

FY2016 TOWN MANAGER'S RECOMMENDED BUDGET and FINANCING PLAN



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TOWN OF WESTON

January 13, 2015

FY16 Budgetary Goals

- Deliver current levels of service efficiently and cost effectively
- Address increased demand for service in some departments
- Minimize increases in debt, where possible
- Plan for the Town's future financial stability by adding to reserves

FY16 Budget Overview

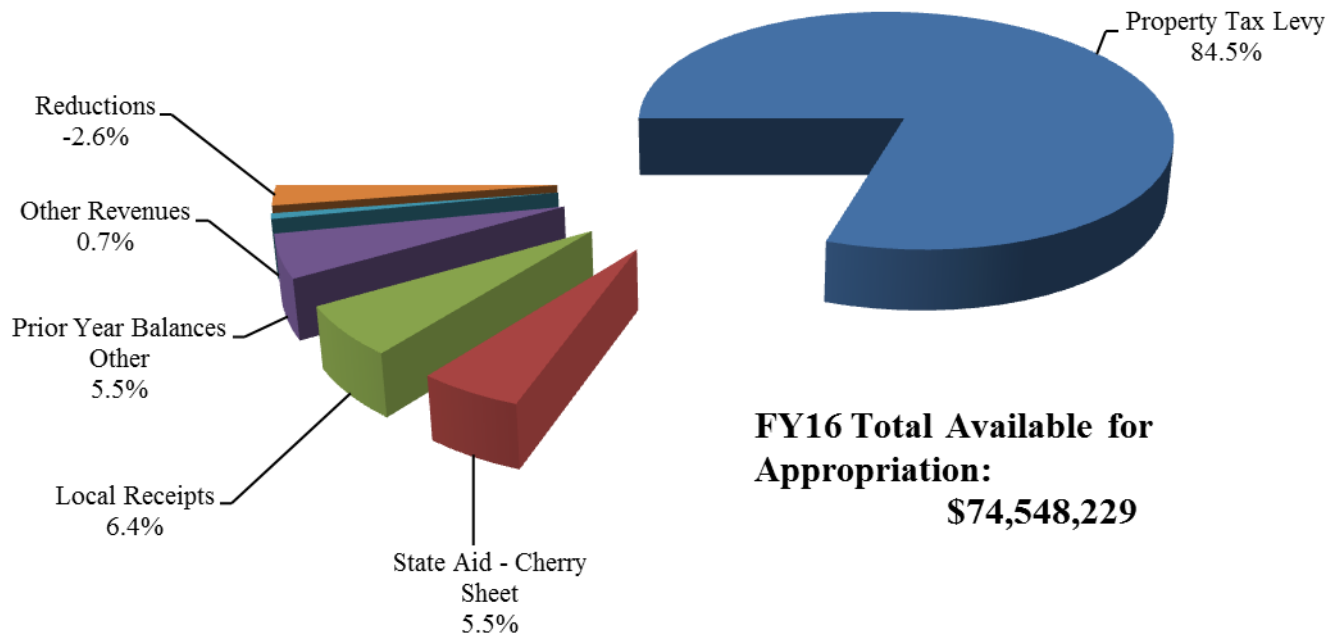
FY15 Approved Budget	\$72,101,231
FY16 Proposed Budget	\$74,548,229
Increase	3.4%

FY16 Revenue Projection

	FY2015 Estimated	FY2016 Projected	DOLLAR CHANGE FY15- 16	PERCENT CHANGE FY15- 16
PROPERTY TAX LEVY	\$61,700,758	\$63,027,109	\$1,326,351	2.1%
STATE AID - CHERRY SHEET	\$4,135,489	\$4,076,801	(\$58,688)	-1.4%
LOCAL RECEIPTS	\$4,500,697	\$4,734,897	\$234,200	5.2%
PRIOR YEAR BALANCES/OTHER	\$3,206,000	\$4,101,000	\$895,000	27.9%
TOTAL PROJECTED REVENUES	\$73,542,944	\$75,939,807	\$2,396,863	3.3%
REDUCTIONS IN REVENUES	(1,960,342)	(1,915,393)	\$44,949	-2.3%
OTHER REVENUES	518,629	523,815	5,186	1.0%
AVAILABLE FOR APPROPRIATION	\$72,101,231	\$74,548,229	\$2,446,998	3.4%

FY16 Sources of Revenue

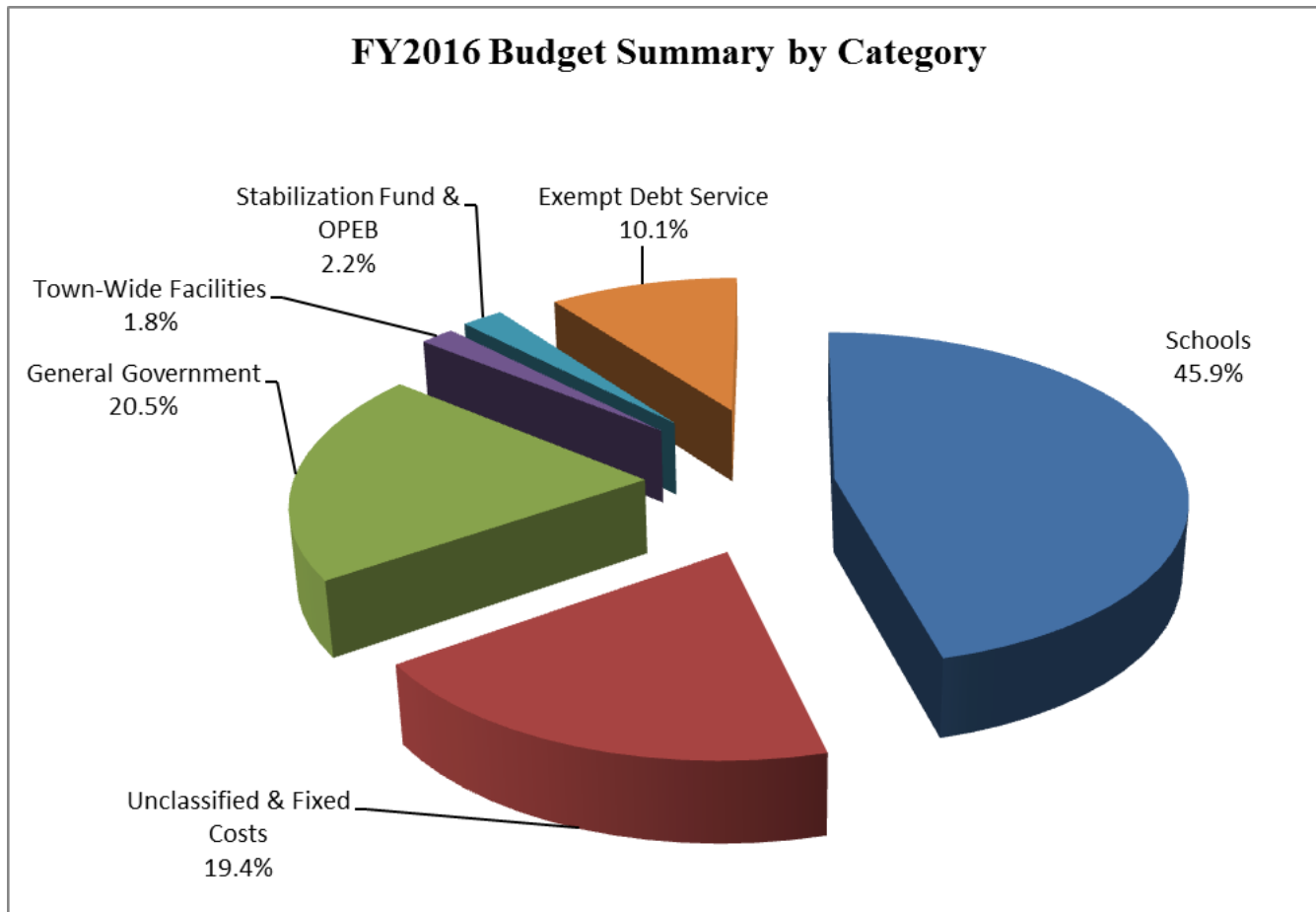
FY2016 Funding Source by Revenue Type



FY16 Budget Summary

	FY15 Budget	Recommended FY16 Budget	\$ Change	% Change
Schools	36,640,584	38,063,587	1,423,003	3.9%
Unclassified & Fixed Costs	15,434,972	16,107,288	672,316	4.4%
General Government	18,127,163	18,520,429	393,266	2.2%
Stabilization Fund & OPEB	<u>1,898,512</u>	<u>1,856,925</u>	<u>(41,587)</u>	-2.2%
Total Budget	72,101,231	74,548,229	2,446,998	3.4%
Debt Service Exempt from Proposition 2 1/2	7,220,241	8,417,881	1,197,640	16.6%
Grand Total Budget	79,321,472	82,966,110	3,644,638	4.6%

FY16 Budget Summary by Category



FY16 Components of Increase

Appropriation		FY16 Change
Schools (Superintendent's Budget)		
Salaries	\$902,120	
Equipment Purchases	281,560	
Program Improvements	193,474	
Offsets	153,132	
Other Changes	12,071	
Special Education	(59,036)	
Enrollment	<u>(60,318)</u>	
Total School Budget Increase		1,423,003
Group Health Insurance		480,170
Municipal Increases Above Level Service		428,711
Salaries (Municipal)		228,094
Middlesex Retirement System		131,087
Facilities Improvements-Town wide		(336,905)
All Other Changes - Net		92,838
Total Increase from FY15 to FY16		\$2,446,998

FY16 New Budget Requests – Recommended

New Budget Requests - Recommended (in priority order)

<i>Ranking</i>	<i>Departmental Budget Items</i>	<i>Amount</i>	<i>Cumulative Amount</i>
1	Roadway Improvements - Increased Funding Level	\$ 100,000	\$ 100,000
2	New Town Website	21,850	121,850
3	IT Salaries - Reorganization of System Administration and GIS support	10,800	132,650
4	Fire - Deputy Chief	114,857	247,507
5	Facilities - Fields Coordinator	84,500	332,007
6	Additional Support for Planning Board and Town Planner	15,000	347,007
7	Electrical Inspector - Increase Hours from 15 to 19 per week	6,300	353,307
8	Council on Aging - Transportation	3,000	356,307
9	Police - Additional Sergeant	61,404	417,711
10	Historical Commission - Recording Secretary	2,500	420,211
11	Historical Commission - Signs for Historic Districts	8,500	428,711
12	Brook School Apartments - Additional Hours for Housing Cert Specialist (Enterprise Fund)	3,500	432,211
Total New Budget Requests		\$ 432,211	

FY16 New Budget Requests – Not Recommended

<i>Budget Item</i>	<i>Amount</i>
Historical Commission - PT Staff Person	\$ 25,000
Planning Board - Assistant Planner	25,000
Hand-Held Voting Devices for Town Meeting	42,000
Total	\$ 92,000

Possible Reductions to Create “Level Tax Bill” Operating Budget

<i>Department</i>	<i>Item</i>	<i>Impact of Reduction</i>	<i>Amount</i>
			Total Gap \$ 1,250,790
Unclassified	Compensated Absence Fund	Level fund - slower funding of long-term liability	\$ 10,000
Unclassified	Finance Committee Reserve Fund	Level fund - contrary to established Reserve Policy	9,000
Selectmen/			
Town Manager	Support for Weston Media Center	Fewer meetings filmed	110,000
Municipal	New Budget Requests Above Level Service		428,711
Schools	To be determined		693,079

Proposed Use of Additional Free Cash and Overlay Surplus Mitigates Tax Levy Increase

Additional Free Cash: \$600,000
 Additional Overlay Surplus: \$320,000

Projected Future Tax Levy with Exempt Debt Service

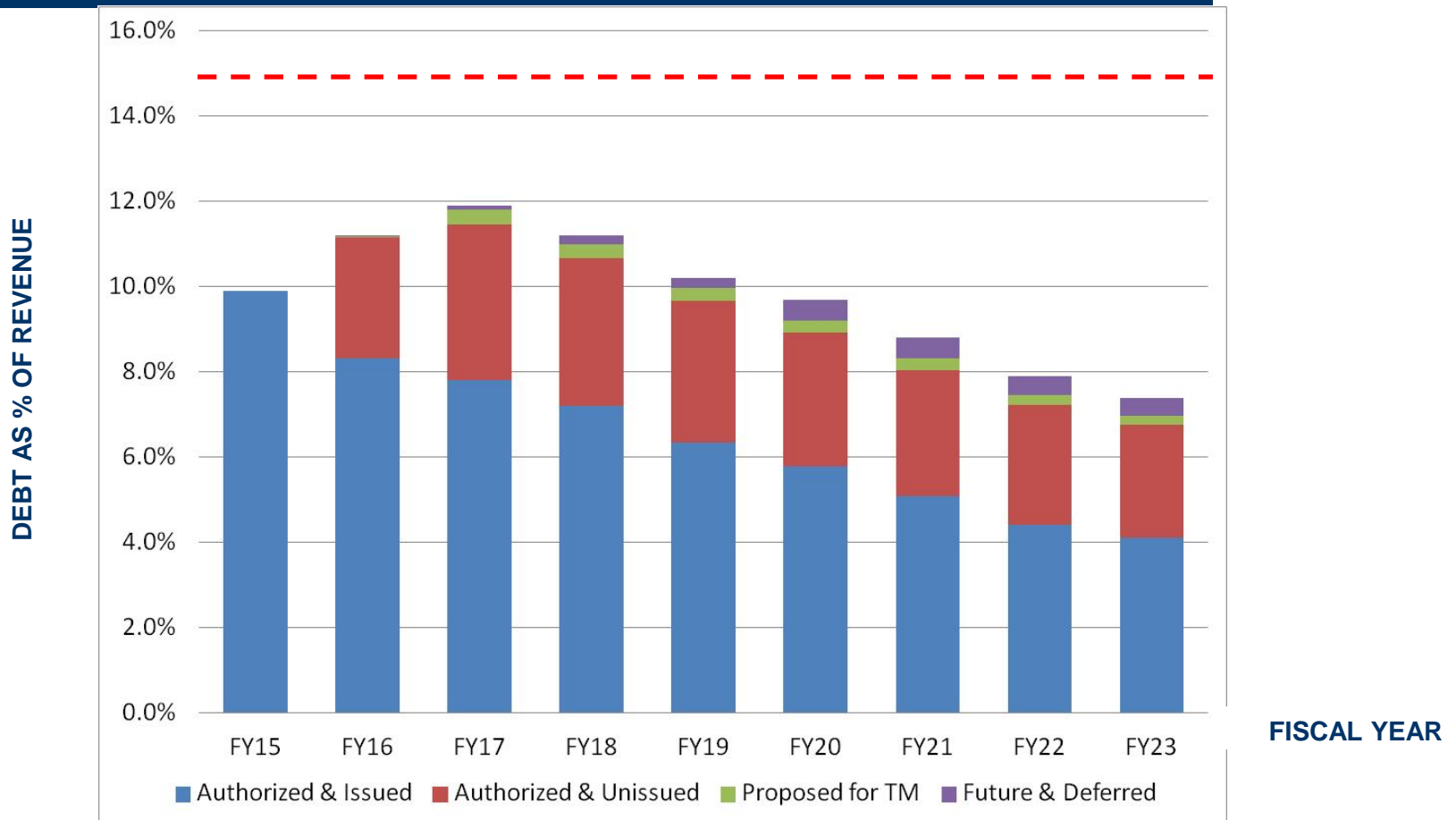
	Actual FY15	Projected FY16	Change	%	Projected FY17	Change	%	Projected FY18	Change	%
Tax Levy	61,700,758	63,027,109	1,326,351	2.1%	65,617,787	2,590,678	4.1%	68,173,231	2,555,445	3.9%
Exempt Debt Service	7,220,241	8,417,881	1,197,640	16.6%	9,104,717	686,836	8.2%	8,840,941	(263,776)	-2.9%
Net Tax Levy	68,920,999	71,444,990	2,523,991	3.7%	74,722,504	3,277,514	4.6%	77,014,172	2,291,669	3.1%

Recommended Capital Requests – Debt Funded by Borrowing*

PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2016	FY2017
17-1 Drainage Improvements	300,000	30	2.50%	3.75%	3,750	21,250
17-2 Case Campus Master Plan	862,000	10	2.50%	3.75%	10,775	118,525
17-3 Council on Aging Renovations	934,000	20	2.50%	3.75%	11,675	81,725
17-4 Document Management System	150,000	5	2.50%	3.75%	1,875	35,625
PROJ. NEW LEVY SUPPORTED DEBT SERV.	2,246,000				28,075	257,125

*The complete table, including impact of proposed projects on total general fund debt service, can be found in Tab 17, Table I.

Projected Future Debt Service as % of Revenue



General Fund

Recommended Capital Requests – Cash & Departmental Operations

		FUNDING SOURCE	FY2016	Operating Budget	Cash/Retained Earnings
DEPARTMENT OF PUBLIC WORKS					
18-1	Roadway Improvements	Operating Budget	400,000	400,000	-
18-2	Departmental Equipment	Operating Budget	240,000	240,000	-
18-3	Sidewalk Reconstruction	Operating Budget	110,000	110,000	-
18-4	Guard Rail Improvements	Operating Budget	50,000	50,000	-
			800,000	800,000	-
FACILITIES TOWN-WIDE					
18-5	Town-Wide Facilities Improvements	Operating Budget	484,988	484,988	-
FIRE DEPARTMENT					
18-6	Ambulance	Operating Budget	300,000	300,000	-
			300,000	300,000	-
POLICE DEPARTMENT					
18-7	Replacement Vehicles	Operating Budget	140,000	140,000	-
			140,000	140,000	-
SCHOOL DEPARTMENT					
18-8	School - Bus Replacement (3)	Operating Budget	236,976	236,976	-
			236,976	236,976	-
TOTAL GENERAL FUND			1,961,964	1,961,964	-

Enterprise Funds

Recommended Capital Requests – Cash & Departmental Operations

		FUNDING SOURCE	FY2016	Operating Budget	Cash/Retained Earnings
WATER ENTERPRISE					
18-9	Water Hydrant Rehab Program	Operating Budget	50,000	50,000	-
			50,000	50,000	-
BROOK SCHOOL APARTMENTS ENTERPRISE					
18-10	Repairs & Replacements	Operating Budget	130,623	130,623	-
18-11	Capital Improvements	Retained Earnings	250,000	-	250,000
			380,623	130,623	250,000

Recommended Capital Requests – Debt Funded by Water Revenues

PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2015	FY2016	FY2017
Water Main Rehab Program	212,000	30	2.50%	3.75%		2,650	15,017
Paine's Hill Water Tank Improvements	105,000	10	2.50%	3.75%		1,313	14,438
PROJ. REVENUE (WATER) SUPPORTED DEBT SERV.	317,000					3,963	29,454

*The complete table, including impact of proposed projects on total water enterprise fund debt service, can be found in Tab 19, Table III.

Planning for the Unexpected and for Financial Stability

- \$840,000 reserved in the free cash account
- \$250,000 for Stabilization Fund
- \$1,606,925 for Post Employment Benefits (OPEB) reserve – full amount of annual required contribution (ARC) plus \$15,000 for proposed new positions
- Complete summary of reserves - FY16 Revenue Projection – Appendix 7

Revenue & Expense Variables

- State Aid – June?
- GIC Health Insurance Premium Increases - March
- Debt Exclusion - May

Updated Projection of Future Budgets

FY17: possible \$280,000 shortfall

FY18: possible \$200,000 shortfall

