

ENTERING

Municipal Budget Overview

Panel Discussion 3-13-19

NATICK

Revenues & Expenses

GETTING STARTED

Revenues

Approach: Forecast conservatively but be in the ballpark

Process:

Late Summer / Fall: Preliminary revenue projections looking at previous FY #'s and using a combination of historical analysis, department insight, and regression analysis to develop preliminary figures.

Winter: Review Q1 & Q2 to see how we are trending. Review updates including State Aid and Local Receipts (fees, investments, etc.) and make budget adjustments accordingly.

Expenses

Approach: Align expenditures with the needs of town in a sustainable manner



Meet with Departments to identify Key Priorities



Project out Salary & Expense costs – FY20's methodology is level funded except for contractual increases



Review Department budget requests & New Initiatives; see if there are alternative funding sources (grants) to offset General Fund costs



Develop preliminary budget through the budget book and ClearGov program and review accounts with Finance Committee



Update budgets when new information is available and finalize budget for Town Meeting vote

What's Next?

LOOKING TOWARD THE FUTURE

Some of the Issues that we're facing...

Issue

- Use of free cash for operations
- Healthcare costs
- Retirement & OPEB
- Resident demand for services

Potential Response

- Gradual reduction, explore other sources of revenue, maintain reserves
- Continue to explore quality healthcare products for our staff and retirees
- Maintain payment plan – work to increase OPEB funding
- Prioritize –develop long range planning for both capital and operational expenses. Continue prudent fiscal policies to maintain AAA credit rating and funding flexibility

Strategic Planning

