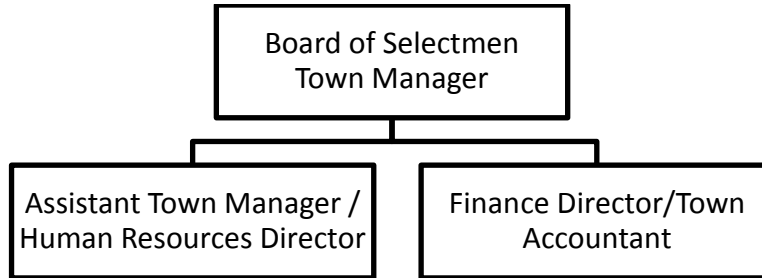


**TOWN OF WESTON  
FY19 TOWN MANAGER'S PROPOSED BUDGET AND FINANCING PLAN  
UNCLASSIFIED**



	Actual FY16	Actual FY17	Budget FY18	Town Manager Recommended FY19 Budget	FY18 to FY19 \$ Change	% Change
<b>UNCLASSIFIED</b>						
<b>Revenues</b>						
Tax Levy and General Fund Revenues	15,205,231	15,604,589	17,107,083	18,023,477	916,394	5.4%
Brook School Apartments Enterprise Fund	99,268	119,776	121,573	123,397	1,824	1.5%
Water Enterprise Fund	162,409	142,969	145,114	147,291	2,177	1.5%
<b>Total</b>	<b>15,466,908</b>	<b>15,867,334</b>	<b>17,373,770</b>	<b>18,294,164</b>	<b>920,394</b>	<b>5.3%</b>
<b>Expenditures</b>						
<b>Insurance</b>						
Insurance, Workers' Compensation	188,210	213,908	250,000	275,000	25,000	10.0%
Public Safety - Injured on Duty+	10,631	41,914	20,000	20,000	-	-
Unemployment Compensation	115,745	32,077	120,000	120,000	-	0.0%
Insurance, Property & Liability	350,288	334,673	385,000	408,100	23,100	6.0%
Uninsured Losses+	1,338	1,491	-	-	-	-
<b>subtotal</b>	<b>666,212</b>	<b>624,063</b>	<b>775,000</b>	<b>823,100</b>	<b>48,100</b>	<b>6.2%</b>
<b>Fringe Benefits</b>						
Insurance, Group Life, Accid, Health, Medicare	10,367,341	10,500,099	11,017,109	11,518,987	501,878	4.6%
Contributory Retirement-Middlesex	4,270,242	4,557,886	4,792,481	5,114,630	322,149	6.7%
Compensated Absence Fund+	131,711	158,369	200,000	220,000	20,000	10.0%
<b>subtotal</b>	<b>14,769,294</b>	<b>15,216,354</b>	<b>16,009,590</b>	<b>16,853,617</b>	<b>844,027</b>	<b>5.3%</b>
Reserve Fund	-	-	556,900	586,587	29,687	5.3%
Debt Service (non-excluded)	31,401	26,918	32,280	30,860	(1,420)	-4.4%
<b>Total</b>	<b>15,466,908</b>	<b>15,867,334</b>	<b>17,373,770</b>	<b>18,294,164</b>	<b>920,394</b>	<b>5.3%</b>
<b>CAPITAL &amp; SEPARATE ARTICLES</b>						
<b>Revenues</b>						
Tax Levy and General Fund Revenues	1,856,925	1,652,517	1,736,480	2,381,634	645,154	37.2%
<b>Total</b>	<b>1,856,925</b>	<b>1,652,517</b>	<b>1,736,480</b>	<b>2,381,634</b>	<b>645,154</b>	<b>37.2%</b>
<b>Expenditures</b>						
Cash Capital	-	-	-	260,000	260,000	-
Stabilization Fund	250,000	-	-	-	-	-
Post Employment Benefits Reserve	1,606,925	1,652,517	1,736,480	2,121,634	385,154	22.2%
<b>Total</b>	<b>1,856,925</b>	<b>1,652,517</b>	<b>1,736,480</b>	<b>2,381,634</b>	<b>645,154</b>	<b>37.2%</b>
<b>DEBT SERVICE (excluded)</b>						
<b>Revenues</b>						
Tax Levy and General Fund Revenues	7,926,753	8,024,079	8,165,171	8,120,773	(44,398)	-0.5%
Mass. School Building Authority	-	665,538	665,538	665,538	-	0.0%
Premium Offset	-	378,704	145,450	134,237	(11,213)	-7.7%
<b>Total</b>	<b>7,926,753</b>	<b>9,068,321</b>	<b>8,976,159</b>	<b>8,920,548</b>	<b>(55,611)</b>	<b>-0.6%</b>
Debt Service (excluded)*	7,926,753	9,068,321	8,976,159	8,920,548	(55,611)	-0.6%
New Debt Service (proposed to be excluded)	-	-	-	-	-	-
<b>Total</b>	<b>7,926,753</b>	<b>9,068,321</b>	<b>8,976,159</b>	<b>8,920,548</b>	<b>(55,611)</b>	<b>-0.6%</b>

**Town of Weston  
FY19 Town Manager's Proposed Budget**

**UNCLASSIFIED: Employee Benefits and Town Wide Expenses**

**Description of Services**

The Unclassified portion of the Town budget represents those fixed costs which are not generally attributed to any one department or service.

**Budget Recommendations**

**Workers' Compensation:** The Town's insurance premium is based on: 1) the Town's payroll for each insured class of employee; 2) the workers' compensation rates set by the State; and 3) the Town's claims experience. Due to recent claims experience, we are expecting an increase in premium beyond the usual amount.

**Public Safety, Injured on Duty:** This continuing balance account, which covers medical expenses for police officers and firefighters who are injured in the line of duty, is managed by the Human Resources Department. Given the number of police officers and firefighters, the Town has a modest number of claims. This budget is level funded, consistent with the Town's Reserve Policy.

**Unemployment Compensation:** The Town self-insures for this benefit. The budget is directly related to the number of former employees qualifying for benefits. Because we are a reimbursement employer, we must pay claims from former employees who lose their jobs with other employers, so the need for these funds is somewhat unpredictable.

**Insurance, Property, General Liability, Motor Vehicle:** This budget is increasing to cover anticipated premium rate increases. The Town continues to benefit from participation in a loss control program to obtain premium credit for the following year based on certain activities being completed during the current year.

**Uninsured Losses:** The balance in this account is just above the target of \$150,000 for this reserve account, so no funds are requested.

**Group Health Insurance:** The Town's employees and retirees are enrolled in the health insurance plans of the Commonwealth of Massachusetts, Group Insurance Commission. At this time, we are projecting an 8% increase in premiums for FY19. The GIC does not normally set the FY19 rates until March 2018, although we may get early information in January. In addition, \$84,000 is included for those currently "opting out" of the Town's plans, saving the Town approximately \$291,656. Finally, \$53,445 is added to account for potential health insurance costs for three new positions proposed in the FY19 budget.

**Medicare Tax:** The Medicare tax is 1.45 percent of payroll. This budget is increasing by \$60,000 due to increasing salaries and continued retirements of longer serving employees who are not subject to the tax.

**Contributory Retirement-Middlesex:** The Town participates in the Middlesex Retirement System (MRS). An actuarial analysis, which is conducted every two years, determines the Town's pension liability and funding schedule. Full funding is required by 2035; the most recent actuarial study as of 1/1/16 has determined the Town's level of funding to be 42%. The amount to be assessed to the Town in FY19 is a 6.7% increase over the FY18 assessment.

**Compensated Absence Fund:** This reserve account is intended to fund the sick leave buy-back payment for which many employees are eligible at retirement, the liability for which exceeds \$2.4 million. The budget request is increased by \$20,000 to \$220,000, in accordance with the recently revised Reserve Policy. The balance in this account as of 12/31/17 is approximately \$388,211.

**Reserve Fund:** The Reserve Fund is for unforeseen and extraordinary expenses, subject to Finance Committee review and approval. The Reserve Fund is increased to \$586,587, in accordance with recently revised Reserve Policy, which is approximately .75 percent of the adjusted general fund budget for FY18.

**Debt Service (non-excluded):** This item is for previously authorized non-excluded debt service, debt issuance costs and interest on tax abatements. The Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2½, so this amount is declining.

**Debt Service (excluded):** This item is for previously authorized excluded debt service on projects approved by Town Meeting. In order for a project to be excluded from the property tax limits of Proposition 2½, it must be so voted on the ballot at Town Election. As mentioned above, the Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2½.

The amount is included as the gross amount for FY19, without taking into account offsetting state aid for school buildings and premiums from issuance of bonds and BANs. The auditors have recommended that we budget this way, but there is offsetting revenue that reduces the amount of estimated exempt debt service from \$8,920,548 or to \$8,120,773, or a 0.3% increase over FY18. The actual amount to be requested will be determined after bonds are issued in February.

**New Debt Service (proposed to be excluded):** This item is normally for estimated debt service for capital projects proposed in the next year's budget. These projects will be placed on the May 2018 ballot for exclusion from the limits of Proposition 2½. For FY19, no amount is included because of the expected timing of the borrowings and when the first payment of debt service is due, which will be in FY20.

**Stabilization Fund:** The current balance in the Stabilization Fund is approximately \$3.114 million. The recently revised Reserve Policy calls for a reserve target of 3.5% of the prior fiscal year's general fund operating budget amount, excluding exempt debt service, which would be \$2,737,408. Because the balance exceeds 3.5%, no amount for FY19 is included.

**Separate Articles to be Presented:**

**Post-Employment Benefits:** Under State law, all Town and School employees eligible for retirement benefits are also eligible for post-employment health insurance benefits (OPEB). The most recent actuarial study as of 7/1/16, conducted in accordance with the requirements of GASB45, has determined the amount of the unfunded liability to be \$65 million if the Town continues to fund on a pay-as-you-go basis. Pre-funding this liability at the rate of an additional \$2.1 million or more per year will reduce the long-term unfunded liability to \$50.2 million.

A trust fund established for this purpose has a current balance of \$15.2 million. Funding for FY19 is proposed at \$2,106,634, which is the amount required in the actuarial funding schedule. An additional \$15,000 is included to account for three new positions proposed in the FY19 budget.

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**Town of Weston  
FY19 Town Manager's Proposed Budget**

UNCLASSIFIED	ACTUAL FY16	BUDGET		BUDGET FY18	DEPT REQ FY19	TOWN MGR'S RECOMMENDATION			FY18 to FY19		
		FY17	ACTUAL FY17			LEVEL SERVICE	NEW REQ	TOTAL	\$ Change	% Change	
<b>INSURANCE</b>											
Insurance, Workers' Compensation	188,210	231,000	213,908	250,000	275,000	275,000	-	275,000	25,000	10.0%	
Police-Injured on Duty+	7,348	5,000	33,191	5,000	10,000	10,000	-	10,000	5,000	100.0%	
Firefighters - Injured on Duty+	3,284	15,000	8,723	15,000	10,000	10,000	-	10,000	(5,000)	-33.3%	
Unemployment Compensation	115,745	130,000	32,077	120,000	120,000	120,000	-	120,000	-	0.0%	
Property & Liability Insurance/Boiler/MV	350,288	381,000	334,673	385,000	408,100	408,100	-	408,100	23,100	6.0%	
Uninsured Losses+	1,338	15,000	1,491	-	-	-	-	-	-	-	
<b>subtotal</b>	<b>666,212</b>	<b>777,000</b>	<b>624,063</b>	<b>775,000</b>	<b>823,100</b>	<b>823,100</b>	<b>-</b>	<b>823,100</b>	<b>48,100</b>	<b>6.2%</b>	
<b>FRINGE BENEFITS</b>											
Group Life Insurance	2,554	5,340	2,873	5,733	3,000	3,000	-	3,000	(2,733)	-47.7%	
Group Health & Accident Insurance	9,706,867	10,241,838	9,810,480	10,347,276	10,738,442	10,738,442	53,445	10,791,887	444,611	4.3%	
Medicare Tax	644,155	635,000	673,306	650,000	710,000	710,000	-	710,000	60,000	9.2%	
Flexible Benefits Admin	13,765	14,100	13,440	14,100	14,100	14,100	-	14,100	-	0.0%	
Contributory Retirement-Middlesex	4,270,242	4,557,886	4,557,886	4,792,481	5,114,630	5,114,630	-	5,114,630	322,149	6.7%	
Compensated Absence Fund+	131,711	140,000	158,369	200,000	220,000	220,000	-	220,000	20,000	10.0%	
<b>subtotal</b>	<b>14,769,294</b>	<b>15,594,164</b>	<b>15,216,354</b>	<b>16,009,590</b>	<b>16,800,172</b>	<b>16,800,172</b>	<b>53,445</b>	<b>16,853,617</b>	<b>844,027</b>	<b>5.3%</b>	
<b>RESERVE FUND</b>	<b>-</b>	<b>595,000</b>	<b>-</b>	<b>556,900</b>	<b>586,587</b>	<b>586,587</b>	<b>-</b>	<b>586,587</b>	<b>29,687</b>	<b>5.3%</b>	
<b>DEBT SERVICE (non-excluded)</b>											
Interest Payments - Misc./Abatements	46	6,000	398	6,000	6,000	6,000	-	6,000	-	0.0%	
Maturing Debt - Non-Excluded	23,000	22,000	22,000	21,000	20,000	20,000	-	20,000	(1,000)	-4.8%	
Interest - Non-Excluded	7,855	2,020	2,020	1,580	1,160	1,160	-	1,160	(420)	-26.6%	
Debt Service Costs	500	3,700	2,500	3,700	3,700	3,700	-	3,700	-	0.0%	
<b>subtotal</b>	<b>31,401</b>	<b>33,720</b>	<b>26,918</b>	<b>32,280</b>	<b>30,860</b>	<b>30,860</b>	<b>-</b>	<b>30,860</b>	<b>(1,420)</b>	<b>-4.4%</b>	
<b>Total</b>	<b>15,466,908</b>	<b>16,999,884</b>	<b>15,867,334</b>	<b>17,373,770</b>	<b>18,240,719</b>	<b>18,240,719</b>	<b>53,445</b>	<b>18,294,164</b>	<b>920,394</b>	<b>5.3%</b>	
<b>DEBT SERVICE (excluded)</b>											
New Debt Service (proposed to be excluded)	-	-	-	-	-	-	-	-	-	-	
Debt Service (excluded)*	7,926,753	8,197,436	9,068,321	8,976,159	8,920,548	8,920,548	-	8,920,548	(55,611)	-0.6%	
<b>Total</b>	<b>7,926,753</b>	<b>8,197,436</b>	<b>9,068,321</b>	<b>8,976,159</b>	<b>8,920,548</b>	<b>8,920,548</b>	<b>-</b>	<b>8,920,548</b>	<b>(55,611)</b>	<b>-0.6%</b>	
<b>CAPITAL &amp; SEPARATE ARTICLES</b>											
Cash Capital	-	-	-	-	260,000	260,000	-	260,000	260,000	-	
Weston Media Center Grant	110,000	110,000	110,000	110,000	-	-	-	-	(110,000)	-100.0%	
Stabilization Fund	250,000	-	-	-	-	-	-	-	-	-	
Post Employment Benefits (OPEB) Trust	1,606,925	1,652,517	1,652,517	1,736,480	2,106,634	2,106,634	15,000	2,121,634	385,154	22.2%	
<b>Total</b>	<b>1,966,925</b>	<b>1,762,517</b>	<b>1,762,517</b>	<b>1,846,480</b>	<b>2,366,634</b>	<b>2,366,634</b>	<b>15,000</b>	<b>2,381,634</b>	<b>535,154</b>	<b>29.0%</b>	