,968,183	68.45%	(361,629)	545,537	-60.14%	(317,139)	44,491	-12.30%	(387,057)	(69,919)	-22.05%	(351,743)	35,314	-9.12%
Offsets/Capital Carry Forward	11,523,825	10,356,564	(1,167,261)	-10.13%	10,728,181	372,622	3.60%	10,830,837	101,656	0.95%	10,202,867	(627,970)	-5.80%	10,072,662	(130,199)	-1.28%
Total Capital	10,144,735	10,765,545	620,810	6.12%	11,357,550	592,005	5.50%	11,982,321	624,771	5.30%	12,641,349	659,028	5.50%	13,336,623	695,274	5.50%
C. Pensions	17,239,561	17,907,486	667,925	3.87%	19,032,346	1,124,860	6.28%	20,154,981	1,122,645	5.90%	21,378,213	1,223,222	6.07%	22,643,578	1,265,362	5.92%
D. Insurance	3,240,429	3,341,106	100,677	3.11%	3,423,233	82,127	2.46%	3,507,412	84,179	2.46%	3,593,697	86,285	2.46%	3,682,138	88,441	2.46%
E. State Assessments	1,156,229	800,000	(356,229)	-30.81%	600,000	(556,229)	-50.00%	600,000	0	0.00%	800,000	200,000	33.33%	600,000	(200,000)	-25.00%
G. Overlay Reserve	1,506,440	1,554,775	48,335	3.21%	1,574,458	19,683	1.27%	1,611,211	36,753	2.33%	1,643,354	32,143	1.99%	1,681,474	38,120	2.32%
H. Reserve Fund	748,338	771,250	22,912	3.06%	773,225	1,975	0.26%	771,950	(1,275)	-0.16%	767,450	(4,500)	-0.58%	100,000	(667,450)	-86.87%
I. Court Judgments/Symmes	1,319,355	926,503	(392,852)	-29.82%	876,503	(442,852)	-53.99%	926,503	50,000	5.71%	876,503	(50,000)	-5.71%	876,503	0	0.00%
J. Warrant/Articles	211,136	0	(211,136)	-100.00%	0	(211,136)	-100.00%	0	(211,136)	-100.00%	0	(211,136)	-100.00%	0	(211,136)	-100.00%
K. Override Stabilization Fund	152,499,744	158,776,255	6,276,511	4.12%	166,027,855	7,251,600	4.57%	172,593,624	6,565,769	3.95%	181,447,427	8,849,602	5.04%	188,147,427	6,699,822	3.62%
BALANCE	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Reserve Balances	9,186,749	5,802,290	(3,384,459)	-36.84%	5,802,290	0	0.00%	5,802,290	0	0.00%	5,802,290	0	0.00%	5,802,290	0	0.00%
Free Cash	3,167,057	3,382,589	215,532	6.81%	3,584,149	206,560	5.81%	3,791,674	207,525	5.50%	4,005,424	213,750	5.39%	4,225,966	224,542	5.62%
Stabilization Fund	23,853,303	20,054,542	(3,798,761)	-15.93%	11,472,501	(12,380,841)	-108.00%	0	(12,380,841)	-100.00%	0	(12,380,841)	-100.00%	0	(12,380,841)	-100.00%
Override Stabilization Fund	757,006	779,716	22,710	3.00%	803,107	26,391	3.27%	827,201	24,094	2.93%	852,017	24,816	2.89%	877,577	25,560	2.93%
Municipal Bldg. Ins. Trust Fund	36,484,115	30,019,217	(6,464,898)	-17.72%	21,662,047	(14,822,068)	-68.42%	10,421,184	(11,140,863)	-107.00%	10,659,730	237,646	2.28%	10,905,454	245,724	2.30%
% of General Fund Revenue	23.9%	18.9%	(5.0%)	-20.9%	13.0%	(10.1%)	-77.3%	6.9%	(5.0%)	-36.3%	6.5%	(0.4%)	-2.4%	6.5%	(0.4%)	-2.4%

The plan does not include any potential impacts of an Arlington High School Project

The plan does not include any projected revenues or expenditures from the Community Preservation Act

Projected School Enrollment Growth FY 2017 - FY 2023

FY 2018** 242 FY 2019** 170 FY 2020** 193

FY 2021** 125 FY 2022** 162 FY 2023** 136

Actual/Proj. Annual Growth

** Actual Growth - Based on 35% of FY14 DESE Per Pupil Cost of \$19,085 = Growth Factor of \$4,580 X Enrollment Growth and FY15 PPC Cost of \$13,883 = \$4,684 X Enrollment Growth

* Projected Growth - Based on 35% of FY16 DESE Per Pupil Cost of \$13,984 = \$4,894 X Enrollment Growth

Long Range Financial Projection

Long Range Planning Meeting
February 7, 2018

Explanation of Terms

I REVENUE	
A. State Aid	State Aid as reported on the Cherry Sheets, including CH, 70 School Aid, Unrestricted General Government Aid (UGGA), and others. Reimbursement for school construction costs from an old state program. These payments run out in FY2021.
B. Local Receipts	Fees, Fines, Permits, Interest, Motor Vehicle Excise Taxes, etc. Assumption: Increase by \$100,000 per year.
C. Free Cash	Free Cash is equivalent to the previous year's operating surplus. Assumption: Half of the ten year average Free Cash is allocated as a revenue source for the operating budget and the remainder is retained as a reserve.
D. Overlay Reserve Surplus	The Assessors annually release some of the reserve set aside to pay tax abatements (the Overlay). Assumption: In most years, \$200,000 is released to be used in operating budget. Some years a larger amount is released.
E. Property Tax	Real estate and personal property taxes, as determined by the State law, Proposition 2 1/2 (annual increase of 2.5%, plus additions of new growth), plus amounts added for debt excluded from Prop. 2 1/2 by the voters, plus 1
F. Override Stabilization Fund	The Override Stabilization Fund is used as an income source. In years of revenue surpluses, money is added, in years of deficits, money is withdrawn (see comparable item in Expenses below). Fund balance is reported in Total General Fund Revenues.
TOTAL REVENUES	
II APPROPRIATIONS	
A. Operating Budgets	Most of the costs of running the School Department. Assumption: A 3.5% increase in the sum of the previous year's General Education Costs plus cost increase due to enrollment growth (Growth Factor, below). Costs of providing Special Education services. Assumption: These costs are assumed to increase by 7% per year. When the Arlington School Department adopted a full day kindergarten program, it eliminated fees for previous program, and the Town began receiving state aid for those students. The Offset replaces the fees the School D
School	
General Education Costs	
Special Education Costs	
Kindergarten Fee Offset	
Growth Factor	An estimate of the increased operating costs the School Department incurs because of enrollment growth. Enrollment assumptions are presented at the bottom of LRP. It is assumed that each new student will cost 35% of \$ The Total School Department Budget.
Net School Budget	Assessments from the Minuteman Regional Technical and Vocational High School. Assumption: Each year the actual assessment is updated and future years are assumed to grow by 3.5%.
Personnel Services	Town employees salaries and wages. Assumption: Annual growth of 3.25%
Expenses	Town expenses, e.g., utilities, supplies, services, repairs, etc. Assumption: Annual growth of 3.25%
Enterprise Fund/Other	Offsets are amounts charged to the Water and Sewer Enterprise Fund for services provided to the Fund by Town employees. Assumption: Annual growth of 3.25%
Net Town Budget	Personnel Services plus Expenses, minus Offsets.
MWRA Debt Shift	The Town adopted a state law that allows it to decrease water and sewer rates and increase taxes by an amount representing all or part of the debt service assessed to the Town by the MWRA. Assumption: \$5,593,112 per
B. Capital budget	Debt service that has been excluded from the Prop. 2 1/2 limit and therefore is in addition to that limit. The exempt debt amount is included in the Property Tax calculation above and so income and expense are exactly main
Exempt Debt Service	Debt service (interest and principal) on items in the annual Capital Plan paid for with tax dollars.
Non-Exempt Service	Items in the annual Capital Plan paid for with cash.
Cash	Multiple sources, such as grants, other funds (e.g., rental income from cell phone towers on town property, the Ambulance Fund, etc.), and bond premiums used to purchase capital items.
Offsets/Capital Carry Forward	Assumption: The Total of Non-Exempt Debt Service and Cash will equal 5% of the Town's Annual revenue.
Total Capital	Annual assessment from the Arlington Retirement Board. Assumption: Annual increase of 5.5%.
C. Pensions	Health, property, and liability insurance. Assumption: Updated annually with latest enrollment figures and insurance rates. Future costs include projected teacher staffing increases to meet increased student populations, pl
D. Insurance	Assessment from the State for various services, including MBTA, Charter School, and School Choice. Assumption: Annual increase of 2.5% (as mandated by Prop. 2 1/2).
E. State Assessments	Some Cherry Sheet aid goes directly to departments and not to the General Fund. State Aid to libraries is one such example. Assumption: Current year assessment will continue unchanged.
F. Offset Aid - Assistance to Libraries	Amount of tax revenue set aside by the Assessors to pay abatements and tax exemptions (for elderly, blind persons, etc.). Assumption: \$600,000 in non-revaluation years, and \$800,000 in revaluation years.
G. Overlay Reserve	Reserve fund equals 1% of annual revenues. It is available to the Finance Committee to pay unanticipated and extraordinary costs, such as snow and ice removal. Election's costs vary each year depending on the number c
H. Fixed Costs - Res. Fund & Elections	Each year \$100,000 is set aside to pay for lawsuit settlements. The rest of this item is to pay the debt on bonds the Town issued to acquire the Symmes property. Those bonds will be paid off in FY2022.
I. Other	Various warrant articles for boards, commission, town celebrations, and other items that are outside of the town, school, or capital budgets.
J. Warrant Articles	In years when the budget shows a revenue surplus, that surplus is appropriated to the Override Stabilization Fund.
K. Override Stabilization Fund	The total of all items under II Appropriations.
L. TOTAL APPROPRIATIONS	The operating surplus or deficit for each year of the plan. For the current year, the number will always be zero, i.e., by law and Town policy, the final budget must be in balance.
BALANCE	
Reserve Balances	Free Cash An amount roughly equivalent to the Town's operating surplus and fund balance that is certified annually by the State Department of Revenue. Stabilization Fund A fund established by Town Meeting to provide a long-term reserve. Assumption: Annual 3% growth, plus \$100,000 appropriation from Town Meeting. Override Stabilization Fund The Override Stabilization Fund was created as a result of the 2005 Prop. 2 1/2 override. The Town makes annual appropriations to the fund until the time in which it is necessary to make withdrawals for the purposes of bail
Municipal Bldg. Ins. Trust Fund	A reserve fund established to cover extraordinary losses from damage to Town property. The existence of the fund reduces the Town's annual property insurance costs, because it allows the Town to buy insurance policies v
TOTAL: Total reserves.	
% of General Fund Revenue	Total reserves as a percent of total revenue.

LOCAL RECEIPT SUMMARY
MATCH RECAP

LOCAL RECEIPTS	FY 2017 YTD	BUDGET Adjusted for RECAP	% COLLECTED	FY2016	FY2015	FY2014	FY2013	FY 2012	FY 2011
Motor Vehicle Excise	\$4,775,678	\$4,075,000	117%	\$4,952,880	\$4,668,136	\$4,560,609	\$4,066,200	\$3,937,079	\$3,898,460
Meals Tax	\$415,173	\$400,000	104%	\$409,308	\$401,869	\$413,164	\$326,726	\$307,037	\$292,731
Hotel Tax	\$303,939	\$325,000	94%	\$363,125	\$330,739	\$300,875	\$283,497	\$262,095	\$240,164
Penalty/Interest	\$295,522	\$355,000	83%	\$388,690	\$420,676	\$294,294	\$352,869	\$252,492	\$338,833
PILOT	\$51,519	\$18,000	286%	\$0	\$24,750	\$50,941	\$14,419	\$13,973	\$0
Departmental Fees	\$1,213,418	\$935,000	130%	\$1,004,517	\$937,987	\$1,319,843	\$1,145,565	\$1,266,227	\$1,110,810
Rentals	\$627,569	\$649,000	97%	\$749,188	\$757,790	\$638,809	\$665,265	\$783,144	\$733,271
School Medicare Reimb	\$331,647	\$100,000	332%	\$238,991	\$184,995	\$132,013	\$211,086	\$198,123	\$254,343
Library Fines & Fees	\$48,957	\$49,000	100%	\$52,804	\$50,919	\$49,394	\$49,051	\$56,141	\$56,259
Cemetery	\$278,075	\$265,000	105%	\$262,825	\$273,838	\$285,976	\$277,100	\$313,997	\$302,075
Other Department Revenue	\$259,567	\$200,000	130%	\$330,415	\$216,265	\$677,585	\$249,850	\$347,233	\$292,240
License & Permits	\$1,734,146	\$1,505,000	115%	\$2,124,973	\$1,719,404	\$1,640,443	\$2,064,257	\$2,085,371	\$1,219,481
Special Assessments	(\$3,212)	\$0	#DIV/0!	\$2,897	\$0	\$0	\$0	\$0	\$0
Fines and Forfeitures	\$28,608	\$30,000	95%	\$30,248	\$31,593	\$45,829	\$54,935	\$62,688	\$59,966
Investment Income	\$329,266	\$65,000	507%	\$142,329	\$96,346	\$86,768	\$82,943	\$67,149	\$55,430
Medicaid Reimbursement									
Misc. Recurring									
Misc. Non-recurring									
Medicare D	\$0	\$0	0%	\$0	\$0	\$0	\$43,127	\$342,931	\$381,361
TOTAL	\$10,689,873	\$8,971,000	119%	\$10,168,155	\$10,115,307	\$10,496,543	\$9,886,890	\$10,295,680	\$9,235,424

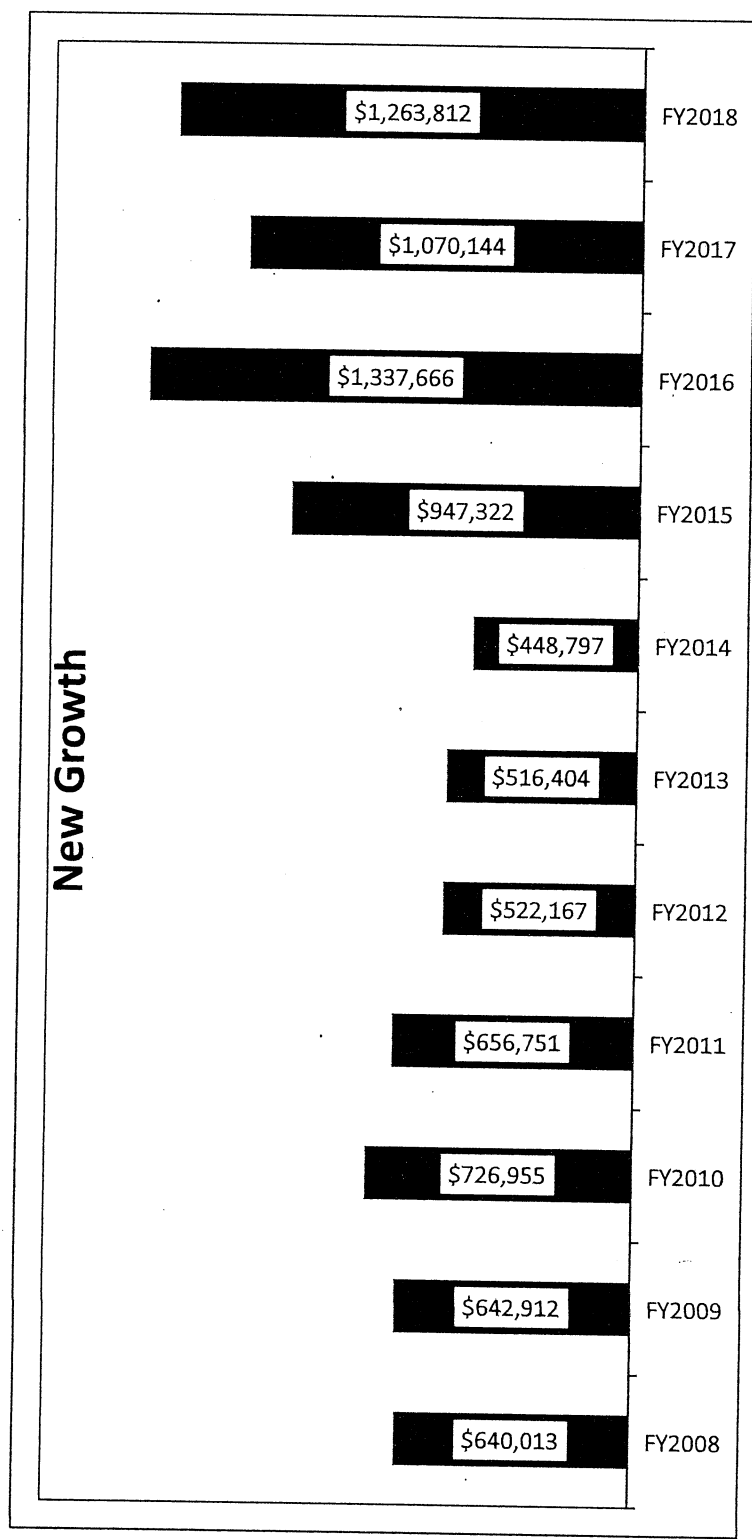
Ref 2

LOCAL RECEIPT SUMMARY
MATCH RECAP

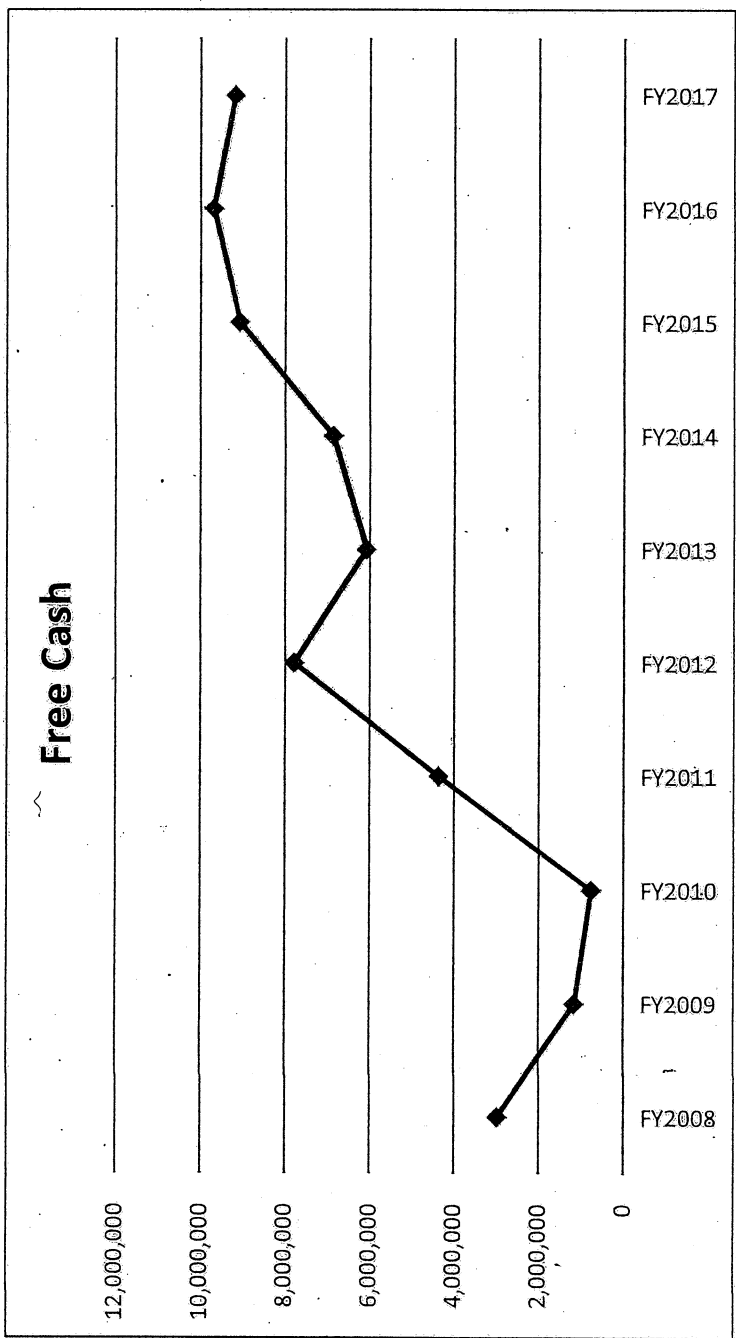
LOCAL RECEIPTS	FY 2010	FY 2009	FY 2008	9 yr avg	FY17 Bgt - 8 yr avg	5 yr avg	Budget - 5 yr avg	FY17 Bgt - Prev. Yr.	FY17 Bgt. v. Actual
Motor Vehicle Excise	\$3,757,148	\$3,775,638	\$3,958,991	\$4,175,016	(\$100,016)	\$4,436,981	(\$361,981)	(\$877,880)	\$700,678
Meals Tax	\$81,095	\$0	\$0	\$247,992	\$152,008	\$371,621	\$28,379	(\$9,308)	\$15,173
Hotel Tax	\$165,114	\$136,490	\$178,952	\$251,228	\$73,772	\$308,066	\$16,934	(\$38,125)	(\$21,061)
Penalty/Interest	\$267,528	\$172,006	\$186,194	\$297,065	\$57,935	\$341,804	\$13,196	(\$33,690)	(\$59,478)
PILOT	\$6,971	\$10,967	\$62,399	\$20,491	(\$2,491)	\$20,817	(\$2,817)	\$18,000	\$33,519
Departmental Fees	\$1,250,488	\$683,658	\$293,320	\$1,001,379	(\$66,379)	\$1,134,828	(\$199,828)	(\$69,517)	\$278,418
Rentals	\$791,046	\$783,599	\$790,996	\$743,679	(\$94,679)	\$718,839	(\$69,839)	(\$100,186)	(\$21,431)
School Medicare Reimb	\$135,451	\$209,034	\$242,175	\$200,690	(\$100,690)	\$193,042	(\$93,042)	(\$138,991)	\$231,647
Library Fines & Fees	\$65,863	\$63,432	\$53,057	\$55,213	(\$6,213)	\$51,662	(\$2,662)	(\$3,804)	(\$43)
Cemetery	\$267,675	\$308,350	\$300,730	\$288,063	(\$23,063)	\$282,747	(\$17,747)	\$2,175	\$13,075
Other Department Revenue	\$146,120	\$55,430	\$166,991	\$275,792	(\$75,792)	\$364,270	(\$164,270)	(\$130,415)	\$59,567
License & Permits	\$1,202,872	\$1,134,291	\$1,244,323	\$1,603,935	(\$98,935)	\$1,926,890	(\$421,890)	(\$619,973)	\$229,146
Special Assessments	\$1,410	\$1,872	\$1,659	\$871	(\$871)	\$579	(\$579)	(\$2,897)	(\$3,212)
Fines and Forfeitures	\$46,801	\$61,871	\$103,389	\$55,258	(\$25,258)	\$45,059	(\$15,059)	(\$248)	(\$1,393)
Investment Income	\$102,254	\$410,117	\$992,104	\$226,160	(\$161,160)	\$95,107	(\$30,107)	(\$77,329)	\$264,266
Medicaid Reimbursement									
Misc. Recurring									
Misc. Non-recurring									
Medicare D	\$362,941	\$327,937	\$55,430	\$168,192	(\$168,192)	\$77,212	(\$77,212)	\$0	\$0
TOTAL	\$8,650,777	\$8,134,692	\$8,630,710	\$9,512,686	(\$541,686)	\$10,192,515	(\$1,221,515)	(\$1,197,155)	\$1,718,873

Fiscal Year	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Total New Growth	\$640,013	\$642,912	\$726,955	\$656,751	\$522,167	\$657,203	\$1,393,953	\$1,255,293	\$1,337,666	\$1,070,144	\$1,263,812
Less Brigham's						(128,657)	(180,666)				
Less Symmes						(12,142)	(764,490)	(307,971)			
Adjusted Growth	\$640,013	\$642,912	\$726,955	\$656,751	\$522,167	\$516,404	\$448,797	\$947,322	\$1,337,666	\$1,070,144	\$1,263,812

10 Year Avg. \$750,913 \$813,293
 10 Year Median \$649,832 \$691,853



Free Cash	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Free Cash Balance	2,995,814	1,164,101	770,499	4,379,408	7,793,055	6,085,848	6,871,692	9,074,598	9,701,131	9,186,749
12 Year Average	4,528,206									
10 Year Average	4,528,206									
5 Year Average	6,840,920									
12 Year Median	4,008,491									
10 Year Median	4,008,491									
5 Year Median	6,871,692									
12 Year, drop high and low	5,369,831									



Structural Deficit

Revenues

Property Taxes	\$3,400,000
Local Receipts	\$100,000
State Aid	\$500,000
	<hr/>
	\$4,000,000

Expenses

General Ed	\$1,600,000
SPED	\$1,200,000
Enrollment	\$1,000,000
Town	\$1,000,000
Capital	\$500,000
Health Ins & Pensions	\$1,100,000
	<hr/>
	\$6,400,000
Structural Deficit	-\$2,400,000

Ref 6

Ref 6

	FY2014	FY2015	FY2016	FY2017	FY2018	
Overlay Actual	1019663	1534082	1746721	1202533	1156229	
Overlay Budget	-800000	-600000	-800000	-600000	-800000	
Residual	219663	934082	946721	602533	356229	\$ 611,846 Annual Excess - Five-year Average
						\$ 3,059,228 Overlay Excess/New Growth Reserve (Treated as part of long term reserves)
						\$ 5,354,648 Most recent Overlay reserve balance from S. Pooler
Proposal would be to increase overlay surplus appropriation to 600K						
From the current budgeted value of 200K						
400K of Structural/Stabilization Deficit addressed						
Free Cash - Forward looking estimates ca. 1,600K below current year value						
Additional 1600K of Structural/Stabilization Deficit addressed						

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
REVENUE						
A. State Aid	19,207,066	19,807,345	20,061,105	20,496,882	20,394,516	20,594,177
B. School Construction Aid	1,615,914	476,523	476,523	476,523		
C. Local Receipts	9,071,000	9,771,000	9,771,000	9,771,000	9,771,000	9,771,000
D. Free Cash	1,830,566	1,599,775	1,500,000	1,500,000	1,500,000	1,500,000
E. Overlay Reserve - Supplies	500,000	500,000	500,000	500,000	500,000	500,000
F. Property Tax	117,255,201	121,229,281	124,596,041	127,975,623	131,368,752	134,881,105
G. Override Stabilization Fund	152,499,744	159,176,255	168,026,710	174,592,479	166,334,268	170,146,282
TOTAL REVENUES	152,499,744	158,776,255	166,027,855	172,593,624	164,335,413	168,147,427
What If?						
		400,000	1,998,855	1,998,855	1,998,855	1,998,855
		2,898,761	6,583,186	10,137,341	14,068,764	17,150,572
		2,898,761	9,481,947	19,619,288	33,688,052	50,838,624
	23,353,303	20,454,542	13,871,356	3,734,015	(10,334,749)	(27,485,321)
		3,974,080	3,684,425	3,554,155	3,931,423	3,081,808
			3,966,760	3,379,582	3,393,129	3,512,353
	38,787,542	42,860,305	45,221,515	47,781,869	50,087,396	52,661,032
	20,037,415	21,440,034	22,940,836	24,546,695	26,264,964	28,103,511
	970,000	970,000	970,000	970,000	970,000	970,000
	1,133,528	831,980	944,542	611,750	792,828	665,584
	60,928,485	66,102,319	70,076,893	73,910,314	78,115,188	82,400,127
	4,291,333	4,996,724	5,109,509	5,288,342	5,473,494	5,665,004
	26,722,171	27,679,831	28,579,426	29,508,257	30,467,275	31,457,461
	10,314,386	10,518,852	10,860,715	11,213,688	11,578,133	11,954,422
	2,436,791	2,479,812	2,560,406	2,643,619	2,729,537	2,818,247
	34,599,766	35,718,871	36,879,735	38,078,326	39,315,871	40,593,636
	5,593,112	5,593,112	5,593,112	5,593,112	5,593,112	5,593,112
	3,175,427	1,998,973	1,871,604	1,781,204	1,191,079	1,159,032
	7,281,819	6,629,730	6,542,481	6,947,711	7,173,295	7,051,990
	3,941,928	2,695,027	2,676,735	2,419,060	2,225,544	2,213,383
	(2,875,349)	(907,166)	(361,629)	(317,138)	(387,057)	(351,743)
	11,523,825	10,356,564	10,729,191	10,830,837	10,202,861	10,072,662
	10,141,735	10,765,545	11,357,650	11,982,321	12,641,349	13,336,623
	17,239,561	17,907,486	19,032,346	20,154,991	21,378,213	22,643,575
	3,210,429	3,341,106	3,428,238	3,507,412	3,598,697	3,687,138
	1,156,229	800,000	800,000	800,000	800,000	800,000
	1,506,440	1,554,775	1,574,458	1,611,211	1,643,354	1,681,474
	748,338	771,250	773,225	771,950	767,450	100,000
	1,319,355	928,503	878,503	928,503	878,503	928,503
	211,136					
	152,499,744	158,776,255	166,027,855	173,257,319	180,403,032	187,296,854
				(663,695)	(16,067,619)	(19,149,427)
BALANCE						
Reserve Balances						
Free Cash	9,186,749	5,802,290	5,802,290	5,802,290		
Stabilization Fund	3,187,057	3,382,669	4,005,424			
Override Stabilization Fund	23,353,303	20,054,542				
Municipal Bldg. Ins. Trust Fund	757,006	779,716	852,017			
TOTAL:	36,484,115	30,019,217	10,659,730			
% of General Fund Revenue	23.9%	18.9%	6.5%			
APPROPRIATIONS						
A. Operating Budgets						
School						
General Education Costs						
Special Education Costs						
Kindergarten Fee Offset						
Growth Factor						
Net School Budget						
Minuteman: Operating and Capital						
Town						
Personnel Services						
Expenses						
Enterprise Fund/Other						
Net Town Budget						
MWRA Debt Shift						
Exempt Debt Service						
Non-Exempt Service						
Cash						
Offsets/Capital Carry Forward						
Total Capital						
Pensions						
Insurance						
State Assessments						
Overlay Reserve						
Reserve Fund						
Court Judgments/Symmes						
Warrant Articles						
Override Stabilization Fund						
TOTAL APPROPRIATIONS						
Free Cash						
Stabilization Fund						
Override Stabilization Fund						
Municipal Bldg. Ins. Trust Fund						
TOTAL:						
% of General Fund Revenue						

**** How to increase state aid?
 **** Local Receipts vs. Actuals?
 **** Increase to 4500K
 **** Increase to 600K

Revised Estimate
 Check vs. Original
 Revenue differential
 Override Stabilization Annual Usage
 Override Stabilization Cumulative
 Override Stabilization Balance
 3,562,953 Structural Deficit
 3,525,181 Annual Property tax increase
 Not including overlay reserve

**** Decrease MBTA Assessment
 **** Flat Rate 600K

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Baseline

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,027,855	172,593,581	164,335,413	168,147,427	172,051,893	175,440,716
Expenses	152,499,744	158,776,255	166,027,855	173,257,319	180,403,032	187,296,854	195,039,830	203,459,405
Balance: Surplus or (Deficit)	0	0	0	(663,738)	(16,067,619)	(19,149,427)	(22,987,937)	(26,018,689)
Stabilization Fund Balance	23,353,303	20,054,543	11,472,480	0	0	0	0	0
Stabilization Fund Use or (Deposit)		(3,298,760)	(8,582,063)	0	0	0	0	0
Override (Enter an Amount)								
Years before next override								
Avg. Single Family Tax Impact			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

2019 Scenarios (FY2020 impact)

A) Three Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,082,855	173,313,694	180,460,816	174,085,748	178,122,864	181,663,461
Expenses	152,499,744	158,776,255	166,082,855	173,313,694	180,460,816	187,356,083	195,100,539	203,521,633
Balance: Surplus or (Deficit)	0	0	0	0	0	(13,270,335)	(16,977,675)	(21,858,171)
Stabilization Fund Balance	23,353,303	20,054,543	16,917,480	10,362,387	15,422	0	0	0
Stabilization Fund Use or (Deposit)		(3,298,760)	(3,137,063)	(6,555,093)	(10,346,865)	0	0	0
Override (Enter an Amount)			5,500,000					
Years before next override			3					
Avg. Single Family Tax Impact			\$373.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

B) Four Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,175,792	173,346,802	180,494,751	187,390,867	181,696,345	185,317,910
Expenses	152,499,744	158,776,255	166,175,792	173,346,802	180,494,751	187,390,867	195,136,193	203,558,177
Balance: Surplus or (Deficit)	0	0	0	0	0	0	(13,439,848)	(18,240,267)
Stabilization Fund Balance	23,353,303	20,054,543	20,115,180	16,837,729	9,850,348	8,164	0	0
Stabilization Fund Use or (Deposit)		(3,298,760)	60,637	(3,277,451)	(6,987,381)	(9,842,183)	0	0
Override (Enter an Amount)			3,730,000					
Years before next override			4					
Avg. Single Family Tax Impact			\$592.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

C) Five Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	168,760,792	173,373,298	180,521,910	187,418,704	195,164,726	188,254,481
Expenses	152,499,744	158,776,255	168,760,792	173,373,298	180,521,910	187,418,704	195,164,726	203,587,424
Balance: Surplus or (Deficit)	0	0	0	0	0	0	0	(15,332,943)
Stabilization Fund Balance	23,353,303	20,054,543	22,674,330	22,020,008	17,721,333	10,635,073	11,882	0
Stabilization Fund Use or (Deposit)		(3,298,760)	2,619,787	(654,322)	(4,298,675)	(7,086,260)	(10,623,191)	0
Override (Enter an Amount)			11,395,000					
Years before next override			5					
Avg. Single Family Tax Impact			\$767.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

2020 Scenarios (FY2021 impact)

D) Three Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,027,855	173,375,319	180,523,982	187,420,828	184,807,869	188,465,708
Expenses	152,499,744	158,776,255	166,027,855	173,375,319	180,523,982	187,420,828	195,166,903	203,589,655
Balance: Surplus or (Deficit)	0	0	0	0	0	0	(10,359,033)	(15,123,947)
Stabilization Fund Balance	23,353,303	20,054,543	11,472,480	11,018,262	6,924,693	48,667	0	0
Stabilization Fund Use or (Deposit)		(3,298,760)	(8,582,063)	(454,218)	(4,093,569)	(6,876,026)	0	0
Override (Enter an Amount)				11,800,000				
Years before next override				3				
Avg. Single Family Tax Impact			\$0.00	\$800.76	\$0.00	\$0.00	\$0.00	\$0.00

E) Four Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,027,855	175,471,101	180,550,119	187,447,619	195,194,364	191,404,419
Expenses	152,499,744	158,776,255	166,027,855	175,471,101	180,550,119	187,447,619	195,194,364	203,617,802
Balance: Surplus or (Deficit)	0	0	0	0	0	0	0	(12,213,383)
Stabilization Fund Balance	23,353,303	20,054,543	11,472,480	13,542,762	12,036,805	7,813,082	123,990	0
Stabilization Fund Use or (Deposit)		(3,298,760)	(8,582,063)	2,070,282	(1,505,956)	(4,223,724)	(7,689,091)	0
Override (Enter an Amount)				14,850,000				
Years before next override				4				
Avg. Single Family Tax Impact			\$0.00	\$973.81	\$0.00	\$0.00	\$0.00	\$0.00

F) Five Year Override

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	152,499,744	158,776,255	166,027,855	177,821,101	181,452,913	187,472,309	195,219,671	203,643,742
Expenses	152,499,744	158,776,255	166,027,855	177,821,101	181,452,913	187,472,309	195,219,671	203,643,742
Balance: Surplus or (Deficit)	0	0	0	0	0	0	0	0
Stabilization Fund Balance	23,353,303	20,054,543	11,472,480	15,869,262	16,747,968	14,968,524	9,784,819	15,468
Stabilization Fund Use or (Deposit)		(3,298,760)	(8,582,063)	4,396,782	878,706	(1,779,444)	(5,183,704)	(9,769,351)
Override (Enter an Amount)				16,700,000				
Years before next override				5				
Avg. Single Family Tax Impact			\$0.00	\$1,133.28	\$0.00	\$0.00	\$0.00	\$0.00

Estimated High School Debt Impacts

High School Debt Impact on Average Single Family Home Tax Bill				
Estimated Cost		\$100,000,000	\$125,000,000	\$150,000,000
Annual Debt Service		\$5,783,010	\$7,228,762	\$8,674,515
Impact		\$392.44	\$490.55	\$588.66