

FY16 Operating Budget

Annual Town Meeting

Article 15

May 6, 2015

Three Year Budget Plan

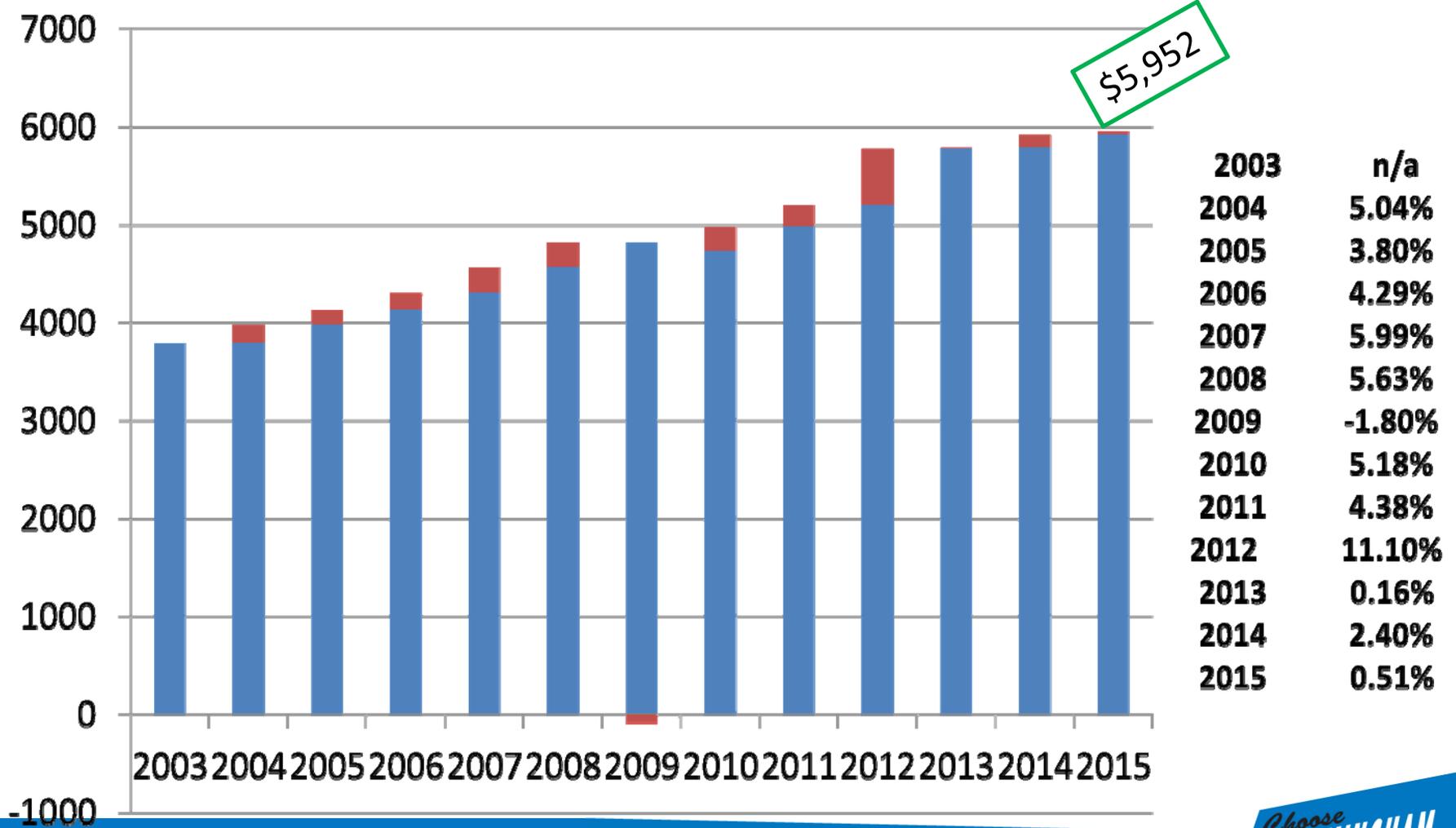
Tax Revenue

Tax Levy Increase		1.250%	1.25%	1.25%	2.5%	2.5%	2.5%
New Growth Estimate		8%	10%	9%	7%	6%	5%
	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Property Tax Levy	\$169,030,389	\$172,026,590	\$175,130,909	\$178,369,431	\$183,986,619	\$189,825,292	\$195,884,274
New Growth Estimate	\$872,416	\$942,209	\$1,036,430	\$1,129,709	\$1,208,789	\$1,281,316	\$1,345,382
Total Taxes	\$169,902,805	\$172,968,799	\$176,167,340	\$179,499,140	\$185,195,407	\$191,106,608	\$197,229,655

Total Revenue

	FY16 Estimate	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
Revenue					
Property Taxes	\$176,167,340	\$179,499,140	\$185,195,407	\$191,106,608	\$197,229,655
State Aid	\$48,788,405	\$51,621,811	\$54,734,030	\$58,055,737	\$60,999,766
Local Receipts	\$20,584,268	\$21,091,427	\$20,688,021	\$21,047,223	\$21,447,791
Enterprise Indirect Trnsfr	\$2,982,422	\$3,071,894	\$3,194,770	\$3,322,561	\$3,455,463
Free Cash	\$4,949,739	\$4,203,378	\$2,212,598	\$1,626,163	\$2,173,763
Miscellaneous	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Total Revenue	\$253,537,172	\$259,552,651	\$266,089,826	\$275,223,292	\$285,371,438
Revenue Growth Rate	2.95%	2.4%	2.5%	3.4%	3.7%

Changes to Average SFR Tax Bill 2003 - 2015



FY16 Tax Bill Increase Estimate

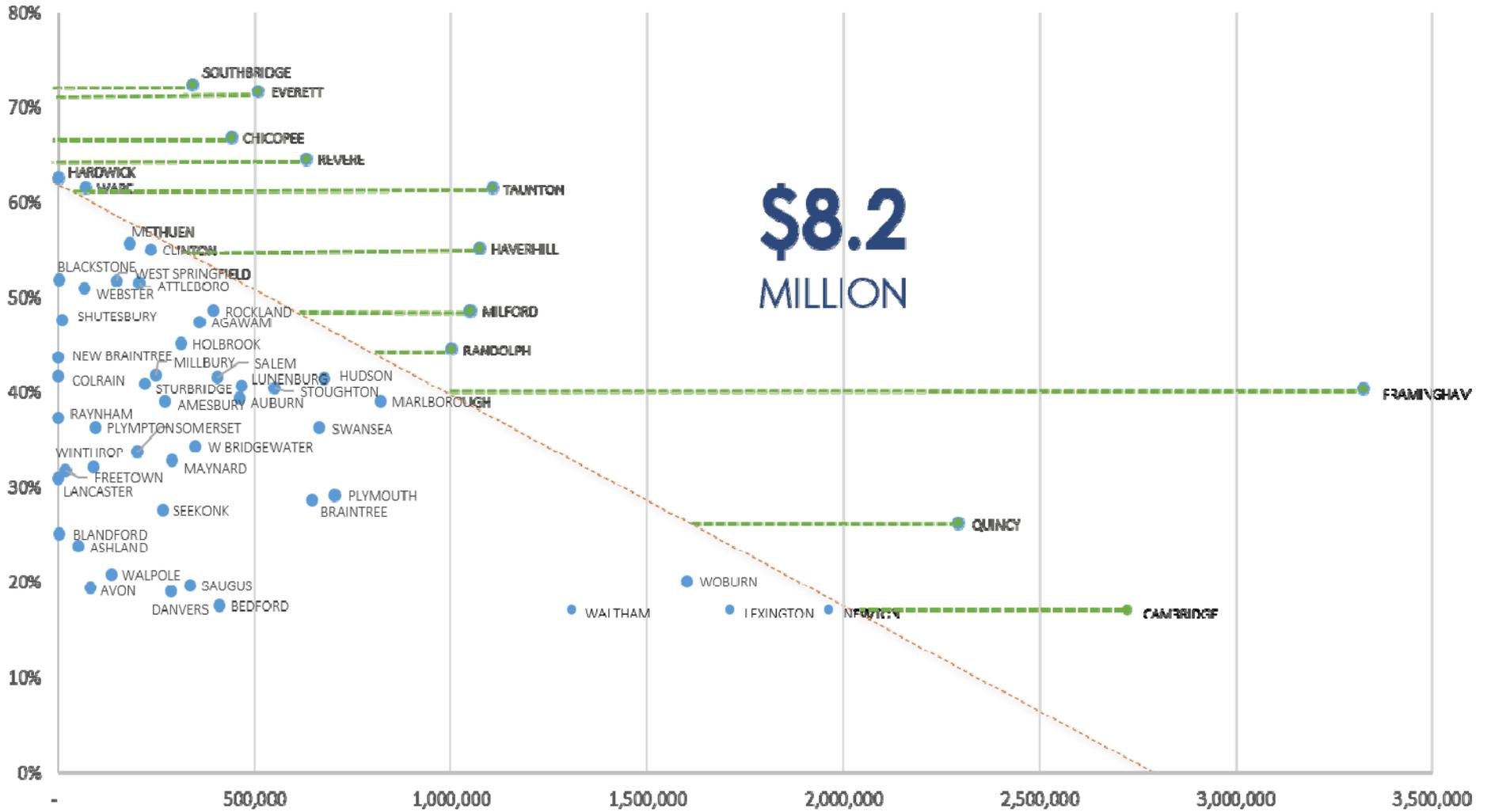
FY 2015		FY2016	FY2017
<i>Average Single Family Tax Bill</i>		<i>Avg S F Tax Bill</i>	<i>Avg S F Tax Bill</i>
Average Assessment	\$334,032	\$335,651	\$337,154
Tax Rate	\$17.82	\$18.00	\$18.21
Tax Bill	\$5,952.02	\$6,043.25	\$6,137.93
Percent Change	0.51%	1.53%	1.57%
Change	\$30.00	\$91.19	\$94.67

Revenue Areas of Concern for FY16

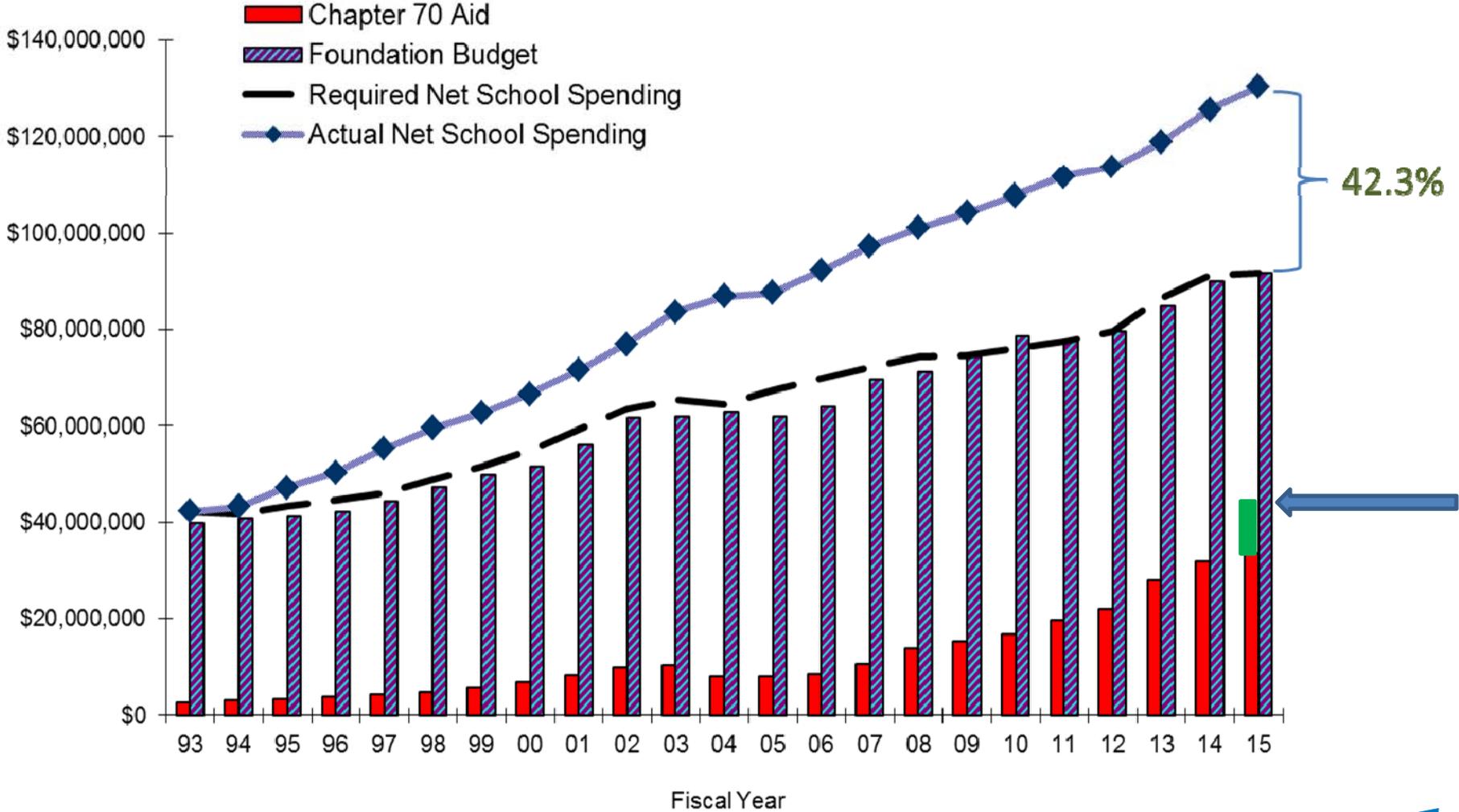
- Net Revenue increase from State Aid about \$650,000 - \$700,000
 - House Final is \$33K less net than Governor's cherry sheet numbers
 - Need to watch Cherry sheet charges for increase in transportation, charter school tuition assessments and school choice tuition assessments which are usually different in each version of the state budget
 - Senate budget not released yet

Ch 70 Aid Advocacy

- Ch. 70 Target Aid: A percentage of a Community's Foundation Budget based on need
- Variance: Distance from Target Aid in Dollars
- Focus on High Target Need/High Target Variance
- Financial Equity – Move communities to within an acceptable range of Target Aid and Variance
- Eliminate all Variance and all Need over time



Chapter 70 Trends FY93 to FY15



FY16 Recommended Spending

Expenditures	FY16 Recommend	FY17 Forecast	FY18 Forecast	FY19 Forecast	FY20 Forecast
Municipal Departments	\$59,133,033	\$61,323,907	\$63,130,467	\$65,495,815	\$67,370,927
Framingham School District	\$114,931,953	\$119,529,231	\$124,310,400	\$129,282,816	\$134,454,129
Keefe Technical Assessmnt	\$8,941,210	\$9,209,446	\$9,531,777	\$9,865,389	\$10,210,678
Group Health Insurance	\$29,751,864	\$30,346,901	\$31,409,043	\$32,633,996	\$33,939,356
Other Insurances	\$4,694,549	\$4,935,127	\$5,182,520	\$5,449,525	\$5,737,918
Retirement	\$12,371,188	\$12,989,500	\$13,637,840	\$14,250,921	\$14,399,077
OPEB Trust	\$749,900	\$353,935	\$546,574	\$473,630	\$740,630
Debt Service	\$11,922,904	\$14,204,781	\$14,919,122	\$15,668,746	\$15,731,630
Stabilization/Reserves	\$1,779,454	\$1,276,114	\$1,592,695	\$1,280,312	\$1,760,912
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Non Appropriations	\$9,121,730	\$9,433,468	\$9,057,016	\$9,471,668	\$9,905,066
Total Expenditures	\$253,397,784	\$263,602,410	\$273,317,454	\$283,872,818	\$294,250,322
<i>Expenditure Growth Rate</i>	3.0%	4.0%	3.7%	3.9%	3.7%

\$120,000 economic development fund in separate article total spending increase 3.1%



Reducing Impact on Operating Budgets

General Fund	FY16	FY17	FY18	FY19	FY20	FY21
Reduced impact on operating budget	-\$313,656	-\$1,534,799	-\$1,230,368	-\$1,207,032	-\$1,177,413	-\$1,147,793
Water Fund	FY16	FY17	FY18	FY19	FY20	FY21
Reduced impact on operating budget	-\$78,342	-\$554,883	-\$398,661	-\$388,747	-\$375,698	-\$362,647
Sewer Fund	FY16	FY17	FY18	FY19	FY20	FY21
Reduced impact on operating budget	-\$152,515	-\$781,063	-\$286,609	-\$288,816	-\$278,864	-\$268,911

GF Debt is \$166,765 less than FY15 appropriation



FY16 Spending Details

- Level Service total budget increase 2.5%
 - \$6,031,813
 - No new programs or positions
 - Base rate of growth to perform the same level of service as the prior year
 - School Dept base increase 4%: \$4,378,153
 - Municipal Depts. base increase 2.2%: \$1.27M
- Service Improvement increases .7%
 - \$1,579,870

Recommended Department Spending

- School Dept: \$114.9 million
 - \$1.1 million improvement funds
- Conservation: \$202,749
 - Summer Youth Work program for property clean up and trail (\$28,160)
- DPW Admin; \$558,916
 - Systems Integration Project Manager; Funded ½ GF in DPW Admin (\$26,870); ½ Water & Sewer
- Facilities Management: \$2,173,949
 - Mechanical Tradesperson: In-house HVAC maintenance and repair (\$68,564)

Recommended Department Spending

- Building Inspection: \$1,466,303
 - ADA Compliance Officer/ADA Coordinator-Eliminate position for Housing Quality Inspector (\$30,000)
 - Reassignment of Sanitation/Housing Inspection Unit from Public Health to Building Inspection (within same Division)
 - No new positions for this function, 7 FTEs & 2 (8 hr) per diems moved from PHD to BI
 - \$443,641 salary transferred
 - \$22,276 operating transferred
- No net change to the Division Budget
- Streamline the global inspection function
- Mentor and cross train newer inspectors

Recommended Department Spending

- Sanitation: \$3,652,773
 - 2 Lead Drivers (\$19,834) (¼ year funded)
- DPW Highway: \$3,676,153
 - 1 Dump Body, 1 Plow Assembly (\$43,641)
- Loring Arena: \$507,477
 - Zamboni battery, Perimeter Piping Anchors (\$12,350)
- Parks & Rec: \$2,799,294
 - Leaf Vac and Nite Lite Site Lighting (\$31,264)
- Cemeteries: \$87,481
 - Tomb repair \$38,944 (from Cap budget)

Recommended Department Spending

- Library: \$3,039,418
 - Computers (\$25,000)
- Human Resources: \$503,379
 - Financial Coordinator (\$38,393)
- Police: \$14,144,541
 - Jail Diversion Clinician (\$22,500)(.5 FTE); 5 Cruisers (\$215,000) & 30 Tasers (\$52,000) (from Cap budget)
- Technology Services: \$1,564,774
 - Programmer/Analyst (\$53,971) (1 FTE); PC/laptop/projector replacements, VMWare Software upgrade (\$43,225)
- Veterans Benefits: \$552,571
 - \$84,000 increase based on current caseload and state set COLA

Deferred requests

- Facilities:
 - Admin Asst - Town owned building plan administration
- Fire
 - Vehicle replacement
- DPW Engineering
 - Vehicle Replace #803
- DPW Highway
 - 1 Dump Body
- Library
 - .5 FTE Technology staff
- Park & Rec
 - snow blowers/versa vac

Centralized Costs

- Health Insurance: \$29,751,864
 - 1.3% increase over FY15 budget
 - Still less than 12% of total spending
- Pension funding: \$12,332,130
 - Regular schedule 4.5% increase \$525,174
- Cherry sheet charges estimated increase 4%
- Liability Insurance: \$1,520,700
 - 10% increase (\$138,245) is worst case scenario
- Snow and ice deficit
 - \$2.5 million - Closed in FY15

Allocations to Reserves

- Operating Reserve Fund: \$400,000
- Stabilization Fund: \$199,973
- Capital Stabilization Fund: \$999,866
- OPEB Trust: \$749,900
- Tax Burden Balance Reserve: \$700,000

FY15 General Fund Operating Budget

- Budget is Balanced
- 1.25% levy increase complies with Fall Town Meeting resolution and three year budget policy goal of Selectmen
- Funds our highest budget priorities
- Plans for School Building Capital investment
- Moderates increase in tax bill and keeps tax burden from shifting

FY15 General Fund Operating Budget

Thank You