

Overview of FY17 Operating Budget Recommendations

Finance Committee

March 2, 2016

Building FY17 Budget

- We have to develop two budgets: one with a 1.75% levy increase and one with a 1.25% levy increase
 - \$880,000 revenue difference
- Depts were required to submit level service budget requests and 3% cut scenarios
 - Choices depend upon revenue estimate
 - Try to provide multiple options

Revenue Estimates

Only base tax levy growth is different

Revenue (1.75% Levy)	
Property Taxes	\$181,650,582
State Aid	\$53,572,475
Local Receipts	\$22,103,049
Enterprise Indirect Trnsfr	\$3,071,894
Free Cash	\$5,514,893
Miscellaneous	\$65,000
Total Revenue	\$265,977,894
<i>Revenue Growth Rate</i>	4.2%

Assumes Governor's state aid: 7% growth in Ch 70 and 4.3% growth in UGG

Uses \$3.5 million in free cash

Assumes \$1.7M in new development taxes

Local revenue growth is 7% or \$1.49M, includes \$740,000 PEG revenue

\$700,000 overlay surplus for Tax Burden Reserve

Revenue (1.25% Levy)	
Property Taxes	\$180,769,745
State Aid	\$53,572,475
Local Receipts	\$22,103,049
Enterprise Indirect Trnsfr	\$3,071,894
Free Cash	\$5,514,893
Miscellaneous	\$65,000
Total Revenue	\$265,097,057
<i>Revenue Growth Rate</i>	3.9%

FY17 Level Service Expenditure Requests

Expenditures	FY17 LS Request
Municipal Departments	\$60,424,888
Framingham School District	\$120,361,231
Keefe Technical Assessmnt	\$9,209,446
Group Health Insurance	\$30,644,420
Other Insurances	\$4,992,377
Retirement	\$12,982,123
OPEB Trust	\$751,710
Debt Service	\$13,871,570
Stabilization/Reserves	\$1,849,432
Miscellaneous (EDIC Article)	\$131,500
Non Appropriations	\$9,320,292
Total Expenditures	\$264,538,990
<i>Expenditure Growth Rate</i>	<i>3.6%</i>

Total Municipal
Departments increase
1.7% (\$986,212)

School Department
increase 4% (\$4.6 million)

Added \$370,00 Education Channel
funding to level service budget -
\$4.9M, 4.3% increase

FY17 Additional Budget Requests

School Department request: \$4.7 million (3.9%)

- In addition to the \$4.9 million level service increase
- Total increase 8.2% or \$9.6 million over FY16
- Current requested budget \$125,060,690 on School report

Municipal Departments request: \$562,556 (.9%)

- 3.5 FTEs = \$164,944
 - .5 FTE in Veteran's Services to make assistant full time
 - 1 FTE, electrician in DPW for transfer of streetlights from FPD
 - 1 FTE in Media Services for a Production Technician
 - 1 FTE Parking Enforcement Officer in Police Dept.
- Remaining increases are in small capital budgets for equipment and technology
 - Technology lease \$250,000
 - Includes new technology devices in Police, Library & CED
 - Operating equipment in DPW (\$49,755)

FY17 1.75% Levy Spending Recommended

Expenditures	FY17 1.75% Recomm
Municipal Departments	\$60,632,642
Framingham School District	\$120,731,231
Keefe Technical Assessmnt	\$9,209,446
Group Health Insurance	\$30,763,428
Other Insurances	\$4,867,512
Retirement	\$12,982,123
OPEB Trust	\$751,710
Debt Service	\$13,839,340
Stabilization/Reserves	\$1,849,432
Miscellaneous (EDIC Article)	\$131,500
Non Appropriations	\$9,965,292
Total Expenditures	\$265,723,656
<i>Expenditure Growth Rate</i>	<i>4.1%</i>

Fund Technology Lease - \$250,000

Level Service Budget plus:

.5 FTE in Veterans Services

1 FTE electrician for Streetlight/
Traffic Signals in DPW

1 FTE Parking Enforcement Ofcr

1 FTE Production Assistant in
Media Services

School Dept: 4% plus
\$370,000 PEG Cable Funds

Reduced Unemployment &
Workers Comp by \$105,000

Budget Balance: \$4,238

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FY17 1.25% Levy Spending Recommended

Expenditures (1.25% Levy)	FY17 Recomm
Municipal Departments	\$60,079,515
Framingham School District	\$120,400,308
Keefe Technical Assessmnt	\$9,209,446
Group Health Insurance	\$30,763,428
Other Insurances	\$4,867,512
Retirement	\$12,982,123
OPEB Trust	\$751,710
Debt Service	\$13,839,340
Stabilization/Reserves	\$1,849,432
Miscellaneous (EDIC Article)	\$120,000
Non Appropriations	\$9,965,292
Total Expenditures	\$264,828,106
<i>Expenditure Growth Rate</i>	3.7%

Reduced Unemployment & Workers Compensation by \$105,000

Level funded most Municipal operating budgets

Added Parking Enforcement (revenue producing) & Production Coordinator

Overall reduced Municipal Dept budgets by \$553,127 from 1.75% Levy Budget

Reduced School budget by \$331,000 from 1.75% Levy Budget

Fund Technology Lease - \$250,000

Budget Balance: \$18,951

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Summary Document

- Muni Depts listed alphabetically
- FY16 > Level Service > 1.75% Budget > 1.25% Budget
- \$ and % increases over FY16 & LS comps

Department	FY16 Annual Town Meeting Final Voted Budget	FY17 Level Service Budget Requests Description	Level Service FY17 Budget Requests	Incremental Increase/Decrease from ATM FY16 Voted Budget	%	VOTED FY16 FTE Funded/Unfunded	FY17 Budget Recommended/Deferred Over Level Service	FY17 Budget Request Over Level Service	%	FY17 Requested Additional FTE's	FY17 Recommended Budget AT 1.75%	Incremental Increase/Decrease from FY16 Final Voted Budget	% Inc	FY17 Incr in FTEs	FY17 Recommended FTE Funded/Unfunded	FY17 Budget at 1.25%	Incremental Increase/Decrease from FY16 2015 ATM Voted Budget	% Inc	Incremental Increase/Decrease from FY17 Level Service Request	% Inc
Accounting	\$518,841	Salary - Personnel Fixed Costs	\$524,455	\$5,614	1.1%	8.6	Funded				\$524,455	\$5,614	1.1%			\$524,455	\$5,614	1.1%		
	\$19,320	Operating - Slight increase for office supplies, laser cartridges for printing, education training & seminars	\$19,845	\$525	2.7%						\$19,845	\$525	2.7%			\$19,320	\$0	0.0%	-\$525	-2.65%
		Small Capital - no request																		
Total	\$538,161		\$544,300	\$6,139	1%	8.6	TOTAL				\$544,300	\$6,139	1.1%			\$543,775	\$5,614	1.0%	-\$525	-0.10%
Animal Control	\$143,619	Salary - Personnel Fixed Costs	\$144,480	\$861	0.6%	2.5	Funded				\$144,480	\$861	0.6%			\$144,480	\$861	0.6%		
	\$12,300	Energy - Electric, Natural Gas	\$12,669	\$369	3.0%	0.5	Unfunded				\$12,669	\$369	3.0%			\$12,669	\$369	3.0%		
	\$18,400	Operating - level funded	\$18,400	\$0	0.0%						\$18,400	\$0	0.0%			\$18,400	\$0	0.0%		
Total	\$174,319		\$175,549	\$1,230	0.7%	3.0	TOTAL				\$175,549	\$1,230	0.7%			\$175,549	\$1,230	0.7%		
Assessing	\$510,706	Salary - Personnel Fixed Costs, staff reclass, contractual obligations	\$527,368	\$16,662	3.3%	11.2	Funded				\$527,368	\$16,662	3.3%			\$527,368	\$16,662	3.3%		
	\$128,825	Operating - Slight decrease for computer maintenance, consulting, printing, telephone, advertising, laser cartridges for printing, mileage reimbursement	\$115,965	-\$12,860	-10.0%						\$115,965	-\$12,860	-10.0%			\$104,477	-\$24,348	-18.9%	-\$11,488	-9.91%
	\$50,000	Small Capital - Slight decrease in capital request for computer software	\$40,000	-\$10,000	-20.0%						\$40,000	-\$10,000	-20.0%			\$40,000	-\$10,000	-20.0%		
Total	\$689,531		\$683,333	-\$6,198	-0.9%	11.2	TOTAL				\$683,333	-\$6,198	-0.9%			\$671,845	-\$17,686	-2.6%	-\$11,488	-1.68%
Building Inspection - FY16 Budget Numbers as voted reflect the BOH re-org; FY17 budget is without Public Health included	\$1,380,577	Salary - Personnel Fixed Costs, Asst. Building Inspector position has been filled, contractual obligations. Total salary is offset by \$65k in anticipation of CDBG funding for code enforcement. FY17 budget reflects respective expense line items back to the Public Health budget	\$1,003,860	-\$376,717	-27.3%	21.6	Funded				\$1,003,860	-\$376,717	-27.3%			\$1,003,860	-\$376,717	-27.3%		
	\$85,726	Operating - level funded	\$63,450	-\$22,276	-26.0%						\$63,450	-\$22,276	-26.0%			\$63,450	-\$22,276	-26.0%		
		Small Capital - no request																		
Total	\$1,466,303		\$1,067,310	-\$398,993	-27.2%	21.6	TOTAL				\$1,067,310	-\$398,993	-27.2%			\$1,067,310	-\$398,993	-27.2%		

Next Steps

1. Committees and Town Meeting

- FinComm and Standing Committees
- BOS presentation next week

2. Watch Legislature for changes to state aid

- Concerns: Charter School reimbursement and assessment
- Concern: Chapter 70 aid effort reduction %
- Any changes would be addressed at Fall Town Meeting