

FY2016  
BUDGET PRESENTATION  
February 3, 2015



# FY2016 BUDGET PRESENTATION

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## Budget Process

- Budget Message
- Budget Review
- Budget Development
- Future Budget Schedule

# FY2015 BUDGET PRESENTATION

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## Review Revenues and Expenditures

- Expenditures:
  - Overall Town Budget
  - Other Local Expenditures
  - State and County Charges
- Revenues:
  - Tax Levy
  - State Aid
  - Local Receipts
  - Other Available Funds

# FY2016 BUDGET PRESENTATION



## APPROPRIATIONS:

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC./DCR.
	BUDGET FY11	BUDGET FY12	BUDGET FY13	BUDGET FY14	BUDGET FY15	BUDGET FY16	OVER FY15
							PROJECTION
<b><u>USES OF FUNDING (AMOUNTS TO BE RAISED):</u></b>							
<b>APPROPRIATIONS:</b>							
GENERAL FUND BUDGET (Includes all TM R&A and Transfers)	76,857,296	84,086,624	86,538,364	88,301,155	92,515,499	94,629,970	2,114,471
TRANSFER TO ENTERPRISE FUNDS	299,978	296,089	281,485	268,721	263,794	253,724	(10,070)
RESERVE FOR APPROPRIATION	-	-	-	-	-	1,111,394	1,111,394
SPRING ATM ARTICLES, NON BUDGET R&A	36,100	36,600	34,987	38,776	40,305	-	(40,305)
SPRING ATM ARTICLES, TRANSFERS	2,940,678	171,252	1,748,255	2,980,713	3,079,163	-	(3,079,163)
SPRING STM ARTICLES, NON BUDGET R&A	-	-	-	-	-	-	-
SPRING STM ARTICLES, TRANSFERS	-	-	992,100	600,000	1,470,292	-	(1,470,292)
FALL STM ARTICLES, NON BUDGET R&A	-	1,300,000	275,292	277,858	271,521	-	(271,521)
FALL STM ARTICLES, TRANSFER	-	28,455	3,903,446	2,156,874	4,039,396	-	(4,039,396)
<b>TOTAL APPROPRIATIONS</b>	<b>80,134,052</b>	<b>85,919,020</b>	<b>93,773,929</b>	<b>94,624,097</b>	<b>101,679,970</b>	<b>95,995,088</b>	<b>(5,684,882)</b>
							-
<b>CHERRY SHEET OFFSETS</b>	<b>45,615</b>	<b>48,181</b>	<b>45,497</b>	<b>45,156</b>	<b>54,616</b>	<b>54,616</b>	-

# FY2016 BUDGET PRESENTATION



## APPROPRIATIONS (cont.):

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC/DCR.
	<u>BUDGET FY11</u>	<u>BUDGET FY12</u>	<u>BUDGET FY13</u>	<u>BUDGET FY14</u>	<u>BUDGET FY15</u>	<u>BUDGET FY16</u>	<u>OVER FY15</u>
							<u>PROJECTION</u>
<b>OTHER LOCAL EXPENDITURES</b>							
OVERLAY RESERVE	993,008	629,408	809,814	878,401	865,819	700,000	(165,819)
OVERLAY DEFICITS	-	-	-	-	-	-	-
TAX TITLE	-	-	77,054	-	25,000	-	(25,000)
OTHER LOCAL EXPENDITURES / DEFICITS:	-	-	-	-	-	-	-
DEBT NOT APPROPRIATED	69,980	-	58,896	-	-	-	-
FINAL JUDGEMENTS	-	-	-	-	-	-	-
REVENUE DEFICIT	-	-	-	-	-	-	-
SNOW / ICE DEFICIT	437,066	690,459	-	466,995	-	-	-
PROJECTED SNOW / ICE REIMBURSEMENT	-	-	-	-	-	-	-
TEACHER SALARY DEFERRAL #1	-	-	-	-	-	-	-
TEACHER SALARY DEFERRAL #2	1,159,999	1,040,000	953,332	866,663	779,994	693,318	(86,676)
OTHER - MEDICARE/UNEMPLOYMENT	-	-	-	-	-	-	-
OTHER - UNFORESEEN CHARGES/ASSESSMENTS	210,226	-	-	-	-	-	-
<b>TOTAL OTHER LOCAL EXPENDITURES</b>	<b>2,870,279</b>	<b>2,359,867</b>	<b>1,899,096</b>	<b>2,212,059</b>	<b>1,670,813</b>	<b>1,393,318</b>	<b>(277,495)</b>

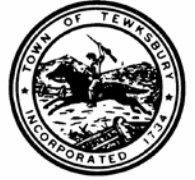
# FY2016 BUDGET PRESENTATION



## APPROPRIATIONS (cont.):

	ACTUAL BUDGET FY11	ACTUAL BUDGET FY12	ACTUAL BUDGET FY13	ACTUAL BUDGET FY14	APPROVED BUDGET FY15	PROJECTION BUDGET FY16	INC./DCR. OVER FY15 PROJECTION
<b>STATE AND COUNTY CHARGES</b>							
RETIREMENT EMPLOYEES HEALTH INSURANCE	-	-	-	-	-	-	-
RETIREMENT TEACHERS HEALTH INSURANCE	-	-	-	-	-	-	-
MOSQUITO CONTROL PROJECTS	55,860	56,200	60,180	63,132	64,207	70,628	6,421
AIR POLLUTION DISTRICTS	8,413	8,626	8,621	8,963	9,005	9,906	901
RMV NON-RENEWAL SURCHARGE	25,120	22,240	24,360	24,020	27,760	30,536	2,776
REGIONAL TRANSIT	222,701	228,268	233,976	239,825	245,821	270,403	24,582
SPECIAL EDUCATION	8,074	6,069	-	-	-	-	-
SCHOOL CHOICE	7,500	5,000	14,900	5,000	15,000	16,500	1,500
CHARTER SCHOOL ASSESSMENT	766,174	819,992	993,590	1,123,245	1,286,521	1,415,173	128,652
ESSEX COUNTY TECH. INSTITUTE SENDING TUITION	61,448	61,359	87,325	100,425	-	-	-
ADDITIONAL COUNTY ASSESSMENT	-	-	-	-	-	-	-
<b>TOTAL STATE AND COUNTY CHARGES</b>	<b>1,155,290</b>	<b>1,207,754</b>	<b>1,422,952</b>	<b>1,564,610</b>	<b>1,648,314</b>	<b>1,813,145</b>	<b>164,831</b>
<b>TOTAL USES OF FUNDING</b>	<b>84,205,236</b>	<b>89,534,822</b>	<b>97,141,474</b>	<b>98,445,922</b>	<b>105,053,713</b>	<b>99,256,168</b>	<b>(5,797,545)</b>

# FY2016 BUDGET PRESENTATION



## SOURCES OF FUNDING :

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC./DCR.
	BUDGET FY11	BUDGET FY12	BUDGET FY13	BUDGET FY14	BUDGET FY15	BUDGET FY16	OVER FY15
							PROJECTION
PROPERTY TAXES 2 1/2 LEVY LIMIT	51,841,268	54,107,392	56,363,352	58,640,236	60,933,539	63,555,127	2,621,587
ADD 2.5% GROWTH	1,296,032	1,352,685	1,409,084	1,466,006	1,523,338	1,588,878	65,540
NEW GROWTH	970,092	903,276	867,800	827,297	1,098,249	800,000	(298,249)
<b>TOTAL PROPERTY TAXES</b>	<b>54,107,392</b>	<b>56,363,352</b>	<b>58,640,236</b>	<b>60,933,539</b>	<b>63,555,127</b>	<b>65,944,005</b>	<b>2,388,878</b>
ADD DEBT EXCLUSION	2,023,563	7,370,321	7,730,981	7,611,775	7,891,361	8,245,844	354,483
<b>TOTAL PROPERTY TAXES - LEVY LIMIT</b>	<b>56,130,955</b>	<b>63,733,673</b>	<b>66,371,217</b>	<b>68,545,315</b>	<b>71,446,488</b>	<b>74,189,849</b>	<b>2,743,361</b>
							-
<b>TOTAL PROPERTY TAXES - LEVIED</b>	<b>56,110,277</b>	<b>63,705,636</b>	<b>66,234,396</b>	<b>68,530,647</b>	<b>71,444,252</b>	<b>74,189,849</b>	<b>2,745,596</b>
EXCESS LEVY CAPACITY	20,677	28,037	136,822	14,668	2,235	-	-

# FY2016 BUDGET PRESENTATION



## SOURCES OF FUNDING (cont.):

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC./DCR.
	BUDGET FY11	BUDGET FY12	BUDGET FY13	BUDGET FY14	BUDGET FY15	BUDGET FY16	OVER FY15
							PROJECTION
<b>STATE ESTIMATED REVENUES:</b>							
CHAPTER 70 - SCHOOL AID	12,251,726	12,317,499	12,472,939	12,566,614	12,727,415	12,727,415	-
CHARTER TUITION ASSESSMENT REIMBURSEMENT	368,312	208,012	267,148	251,241	321,838	321,838	-
CHAPTER 71 - SCHOOL TRANSPORTATION	-	-	-	-	-	-	-
SCHOOL LUNCH - OFFSET	17,566	19,621	19,060	18,674	18,421	18,421	-
UNRESTRICTED GENERAL FUND AID	2,354,150	2,183,935	2,354,150	2,409,797	2,476,625	2,476,625	-
LOTTERY	-	-	-	-	-	-	-
GEN FUND SUPPLEMENTAL TO HOLD HARMLESS LOTTERY	-	-	-	-	-	-	-
POLICE CAREER INCENTIVE	17,789	-	-	-	-	-	-
VETERANS' BENEFITS	116,455	140,668	161,634	223,279	247,596	247,596	-
EXEMPTIONS, VETERANS, BLIND AND SURVIVING SPOUSES	103,558	180,656	98,793	96,923	103,736	103,736	-
STATE OWNED LAND	139,604	144,597	144,644	147,504	184,578	184,578	-
ELDERLY EXEMPTIONS	-	-	-	-	-	-	-
PUBLIC LIBRARIES - OFFSET	28,049	28,560	26,437	26,482	36,195	36,195	-
OTHER - CHERRY SHEET OVERESTIMATE	-	-	-	-	-	-	-
OTHER - MISC STATE REVENUE	-	-	-	-	-	-	-
STATE FISCAL STABILIZATION FUND (ONE TIME)	-	170,215	-	-	-	-	-
<b>TOTAL STATE ESTIMATED REVENUES</b>	<b>15,397,209</b>	<b>15,393,763</b>	<b>15,544,805</b>	<b>15,740,514</b>	<b>16,116,404</b>	<b>16,116,404</b>	<b>-</b>



# FY2016 BUDGET PRESENTATION



## SOURCES OF FUNDING (cont.):

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC./DCR.
	BUDGET FY11	BUDGET FY12	BUDGET FY13	BUDGET FY14	BUDGET FY15	BUDGET FY16	OVER FY15 PROJECTION
<b>LOCAL ESTIMATED REVENUES:</b>							
MOTOR VEHICLE EXCISE	3,414,843	3,819,982	3,920,582	4,237,760	3,704,073	3,751,068	46,995
OTHER EXCISES (HOTEL/MOTEL AND BOAT EXCISE)	487,345	740,077	690,015	844,692	645,941	645,941	-
MEALS TAX	-	252,800	499,179	573,001	515,701	529,294	13,593
PENALTIES & INTEREST	354,301	512,937	438,807	461,019	401,417	427,766	26,349
P.I.L.O.T.	26,340	23,582	7,952	22,176	7,157	21,644	14,487
CHARGES FOR SERVICES - AMBULANCE	860,642	830,305	930,656	922,608	825,347	874,782	49,435
FEES	605,865	619,416	632,755	922,936	608,412	608,412	-
RENTALS	494,754	533,125	480,608	452,418	407,175	407,175	-
DEPARTMENTAL REVENUE-LIBRARY	-	-	-	-	-	-	-
DEPARTMENTAL REVENUE-CEMETERY	-	-	-	-	-	-	-
OTHER DEPARTMENTAL REVENUE	39,182	214,374	66,618	353,669	39,490	49,560	10,070
LICENSES & PERMITS	562,504	644,841	663,299	759,883	645,500	647,129	1,629
FINES & FORFEITS	112,779	139,233	110,599	101,338	91,204	101,338	10,134
INTEREST EARNINGS	34,486	71,061	97,932	36,031	32,428	32,428	-
MISC. STATE AND OTHER REVENUE	-	-	-	-	-	-	-
RECURRING REVENUE	492,678	576,997	403,818	274,147	246,733	246,733	-
NON RECURRING REVENUE	202,092	289,252	250,638	332,377	-	-	-
<b>TOTAL LOCAL ESTIMATED REVENUES</b>	<b>7,687,811</b>	<b>9,267,982</b>	<b>9,193,457</b>	<b>10,294,055</b>	<b>8,170,578</b>	<b>8,343,270</b>	<b>172,692</b>

# FY2016 BUDGET PRESENTATION



## SOURCES OF FUNDING (cont.):

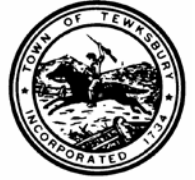
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTION	INC./DCR.
	BUDGET FY11	BUDGET FY12	BUDGET FY13	BUDGET FY14	BUDGET FY15	BUDGET FY16	OVER FY15
							PROJECTION
<b>OTHER AVAILABLE FUNDS:</b>							
SEWER RATE RELIEF	-	-	-	-	-	-	-
LICENSING & KEEPING OF DOGS	-	-	-	-	-	-	-
WETLAND PROTECTION FUND	-	-	-	-	-	-	-
FREE CASH SPRNG TOWN MEETINGS	-	-	2,163,059	-	600,000	-	(600,000)
FREE CASH FALL TOWN MEETING	-	-	3,028,466	1,683,494	4,039,396	-	(4,039,396)
FREE CASH TO REDUCE THE TAX LEVY	1,100,000	1,366,000	-	466,995	-	-	-
TEACHER SALARY DEFERRAL #1	-	-	-	-	-	-	-
TEACHER SALARY DEFERRAL #2	1,039,999	953,331	866,663	779,994	693,323	606,646	(86,677)
OVERLAY SURPLUS	775,000	-	125,000	35,000	25,000	-	(25,000)
STABILIZATION FUND	-	500,000	-	1,343,713	1,775,455	-	(1,775,455)
WATER ENTERPRISE RETAINED EARNINGS	-	-	742,365	1,250,000	875,000	-	(875,000)
SEWER ENTERPRISE RETAINED EARNINGS	1,437,375	-	236,931	155,000	329,000	-	(329,000)
COMMUNITY PRESERVATION FUND	1,539,403	36,600	684,987	1,279,656	985,305	-	(985,305)
OTHER AVAILABLE FUNDS	75,000	378,707	-	29,500	-	-	-
MISC. REVENUE FUNDS	-	-	-	-	-	-	-
BUDGET/ARTICLE TRANSFERS	-	-	-	-	-	-	-
ENTERPRISE ALLOCATIONS	-	-	-	-	-	-	-
<b>TOTAL OTHER AVAILABLE FUNDS</b>	<b>5,966,777</b>	<b>3,234,638</b>	<b>7,847,471</b>	<b>7,023,352</b>	<b>9,322,479</b>	<b>606,646</b>	<b>(8,715,833)</b>
<b>TOTAL SOURCES OF FUNDING</b>	<b>85,162,074</b>	<b>91,602,019</b>	<b>98,820,129</b>	<b>101,588,568</b>	<b>105,053,713</b>	<b>99,256,168</b>	<b>(5,797,545)</b>
<b>SURPLUS (DEFICIT)</b>	<b>956,839</b>	<b>2,067,197</b>	<b>1,678,655</b>	<b>3,142,645.98</b>	<b>-</b>	<b>-</b>	<b>-</b>

# FY2016 BUDGET PRESENTATION



<i>Summary Expenditures and Revenues</i>	ACTUAL	ACTUAL	ACTUAL	ACTUAL	APPROVED	PROJECTED
	<u>BUDGET FY11</u>	<u>BUDGET FY12</u>	<u>BUDGET FY13</u>	<u>BUDGET FY14</u>	<u>BUDGET FY15</u>	<u>BUDGET FY16</u>
<b><i>USES OF FUNDING (AMOUNTS TO BE RAISED):</i></b>						
<b>APPROPRIATIONS:</b>	80,134,052	85,919,020	93,773,929	94,624,097	101,679,970	95,995,088
CHERRY SHEET OFFSETS	45,615	48,181	45,497	45,156	54,616	54,616
OTHER LOCAL EXPENDITURES	2,870,279	2,359,867	1,899,096	2,212,059	1,670,813	1,393,318
STATE AND COUNTY CHARGES	<u>1,155,290</u>	<u>1,207,754</u>	<u>1,422,952</u>	<u>1,564,610</u>	<u>1,648,314</u>	<u>1,813,145</u>
<b>TOTAL USES OF FUNDING</b>	<b>84,205,236</b>	<b>89,534,822</b>	<b>97,141,474</b>	<b>98,445,922</b>	<b>105,053,713</b>	<b>99,256,168</b>
<b><i>SOURCES OF FUNDING :</i></b>						
PROPERTY TAXES	54,086,714	56,335,315	58,503,414	60,918,872	63,552,891	65,944,005
DEBT EXCLUSION	2,023,563	7,370,321	7,730,981	7,611,775	7,891,361	8,245,844
STATE ESTIMATED REVENUES:	15,397,209	15,393,763	15,544,805	15,740,514	16,116,404	16,116,404
LOCAL ESTIMATED REVENUES:	7,687,811	9,267,982	9,193,457	10,294,055	8,170,578	8,343,270
OTHER AVAILABLE FUNDS:	<u>5,966,777</u>	<u>3,234,638</u>	<u>7,847,471</u>	<u>7,023,352</u>	<u>9,322,479</u>	<u>606,646</u>
<b>TOTAL SOURCES OF FUNDING</b>	<b>85,162,074</b>	<b>91,602,019</b>	<b>98,820,129</b>	<b>101,588,568</b>	<b>105,053,713</b>	<b>99,256,168</b>
<b><i>SURPLUS (DEFICIT)</i></b>	<b>956,839</b>	<b>2,067,197</b>	<b>1,678,655</b>	<b>3,142,646</b>	<b>-</b>	<b>-</b>

# FY2016 BUDGET PRESENTATION



Budgets	FY2012	FY2013	FY2014	FY2015	FY2016	BUDGET
	<u>EXPENDED</u>	<u>EXPENDED</u>	<u>EXPENDED</u>	<u>BUDGETED</u>	<u>TM REC</u>	<u>INC/DEC</u>
Town Budget	83,881,978	86,810,814	86,636,094	92,515,499	94,629,970	2,114,470
Total School Budget	43,834,575	45,212,694	44,021,118	48,590,759	49,619,386	1,028,626
Total Exempt School Debt	2,733,695	3,122,688	3,087,786	3,033,099	3,217,099	183,999
Shawsheen Tech	5,470,783	5,625,001	5,970,959	5,838,185	5,838,000	(185)
Essex North Shore Agricultural and Tech. School District	-	-	-	154,107	160,271	6,164
Total Town Budget	27,509,348	28,575,673	29,302,203	30,294,881	31,020,193	725,312
Total Exempt Town Debt	4,333,577	4,274,758	4,254,029	4,604,468	4,775,021	170,553

# FY2016 BUDGET PRESENTATION



## General Government Budget Increase: 725,312

General Fund Budget Classification	FY2012	FY2013	FY2014	FY2015	FY2016	BUDGET
Budget Summary	EXPENDED	EXPENDED	EXPENDED	BUDGETED	TM REC	INC/DEC
Total General Government	1,292,735	1,337,910	1,067,324	1,079,279	1,096,222	16,942
Total General Government Net Allocations	1,270,731	1,316,708	1,047,784	1,059,213	1,075,644	16,430
Total Finance Department	962,133	892,711	1,092,257	1,152,290	1,133,014	(19,276)
Total Finance Department Net Allocations	891,475	827,767	1,015,811	1,055,798	1,034,272	(21,526)
Total Community Services	405,568	488,896	541,773	546,049	549,790	3,741
Total Council on Aging Budget	195,043	233,988	249,144	224,815	252,905	28,090
Total Facilities	116,616	130,971	145,250	130,681	131,521	840
Total Library Budget	854,480	913,734	939,394	961,660	1,021,866	60,206
Total Planning and Development	667,204	696,604	736,200	758,182	757,795	(387)
Total Planning and Development Net Allocations	649,609	691,522	730,811	752,769	757,795	5,026
Total Public Safety Budget	10,105,539	10,478,697	10,825,508	10,931,842	11,028,921	97,079
Total DPW Budget	4,396,112	4,917,092	5,236,785	4,880,064	5,110,128	230,065
Total DPW Budget Net Allocations	3,987,078	4,467,644	4,769,498	4,430,459	4,508,703	78,244
Town Unclassified Budget Minus Exempt Debt	9,662,739	9,698,727	9,777,298	10,985,733	11,457,081	471,349
Town Unclassified Budget Net Allocations Minus Exempt Debt	9,033,209	9,025,747	9,037,231	10,201,594	10,658,777	457,182
Town Exempt Principal Debt	2,208,590	2,341,421	2,292,643	2,718,005	2,960,043	242,037
Town Exempt Interest Debt	2,124,987	1,933,336	1,961,386	1,886,463	1,814,978	(71,484)
Total Town Budget	32,991,746	34,064,087	34,864,960	36,255,062	37,314,264	1,059,202
Total Town Budget net Allocations	31,842,925	32,850,431	33,556,231	34,899,349	35,795,214	895,865

# FY2016 BUDGET PRESENTATION

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**General Government Budget Increase: 725,312**

Summary General Government Major Changes/Increases:

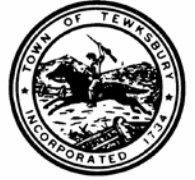
**Salary Increase: New staff, longevity and step Increases: Cost Increase: 128,997**

- Traffic Safety Officer : 61,856
- Firefighter: 56,448
- Teen Librarian: 43,122
- COA Part-time Outreach Coordinator: 12,480
- Nurses Hours increased 3 hours per week: 4,268
- 2 Project Managers: 110,997
- Permit Tech: 42,763

*There were other areas of Departments salaries that offset these costs as well as water and sewer allocations.*

# FY2016 BUDGET PRESENTATION

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## **General Government Budget Increase: 725,312**

Summary General Government Major Changes/Increases:

### **Operating Increase: 132,682**

- Police: 53,428
- Fire: 10,107
- DPW: 51,651
- Library: 15,540
- COA: 13,380
- Solid Waste: 26,593

### **Unclassified Budgets Increase: 457,182**

- Health Insurance 5% increase, 4% increase Medex and Dental: Increase: 216,109
- Retirement Increase , 4.48%: 236,646
- Insurance: Increase 7%: 23,302

### **Capital Outlay: 6,451**

### **Allocations Increase: 163,336**

# FY2016 BUDGET PRESENTATION

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**School Budget Increase:** 1,028,626

Summary Changes/Increases:

**Salary Increase Longevity and step Increases Only:** (111,340)

**Operating Increase:** 655,525

**Capital Outlay (20,000)**

**Fixed Costs:** 504,441

- Health Insurance 5% increase, 4% increase Medex and Dental: 445,966
- Retirement Increase: 4.48%: 49,043
- Insurance Increase 7.5%: 10,971
- Debt Principal and Interest: (1,538)



# FY2016 BUDGET PRESENTATION

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## **FY2015 Budget Highlights Priorities Not Funded**

- Additional funding for books at the Library
- Additional overtime in Police Department
- Additional staffing and operating funds For DPW
- Additional staffing BOH, COA and Town Manager's office
- Capital Budgets
- Education Funding for staffing and operating

# FY2016 BUDGET PRESENTATION

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## **FUTURE CONCERNS:**

- State Aid and State and County charges
- Need for new revenue
- Unfunded Liabilities
- Stabilization Fund Use and Replenishing
- Capital Improvements
- Snow and Ice Deficit
- Bond Rating

# FY2016 BUDGET PRESENTATION

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Questions and Comments