

# **Town of Arlington Notice of Meeting**

In accordance with the provisions of Massachusetts General Laws, Chapter 39, Section 23B, notice is hereby given of a meeting of the:

# **Finance Committee**

Wednesday, June 16, 2021 7:30 p.m. Conducted by Remote Participation

Charlie Foskett is inviting you to a scheduled Zoom meeting.

Topic: Finance Committee Meeting

Time: June 16, 2021 07:30 PM Eastern Time (US and Canada)

Register in advance for this meeting:

https://town-arlington-ma-us.zoom.us/meeting/register/tJcrc-2upzIoGtLrT9fCPX5ZiV4EWEpPjZtC

After registering, you will receive a confirmation email containing information about joining the meeting.

#### **AGENDA**

- 1. Working Group reports
- 2. Discussion of Finance Committee strategy regarding long-term financial planning

Members of the public are asked to send written comments to: ediggins@town.arlington.ma.us

Documents regarding agenda items will be made available via the Town's website.

https://www.mass.gov/doc/open-meeting-law-order-march-12- 2020/download

By Charlie Foskett, Chairman Finance Committee

# **Town of Arlington assets**

This is an extremely crude, initial guess at town assets. The current value is replacement value. The exp

<u>Asset</u>	Current valu	ıe (\$ millions)	Expected life (years)
Schools			
High school (future)	\$	300	50
Ottoson	\$ \$ \$ \$ \$	50	50
Gibbs	\$	50	50
7 elementatry schools	\$	210	50
School equipment	\$	15	5 to 10
School subtotal	\$	625	
Town			
Town hall	\$	50	50
Libraries	\$	50	50
DPW building	\$	40	50
Fire stations	\$ \$ \$ \$ \$	30	50
Community safety	\$	30	50
Senior center, Robbins House	\$	20	50
Parmenter, Mt Gilboa, etc		5	50
Town equipment (fire, police, DPW, etc.)	\$ \$ \$	10	5 to 10
Vehicles (200?)	\$	5	5 to 10
Town subtotal	\$	240	
Resources			
Streets (100 miles)	\$	25	25
Trees (10,000)	\$	10	75
Playground, park eqpt	\$ \$ \$	5	20
Resources subtotal	\$	40	
Town total	\$	905	

Land values excluded

ected life is the time to major renovation or replacement.

# **Expected town share of replacement/renovation Other revenue source**

60% School building program 60% School building program 60% School building program 60% School building program 100%

> 80% State aid? 100% 100% CPA funds?

#### Base case: annual cost increase of 5%, annual revenue increase 2.5%

	<u>FY23</u>	FY24	FY25	FY26	FY27	FY28	FY29
Appropriations	193	201	210	220	230	240	250
Revenue	181	187	191	195	200	205	234
Existing override fund	10	8					
New override		6	19	25	30	35	16

#### Reduction of \$2 million in annual cost increase

	<u>FY23</u>	FY24	FY25	FY26	FY27	FY28	FY29
Appropriations	191	197	204	212	220	228	236
Revenue	181	187	191	195	200	205	226
Existing override fund	10	8					
New override		2	13	17	20	23	10

#### Reduction of \$4 million in annual cost increase

	FY23	FY24	FY25	FY26	FY27	FY28	FY29
Appropriations	189	193	198	204	210	216	222
Revenue	181	187	191	195	200	205	217
Existing override fund	8	6	4				
New override			3	9	10	11	5

FY23-FY26 numbers are from the April 2021 version of the long range plan. All amounts are in \$ millions FY27 and beyond estimates are simple projections past the end of the current long range plan Revenues are growing at 2.5% per year in this spreadsheet, based on simple projection beyond FY27. (Reversite move the FY24 override revenues into the base revenue in FY29. Starting with FY29, the 'new override's It seems reasonable to state that it was difficult to reduce costs in FY22 due to COVID-schools, DPW building

- -- However, it seems necessary to now address the budget issues for FY23 and beyond Reductions in FY23 and beyond may need a flexible formula between town and schools:
- --If school enrollment continues to increase, both town and school budgets may be highly stressed
- --If school enrollment levels off or declines, school budgets must reflect those changes. Town and school bu If revenues increase, budgets can increase

Real estate transfer tax, trash fee and other new revenue sources may need to be considered in addition to LRPC may wish to consider setting a budget cap for a number of years, perhaps for the period of the next of Further analysis can be done by the IT/analytics group, the operations research group, or should it be done The combination of school enrollment growth and spending down a \$20 million override reserve fund in 5 y. The town has seen scope creep in what it does. It may need a mission statement that defines its role. Some We might ask the town and school to prepare a set of budgets with 12% cuts this year, which approximate in my opinion, a \$15-16 million override is the largest that has a chance of passing in FY24. \$12 million wou In my opinion, overrides more frequently than every 5 years will be politically difficult. Also, a large overrid

	FY30	<u>FY31</u>	FY32	FY33	<u>Note</u>
	260	27	28	) 29	O Approximately 5% per year: annual increase of \$9 million
	239	24	4 24	9 25	4 Excludes override stabilization funds. Adds FY24 override
1	21	. 2	5 3	1 3	FY24 override amount \$23 million for 5 years (\$115M/5)
					FY29 override \$26 million for 5 years (FY29-FY33)

FY30	<u>FY31</u>	FY32	<u>FY33</u>	<u>Note</u>
	244	252	260	268 Approximately 4% per year: annual increase of \$7 million
	231	236	241	246 Excludes override stabilization funds. Adds smaller FY24 (
	13	16	19	22 FY24 override amount \$15 million for 5 years (\$75M/5)
				FY29 override \$16 million for 5 years (FY29-FY33)

FY30	FY31	FY32	<u>FY33</u>	<u>Note</u>
	228	234	240	246 Approximately 3% per year: annual increase of \$5 million
	222	227	232	237 Excludes override stabilization funds. Adds smaller FY24 $\ensuremath{\omega}$
	6	7	8	9 FY24 override amount \$6.5 million for 5 years (\$33M/5),
				FY29 override \$7 million for 5 years (FY29-FY33)

nues include debt exclusion revenues; they can be split out if needed.) amounts are from the FY29 override only.

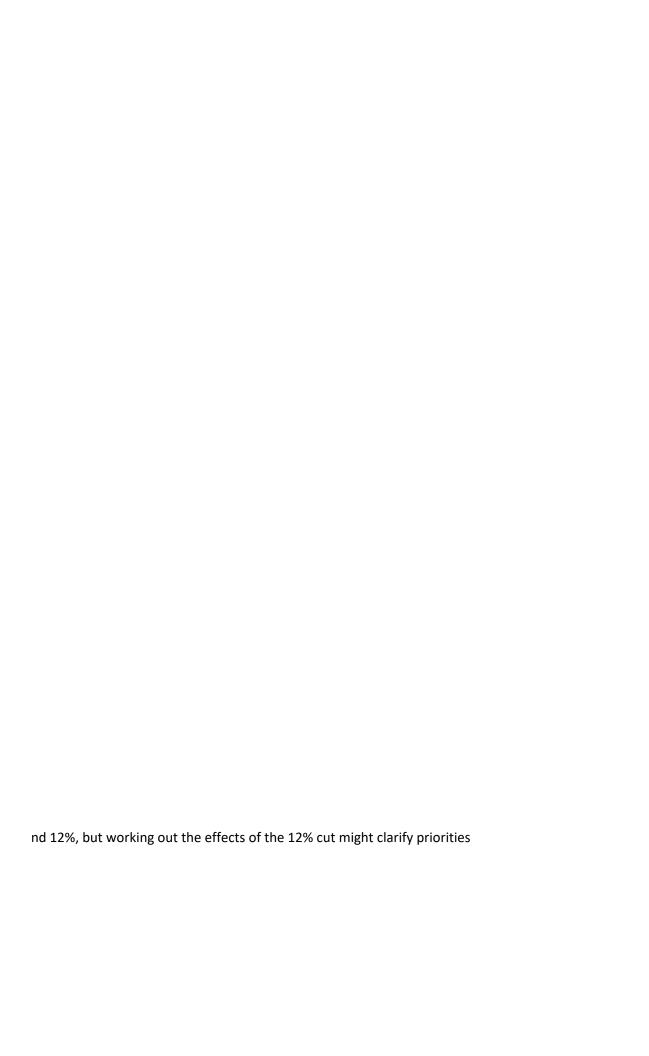
g, others, so the town didn't push for corrections during the pandemic.

idgets will still be stressed, but by a lesser amount.

#### overrides

verride (5 years?). Town and schools would prepare budgets within these caps, and would have to live verby Sandy and the Town Manager's office?

rears has perhaps pushed us into a strong structural imbalance between expenses and revenues initiatives may need to be made contingent on the state or Feds funding them; the town can't do ever what would happen if the FY24 override fails. Actual budget changes will be somewhere between 0% and the better odds. If some Rescue Plan or other funds are obtained that can reduce the override amount e may motivate the creation of an organized opposition group, which we've never really had. This could



Finance Committee Possible analytics May 23, 2021

This is a list of possible analysis (and process change) topics that the Finance Committee IT/analytics subcommittee, or other subcommittees, could work on in the coming years.

- 1. Scenario analysis for long range planning
  - a. Develop a spreadsheet to look at alternative scenarios. Possibly build on Sandy's, or Sandy's may be good enough.
  - b. This may have a similar level of detail as the current long range planning spreadsheet.
- 2. School enrollment, costs over the last 10 years or more, and projected 5-10 years into the future
  - a. Analyze change due to size of student body, versus unit cost per student. Break out enrollment and spending by special and general education
  - b. Analyze issues with special education
  - c. Dean Carman did much of this analysis and presented it this year. We should have the data in SharePoint or similar, and be able to update it and analyze it each year
  - d. We should document the school portion of health insurance, pension, OPEB and other shared costs, so that we (the committee) understand them, and so we can understand how these costs will change as school staffing changes.

#### 3. Town capital assets

- a. I think it's possible that the town has, or will have, close to \$1 billion in assets. This level of assets, whatever it is, dictates capital and operating spending so that the assets are maintained in a good state or repair.
  - i. See TownCapital.xlsx for a very rough first cut
  - ii. We could ask the facilities department to improve this, and we should keep it up to date.
- b. Track assets and their growth. This impacts future capital budgets, which must maintain this capital stock

#### 4. Debt exclusion planning

- a. With 10 schools, and perhaps 10 other significant town buildings, a significant rebuilding or renovation, assuming a 50 year interval, occurs somewhat regularly
- b. Estimate the costs, based on the capital assets analysis above
- c. Coordinate debt exclusions with overrides, as a policy/general framework. Should debt exclusions and overrides be spaced far apart, or otherwise coordinated?
- d. Create a master debt exclusion and override planning worksheet
- 5. Overhead rate for town employees.
  - a. Understand the true cost of hiring an employee
  - b. Possibly use in grant applications
  - c. Possibly use to assess whether employee obtains enough revenue to cover a position

- 6. Perform analysis of staffing evolution over time.
  - a. Establish a process to assess staffing changes before filling a vacancy
  - b. Instead of almost always filling vacancies in kind, have a plan to transition to a more efficient or effective organization over time
  - c. Create a written plan for each department and, as needed, across departments for activities that can be shared or provided centrally with more efficiency
  - d. Compare current town and school staffing to 2005, for example. Look at growth or shrinkage. Use the comparison to examine options.

#### 7. Overhead expenses. This needs more definition, but an example is:

- a. Accounts receivable/payments. It appears these functions occur in many places.
  - i. Identify all of these positions, and find their total cost.
  - ii. Can we consolidate or coordinate to make this more effective?

#### 8. List of all special purpose funds held in the town

- a. This is not analytics, but it's baseline information for FinCom members. If it already exists in the CAFR, we can point to it. It might be good to have this as a resource on the FinCom SharePoint.
- b. It would be useful to have a full list, with balances, purposes, typical revenues in and expenses out, for all funds. It seems to be a long list. Does the planning for their use need to be improved?

#### 9. Free cash

- a. This is not analytics either, but it's baseline information for FinCom.
- b. What are the sources of free cash each year? (Again, if this is in the CAFR, we can point to it and, again, it would be good to have this as a resource on the FinCom SharePoint site.)
- c. Has this changed over time?
- d. If we get more efficient, will free cash go down? Is that good, or does that remove a buffer that we implicitly use?

#### 10. School budget formula and limit

a. Do we need a spreadsheet to examine different school budget funding formulas for special versus general education, marginal expense increases per student, etc.

#### 11. Budget analysis improvements

- a. It would be good for the budget spreadsheets to be structured so that their data can be put into a database with all employees, salaries and expenses by department, as well as all revenues, etc.
- b. I took an initial pass at the current spreadsheets, and it's difficult.
  - i. The master budget spreadsheet has a lot of formatting lines, blank lines, etc. and it's hard to tie each row to a department and budget type.
  - ii. The salary spreadsheets are in different formats. Police, fire and others are different.

c. This could be discussed with Alan, Annie, Sandy and others. I don't think the changes would be major, but having the data go into a database would make all sorts of queries possible.

#### 12. Consultant.

- a. This is not a FinCom activity, but it may be important to have an impartial (as much as possible), experienced review of town functions to identify possible efficiencies and changes.
- b. Hire consultant (does MMA do something like this?) to examine town operations and assess how to bring costs to grow only at inflation, if possible. Review practices compared to best practices in other towns.
- c. A FinCom subcommittee could do this, but it would be quite time-consuming and, because we're inside the town, objectivity would be questioned. Although it's expensive and often absurd to bring in some high-falootin' consultant, it is sometimes the only (or best) way to get to these issues.

# Long Range Financial Projection May 25, 2021

Ī			Dollar	Percent		Dollar	Percent		Dollar	Percent		Dollar	Percent		Dollar	Percent
	FY 2021	FY 2022	Change	Change	FY 2023	Change	Change	FY 2024	Change	Change	FY 2025	Change	Change	FY 2026	Change	Change
I REVENUE			- J	Ü					Ŭ			Ţ.	Ţ.			
A. State Aid	23,136,038	23,535,523	399,485	1.73%	23,766,314	230,791	0.98%	23,999,413	233,099	0.98%	24,234,843	235,430	1.0%	24,472,628	237,785	1.0%
School Construction Aid	476,523	0	(476,523)	-100.00%	0	0	0.00%	0	0	0.00%	0	0	0.0%	0	0	0.0%
B. Local Receipts	7,906,301	8,873,350	967,049	12.23%	9,225,900	352,550	3.97%	9,578,450	352,550	3.82%	9,703,450	125,000	1.3%	9,803,450	100,000	1.0%
C. Free Cash	5,901,388	5,659,184	(242,204)	-4.10%	4,366,659	(1,292,525)	-22.84%	4,366,659	0	0.00%	4,366,659	0	0.0%	4,366,659	0	0.0%
D. Overlay Reserve Surplus	400,000	400,000	Ó	0.00%	400,000	0	0.00%	400,000	0	0.00%	200,000	(200,000)	-50.0%	200,000	0	0.0%
E Property Tax	138,199,500	142,742,625	4,543,125	3.29%	144,662,199	1,919,574	1.34%	148,472,153	3,809,954	2.63%	152,319,918	3,847,765	2.6%	156,237,824	3,917,906	2.6%
F Override Stabilization Fund	2,024,197	6,244,507	4,220,310	208.49%	10,402,122	4,157,615	0.00%	7,622,223	(2,779,899)	-26.72%	0	(7,622,223)	-100.0%	0	0	-
TOTAL REVENUES II APPROPRIATIONS	178,043,947	187,455,189	9,411,242	5.29%	192,823,194	5,368,005	2.86%	194,438,898	1,615,704	0.84%	190,824,870	(3,614,028)	-1.9%	195,080,561	4,255,691	2.2%
A. School Additions	140,000	1,030,000	890,000	635.71%	1,030,000	0	0.00%									
General Education Costs	50,183,324	52,809,670	2,626,346	5.23%	55.724.058	2,914,388	5.52%	59.095.559	3,371,501	6.05%	61.942.120	2.846.561	4.8%	64,722,090	2,779,970	4.5%
Special Education Costs	24,546,695	26,264,964	1,718,269	7.00%	28,103,511	1,838,547	7.00%	30,070,757	1,967,246	7.00%	32,175,710	2,104,953	7.0%	34,428,010	2,252,300	7.0%
Growth Factor	700.512	0	(700,512)	-100.00%	343.100	343,100	7.0070	751.900	408,800	119.15%	591,300	(160.600)	-21.4%	766.500	175,200	29.6%
Net School Budget	75,570,531	80,104,634	3,644,103	6.00%	85.200.669	5,096,035	6.36%	89,918,216	4,717,547	5.54%	94,709,130	4,790,914	5.3%	99,916,600	5,207,470	5.5%
Minuteman: Operating and Capital	4,834,357	5.184.492	350,135	7.24%	5,365,949	181,457	3.50%	5,553,757	187,808	3.50%	5,748,138	194,381	3.5%	5,949,323	201,185	3.5%
Minuteman Exempt Capital	1.279.014	1.610.964	331,950	25.95%	1.610.964	0	0.00%	1.610.964	0	0.00%	1.610.964	0	0.0%	1.610.964	201,100	0.0%
Town Personnel Services	29,203,669	30,245,340	1.041.671	3.57%	31,228,314	982.974	3.25%	32,243,234	1,014,920	3.25%	33,291,139	1,047,905	3.2%	34,373,101	1,081,962	3.2%
Town Expenses	11,312,375	11,509,810	197,435	1.75%	11,883,879	374,069	3.25%	12,270,105	386,226	3.25%	12,668,883	398,778	3.2%	13,080,622	411.739	3.3%
Enterprise Fund/Other	2.642.197	2.916.046	273,849	10.36%	3.010.817	94,771	3.25%	3.108.669	97.852	3.25%	3.209.701	101.032	3.3%	3.314.016	104.315	3.2%
Net Town Budget	37,873,847	38,839,104	965,257	2.55%	40,101,376	1,262,272	3.25%	41,404,670	1,303,294	3.25%	42,750,321	1,345,651	3.2%	44,139,707	1,389,386	3.3%
MWRA Debt Shift					40,101,376			41,404,670			42,750,321				1,389,380	
	3,691,454	1,845,727	(1,845,727)	-50.00%	Ü	(1,845,727)	-100.00%	U	0	0.00%	U	0	0.0%	0	U	0.0%
B. Capital budget	0.040.404	0 000 504		05.4704	0.500.000	(00.000)	4.4507	0.400.400	(404 577)	4 4004	0.070.054	(444 ===)	4 004	0.000.454	(00.007)	4 404
Exempt Debt Service	6,942,104	8,689,591	1,747,487	25.17%	8,589,983	(99,608)	-1.15%	8,488,406	(101,577)	-1.18%	8,376,851	(111,555)	-1.3%	8,286,454	(90,397)	-1.1%
Non-Exempt Service	6,573,279	7,117,439	544,160	8.28%	7,304,897	187,458	2.63%	7,158,508	(146,389)	-2.00%	6,824,795	(333,713)	-4.7%	7,269,379	444,584	6.5%
Cash	4,329,512	3,959,297	(370,215)	-8.55%	2,953,369	(1,005,928)	-25.41%	3,566,859	613,490	20.77%	4,439,241	872,382	24.5%	4,401,723	(37,518)	-0.8%
Offsets/Capital Carry Forward	(1,591,567)	(1,692,329)	(100,762)	6.33%	(389,015)	1,303,314	-77.01%	(441,086)	(52,071)	13.39%	(499,637)	(58,551)	13.3%	(442,021)	57,616	-11.5%
Total Capital	16,253,328	18,073,998	1,820,670	11.20%	18,459,234	385,236	2.13%	18,772,687	313,453	1.70%	19,141,250	368,563	2.0%	19,515,535	374,285	2.0%
C. Pensions	11,921,239	12,635,573	714,334	5.99%	13,393,707	758,134	6.00%	14,197,329	803,622	6.00%	15,049,169	851,840	6.0%	15,952,119	902,950	6.0%
D. Insurance	18,858,788	20,212,725	1,353,937	7.18%	21,345,739	1,133,014	5.61%	22,628,857	1,283,118	6.01%	23,948,708	1,319,851	5.8%	25,169,067	1,220,359	5.1%
E. State Assessments	3,555,261	3,712,011	156,750	4.41%	3,802,934	90,923	2.45%	3,896,130	93,196	2.45%	3,991,655	95,525	2.5%	4,089,569	97,914	2.5%
G. Overlay Reserve	961,455	600,000	(361,455)	-37.59%	600,000	0	0.00%	600,000	0	0.00%	800,000	200,000	33.3%	600,000	(200,000)	-25.0%
H. Reserve Fund	1,556,724	2,814,200	1,257,476	80.78%	1,738,311	(1,075,889)	-38.23%	1,783,283	44,972	2.59%	1,824,480	41,197	2.3%	1,867,941	43,461	2.4%
Court Judgments/Symmes	671,950	767,450	95,500	14.21%	100,000	(667,450)	-86.97%	100,000	0	0.00%	100,000	0	0.0%	100,000	0	0.0%
J. Warrant Articles	1,015,999	1,054,311	38,312	3.77%	1,104,311	50,000	4.74%	1,054,311	(50,000)	-4.53%	1,004,311	(50,000)	-4.7%	954,311	(50,000)	-5.0%
K. Override Stabilization Fund	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.0%	0	0	0.0%
L TOTAL APPROPRIATIONS	178,043,947 0	187,455,189	9,411,242	5.29%	192,823,194	5,368,005	2.86%	201,520,204	8,697,010	4.51%	210,678,126	9,157,922	4.5%	219,865,136	9,187,010	4.4%
BALANCE	•	Ü			0.700.040			(7,081,306)			(19,853,256)			(24,784,575)		
Free Cash	11,318,368	8,733,319			8,733,319			8,733,319			8,733,319			8,733,319		
Stabilization Fund	3,683,965	3,857,644			4,034,797			4,215,493			4,399,802			4,587,799		
Override Stabilization Fund	24,268,852	18,024,345			7,622,223			0			0			0		
Municipal Bldg. Ins. Trust Fund	751,724	774,276			797,504			821,430			846,072			871,455		
TOTAL:	40,022,909	31,389,584			21,187,843			13,770,241			13,979,194			14,192,572		
% of General Fund Revenue	22.5%	16.7%			11.0%			7.1%			7.3%			7.3%		
			The plan					enditures from	the Commur	nity Preser	vation Act					
				Projecte	ed School Enr	ollment Grov	vth FY 202									
[ <u>.</u>	FY 2021**	FY 2022*			FY 2023*			FY 2024*			FY 2025*			FY 2026*		
Actual/Proj. Annual Growth	96	0			47			103			81			105		

\*\* Actual Growth - FY17 50% PPC of \$1,433 = \$7,166 X EG

\* Projected Growth - FY2022 through FY2026 Based on 50% of FY19 DESE Per Pupil Cost of \$14,601 = \$7,300 X Enrollment Growth

ī			Dollar	Percent		Dollar	Percent		Dollar	Percent		Dollar	Percent		Dollar	Percent
	FY 2021	FY 2022	Change	Change	FY 2023	Change	Change	FY 2024	Change	Change	FY 2025	Change	Change	FY 2026	Change	Change
I REVENUE	-	-														
A. State Aid	23,136,038	23,535,523	399,485	1.73%	24,355,958	820,435	3.49%	25,059,299	703,341	2.89%	25,627,274	567,975	2.3%	26,044,785	417,511	1.6%
School Construction Aid	476,523	8,000,000	7,523,477	1578.83%	4,000,000	(4,000,000)	0.00%	2,000,000	(2,000,000)	0.00%	0	(2,000,000)	0.0%	0	0	0.0%
B. Local Receipts	7,906,301	8,873,350	967,049	12.23%	9,225,900	352,550	3.97%	9,578,450	352,550	3.82%	9,703,450	125,000	1.3%	9,803,450	100,000	1.0%
C. Free Cash	5,901,388	5,659,184	(242,204)	-4.10%	4,366,659	(1,292,525)	-22.84%	4,366,659	0	0.00%	4,366,659	0	0.0%	4,366,659	0	0.0%
D. Overlay Reserve Surplus	400,000	400,000	Ó	0.00%	400,000	0	0.00%	400,000	0	0.00%	200,000	(200,000)	-50.0%	200,000	0	0.0%
E Property Tax	138,199,500	142,742,625	4,543,125	3.29%	144,662,199	1,919,574	1.34%	148,472,153	3,809,954	2.63%	152,319,918	3,847,765	2.6%	156,237,824	3,917,906	2.6%
F Override Stabilization Fund	2,024,197	0	(2,024,197)	-100.00%	5,858,374	5,858,374	0.00%	11,674,242	5,815,868	99.27%	8,491,729	(3,182,513)	-27.3%	0	(8,491,729)	-
TOTAL REVENUES	178,043,947	189,210,682	11,166,735	6.27%	192,869,090	3,658,408	1.93%	201,550,803	8,681,713	4.50%	200,709,030	(841,773)	-0.4%	196,652,718	(4,056,312)	-2.0%
II APPROPRIATIONS																
A. School Additions	140,000	1,030,000	890,000	635.71%	1,030,000	0	0.00%									
General Education Costs	50,183,324	52,809,670	2,626,346	5.23%	55,724,058	2,914,388	5.52%	59,095,559	3,371,501	6.05%	61,942,120	2,846,561	4.8%	64,722,090	2,779,970	4.5%
Special Education Costs	24,546,695	26,264,964	1,718,269	7.00%	28,103,511	1,838,547	7.00%	30,070,757	1,967,246	7.00%	32,175,710	2,104,953	7.0%	34,428,010	2,252,300	7.0%
Growth Factor	700,512	0	(700,512)	-100.00%	343,100	343,100	-	751,900	408,800	119.15%	591,300	(160,600)	-21.4%	766,500	175,200	29.6%
Net School Budget	75,570,531	80,104,634	3,644,103	6.00%	85,200,669	5,096,035	6.36%	89,918,216	4,717,547	5.54%	94,709,130	4,790,914	5.3%	99,916,600	5,207,470	5.5%
Minuteman: Operating and Capital	4,834,357	5,184,492	350,135	7.24%	5,365,949	181,457	3.50%	5,553,757	187,808	3.50%	5,748,138	194,381	3.5%	5,949,323	201,185	3.5%
Minuteman Exempt Capital	1,279,014	1,610,964	331,950	25.95%	1,610,964	0	0.00%	1,610,964	0	0.00%	1,610,964	0	0.0%	1,610,964	0	0.0%
Town Personnel Services	29,203,669	30,245,340	1,041,671	3.57%	31,228,314	982,974	3.25%	32,243,234	1,014,920	3.25%	33,291,139	1,047,905	3.2%	34,373,101	1,081,962	3.2%
Town Expenses	11,312,375	11,509,810	197,435	1.75%	11,883,879	374,069	3.25%	12,270,105	386,226	3.25%	12,668,883	398,778	3.2%	13,080,622	411,739	3.3%
Enterprise Fund/Other	2,642,197	2,916,046	273,849	10.36%	3,010,817	94,771	3.25%	3,108,669	97,852	3.25%	3,209,701	101,032	3.3%	3,314,016	104,315	3.2%
Net Town Budget	37,873,847	38,839,104	965,257	2.55%	40,101,376	1,262,272	3.25%	41,404,670	1,303,294	3.25%	42,750,321	1,345,651	3.2%	44,139,707	1,389,386	3.3%
MWRA Debt Shift	3.691.454	1.845.727	(1,845,727)	-50.00%	0	(1,845,727)	-100.00%	0	0	0.00%	0	0	0.0%	0	0	0.0%
B. Capital budget	, , , ,	,,	( )/ /			( )/		-								
Exempt Debt Service	6.942.104	8.689.591	1.747.487	25.17%	8.589.983	(99,608)	-1.15%	8,488,406	(101,577)	-1.18%	8.376.851	(111.555)	-1.3%	8.286.454	(90,397)	-1.1%
Non-Exempt Service	6,573,279	7.117.439	544.160	8.28%	7,304,897	187.458	2.63%	7,158,508	(146,389)	-2.00%	6.824.795	(333,713)	-4.7%	7.269.379	444.584	6.5%
Cash	4,329,512	3.959.297	(370,215)	-8.55%	2,953,369	(1,005,928)	-25.41%	3.566.859	613,490	20.77%	4.439.241	872.382	24.5%	4.401.723	(37,518)	-0.8%
Offsets/Capital Carry Forward	(1.591.567)	(1.692.329)	(100,762)	6.33%	(389.015)	1,303,314	-77.01%	(441.086)	(52,071)	13.39%	(499.637)	(58,551)	13.3%	(442.021)	57,616	-11.5%
Total Capital	16,253,328	18,073,998	1.820.670	11,20%	18.459.234	385,236	2.13%	18,772,687	313,453	1.70%	19,141,250	368,563	2.0%	19,515,535	374,285	2.0%
C. Pensions	11,921,239	12,635,573	714,334	5.99%	13,393,707	758.134	6.00%	14,197,329	803,622	6.00%	15,049,169	851.840	6.0%	15,952,119	902,950	6.0%
D. Insurance	18.858.788	20.212.725	1.353.937	7.18%	21.345.739	1.133.014	5.61%	22.628.857	1,283,118	6.01%	23.948.708	1.319.851	5.8%	25.382.359	1.433.651	6.0%
E. State Assessments	3,555,261	3,712,011	156,750	4.41%	3,802,934	90,923	2.45%	3,896,130	93,196	2.45%	3,991,655	95,525	2.5%	4,089,569	97,914	2.5%
G. Overlay Reserve	961.455	600.000	(361,455)	-37.59%	600.000	0	0.00%	600,000	0	0.00%	800.000	200.000	33.3%	600.000	(200,000)	-25.0%
H. Reserve Fund	1,556,724	2,814,200	1,257,476	80.78%	1,784,207	(1.029,993)	-36.60%	1,813,882	29,675	1.66%	1,838,405	24,523	1.4%	1,883,663	45,258	2.5%
I. Court Judgments/Symmes	671,950	767,450	95.500	14.21%	100,000	(667,450)	-86.97%	100,000	0	0.00%	100,000	0	0.0%	100,000	0	0.0%
J. Warrant Articles	1,015,999	1,054,311	38,312	3.77%	1,104,311	50,000	4.74%	1,054,311	(50,000)	-4.53%	1,004,311	(50,000)	-4.7%	954,311	(50,000)	-5.0%
K. Override Stabilization Fund	0	1,755,493	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.0%	0	0	0.0%
L TOTAL APPROPRIATIONS	178.043.947	189,210,682	11,166,735	6.27%	192,869,090	3,658,408	1.93%	201,550,803	8,681,713	4.50%	210,692,051	9,141,248	4.5%	220,094,150	9,402,099	4.5%
BALANCE	0	0	71,100,700	0.2170	0	0,000,400	1.00%	0	0,001,770	4.0070	(9,983,021)	0,141,240	4.070	(23,441,432)	0,102,000	4.070
Free Cash	11,318,368	8,733,319			8,733,319			8,733,319			8,733,319			8,733,319		
Stabilization Fund	3,683,965	3,857,644			4,034,797			4,215,493			4,399,802			4,587,799		
Override Stabilization Fund	24,268,852	26,024,345			20,165,971			8,491,729			0			0		
Municipal Bldg. Ins. Trust Fund	751,724	774,276			797,504			821.430			846,072			871,455		
TOTAL:	40.022.909	39,389,584			33,731,591			22,261,970			13.979.194			14.192.572		
% of General Fund Revenue	22.5%	20.8%			17.5%			11.0%			7.0%			7.2%		
			The plan	does not in		ected reven	ues or evne	enditures from	the Commun	ity Dracar						
			The plan		,,,,				the Commu	illy Fiesei	Valion Act					
	FY 2021**	FY 2022*		Frojecte	ed School Enr FY 2023*	OIIIIEIIL Grov	wui F Y 202	FY 2025			FY 2025*			FY 2026*		1
Actual/ <i>Proj</i> . Annual Growth		FY 2022"														
-	96	U			47			103			81			105		
** Actual Growth - FY17 50% PF	. ,					7 000 1/ 5		41-								
* Projected Growth - FY2022 through	gn ⊢ Y2026 Bas	sed on 50% of F	19 DESE P	er Pupil Cost	or \$14,601 = \$	ィ,300 X Enro	ument Grow	ın								

	FY 2021	FY 2022	Dollar	Percent	FY 2023	Dollar	Percent Change	FY 2024	Dollar	Percent	FY 2025	Dollar	Percent	FY 2026	Dollar	Percent
I REVENUE	F1 2021	F1 2022	Change	Change	F1 2023	Change	Change	F1 2024	Change	Change	F1 2025	Change	Change	F1 2026	Change	Change
A. State Aid	23.136.038	23.535.523	399.485	1.73%	23.766.314	230.791	0.98%	23.999.413	233.099	0.98%	24.234.843	235.430	1.0%	24.472.628	237.785	1.0%
School Construction Aid	476,523	4,000,000	3,523,477	739.41%	3,000,000	(1,000,000)	0.00%	2,000,000	(1,000,000)	0.00%	0	(2,000,000)	0.0%	0	0	0.0%
B. Local Receipts	7,906,301	8,873,350	967.049	12.23%	9,225,900	352,550	3.97%	9,578,450	352,550	3.82%	9,703,450	125,000	1.3%	9,803,450	100,000	1.0%
C. Free Cash	5,901,388	5,659,184	(242,204)	-4.10%	4,366,659	(1,292,525)	-22.84%	4,366,659	0	0.00%	4,366,659	0	0.0%	4,366,659	0	0.0%
D. Overlay Reserve Surplus	400,000	400.000	(242,204)	0.00%	400.000	(1,232,323)	0.00%	400,000	0	0.00%	200,000	(200,000)	-50.0%	200.000	0	0.0%
E Property Tax	138,199,500	142,742,625	4,543,125	3.29%	144,662,199	1,919,574	1.34%	148,472,153	3,809,954	2.63%	152,319,918	3,847,765	2.6%	156,237,824	3,917,906	2.6%
F Override Stabilization Fund	2,024,197	2,244,507	220,310	10.88%	7,432,122	5,187,615	0.00%	12,723,529	5,291,407	71.20%	1,868,694	(10,854,835)	-85.3%	130,237,024	(1,868,694)	2.070
	178,043,947	187,455,189	9,411,242	5.29%	192,853,194	5,398,005	2.88%	201,540,204	8,687,010	4.50%	192,693,564	(8,846,640)	-4.4%	195,080,561	2,386,997	1.2%
II APPROPRIATIONS	170,043,947	107,455,169	9,411,242	5.29%	192,000,194	5,396,005	2.00%	201,340,204	0,007,010	4.50%	192,093,304	(0,040,040)	-4.4%	190,060,061	2,300,997	1.270
A. School Additions	140.000	1.030.000	890.000	635.71%	1.030.000	0	0.00%									
General Education Costs	50.183.324	52.809.670	2.626.346	5.23%	55.724.058	2,914,388	5.52%	59.095.559	3.371.501	6.05%	61.942.120	2.846.561	4.8%	64.722.090	2.779.970	4.5%
	24.546.695	. , ,	1.718.269		, , ,	2,914,366 1.838.547		, ,	1.967.246		32.175.710	2,846,361		34.428.010	2,779,970	
Special Education Costs	, ,	26,264,964	, -,	7.00%	28,103,511	//-	7.00%	30,070,757	7 7	7.00%	- , -, -		7.0%	. ,	, - ,	7.0%
Growth Factor	700,512	-	(700,512)	-100.00%	343,100	343,100	- 0.000/	751,900	408,800	119.15%	591,300	(160,600)	-21.4%	766,500	175,200	29.6%
Net School Budget	75,570,531	80,104,634	3,644,103	6.00%	85,200,669	5,096,035	6.36%	89,918,216	4,717,547	5.54%	94,709,130	4,790,914	5.3%	99,916,600	5,207,470	5.5%
Minuteman: Operating and Capital	4,834,357	5,184,492	350,135	7.24%	5,365,949	181,457 0	3.50%	5,553,757	187,808	3.50%	5,748,138	194,381	3.5%	5,949,323	201,185	3.5%
Minuteman Exempt Capital	1,279,014	1,610,964	331,950	25.95%	1,610,964	•	0.00%	1,610,964	0	0.00%	1,610,964	0	0.0%	1,610,964	0	0.0%
Town Personnel Services	29,203,669	30,245,340	1,041,671	3.57%	31,228,314	982,974	3.25%	32,243,234	1,014,920	3.25%	33,291,139	1,047,905	3.2%	34,373,101	1,081,962	3.2%
Town Expenses	11,312,375	11,509,810	197,435	1.75%	11,883,879	374,069	3.25%	12,270,105	386,226	3.25%	12,668,883	398,778	3.2%	13,080,622	411,739	3.3%
Enterprise Fund/Other	2,642,197	2,916,046	273,849	10.36%	3,010,817	94,771	3.25%	3,108,669	97,852	3.25%	3,209,701	101,032	3.3%	3,314,016	104,315	3.2%
Net Town Budget	37,873,847	38,839,104	965,257	2.55%	40,101,376	1,262,272	3.25%	41,404,670	1,303,294	3.25%	42,750,321	1,345,651	3.2%	44,139,707	1,389,386	3.3%
MWRA Debt Shift	3,691,454	1,845,727	(1,845,727)	-50.00%	0	(1,845,727)	-100.00%	0	0	0.00%	0	0	0.0%	0	0	0.0%
B. Capital budget																
Exempt Debt Service	6,942,104	8,689,591	1,747,487	25.17%	8,589,983	(99,608)	-1.15%	8,488,406	(101,577)	-1.18%	8,376,851	(111,555)	-1.3%	8,286,454	(90,397)	-1.1%
Non-Exempt Service	6,573,279	7,117,439	544,160	8.28%	7,304,897	187,458	2.63%	7,158,508	(146,389)	-2.00%	6,824,795	(333,713)	-4.7%	7,269,379	444,584	6.5%
Cash	4,329,512	3,959,297	(370,215)	-8.55%	2,953,369	(1,005,928)	-25.41%	3,566,859	613,490	20.77%	4,439,241	872,382	24.5%	4,401,723	(37,518)	-0.8%
Offsets/Capital Carry Forward	(1,591,567)	(1,692,329)	(100,762)	6.33%	(389,015)	1,303,314	-77.01%	(441,086)	(52,071)	13.39%	(499,637)	(58,551)	13.3%	(442,021)	57,616	-11.5%
Total Capital	16,253,328	18,073,998	1,820,670	11.20%	18,459,234	385,236	2.13%	18,772,687	313,453	1.70%	19,141,250	368,563	2.0%	19,515,535	374,285	2.0%
C. Pensions	11,921,239	12,635,573	714,334	5.99%	13,393,707	758,134	6.00%	14,197,329	803,622	6.00%	15,049,169	851,840	6.0%	15,952,119	902,950	6.0%
D. Insurance	18,858,788	20,212,725	1,353,937	7.18%	21,345,739	1,133,014	5.61%	22,628,857	1,283,118	6.01%	23,948,708	1,319,851	5.8%	25,382,359	1,433,651	6.0%
E. State Assessments	3,555,261	3,712,011	156,750	4.41%	3,802,934	90,923	2.45%	3,896,130	93,196	2.45%	3,991,655	95,525	2.5%	4,089,569	97,914	2.5%
G. Overlay Reserve	961.455	600,000	(361,455)	-37.59%	600.000	0	0.00%	600.000	0	0.00%	800,000	200.000	33.3%	600,000	(200,000)	-25.0%
H. Reserve Fund	1,556,724	2,814,200	1,257,476	80.78%	1,768,311	(1.045,889)	-37.16%	1,803,283	34,972	1.98%	1,824,480	21,197	1.2%	1,867,941	43,461	2.4%
I. Court Judgments/Symmes	671.950	767.450	95.500	14.21%	100.000	(667,450)	-86.97%	100,000	0.,612	0.00%	100.000	0	0.0%	100.000	0	0.0%
J. Warrant Articles	1,015,999	1,054,311	38,312	3.77%	1,104,311	50,000	4.74%	1,054,311	(50,000)	-4.53%	1.004.311	(50.000)	-4.7%	954,311	(50,000)	-5.0%
K. Override Stabilization Fund	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.0%	0 .,	0	0.0%
L TOTAL APPROPRIATIONS	178.043.947	187.455.189	9.411.242	5.29%	192.853.194	5.398.005	2.88%	201.540.204	8.687.010	4.50%	210.678.126	9.137.922	4.5%	220.078.428	9,400,302	4.5%
BALANCE	0	0	0,411,242	0.2070	0	0,000,000	2.0070	0	0,007,070	4.0070	(17,984,562)	0,107,022	4.070	(24,997,867)	0,100,002	4.070
Free Cash	11,318,368	8,733,319			8,733,319			8,733,319			8,733,319			8,733,319		
Stabilization Fund	3,683,965	3,857,644			4,034,797			4,215,493			4,399,802			4,587,799		
Override Stabilization Fund	24,268,852	22.024.345			14.592.223			1,868,694			0			0 .,007		
Municipal Bldg. Ins. Trust Fund	751.724	774.276			797.504			821.430			846.072			871.455		
TOTAL:	40,022,909	35,389,584			28,157,843			15,638,935			13,979,194			14,192,572		
% of General Fund Revenue	22.5%	18.9%			14.6%			7.8%			7.3%			7.3%		
% of General Fund Neverlue	22.570	10.970												7.570		
			The plan		,,,			enditures from	the Commun	lity Preser	vation Act					
				Projecte	ed School Enr	ollment Grov	wth FY 2020									
	FY 2021**	FY 2022*			FY 2023*			FY 2024*			FY 2025*			FY 2026*		ŀ
Actual/ <i>Proj</i> . Annual Growth	96	0			47			103			81			105		
Actual/ <i>Proj</i> . Annual Growth ** Actual Growth - FY17 50% PP0	96	0	i								81					

# Low Revenue Assumption

What If Summary Page.									
	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
Revenue	178,043,947	187,455,189	192,853,194	201,540,204	192,693,564	195,080,561	196,910,793	201,041,597	205,618,384
Expenses	178,043,947	187,455,189	192,853,194	201,540,204	210,678,126	220,078,428	229,647,918	239,628,612	250,247,511
Balance: Surplus or (Deficit)	0	0	0	0	(17,984,562)	(24,997,867)	(32,737,125)	(38,587,015)	(44,629,127)
Stabilization Fund Balance	24,268,852	22,024,345	14,592,223	1,868,694	0	0	0	0	0
Stabilization Fund (Use) or Deposit	(2,024,197)	(2,244,507)	(7,432,122)	(12,723,529)	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	\$0.00	\$0.00	\$0.00
School Additions	\$140,000	\$1,030,000	\$1,030,000						
Town Additions									
New Growth*		0						•	
*New Growth: Pick an average New	Growth figure	or set to zero (	0) and the defa	ult will load (F)	/21 \$650,000,	FY22 \$600,000	), FY23 \$550,0	000, FY24 \$500	),000)
State Aid			1%	1%	1%	1%	1%	1%	1%
ARPA		\$4,000,000	\$3,000,000	\$2,000,000					

# High Revenue Assumption

	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
Revenue	178,043,947	189,210,682	192,869,090	201,550,803	200,709,030	196,652,718	198,498,671	202,645,353	207,238,177
Expenses	178,043,947	189,210,682	192,869,090	201,550,803	210,692,051	220,094,150	229,663,797	239,644,650	250,263,709
Balance: Surplus or (Deficit)	0	0	0	0	(9,983,021)	(23,441,432)	(31,165,126)	(36,999,297)	(43,025,532)
Stabilization Fund Balance	24,268,852	26,024,345	20,165,971	8,491,729	0	0	0	0	0
Stabilization Fund (Use) or Deposit	(2,024,197)	1,755,493	(5,858,374)	(11,674,242)	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	\$0.00	\$0.00	\$0.00
School Additions	\$140,000	\$1,030,000	\$1,030,000						
Town Additions									
New Growth*		0							
*New Growth: Pick an average New	Growth figure	or set to zero (	0) and the defa	ault will load (F	Y21 \$650,000,	FY22 \$600,000	), FY23 \$550,0	000, FY24 \$500	,000)
State Aid			5%	4%	3%	2%	1%	1%	1%
ARPA		\$8,000,000	\$4,000,000	\$2,000,000					

Override Assumptions.

#### 1. Low Revenue

- a. FY24 \$14.2 million, 3 years
- b. FY25, \$24.9 million, 3 years

# 2. High Revenue

- a. FY24 \$11 million, 3 years
- b. FY25, \$21.3 million, 3 years

#### ARPA\_Framework\_High\_Revenue

	Fiscal Year 22 (7/1/21 - 6/30/22)	Fiscal Year 23 (7/1/22 - 6/30/23)	Fiscal Year 24 (7/1/23 - 6/30/24)	Fiscal Year 25 (7/1/24 - 12/31/24)	Total
Category					
Revenue Loss	\$8,000,000	\$4,000,000	\$2,000,000	\$0	\$14,000,000
Public Health	\$500,000	\$250,000	\$0	\$0	\$750,000
Small Business Assistance	\$500,000	\$250,000	\$0	\$0	\$750,000
Tenant Assistance	\$750,000	\$250,000	\$0	\$0	\$1,000,000
Water/Sewer Spending	\$2,000,000	\$3,625,000	\$3,625,000	\$2,000,000	\$11,250,000
Affordable Housing	\$250,000	\$1,000,000	\$1,000,000	\$1,000,000	\$3,250,000
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Homelessness	\$250,000	\$1,500,000	\$1,000,000	\$250,000	\$3,000,000
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Total	\$12,250,000	\$10,875,000	\$7,625,000	\$3,250,000	\$34,000,000

Potential Total ARPA Funds Potential Balance \$34,000,000 \$0

#### ARPA\_Framework\_Low\_Revenue

	Fiscal Year 22 (7/1/21 - 6/30/22)	Fiscal Year 23 (7/1/22 - 6/30/23)	Fiscal Year 24 (7/1/23 - 6/30/24)	Fiscal Year 25 (7/1/24 - 12/31/24)	Total
Category					
Revenue Loss	\$4,000,000	\$3,000,000	\$2,000,000	\$0	\$9,000,000
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Public Health	\$500,000	\$250,000	\$0	\$0	\$750,000
Small Business Assistance	\$500,000	\$250,000	\$0	\$0	\$750,000
Tenant Assistance	\$750,000	\$250,000	\$0	\$0	\$1,000,000
Water/Sewer Spending	\$2,500,000	\$4,875,000	\$4,875,000	\$2,500,000	\$14,750,000
Affordable Housing	\$250,000	\$2,000,000	\$1,000,000	\$1,000,000	\$4,250,000
Homelessness	\$250,000	\$2,000,000	\$1,000,000	\$250,000	\$3,500,000
Total	\$8,750,000	\$12,625,000	\$8,875,000	\$3,750,000	\$34,000,000

Potential Total ARPA Funds Potential Balance \$34,000,000 \$0