



Finance Committee Presentation to Board of Selectmen Financial State of the Town

October 2, 2017

V1.1

The purpose of this presentation is to support the FY19 Budget Planning for the Town of Wayland Town Administrator, Finance Director, Departments, Committees and Boards.



The Finance Committee Mission

- ❑ The mission of the Wayland Finance Committee Is to ensure a town operating budget and a capital spending plan that balances the demand and need for services and Infrastructure with the ability of residents across a broad financial spectrum to afford these services.
- ❑ To fulfill this mission, the Finance Committee defines a financial strategy for the Town, recommends a fiscally responsible operating budget and capital spending plan in accordance with that strategy, and provides factual and relevant information to residents so they can make informed decisions at Town meeting.



The Finance Committee Goals

- ❑ Goal: Establish guidelines for operating budgets and capital projects.
 - Manage debt service policy to 10% and trend downward.
 - Manage operating budget increases to 3.5%
 - Manage additional capital spending and resulting borrowing to not exceed \$3MM.
 - Manage additional headcount within budget guidelines
 - Maintain Aaa rating
 - Maintain a 5 year forecast for School and Town
- ❑ Goal: Implement process and procedure for the ongoing review and oversight of municipal budgets and department operations, and reporting.
 - Review both Town and School budgets quarterly.
 - Include as part of capital planning process a 1-year capital plan and a 5-year capital program and publish results in the warrant.
 - Complete and vote capital budget by 12/15/2017.
 - Complete and close operating budget by 3/15/2018.
 - Follow and adhere to bylaws.



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Highlights

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Key Financial Issues

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Socio-Economic Data & Peers

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Moody's Investor Service

5

Call to Action



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Highlights

- ❑ Debt service is not a one time issue and we need to understand the longer term impact of proposed projects
- ❑ By optimizing duration, scale and timing there are ways to support projects
- ❑ Need to identify opportunities to phase projects that minimizes cost and optimizes utility
- ❑ Town can achieve financial savings by choosing to implement more moderate projects in the future versus adhering to a now or nothing strategy
- ❑ Focus on debt management including phasing projects based on costs and practicality



Town of Wayland Massachusetts Budget Preparation

5 Year Model Planned Operating Expenses
Allocation of unclassified includes debt and benefits
This is an approximate annual increase

Operating Budget		2019	2020	2021	2022	2023
1	Town Departments	\$ 1,545,762	\$ 1,631,979	\$ 762,234	\$ 1,182,359	\$ 828,336
2	School Department	\$ 1,723,519	\$ 2,989,480	\$ 2,065,186	\$ 1,922,162	\$ 1,415,978

Operating Budget		2019	2020	2021	2022	2023
1	Town Departments	5.6%	5.6%	2.5%	3.8%	2.5%
2	School Department	3.5%	5.8%	3.8%	3.4%	2.4%



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Wayland's Fiscal Situation

- Upward trend in free cash and overall reserves
- There is approximately \$37MM in capital requests in FY18
- Expenses are trending upward and include increased costs for School busses, energy, healthcare and pensions
- Aaa Bond Rating is at risk of being downgraded:
 - Use of reserves to balance operations
 - Limited revenue flexibility
 - Above average debt burden.
- Factors that Could Lead to a further Downgrade
 - Weakening of general fund reserves or available liquidity
 - Further tax base deterioration or weakening of socioeconomic indices
 - Growth in the Town's debt or pension burden
- Factors that Could Prevent a Downgrade
 - Growth in general fund reserves and available liquidity
 - Sustained tax base expansion and strengthening of socioeconomic indicators
 - Moderation of the Town's debt

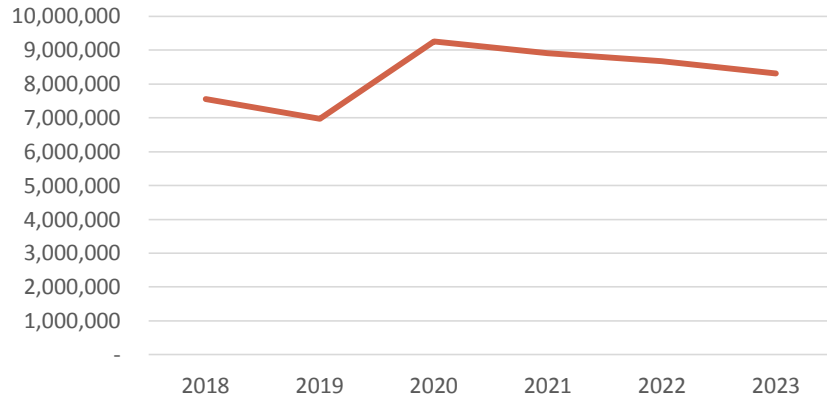


Town of Wayland Massachusetts Budget Preparation

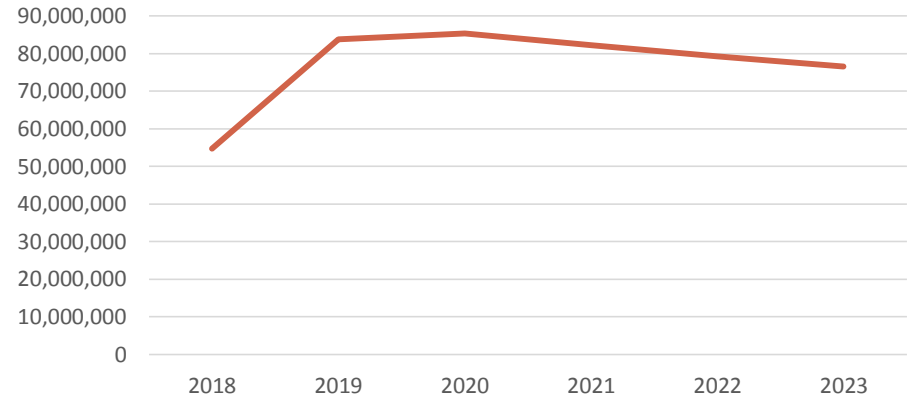
Includes Proposed Projects

Assumes: Library and HS Field Projects only

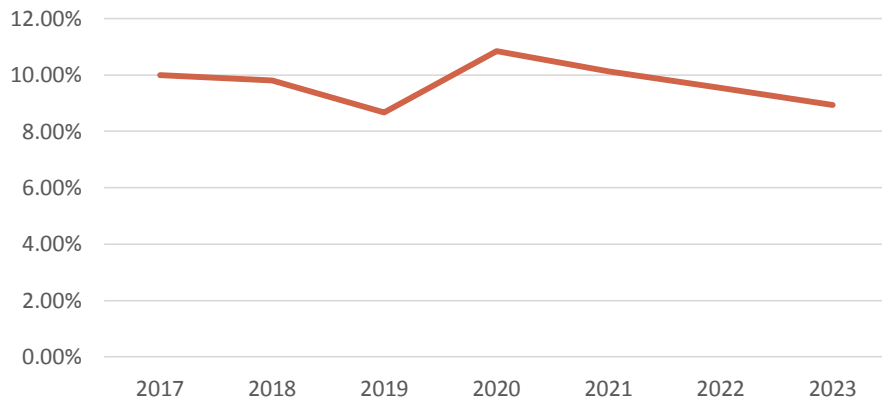
Estimated Debt Service Total



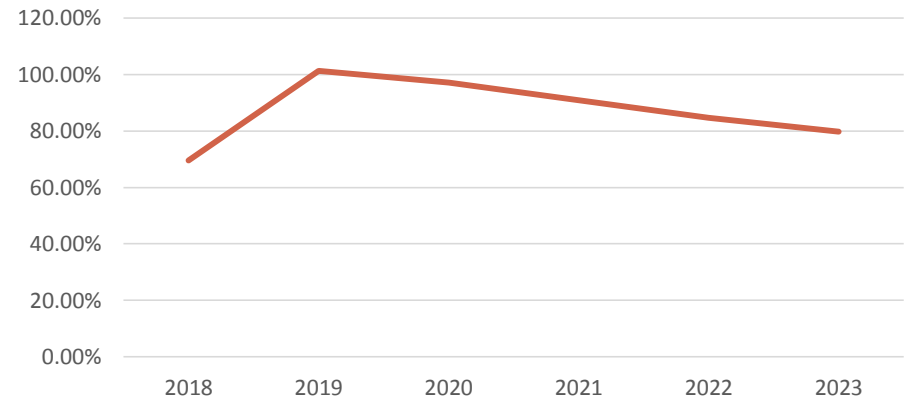
End Year Bal Principle Debt



Annual debt as % of General Fund



Debt as a % of Revenue

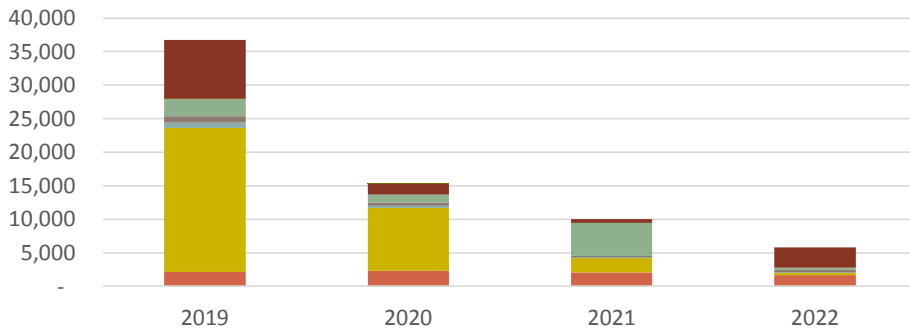




Town of Wayland Massachusetts Budget Preparation

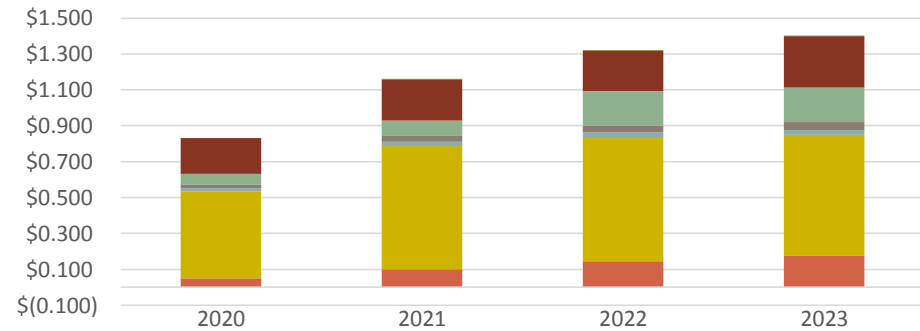
Incremental Tax Impact of Projects on the Tax Rate Assumption: Includes all requests in the 5 year capital plan

Town of Wayland Capital Projects



- DPW
- Facilities
- Information Technology
- Public Safety
- Recreation
- Surveyor
- Schools
- Town Clerk

Impact on Tax Rate



- DPW
- Facilities
- Information Technology
- Public Safety
- Recreation
- Surveyor
- Schools
- Town Clerk

Town of Wayland Massachusetts Budget Preparation



5 Year Capital Plan (20 year borrowing Tax rate impact per \$1,000 valuation)

Major Projects	2019	2020	2021	2022
DPW	2,183	2,340	2,089	1,643
Facilities	21,440	9,335	2,150	320
Information Technology	755	320	120	120
Public Safety	995	515	140	405
Recreation	2,605	1,155	5,000	300
Surveyor	30	-	-	-
Schools	8,700	1,615	515	2,985
Town Clerk	-	25	-	-
TOTAL	36,708	15,305	10,014	5,773

Major Projects	2020	2021	2022	2023
DPW	\$ 0.049	\$0.101	\$0.144	\$0.175
Facilities	\$ 0.485	\$0.685	\$0.695	\$0.675
Information Technology	\$ 0.017	\$0.024	\$0.025	\$0.027
Public Safety	\$ 0.023	\$0.034	\$0.035	\$0.043
Recreation	\$ 0.059	\$0.084	\$0.192	\$0.193
Surveyor	\$ 0.001	\$0.001	\$0.001	\$0.001
Schools	\$ 0.197	\$0.229	\$0.226	\$0.286
Town Clerk	\$ -	\$0.001	\$0.001	\$0.001
TOTAL	\$ 0.831	\$1.158	\$1.318	\$1.400

Town of Wayland Massachusetts Budget Preparation



5 Year Capital Plan (20 year borrowing Tax rate impact per \$1,000 valuation)

Major Projects	2019	2020	2021	2022
DPW				
Transfer Station (Article)			\$60	
Town Wide Road Construction	\$718	\$735	\$754	\$773
DPW Equipment	805	1,210	1,020	505
DPW Land Improvement	660	395	255	365
Facilities				
Library	19,085	575	850	70
Town Building	2,105	1,310	1,300	220
Council on Aging	200	5,400		
Municipal Pad		2,000		
Motor Pool	50	50		30
Information Technology	755	320	120	120
Public Safety				
Fire Station	995	515	65	305
Console Upgrades				100
Public Safety Building			75	
Recreation				
Loker Recreation		100	5,000	
Middle School Field Construction	2,150			
Land Acquisition		500		
Greenways	130	500		
Town Beach	40			200
Field & Playground Design	285	55		50
Vehicle				50
Surveyor	30			
Schools				
Stadium/ Repairs	7,000			
Bus Relocation	600			
Repair & Replacement	550	835	-	2,550
Boiler Replacement		400	400	400
Tennis Court Repairs	300			
Middle School Improvements		350	115	
Parking Area and Vehicles	250	30		35
Town Clerk				
Voting Machines		25		
Total	36,708	15,305	10,014	5,773

Wayland Finance Committee, Oct 2017

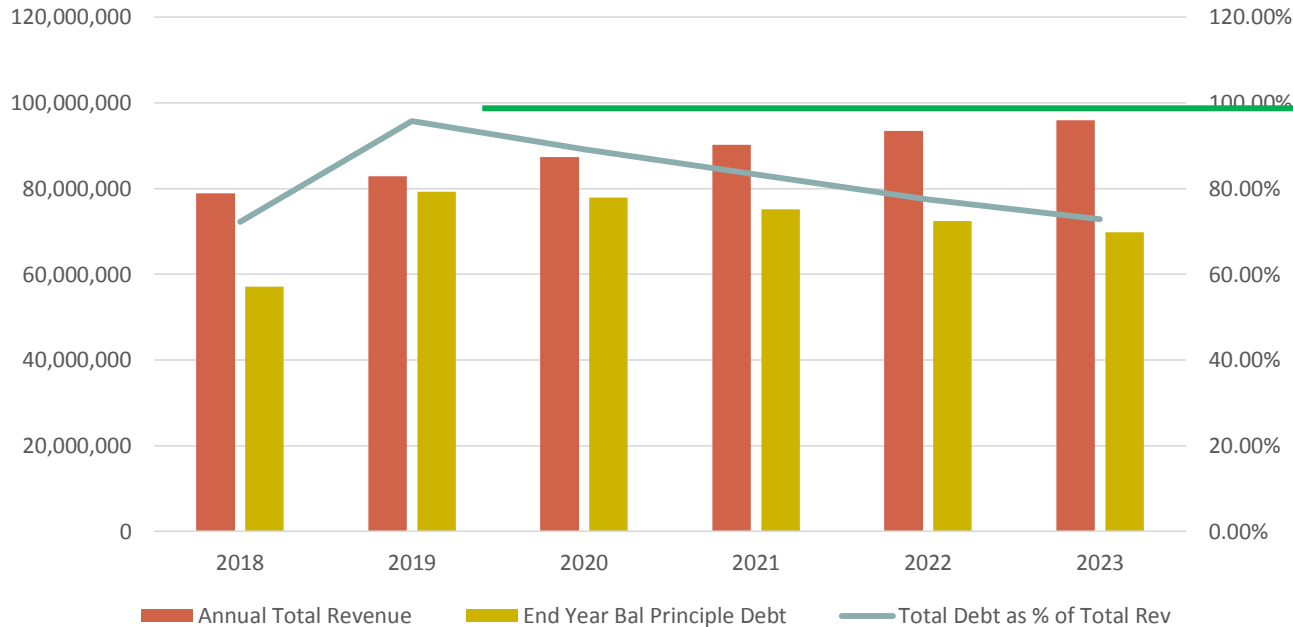
Major Projects	2020	2021	2022	2023
DPW				
Transfer Station (Article)	\$ -	\$ -	\$ 0.001	\$ 0.001
Town Wide Road Construction	\$ 0.016	\$ 0.033	\$ 0.048	\$ 0.064
DPW Equipment	\$ 0.018	\$ 0.045	\$ 0.066	\$ 0.075
DPW Land Improvement	\$ 0.015	\$ 0.024	\$ 0.028	\$ 0.035
Facilities				
Library	\$ 0.432	\$ 0.435	\$ 0.424	\$ 0.414
Town Building	\$ 0.048	\$ 0.076	\$ 0.102	\$ 0.103
Council on Aging	\$ 0.005	\$ 0.127	\$ 0.123	\$ 0.115
Municipal Pad	\$ -	\$ 0.045	\$ 0.044	\$ 0.041
Motor Pool	\$ 0.001	\$ 0.002	\$ 0.002	\$ 0.003
Information Technology	\$ 0.017	\$ 0.024	\$ 0.025	\$ 0.027
Public Safety				
Fire Station	\$ 0.023	\$ 0.034	\$ 0.033	\$ 0.039
Console Upgrades	\$ -	\$ -	\$ -	\$ 0.002
Public Safety Building	\$ -	\$ -	\$ 0.002	\$ 0.002
Recreation				
Loker Recreation	\$ -	\$ 0.002	\$ 0.115	\$ 0.113
Middle School Field Construction	\$ 0.049	\$ 0.048	\$ 0.044	\$ 0.043
Land Acquisition	\$ -	\$ 0.011	\$ 0.011	\$ 0.010
Greenways	\$ 0.003	\$ 0.014	\$ 0.014	\$ 0.013
Town Beach	\$ 0.001	\$ 0.001	\$ 0.001	\$ 0.005
Field & Playground Design	\$ 0.006	\$ 0.008	\$ 0.007	\$ 0.008
Vehicle	\$ -	\$ -	\$ -	\$ 0.001
Surveyor	\$ 0.001	\$ 0.001	\$ 0.001	\$ 0.001
Schools				
Stadium/ Repairs	\$ 0.158	\$ 0.155	\$ 0.144	\$ 0.140
Bus Relocation	\$ 0.014	\$ 0.013	\$ 0.012	\$ 0.012
Repair & Replacement	\$ 0.012	\$ 0.031	\$ 0.030	\$ 0.086
Boiler Replacement	\$ -	\$ 0.009	\$ 0.018	\$ 0.026
Tennis Court Repairs	\$ 0.007	\$ 0.007	\$ 0.006	\$ 0.006
Middle School Improvements	\$ -	\$ 0.008	\$ 0.010	\$ 0.010
Parking Area and Vehicles	\$ 0.006	\$ 0.006	\$ 0.006	\$ 0.006
Town Clerk				
Voting Machines	\$ -	\$ 0.001	\$ 0.001	\$ 0.001
Total	\$ 0.831	\$ 1.158	\$ 1.318	\$ 1.400
Base Tax Rate	\$ 19.620	\$ 19.860	\$ 20.190	\$ 20.250
Estimated Tax Rate	\$ 20.45	\$ 21.02	\$ 21.51	\$ 21.65



Town of Wayland Massachusetts Budget Preparation

Proposed and Committed Debt Assumes: Library and HS Field Projects only

Debt vs Revenue



**Policy Guideline
Debt limit is 100%**

	2018	2019	2020	2021	2022	2023
Annual Total Revenue	78,926,300	82,831,816	87,381,056	90,273,452	93,484,720	95,889,267
End Year Bal Principle Debt	57,061,200	79,296,800	77,910,900	75,193,333	72,436,667	69,815,000
Total Debt as % of Total Rev	72.30%	95.73%	89.16%	83.30%	77.49%	72.81%

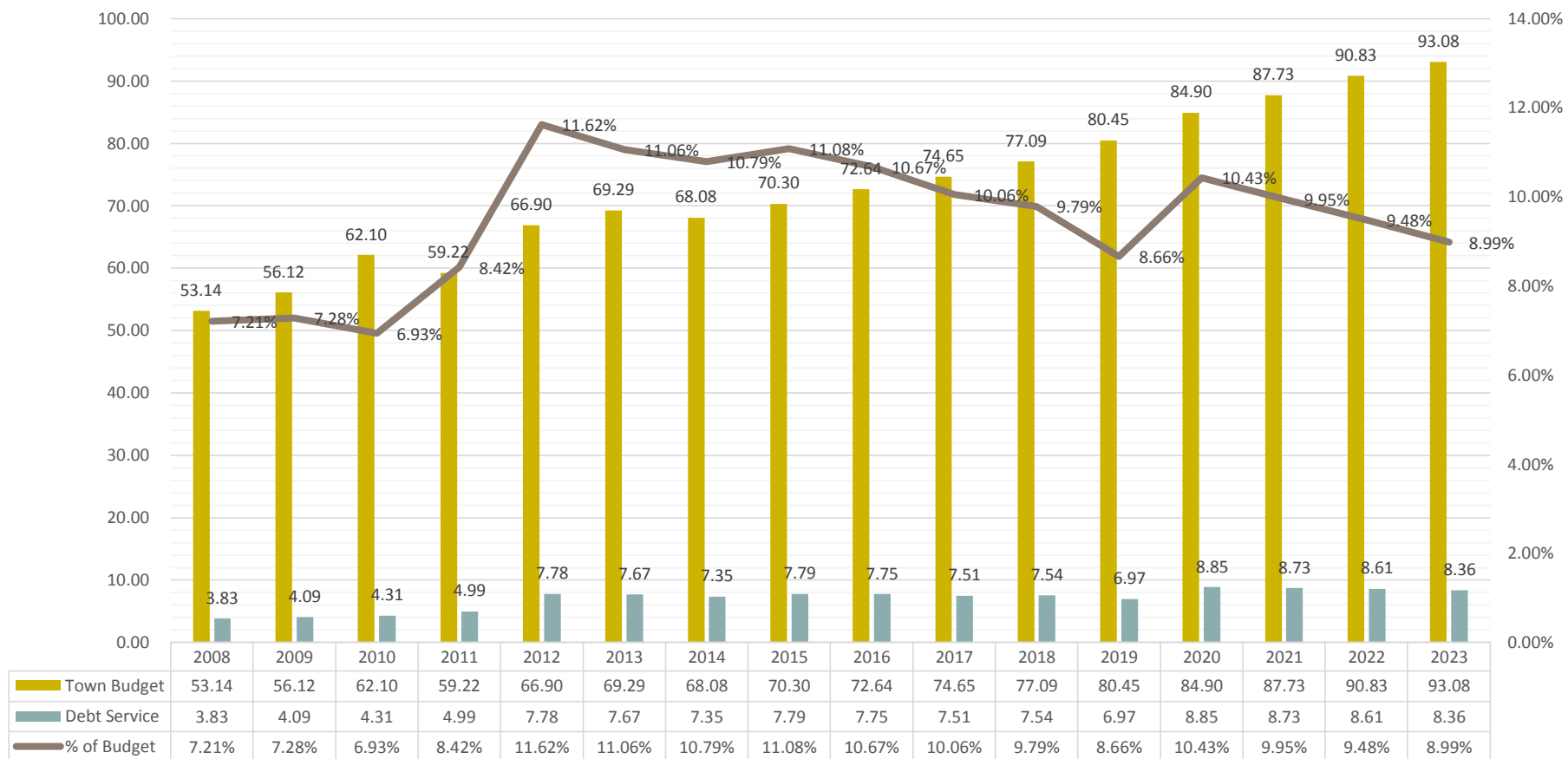


Town of Wayland Massachusetts Budget Preparation

Proposed and Committed Debt Service Assumes: Library and HS Field Projects only

Historical & Forecasted Debt

Town Budget Debt Service % of Budget

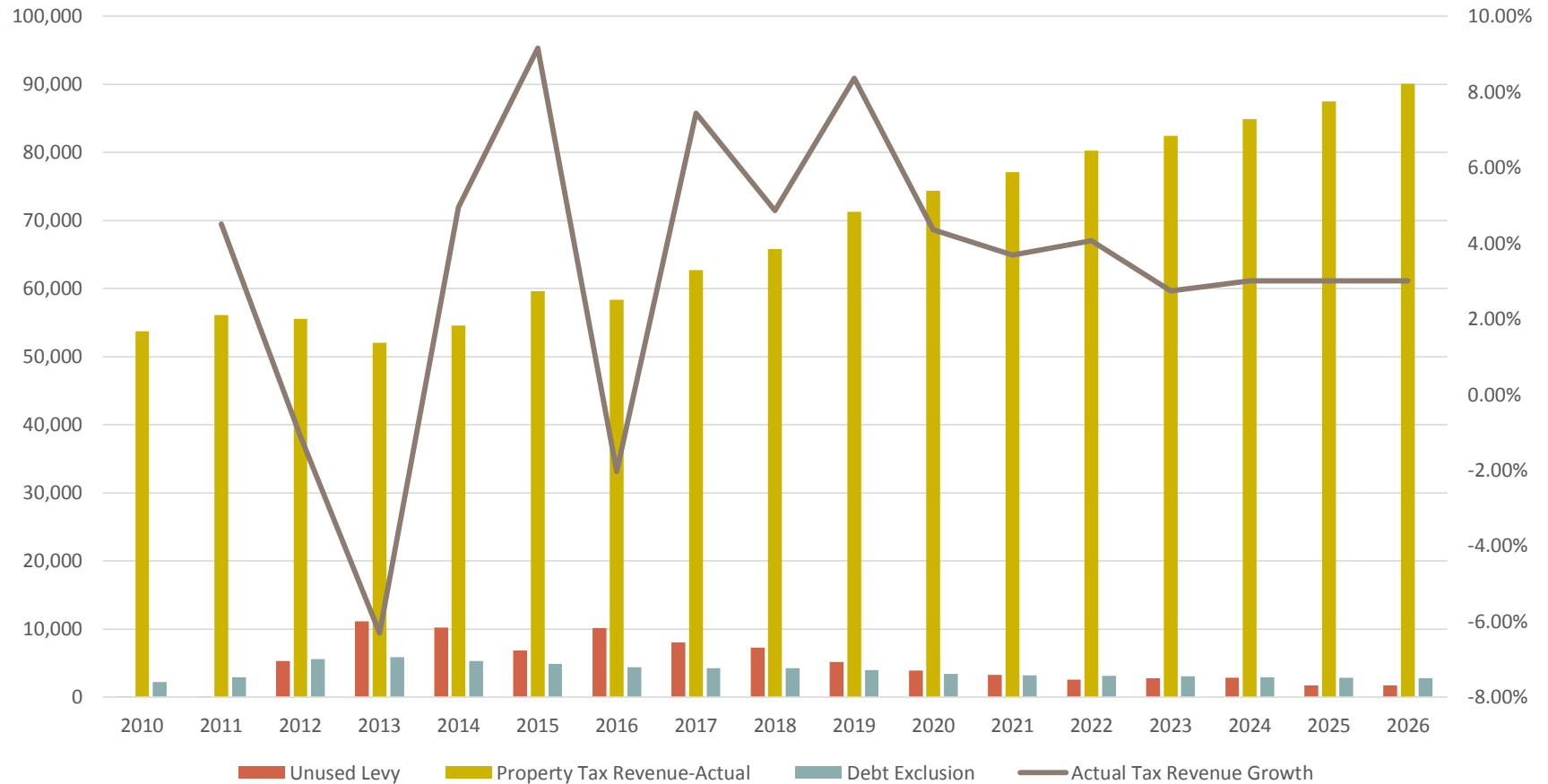




Town of Wayland Massachusetts Budget Preparation

Levy and Tax Growth Forecast Assumes: Library and HS Field Projects only

Levy Forecast





Town of Wayland Massachusetts Budget Preparation

Historical Levy limit

Assumes: Library and HS Field Projects only

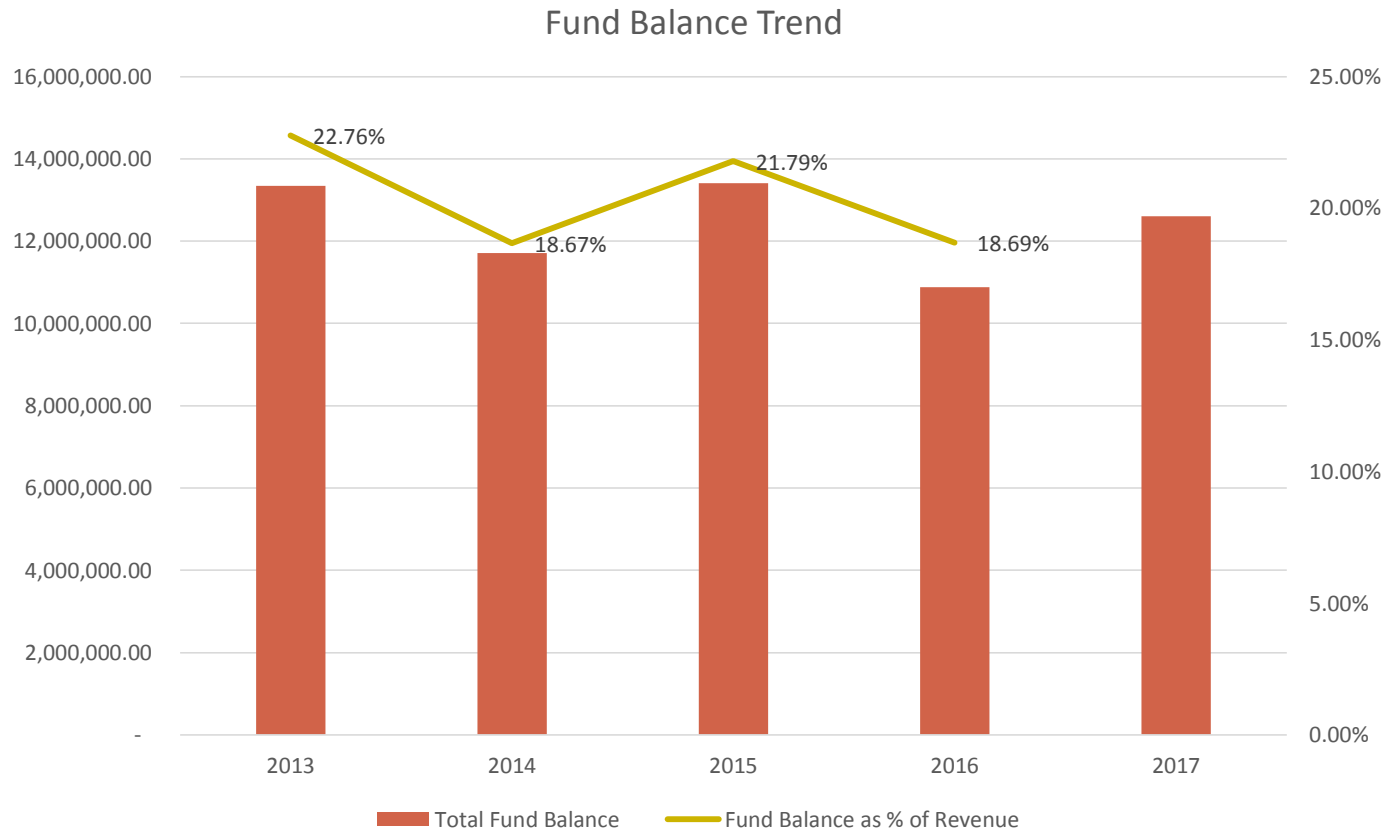
Wayland Property Tax

	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal	Fiscal
PROPERTY TAXES	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Prior Year Levy Limit	49,745	51,510	53,215	55,258	57,323	59,546	61,591	64,104	66,508	68,771	71,090	73,468	75,904	78,402	80,962	83,586	86,276
2 1/2 % Increase	1,243	1,287	1,330	1,381	1,433	1,489	1,540	1,603	1,663	1,719	1,777	1,837	1,898	1,960	2,024	2,090	2,157
New Growth	521	416	712	684	790	541	973	802	600	600	600	600	600	600	600	600	600
						14											
Annual Levy Limit	51,509	53,213	55,257	57,323	59,546	61,590	64,104	66,508	68,771	71,090	73,468	75,904	78,402	80,962	83,586	86,276	89,033
Debt Exclusion	2,215	2,933	5,561	5,835	5,274	4,846	4,408	4,235	4,229	3,947	3,430	3,189	3,101	3,021	2,946	2,869	2,793
Add Library										1,360	1,332	1,304	1,276	1,248	1,220		
Annual Max Levy Limit	53,724	56,146	60,818	63,158	64,820	66,436	68,512	70,743	73,000	76,397	78,230	80,397	82,779	85,231	87,752	89,145	91,826
Property Tax Revenue-Actual	53,708	56,128	55,514	52,016	54,588	59,586	58,374	62,712	65,763	71,258	74,363	77,101	80,230	82,430	84,903	87,450	90,074
Unused Levy	16	18	5,304	11,142	10,232	6,850	10,138	8,031	7,237	5,139	3,867	3,297	2,549	2,801	2,849	1,694	1,752
\$\$ Increase		2,420	-614	-3,498	2,572	4,998	2,076	2,232	2,257	3,397	1,832	2,168	2,382	2,452			
% Increase		4.51%	-1.09%	-6.30%	4.94%	9.16%	3.48%	3.82%	3.60%	5.17%	2.57%	2.92%	3.09%	3.06%			

Town of Wayland Massachusetts Budget Preparation



Fund Balance Trend



Town of Wayland Massachusetts Budget Preparation



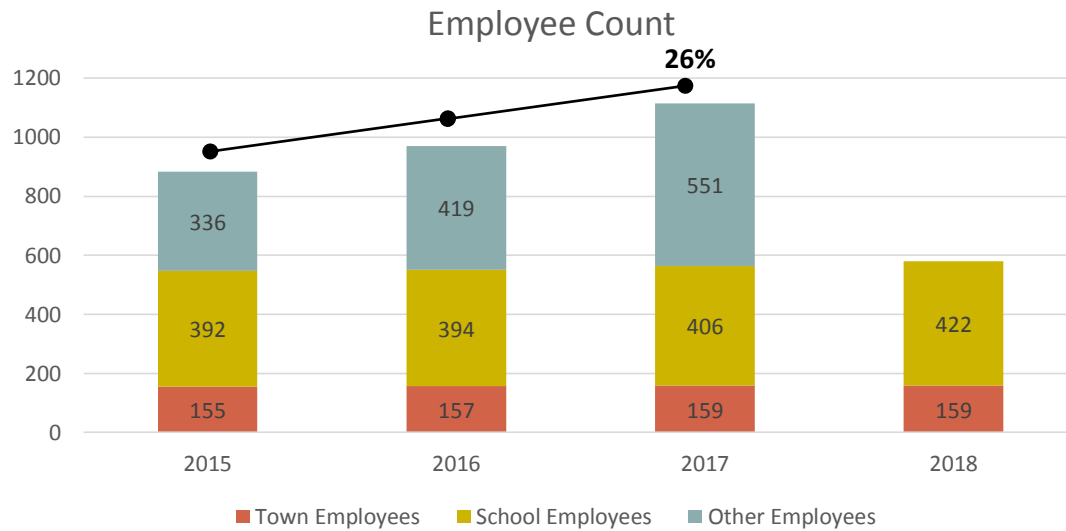
Reserve Fund Balance Calculation

	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16
debt service	\$1,380,195	\$1,260,811	\$1,198,453	\$1,091,466	\$992,021
restricted	\$1,380,195	\$1,260,811	\$1,198,453	\$1,091,466	\$992,021
capital	\$0	\$0	\$0	\$0	\$410,000
OPEB	\$0	\$0	\$0	\$0	\$251,285
TM articles	\$361,369	\$0	\$0	\$0	\$100,001
septage	\$214,133	\$183,764	\$111,471	\$77,495	\$60,617
stabilization	\$1,535,791	\$1,539,121	\$1,585,337	\$0	\$0
recreation	\$0	\$0	\$0	\$0	\$402,618
stabilization fund	\$0	\$0	\$0	\$0	\$0
school	\$0	\$44,846	\$0	\$0	\$0
other	\$0	\$0	\$0	\$0	\$0
committed	\$2,111,293	\$1,767,731	\$1,696,808	\$77,495	\$1,224,521
encumbered	\$496,820	\$568,597	\$523,968	\$602,503	\$535,646
use of fund balance	\$6,740,000	\$3,995,000	\$2,329,094	\$3,159,215	\$1,800,454
non-insurance	\$1,187,601	\$1,187,601	\$1,187,601	\$1,187,601	\$1,187,601
septage	\$0	\$0	\$39,502	\$34,368	\$0
other	\$498,752	\$0	\$0	\$0	\$0
assigned	\$8,923,173	\$5,751,198	\$4,080,165	\$4,983,687	\$3,523,701
general fund	\$7,997,901	\$7,878,161	\$7,249,678	\$8,273,870	\$6,077,813
stabilization	\$0	\$0	\$0	\$1,651,271	\$1,826,754
other	\$0	\$0	\$0	\$0	\$0
unassigned	\$7,997,901	\$7,878,161	\$7,249,678	\$9,925,141	\$7,904,567
committed, assigned and, unassigned	\$19,032,367	\$15,397,090	\$13,026,651	\$14,986,323	\$12,652,789
revenues	\$70,731,027	\$67,655,379	\$69,788,476	\$68,784,621	\$67,709,138
percentage	26.91%	22.76%	18.67%	21.79%	18.69%
Free Cash	\$6,023,697	\$4,091,961	\$6,384,312	\$6,479,195	\$4,674,379

Town of Wayland Massachusetts Budget Preparation



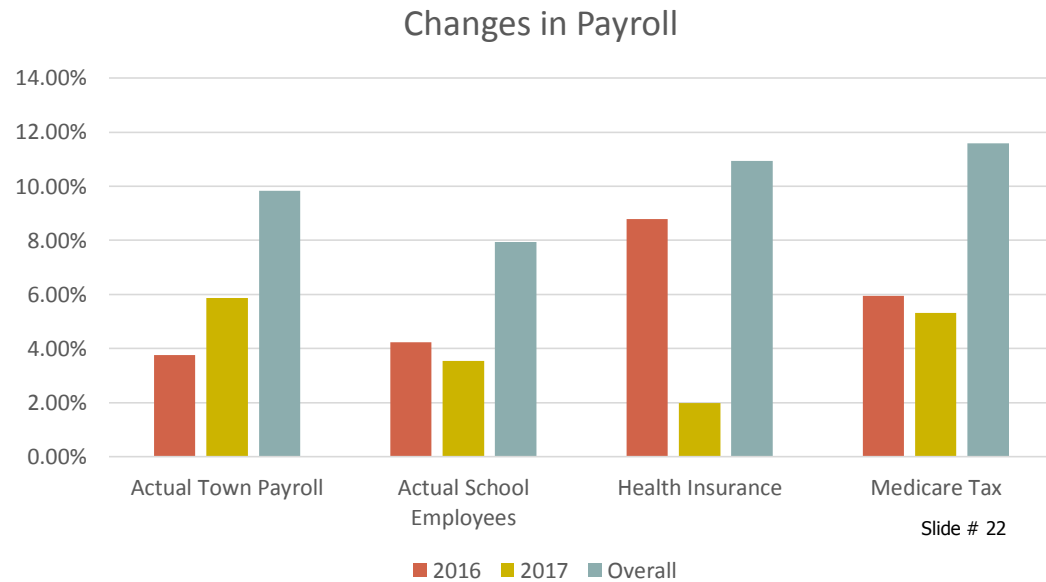
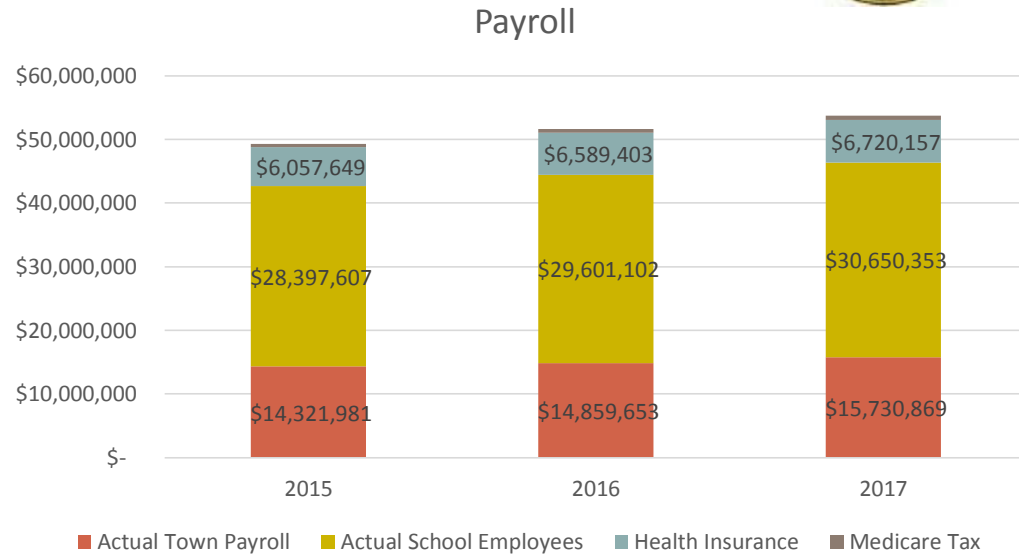
Headcount on Payroll





Town of Wayland Massachusetts Budget Preparation

Payroll, Health and Medicare



Town of Wayland Massachusetts Budget Preparation



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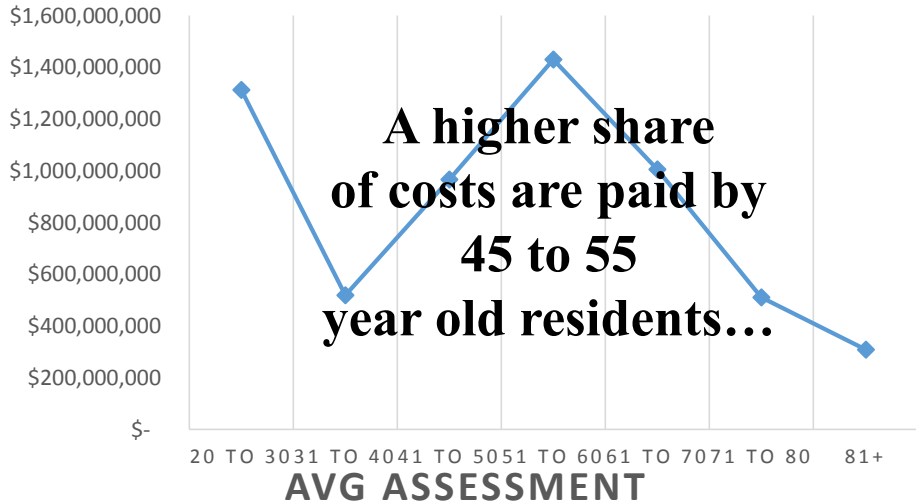
Call to Action

Town of Wayland Massachusetts Budget Preparation

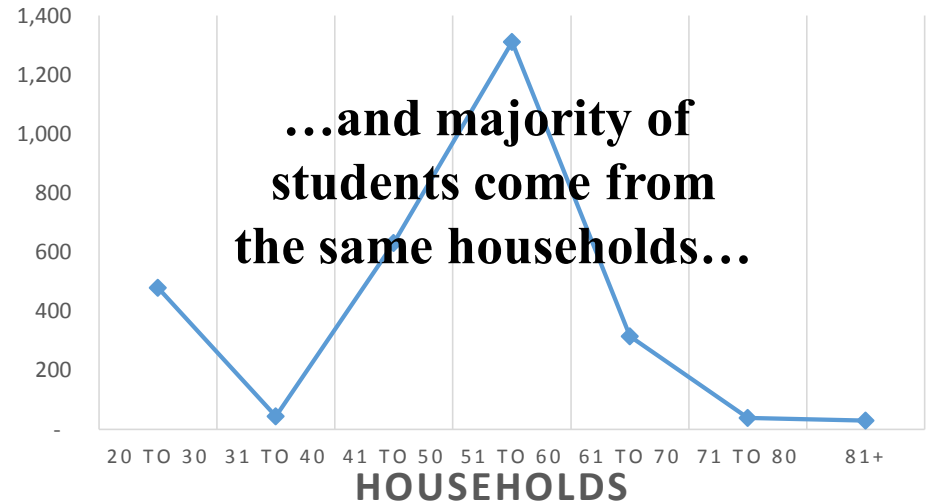


Wayland's Current Socio Economic Data

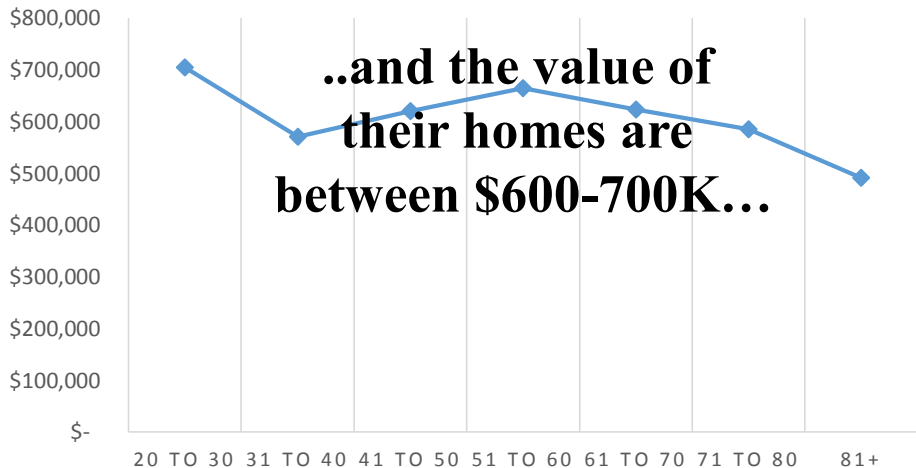
SUM OF ASSESSMENTS



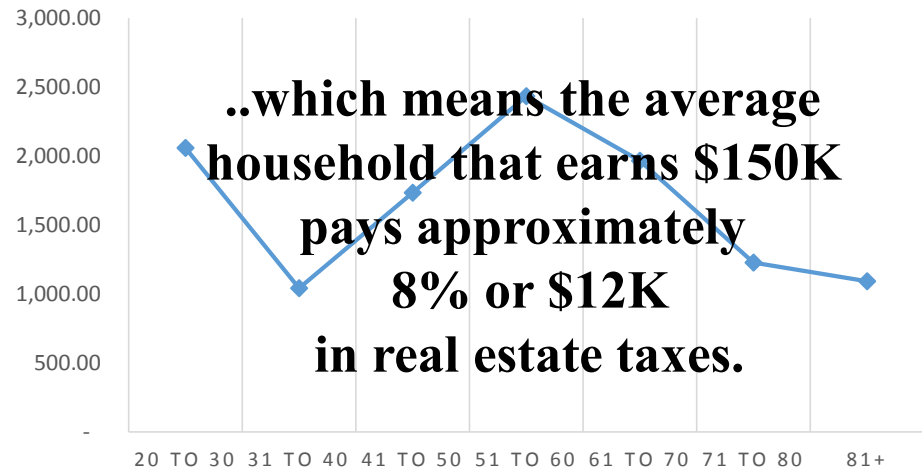
STUDENTS



AVG ASSESSMENT



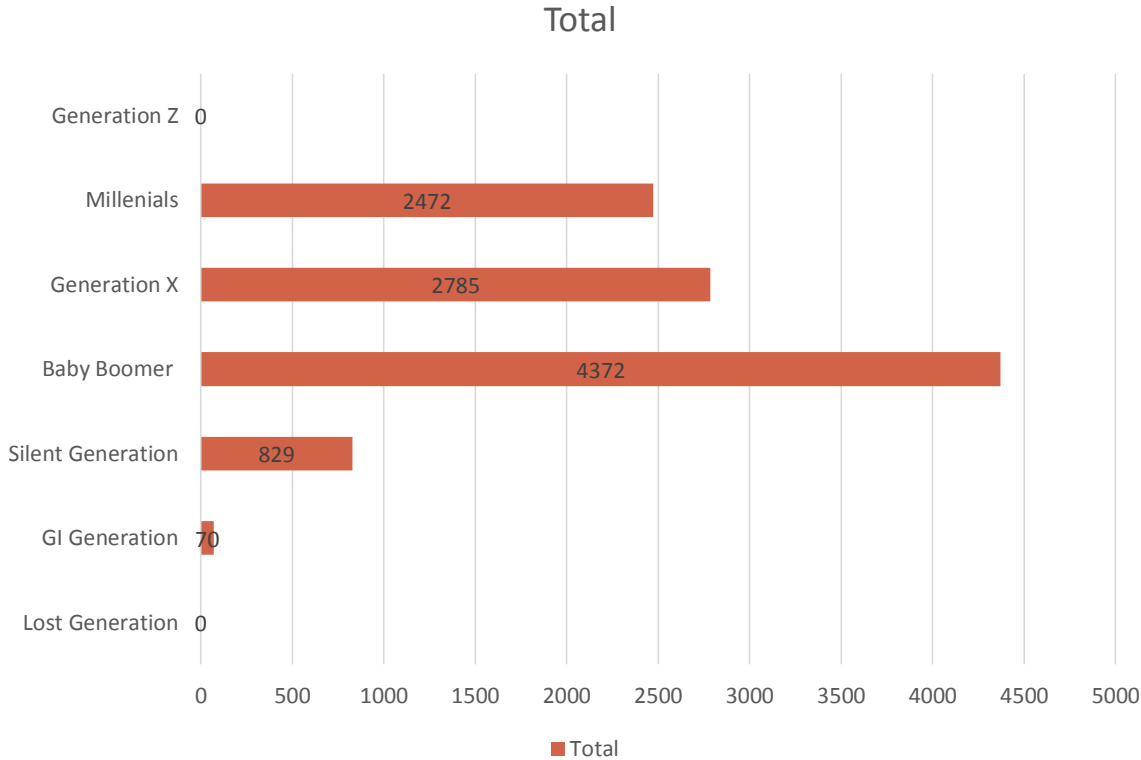
HOUSEHOLDS



Town of Wayland Massachusetts Budget Preparation



Wayland's Current Socio Economic Data



25% or
2,602 out of
10,250
registered
voters are over
65
**Candidate
Fixed
Income**

Demographic	Begin	End	Total	Percentage
Lost Generation	1883	1900	0	0%
GI Generation	1900	1924	70	1%
Silent Generation	1925	1940	829	8%
Baby Boomer	1940	1964	4,372	42%
Generation X	1964	1979	2,785	26%
Millenials	1980	1999	2,472	23%
Generation Z	2000	2017	0	0%

Town of Wayland Massachusetts Budget Preparation



Peer Towns - DEBT

Operating Peers

Town	GF Expense	DS-GF ratio
Cohasset	42,712,661	9.2%
Hingham	98,392,740	10.1%
Hopkinton	68,665,401	6.7%
Lincoln	32,811,114	3.4%
Medfield	56,601,793	12.9%
North Andover	86,265,510	6.7%
North Reading	60,670,405	12.8%
Scituate	73,339,903	10.0%
Sharon	78,256,142	12.7%
Sudbury	91,283,041	4.1%
Westford	101,431,082	7.7%
Westwood	81,488,114	5.8%
Wayland	71,879,733	10.6%

Aaa Peers

			FB to GF	Outstanding	FY17 Total	DS to GF
FY16 General	Fund Revenue	Fund Balance	Revenue	Debt	Debt Service	Revenue
Acton	\$85,152,787	\$15,427,432	18.12%	\$29,629,942	\$4,213,491	4.95%
Belmont	\$107,100,194	\$23,176,772	21.64%	\$80,876,743	\$8,229,445	7.68%
Concord	\$93,930,774	\$25,579,533	27.23%	\$58,382,968	\$10,214,721	10.87%
Dover	\$34,877,832	\$11,047,625	31.68%	\$6,281,800	\$1,323,700	3.80%
Hingham	\$104,067,660	\$30,253,490	29.07%	\$74,932,699	\$9,644,087	9.27%
Lexington	\$188,073,821	\$64,097,406	34.08%	\$110,811,418	\$17,958,678	9.55%
Newton	\$369,928,575	\$54,644,429	14.77%	\$287,849,973	\$27,214,369	7.36%
Wayland	\$67,709,138	\$12,652,789	18.69%	\$74,421,107	\$7,464,089	10.03%
Wellesley	\$160,871,033	\$24,916,472	15.49%	\$144,395,033	\$17,197,413	10.69%
Weston	\$87,120,110	\$15,863,030	18.21%	\$85,182,380	\$10,305,325	11.83%
Winchester	\$96,065,863	\$20,943,213	21.80%	\$139,997,367	\$12,407,620	12.92%



Town of Wayland Massachusetts Budget Preparation

Reserve Fund Balance Aaa Peers

Peer Town Fund Balance





Town of Wayland Massachusetts Budget Preparation

Reserve Fund Balance Aaa Peers

Town	FY12	FY13	FY'14	FY15	FY16	
Acton	\$83,104,658	\$85,738,173	\$89,433,633	\$83,831,631	\$85,152,787	Fund Revenue
	\$13,014,410	\$14,868,150	\$15,709,392	\$16,850,984	\$15,427,432	Fund Balance
	15.66%	17.34%	17.57%	20.10%	18.12%	FB to GF Revenue
Belmont	\$92,350,484	\$95,688,678	\$99,520,384	\$96,595,397	\$107,100,194	Fund Revenue
	\$17,646,366	\$17,679,058	\$19,519,637	\$20,007,313	\$23,176,172	Fund Balance
	19.11%	18.48%	19.61%	20.71%	21.64%	FB to GF Revenue
Concord	\$84,807,852	\$85,631,383	\$90,222,632	\$89,165,948	\$93,930,774	Fund Revenue
	\$21,347,763	\$22,437,534	\$23,709,905	\$25,116,111	\$25,579,533	Fund Balance
	25.17%	26.20%	26.28%	28.17%	27.23%	FB to GF Revenue
Dover	\$30,951,198	\$31,645,723	\$33,369,694	\$33,032,099	\$34,877,832	Fund Revenue
	\$8,925,015	\$8,854,899	\$9,815,916	\$10,031,789	\$11,047,625	Fund Balance
	28.84%	27.98%	29.42%	30.37%	31.68%	FB to GF Revenue
Hingham	\$91,977,856	\$94,359,276	\$97,913,203	\$97,932,465	\$104,067,660	Fund Revenue
	\$17,402,801	\$20,419,847	\$24,459,663	\$30,120,797	\$30,253,490	Fund Balance
	18.92%	21.64%	24.98%	30.76%	29.07%	FB to GF Revenue
Lexington	\$170,804,584	\$179,498,958	\$189,349,667	\$180,188,502	\$188,073,821	Fund Revenue
	\$40,980,337	\$46,564,019	\$48,050,971	\$53,608,169	\$64,097,406	Fund Balance
	23.99%	25.94%	25.38%	29.75%	34.08%	FB to GF Revenue
Wayland	\$70,731,027	\$67,655,379	\$69,788,476	\$68,784,621	\$67,709,138	Fund Revenue
	\$19,032,367	\$15,397,090	\$13,026,651	\$14,986,323	\$12,652,789	Fund Balance
	26.91%	22.76%	18.67%	21.79%	18.69%	FB to GF Revenue
Wellesley	\$134,473,048	\$140,653,761	\$143,878,359	\$146,827,160	\$160,871,033	Fund Revenue
	\$21,732,481	\$21,762,495	\$22,336,248	\$22,489,005	\$24,916,472	Fund Balance
	16.16%	15.47%	15.52%	15.32%	15.49%	FB to GF Revenue
Weston	\$78,383,220	\$80,797,825	\$84,700,232	\$82,881,599	\$87,120,110	Fund Revenue
	\$13,404,180	\$15,051,899	\$14,829,939	\$15,186,379	\$15,863,030	Fund Balance
	17.10%	18.63%	17.51%	18.32%	18.21%	FB to GF Revenue
Winchester	\$90,409,629	\$94,437,179	\$97,990,781	\$92,640,168	\$96,065,863	Fund Revenue
	\$16,892,885	\$16,451,603	\$17,088,265	\$18,085,791	\$20,943,213	Fund Balance
	18.68%	17.42%	17.44%	19.52%	21.80%	FB to GF Revenue

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Call to Action



What are the implications of a rate drop to Aa1, Aa2 or Aa3

- ❑ The foundation of Moody's rating approach rests on the answer to one question: What is the level of risk associated with receiving full and timely payment of principal and interest on this specific debt obligation and how does that risk compare with that of all other debt obligations?
- ❑ When a bond issuer gets downgraded, the yield on the bonds from that issuer will usually go up; this is to compensate prospective buyers of the bonds for a perceived increase in risk reflective of the lowered rating.
- ❑ As in any market where people buy and sell financial instruments, market pricing is dictated by many factors. Supply and demand, competing investment and their rates of return, and political climate are examples of those factors. In 2017, historically, there has been a 20 to 30 basis point (0.2% to 0.3%) difference between Aa1 and Aaa.
- ❑ An example of a downgrade would be a 10 year bond for \$10MM would cost the Town \$138,000 more in interest payments over its lifetime.

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What are the implications of a rate drop to Aa1, Aa2 or Aa3

Longer term implications on how Wayland will conduct business:

Interest Cost on Annual borrowings		Year 1	Year 2	Year 3	Year 4	Year 5
Aa1	\$4MM per year @ 3.75%	600,000	1,110,000	1,515,000	1,800,000	1,950,000
Aaa	\$4MM per year @ 3.5%	560,000	1,036,000	1,414,000	1,680,000	1,820,000
	Difference	40,000	74,000	101,000	120,000	130,000

Total Cost over 5 years: \$465,000

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Action Plan Regarding Moody's Investor Service

- 2/22/2017 – Wayland Assigned Aaa with Negative Outlook
- 10/1/2017 Moody's will review the actions recommended and taken by Annual Town Meeting.
- In FY 2017 reduced use of free cash to \$1.5MM and held new borrowing to \$5MM
- In FY 2018 recommending use of free cash to \$500K and reduced new borrowing to \$3MM
- Make concerted effort to increase reserves as a percentage of the general fund, year over year general fund balance to 20%
- Use of alternative funding versus borrowing
- Be predictable



Call to Action

- Find alternatives to pay for new requests for funding
- Delay capital project requests until Spring for proper analysis and assessment of all needs.
- Prioritize capital expenditures
- Increase Fund Balances
- Disciplined adherence to a five-year plan that accommodates all capital expenditures (FD-model)
- Responsible qualitative project planning that fleshes out alternative solutions
- Implement projects based on Town/Resident requirements versus relying on recommendations based on State guidelines

Town of Wayland Massachusetts Budget Preparation



Finance Committee FY 2019 Guideline

- ❑ In FY 2019, the Town budget will increase because of committed costs over FY 2018 of 2.5% or \$1.9M.

	Committed Increases
Town Payroll	238,963.73
School Payroll	1,033,450.21
Unclassified	
Debt and Interest	(575,740.50)
Retirement	286,615.00
Insurance 32B	575,824.00
Other Insurance	6,800.00
Medicare Tax	60,000.00
Resv Salary Adjustment	92,885.06
School Bus Parking	241,000.00
\$ Inc. to Prior Year	1,959,797.51
% Inc. to FY 18 Budget	2.54%

- ❑ The Finance Committee is requesting that any additional FY 2019 expenses above this increase be limited to \$600K between the Town and School.
- ❑ This increase is consistent with the FY 2018 increase in expenses, provides consistency year over year in Town taxation and is in line with the 5-year Finance Committee model.