

Overview of FY17 Operating Budget Requests

Finance Committee
February 17, 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
 - Dept recommends reduction options
 - Selectmen input, DH and TM input

Revenue Estimates

Only base tax levy growth is different

	FY17 Forecast
Revenue (1.75% Levy)	
Property Taxes	\$180,867,640
State Aid	\$53,572,475
Local Receipts	\$21,622,127
Enterprise Indirect Trnsfr	\$3,071,894
Free Cash	\$5,514,893
Miscellaneous	\$65,000
Total Revenue	\$264,714,029
<i>Revenue Growth Rate</i>	3.7%

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

Uses \$3.5 million in free cash

Assumes \$1.6M in new development taxes

Local revenue growth is 5% or \$1.1 M, includes PEG revenue

	FY17 Forecast
Revenue (1.25% Levy)	
Property Taxes	\$179,986,803
State Aid	\$53,572,475
Local Receipts	\$21,622,127
Enterprise Indirect Trnsfr	\$3,071,894
Free Cash	\$5,514,893
Miscellaneous	\$65,000
Total Revenue	\$263,833,193
<i>Revenue Growth Rate</i>	3.4%

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>	3.6%

Total Municipal
Departments increase
1.7% (\$997,206)

School Department
increase 4% (\$4.6 million)

FY17 Budget Balance Estimates - LS

At 1.75% Levy increase budget balance is
\$175,040

- Assume cost of Town Technology Capital Lease of \$250,000 changes to a deficit of \$74,960

At 1.25% Levy increase budget balance is
(\$705,797)

- Again, assume cost of Town Technology Capital Lease of \$250,000 changes to a deficit of (\$955,797)

FY17 Additional Budget Requests

School Department request: \$7.93 million (6.6%)

- in addition to the \$4.6 million level service increase
- Total increase 10.8% or \$12.5 million over FY16
- They have published materials that describe this request

Municipal Departments request: \$258,980 (.4%)

- 2.5 FTEs = \$125,000
 - .5 FTE in Veteran's Services to make assistant full time
 - 1 FTE, electrician in DPW for transfer of streetlight responsibilities from FPD
 - 1 FTE in Media Services for a Production Technician
- Remaining increases are in small capital budgets for equipment and technology
 - Includes new technology devices in Police, Library & CED
 - Operating equipment in DPW (\$49,755)

Next Steps

- Review LS, Additional requests and cuts with Departments to get down to the 1.25% Levy budget
- Review LS, Additional requests and cuts with Departments for recommendations in the 1.75% Levy budget
- Continue revenue analysis including legislative state aid amounts