

FY13 Recommended Budget



**PRESENTATION TO SELECTMEN
FEBRUARY 23, 2012**

Overview of Recommended Budget



- Estimated revenues total \$226,557,614
- Recommended Expenditures total \$226,310,286
- Budget Surplus \$247,328
 - Recommended litigation Fund \$150,000
 - ✦ Separate special purpose article funds roll forward until exhausted
- Net surplus of \$97,328

FY13 Revenue Details



- **Property Taxes: \$168,253,850**
 - Tax Levy \$167,403,850
 - ✦ Increase to 2.5% maximum
 - New growth development increase \$850,000
 - ✦ \$710,000 less than FY12
 - Total increase in revenue from taxes is \$4,933,021
- **State Aid \$37,365,138**
 - Chapter 70 Aid \$25,769,087
 - \$3.75 million more than FY12
 - Governor recommended \$4.5 million more

FY13 Revenue Details



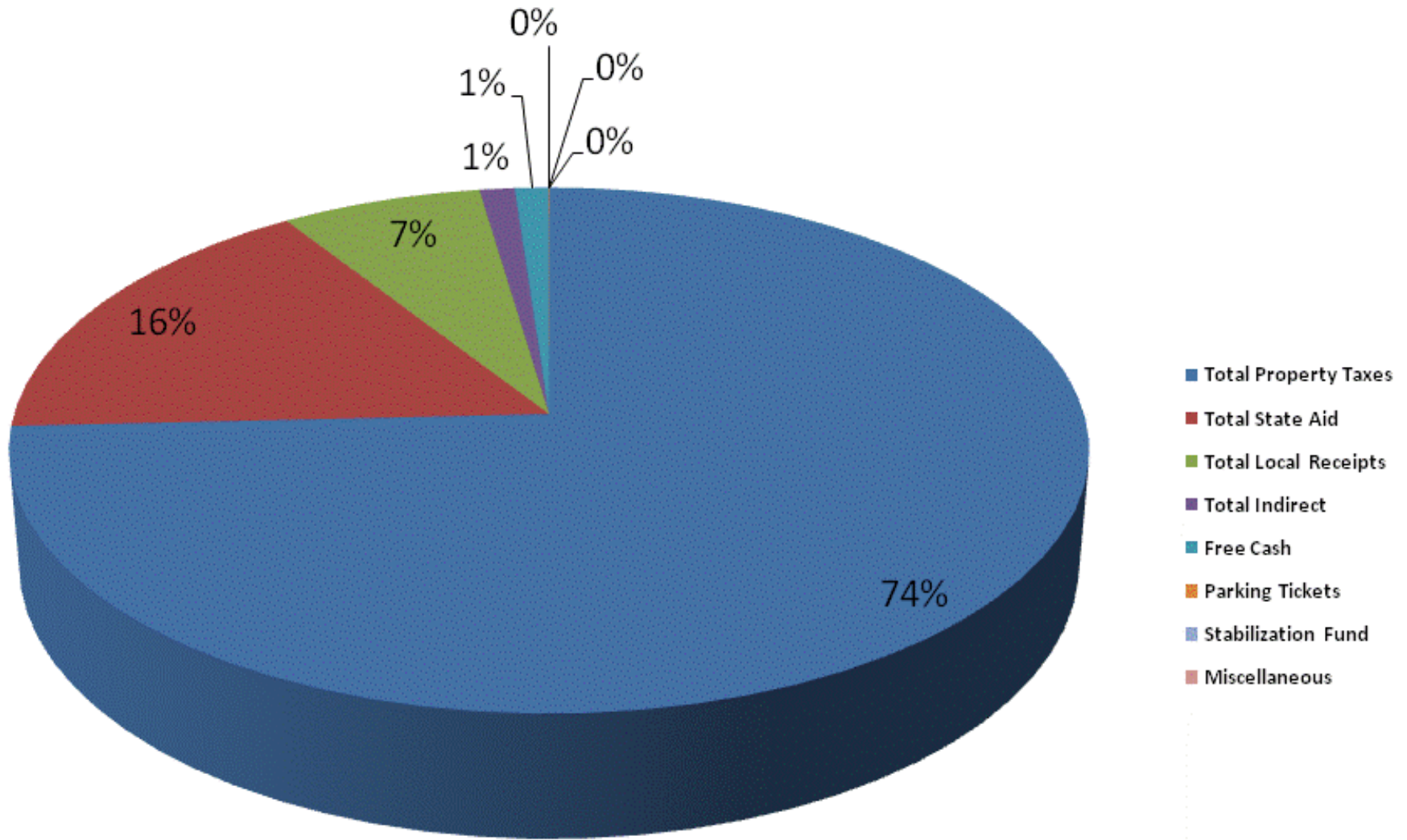
- **Local Receipts \$15,572,886**
 - 1% increase in User Fees & Penalties/Interest/Fines
 - 1% decrease in Motor Vehicle Excise Tax
 - .5% increase in Licenses and Permits
 - 55% decrease in miscellaneous local revenue
 - ✦ FY12 miscellaneous include one time payment from State of \$608,344
- **Total local receipts decrease \$638,343 or 3.9%**

FY13 Revenue Details



- **Free Cash Used \$2,588,060**
 - \$1,500,000 for General Fund Operating
 - \$725,373 for Stabilization Fund allocation
 - \$362,687 for Capital Budget allocation
 - \$725,373 remains in Undesignated General Fund Balance
 - This amount is \$768,060 more than available in FY12
- **Enterprise Fund Indirect**
 - Water Fund \$1,413,293
 - Sewer Fund \$1,309,386
 - Increased \$79,301 or 3%

FY13 Revenue by Type



FY13 Expenditure Highlights



- **Fixed Costs**

- **Health Insurance:**

- ✦ \$33,439,898 which is \$1.1 million LESS than FY12
- ✦ The result of FY11 and FY12 negotiations with PEC and adoption of Section 21 state health insurance reform

- **Liability insurance**

- ✦ \$1.1 million which is \$150,000 more than FY12 final but still \$200,000 less than the prior carrier.

- **Retirement**

- ✦ Contributory system \$10,729,968 increase of \$459,773 or 4.5%
- ✦ Non-contributory system \$49,695 a decrease of \$31,785 or 39%

- **OPEB Liability**

- ✦ \$1.2 million first time funding toward \$202 million total liability

FY13 Expenditure Highlights



- **Debt Service**
 - Principle & interest on bonds \$10,119,480
 - ✦ Increase of \$320,343 or 3.3%
 - ✦ \$126,295 is from the Capital budget recommendation
 - ✦ \$194,048 is base debt service increase
- **Cherry Sheet Assessments \$4,692,340**
 - Increase of \$363,513 or 8.4%
- **Snow and ice funding \$1.5 million**
 - **NO Snow and ice deficit to carry over**
 - Carried over \$1.97 million in FY12
- **Salary Reserve \$657,083**

FY13 Expenditure Highlights



- **School Department \$96.6 million**
 - Level service base plus transitions to full day Kindergarten
 - Increase of \$4.9 million or 5.3%
- **Keefe Technical School Assessment \$9,037,939**
 - Based on current Keefe budget and estimated state aid
 - \$684,000 increase or 8.2%
- **Fire Department \$12.6 million**
 - Restores 4 firefighter positions frozen in FY09
 - Will mitigate overtime and turnover due to retirements
 - Increase in budget \$451,714 or 3.7%

FY13 Expenditure Highlights



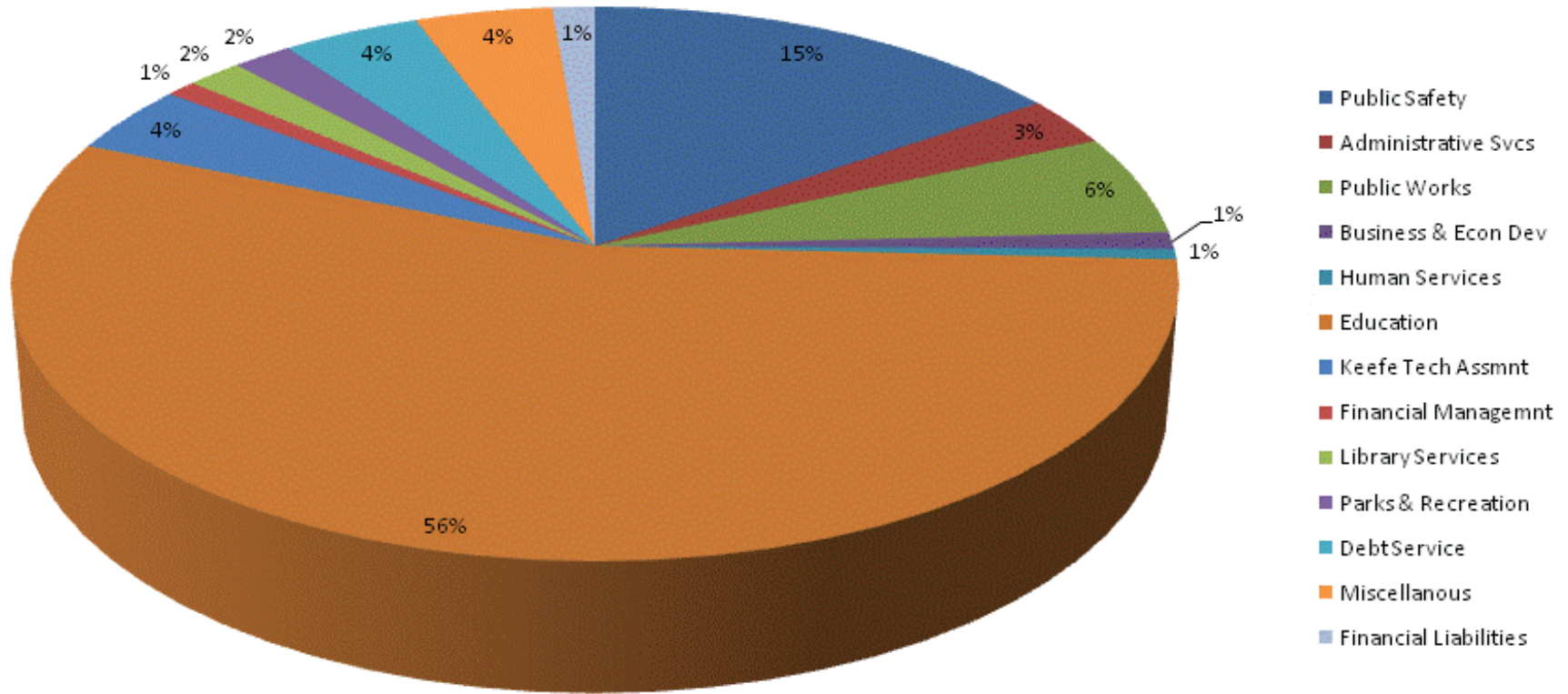
- **Police Department \$11,636,810**
 - Restores 2 police patrolmen frozen in FY09
 - Adds 3 dispatch positions which will free up police officers
 - Replaces 4 police cars
 - Increased budget \$465,686 or 4.2%
- **DPW Highway \$3,190,583**
 - Increased cost of stormwater management
 - Rising price of unleaded gas
 - Increased \$376,045 or 13.4%
- **DPW Sanitation \$3,483,887**
 - Reduction in solid waste contract
 - Increase in unleaded gas
 - Net *reduction* of \$197,457 from FY12

FY13 Expenditure Highlights



- **Public Health \$777,824**
 - Increased consulting services for environmental enforcement
 - Increased \$89,698 or 13% from FY12
- **Assessing Department \$574,280**
 - Added field assessor, customer service rep and contracted appraisal services
 - Increased \$123,501 or 27%
- **Accounting Department \$476,215**
 - Added half time accounts payable staff
 - Increased \$27,873 or 6.2%
- **Elections \$202,798**
 - Increased due to additional state election in FY13
 - Increased \$51,912 or 34%

FY13 Expenditures by Type



Change in Single Family Tax Bill by Levy %



	2.5 levy increase	2.0 levy increase	1.5 levy increase	1.0 levy increase	0.0 levy increase	Variable
FY12 Tax Levy	\$163,320,829	\$163,320,829	\$163,320,829	\$163,320,829	\$163,320,829	\$163,320,829
plus levy increase	\$4,083,021	\$3,266,417	\$2,449,812	\$1,633,208	0	\$283,000
plus debt excl	\$403,817	\$403,817	\$403,817	\$403,817	\$403,817	\$403,817
New tax levy	\$167,807,667	\$166,991,063	\$166,174,458	\$165,357,854	\$163,724,646	\$164,007,646
FY12 town value	\$7,529,736,477	\$7,529,736,477	\$7,529,736,477	\$7,529,736,477	\$7,529,736,477	\$7,529,736,477
Single tax rate	\$0.02229	\$0.02218	\$0.02207	\$0.02196	\$0.02174	\$0.02178
	\$22.29	\$22.18	\$22.07	\$21.96	\$21.74	\$21.78
1.75 Shifted share	39.82%	39.82%	39.82%	39.82%	39.82%	39.82%
CIP Share of levy	\$66,821,012.89	\$66,495,841.12	\$66,170,669.35	\$65,845,497.58	\$65,195,154.04	\$65,307,844.64
New CIP shifted rate	\$0.03900	\$0.03881	\$0.03862	\$0.03843	\$0.03805	\$0.03812
	\$39.00	\$38.81	\$38.62	\$38.43	\$38.05	\$38.12
New Shifted residential	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%
New shifted levy share	\$100,986,653.84	\$100,495,221.46	\$100,003,789.09	\$99,512,356.71	\$98,529,491.96	\$98,699,801.36
New residential rate	\$0.01736	\$0.01728	\$0.01719	\$0.01711	\$0.01694	\$0.016969
	\$17.36	\$17.28	\$17.19	\$17.11	\$16.94	\$16.97
Average single family tax bill, FY13	\$5,917.98	\$5,889.18	\$5,860.38	\$5,831.58	\$5,773.99	\$5,783.97
FY12	\$5,773.96	\$5,773.96	\$5,773.96	\$5,773.96	\$5,773.96	\$5,773.96
Increase, incl DE	\$144.02	\$115.22	\$86.42	\$57.62	\$0.03	\$10.01

Revenue Reduction by Levy %



	Revenue estimate with 0% levy increase	Revenue estimate with 1.5% levy increase	Revenue estimate with 2% levy increase	Revenue estimate with 2.5% levy increase
Revenue*	\$222,474,593	\$224,924,405	\$225,741,009	\$226,557,614
Level Service Budget Request	\$226,310,286	\$226,310,286	\$226,310,286	\$226,310,286
(Deficit)/Surplus	(\$3,835,693)	(\$1,385,881)	(\$569,276)	\$247,328
Litigation fund				\$150,000
Surplus.				\$97,328

Assumes Ch 70 increase of \$3.75 million, not the \$4.5 million in governor's budget; assumes Unrestricted Gov't aid of \$0 increase from FY12 as listed in H2

Budget Cut Possibilities for 1.5% Levy



- This is a 1% “Underride”
- Reduction in Available Revenue: \$1,385,881
 - Eliminate OPEB Funding: \$1.2 million
 - Reduce OPEB Funding: \$600,000
 - Eliminate Salary Reserve for FY13 COLA: (\$379,000)
 - Eliminate Salary Reserve completely: (\$657,083)
 - Reduce snow and ice funding (\$200,000)

Budget Cut Possibilities for 0% Levy



- **Reduction in Available Revenue: \$3,835,693**
 - Eliminate OPEB funding: \$1.2 million
 - Eliminate Salary reserve: (\$657,083)
 - Eliminate Collective Bargaining amount in Schools
 - Reduce School funding by \$2,400,000
 - Reduce Snow and Ice funding to \$1.3 million (\$200,000)
 - Eliminate restored police patrolmen (\$110,000)
 - Eliminate police cruisers (\$150,000)
 - Reduce environmental consulting in Board of Health (\$50,000)
 - Eliminate additional assessing staff/consulting (\$123,000)
 - Eliminate Highway storm drain maintenance (\$189,400)
 - Eliminate roadway maintenance (\$208,000)
 - Close Leaf Dump (\$65,000)
 - Cut Library materials budget and reduce staffing (\$200,000)
 - Eliminate EDIC Funding in CED (\$10,000)
 - Eliminate one code enforcement position (\$35,000)
 - Eliminate Fire station 7 (\$1,300,000)
 - Parks-Close Two Beaches (\$220,000)
 - Close Loring Arena (\$88,364)