

Town of Auburn FY2017



Presented to Finance Committee

Wednesday, November 4, 2015

Utilizes 100% of Allowable 2.5

	FY2014	FY2015	FY2016	FY2017
<u>APPROPRIATIONS</u>	54,726,488.29	56,073,553.84	58,757,826.71	60,886,921.83
<u>REVENUE SOURCES</u>				
LOCAL RECEIPTS	7,739,443.74	7,766,959.58	8,363,676.61	8,482,432.92
CHERRY SHEET RECEIPTS	10,056,421.00	10,385,570.00	10,457,302.00	10,457,302.00
TAX LEVY	33,383,393.25	34,425,568.03	36,032,842.45	37,497,509.23
DEBT EXCLUSION-HIGH SCHOOL(Debt & Int)	1,445,205.83	1,278,768.00	1,291,350.00	1,291,150.00
DEBT EXCLUSION-MIDDLE SCHOOL(Debt & Int) \$13,653,000		43,964.17	1,177,025.00	1,144,850.00
DEBT EXCLUSION-MIDDLE SCHOOL(BAN Int)\$5,142,235			126,137.94	51,422.35
DEBT EXCLUSION-MIDDLE SCHOOL(GOB \$5,000,000)			87,656.00	422,812.50
DE-1 OFFSET FOR HIGH SCHOOL/MIDDLE SCHOOL AVAILABLE FUNDS	2,102,024.47	2,172,724.68	-58,672.85	-111,362.44 DE-1's
	1,280,509.56			1,098,018.71
TOTAL REVENUE SOURCES:	54,726,488.29	56,073,554.46	58,757,826.71	60,334,135.27
<u>EXCESS OR (DEFICIT) ESTIMATED:</u>	0.00	0.62	0.00	-552,786.56
EXCESS OR DEFICIT AS A PERCENTAGE OF BUDGET	0.00%	0.00%	0.00%	-0.91%
<u>Excess Levy Capacity in Dollars</u>	2,955,853.58	3,352,004.97	3,553,828.88	3,553,828.88

FY2017 REVENUE VS EXPENSE

Revenue	FY2016	FY2017	Dollar Incr (Decr)	%
LOCAL RECEIPTS	8,363,676.61	8,482,432.92	118,756.31	1.42%
CHERRY SHEET RECEIPTS	10,457,302.00	10,457,302.00	-	0.00%
TAX LEVY	36,032,842.45	37,497,509.23	1,464,666.78	4.06%
DEBT EXCLUSION-HIGH SCHOOL(Debt & Int)	1,291,350.00	1,291,150.00	(200.00)	-0.02%
DEBT EXCLUSION-MIDDLE SCHOOL(Debt & Int)	1,177,025.00	1,144,850.00	(32,175.00)	-2.73%
DEBT EXCLUSION-MIDDLE SCHOOL(BAN Int)\$10,090,922	126,137.94	51,422.35	(74,715.59)	-59.23%
DEBT EXCLUSION-MIDDLE SCHOOL(GOB \$5,090,922)ESTIMATE	87,656.00	422,812.50	335,156.50	382.35%
DE-1 OFFSET FOR HIGH SCHOOL/MIDDLE SCHOOL	-58,672.85	-111,362.44	(52,689.59)	89.80%
AVAILABLE FUNDS	1,280,509.56	1,098,018.71	(182,490.85)	-14.25%
TOTAL REVENUE	58,757,826.71	60,334,135.27	1,576,308.56	2.68%
APPROPRIATIONS	58,757,826.71	60,886,921.83	2,129,095.12	3.62%

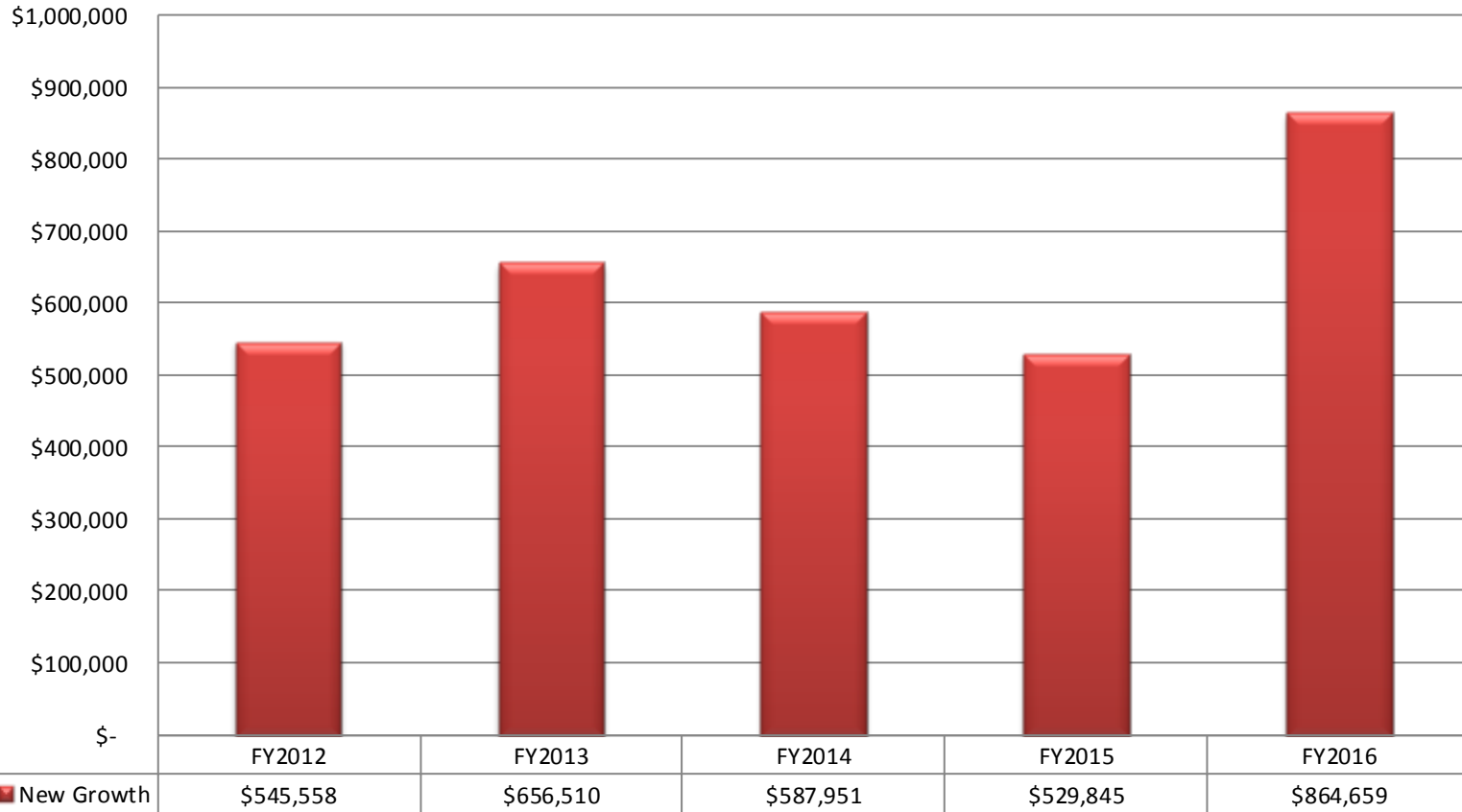
FY2017 Revenue

Tax Levy \$35,631,119.49

- Commits 2.25% of 2.50% to Departmental Operating Budgets (**For Presentation Purposes Only**)
- Commits .25% of 2.50% to Capital Improvement Plan Per Town Financial Policy
- Utilizes \$475,000 of New Growth to fund budget
- Excess Levy Remains at \$3,553,829
- Levy Utilization at 91.34%
- Unused Levy at 8.66%
- Raises \$2,798,873 outside levy limit for Auburn High School/Middle School Debt & Interest
- Debt Exclusion Offsets Reserve of \$111,362.44

New Growth-History

5 Yr Avg=\$636,905



FY2017 Tax Levy

<u>TAX LEVY</u>	FY2014	FY2015	FY2016	FY2017
TAX LEVY-BASE	\$34,879,313.00	\$36,339,246.83	\$37,777,573.00	\$39,586,671.33
2.5% INCREASE	\$871,982.83	\$908,481.17	\$944,439.33	\$989,666.78
EXCESS LEVY TO BE USED	\$0.00	\$0.00	\$0.00	\$0.00
PROP. 2 1/2 OVERRIDE	\$0.00	\$0.00	\$0.00	\$0.00
ADD NEW GROWTH PROJECTED	\$587,951.00	\$529,845.00	\$864,659.00	\$475,000.00
LEVY	\$33,383,393.25	\$34,425,568.03	\$36,032,842.45	\$37,497,509.23
LEVY LIMIT	\$36,339,246.83	\$37,777,573.00	\$39,586,671.33	\$41,051,338.11
% OF LEVY LIMIT	91.87%	91.13%	91.02%	91.34%

FY2017 Cherry Sheet State Aid \$10,457,302

- Projected Level Funding at FY2016 Cherry Sheet Distribution

FY2017 Revenue

Available Funds \$1,098,018.71

- Reduction of \$30,000 in Sewer Retained Earnings to meet Capital Improvement Plan Obligations
- Reduction of \$36,000 from Lease of Pakachoag Golf Course
- Reduction of \$8,000 from Overflow Trash Bag Revenue in line with Prior Year actual receipts.
- Level Funds most other Available Fund Sources

FY2017 Available Funds

AVAILABLE FUNDS	FY2014	FY2015	FY2016	FY2017
OVERLAY SURPLUS	\$165,000.00	\$265,000.00	\$0.00	\$0.00
FREE CASH	\$130,000.00	\$65,000.00	\$0.00	\$0.00
LOTS & GRAVES	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
PENSION RESERVE	\$30,000.00	\$30,000.00	\$25,000.00	\$25,000.00
CASELLA HOST AGREEMENT	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
DOG LICENSES	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
MISC. ACCOUNTS-FALL TOWN ME	\$0.00	\$20,432.61	\$5,500.00	\$0.00
CONSERVATION	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
HEALTH REC TRUST	\$6,499.44	\$7,118.87	\$8,478.71	\$8,478.71
RETAINED EARNINGS-SEWER CIF	\$146,000.00	\$216,500.00	\$150,000.00	\$120,000.00
PAKACHOAG LEASE PROCEEDS	\$36,000.00	\$36,000.00	\$36,000.00	\$0.00
POLICE TOWING	\$20,778.40	\$20,778.40	\$22,000.00	\$22,000.00
AMBULANCE REVENUE	\$800,000.00	\$775,000.00	\$775,000.00	\$775,000.00
INTEREST-CIP TRUST-1.4MILL	\$33,028.00	\$28,028.00	\$27,540.00	\$27,540.00
OVERFLOW TRASH BAGS	\$20,000.00	\$20,000.00	\$20,000.00	\$12,000.00
PAKACHOAG MEADOWS-PAPPAI	\$437,789.96	\$31,367.00	\$0.00	\$0.00
H.S./M.S. DEBT RESERVE	\$126,721.90	\$0.00	\$58,672.85	\$0.00
PREMIUMS ON BOND/BANS (DE-1	\$9,334.77	\$17,488.84	\$0.00	\$0.00
PERPETUAL CARE	\$14,990.00	\$6,400.00	\$11,700.00	\$5,000.00
STATE REIMBURSEMENTS	\$22,882.00	\$10,610.96	\$0.00	\$0.00
RT#20/12 OVERLAP DESIGN	\$0.00	\$70,000.00	\$0.00	\$0.00
STABILIZATION	\$0.00	\$450,000.00	\$0.00	\$0.00
DEBT SERVICE REFUND-BAY PATH			\$37,618.00	\$0.00
TOTAL AVAILABLE FUNDS:	\$2,102,024.47	\$2,172,724.68	\$1,280,509.56	\$1,098,018.71

FY2017 Revenue

Local Receipts \$8,482,432.92

- Decrease of \$50,000 in Investment Income
- Accounts for \$300,000 in Estimated Receipts from Pakachoag Golf Course
- Level Funds all other Local Receipts

Total FY2017 Revenue Projected

\$60,334,135.27



2.68% Over FY2016

Increase: \$1,576,308.56

FY2017 Expense

- Indexes all wage related accounts by \$605,970.94
 - Value Indexed by 2% for **Presentation Purposes Only!**
 - Meets Solid Waste Contractual Increase
 - Increases Group Health by 4%
 - Increases Retirement Assessment by 12.56%
 - Does not meet Minimum Required Local Contribution for Library Budget. + \$7,877
- Increases Tax Levy Funding for CIP Plan by \$98,982 Per Financial Policy
 - Maintains O.P.E.B Funding at \$500,000 per Policy
 - Meets Debt & Interest Obligations
 - Level Funds Roadway Reconstruction
 - Level Funds Snow and Ice
 - Level Funds Medicaid Receipts \$110,000

FY2017 Expense-Continued

- Level Funds
Commonwealth of
Mass. Cherry Sheet
Assessments/Charges &
Offsets
- Budget incorporates
adopted Financial
Policies (Year 4)

- No earmark for
Stabilization
- Level Funds Bay Path
Assessment
- Maintains Funding of
\$46,000 for
Maintenance of Mary
Stone & Julia Bancroft
Schools

FY2017 Expense

<u>DEPARTMENT</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u> Estimated
114 MODERATOR	296.00	296.00	296.00	296.00
122 SELECTMEN	10,987.00	10,987.00	10,987.00	10,987.00
129 TOWN MANAGER	324,757.00	344,661.00	346,395.00	346,395.00
131 FINANCE COM.	815.00	815.00	815.00	815.00
132 RESERVE FUND	380,000.00	190,000.00	195,116.00	190,000.00
DEPARTMENT OF FINANCE	555,596.00	563,086.00	569,015.00	569,015.00
151 LEGAL	135,000.00	120,000.00	105,000.00	105,000.00
153 HUMAN RESOURCE	45,586.00	48,398.00	49,263.00	49,263.00
155 MIS	138,592.00	142,334.00	140,645.00	140,645.00
161 CLERK	151,399.00	153,424.00	151,377.00	151,377.00
162 ELECTION	14,226.00	24,786.00	19,480.00	19,480.00
192 TOWN HALL	30,200.00	30,200.00	30,200.00	30,200.00
199 GENERAL SERV.	1,305,932.00	1,301,560.00	1,335,195.00	1,335,195.00
201 SCHOOL	22,320,000.00	22,980,672.00	23,336,872.00	23,481,301.81
202 BAY PATH	923,849.00	983,662.00	1,193,752.00	1,193,752.00 Level
210 POLICE	3,710,568.00	3,996,420.00	4,085,183.00	4,085,183.00
220 FIRE	2,435,257.00	2,605,004.00	2,632,988.00	2,632,988.00

FY2017 Expense

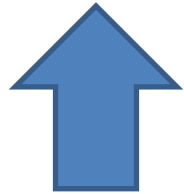
DEPT. OF INSPECTIONAL SERVICE	411,910.00	430,312.00	440,289.00	440,289.00	
176 APPEALS	10,526.00	12,104.00	12,794.00	12,794.00	
291 EMERG.PREPAREDNESS	10,000.00	10,000.00	10,000.00	10,000.00	
DEPARTMENT OF PUBLIC WORKS	4,307,147.00	4,398,724.00	4,549,748.00	4,549,748.00	
PAKACHOAG GOLF COURSE(ENTERPRISE)			121,000.00	300,000.00	
433 SOLID WASTE	940,313.00	953,445.00	959,000.00	985,093.00	3.25%
541 COUNCIL ON AGING	131,238.00	137,725.00	141,128.00	141,128.00	
542 YOUTH	110,000.00	117,500.00	117,500.00	117,500.00	
543 VETERANS	81,496.00	71,914.00	64,187.00	64,187.00	
610 LIBRARY	570,371.00	580,012.00	576,766.00	576,766.00	
710 DEBT	2,152,378.00	1,910,662.00	2,368,645.00	2,955,801.00	
710 DEBT EXCLUSION-HIGH SCHL	1,581,213.00	1,285,059.00	1,291,350.00	1,291,150.00	
710 DEBT EXCLUSION-MIDDLE SCHL	0.00	0.00	1,390,819.19	1,644,796.02	
752 INTEREST	383,111.00	435,041.00	521,445.81	559,593.35	
910 EMPLOYEE BEN	8,204,954.00	8,502,945.00	8,840,230.00	9,371,962.00	
TOTALS:	51,377,717.00	52,341,748.00	55,607,481.00	57,362,700.18	

FY2017 Expense

<u>DEPARTMENT</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u> Estimated
ABATEMENTS	507,435.62	502,656.13	450,000.00	450,000.00
C/S CHARGES	705,934.00	734,592.00	646,099.00	646,099.00
OFFSETS	231,137.00	280,730.00	278,237.00	278,237.00
TOWN/SCHOOL/SEWER 2% WAGE	0.00	0.00	0.00	605,970.94
DEFICIT-OTHER (Overlay)	0.00	0.00	0.00	0.00
C.I.P. LEASES (Tax Levy)	515,050.00	1,115,796.00	660,454.00	759,436.00
SEWER CAPITAL	120,000.00	115,000.00	150,000.00	120,000.00
SUB TOTAL:	53,457,273.62	55,090,522.13	57,792,271.00	60,222,443.12
SCHOOL MEDICAID ARTICLE	\$ 124,457.23	\$ 124,457.23	\$ 110,000.00	\$ 110,000.00
ARTICLE OPEB	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00
ARTICLE - HEALTH/REC.TRUST	\$ 6,499.44	\$ 7,118.87	\$ 8,478.71	\$ 8,478.71
MARY D.STONE/J.B. MAINTENANCE				\$ 46,000.00
OUTSIDE ART. #4,5,6,7,8,9,11,12	\$ 338,258.00	\$ 151,455.61	\$ 222,077.00	\$ -
STABILIZATION	\$ 300,000.00	\$ 200,000.00	\$ 125,000.00	\$ -
TOTAL ANNUAL APPROPRIATIONS	54,726,488.29	56,073,553.84	58,757,826.71	60,886,921.83

FY2017 Expense

\$60,886,921.83



3.62% Over FY2016

Increase of \$2,129,095.12

Projected Deficit (\$**552,786.56**)

Budget Guidelines

Tempting – But Do Not

- Inflate revenue estimates
- Underestimate expenditures
- Raid reserves and enterprise funds
- Fail to repay inter-fund transfers
- Defer costs to the future
- Deferring equipment purchases -people need equipment to carry out their jobs

Budget Guidelines

- Cutting capital expenditures – shortsighted and expensive strategy
- Eliminating training – local governments are in the service business and 60-80% of their budgets are personnel costs - poorly trained employees cost money
- Exhausting reserves - short-term strategy with detrimental long-term consequences

Budget Guidelines

- Identify core services and facilities that are most important to the operation of your Department
- Ask yourself what can we afford
- When formulating your budget do not program wages or expense that can't be sustained
- Don't build a facility or purchase equipment that can't be maintained.
- Don't Be Afraid to Ask Questions

Budget Guidelines

- Budget presented 5 weeks earlier than last year. (FY2016 Presentation on 12-10-2014)
- Adhere to Budget Timeline
- Complete all forms provided in Budget Packet
- Use 52.2 Weeks in calculating annual payroll
- Present a true needs budget to reflect costs to support operational expenses. Justification must be made for requests for new personnel, programs, activities, equipment and supplies and Revenue Enhancements

Questions?