

FY2018 TOWN MANAGER'S RECOMMENDED BUDGET and FINANCING PLAN



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TOWN OF WESTON

January 25, 2017

FY18 Budgetary Goals

- Deliver current levels of service efficiently and cost effectively
- Address increased demand for service in some departments – especially roadway maintenance and playing fields
- Minimize increases in debt, where possible, by funding smaller capital items with cash
- Plan for the Town's future financial stability by adding to reserves

FY18 Operating Budget Overview

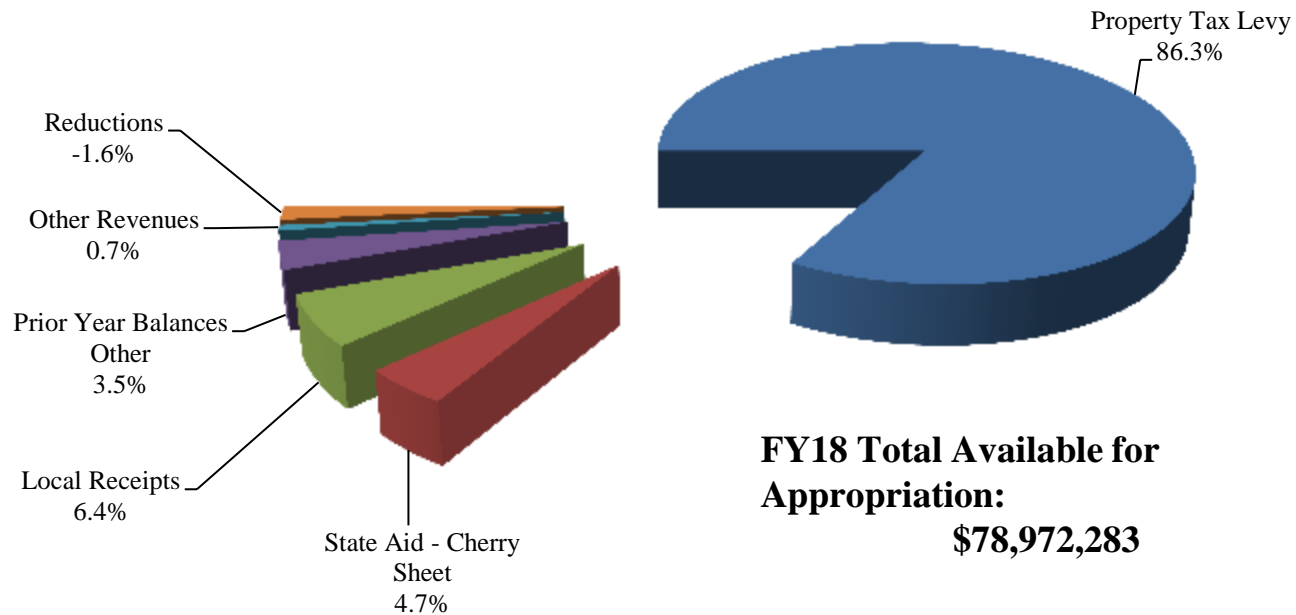
FY17 Approved Budget	\$76,323,735
FY18 Proposed Budget	\$78,972,283
Increase	3.5%

FY18 Revenue Projection

	FY2017 Estimated	FY2018 Projected	DOLLAR CHANGE FY17- 18	PERCENT CHANGE FY17- 18
PROPERTY TAX LEVY	\$65,583,981	\$68,150,559	\$2,566,579	3.9%
STATE AID - CHERRY SHEET	\$4,386,744	\$3,721,206	(\$665,538)	-15.2%
LOCAL RECEIPTS	\$5,075,687	\$5,066,714	(\$8,973)	-0.2%
PRIOR YEAR BALANCES/OTHER	\$2,691,015	\$2,773,500	\$82,485	3.1%
TOTAL PROJECTED REVENUES	\$77,737,427	\$79,711,979	\$1,974,552	2.5%
REDUCTIONS IN REVENUES	(1,943,153)	(1,277,099)	\$666,054	-34.3%
OTHER REVENUES	529,461	537,403	7,942	1.5%
AVAILABLE FOR APPROPRIATION	\$76,323,735	\$78,972,283	\$2,648,548	3.5%
AVAILABLE FOR EXCLUDED DEBT SERVICE	\$112,833	\$810,988	\$698,155	618.8%

FY18 Sources of Revenue

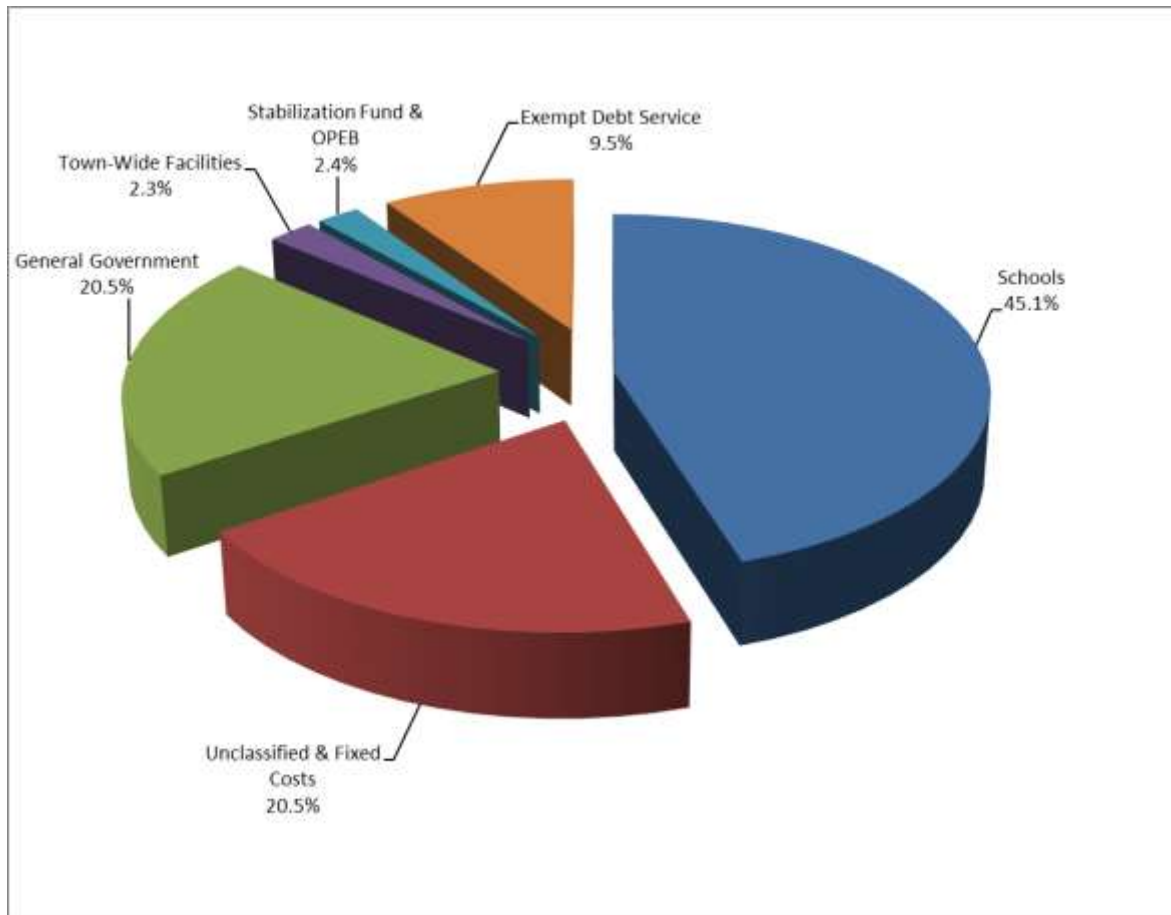
FY2018 Funding Source by Revenue Type



FY18 Budget Summary:

	Recommended		\$ Change	% Change
	FY17 Budget	FY18 Budget		
Schools	\$38,746,641	\$39,374,602	\$627,961	1.6%
Unclassified & Fixed Costs	16,999,884	17,866,046	866,162	5.1%
General Government	17,099,306	17,906,127	806,821	4.7%
Town-Wide Facilities	1,715,387	1,979,028	263,641	15.4%
OPEB & Weston Media Center	<u>1,762,517</u>	<u>1,846,480</u>	<u>83,963</u>	<u>4.8%</u>
Total Budget	\$76,323,735	\$78,972,283	\$2,648,548	3.5%
Projected Revenue	\$76,323,735	\$78,972,283	\$2,648,548	3.5%
(Shortfall) Surplus	\$0	\$0		
Net Debt Service Exempt from Proposition 2 1	\$8,084,603	\$8,250,171	\$165,568	2.0%
Grand Total Budget	\$84,408,338	\$87,222,454	\$2,814,116	3.3%

FY18 Budget Summary by Category:



FY18 Components of Increase:

Appropriation		FY18 Change
Schools (Superintendent's Budget)		
Salaries	\$966,964	
Program Improvements	164,380	
Offsets	(89,783)	
Other Changes	(118,098)	
Special Education	140,699	
Utilities	(17,868)	
Enrollment	<u>(418,333)</u>	
Total School Budget Increase		627,961
Group Health Insurance & Medicare		579,747
Municipal Increases Above Level Service		560,044
Salaries (Municipal)		420,902
Middlesex Retirement System		234,595
Facilities Town-Wide		84,641
Post Employment Benefits Reserve		73,963
All Other Changes - Net		66,695
Total Increase from FY17 to FY18		\$2,648,548

FY18 New Budget Requests – Recommended

Town of Weston
 FY18 Town Manager's Proposed Budget
 New Budget Requests - Recommended
 (in priority order)

<i>Ranking</i>	<i>Departmental Budget Items</i>	<i>Amount</i>	<i>Cumulative Amount</i>
1	DPW-Construction of Public Ways/Roadway Maintenance	\$ 100,000	\$ 100,000
2	DPW-Capital Projects Engineer (with benefits)	96,680	196,680
3	Finance-Procurement Officer (with benefits)	91,680	288,360
4	Land Use-Additional Hours for Conservation Commission Staff	5,000	293,360
5	Land Use-Additional Inspection Hours for Potential Large Projects	12,000	305,360
6	Facilities-Fields Maintenance	179,000	484,360
7	General Government-Electronic Voting Devices for Town Meeting	45,000	529,360
8	Health-Feasibility Study for Sewage Treatment Plant at Case Campus	15,000	544,360
9	General Government-Cultural Council	4,500	548,860
10	DPW-Vehicle Maintenance Co-op Student	11,184	560,044
11	Recreation-Purchase of Smithco Tractor (Enterprise Fund)	22,000	582,044
Total New Budget Requests		\$ 582,044	

FY18 New Budget Requests – Not Recommended

Town of Weston	
FY18 Town Manager's Proposed Budget	
New Budget Requests - Not Recommended	
<i>Budget Item</i>	<i>Amount</i>
Fire Department - Overtime	143,000
Total	\$ 143,000

Other Budget Highlights:

- Salaries
- Benefits
 - Group health insurance
 - Middlesex Retirement System
 - OPEB
- Energy Savings – solar panels

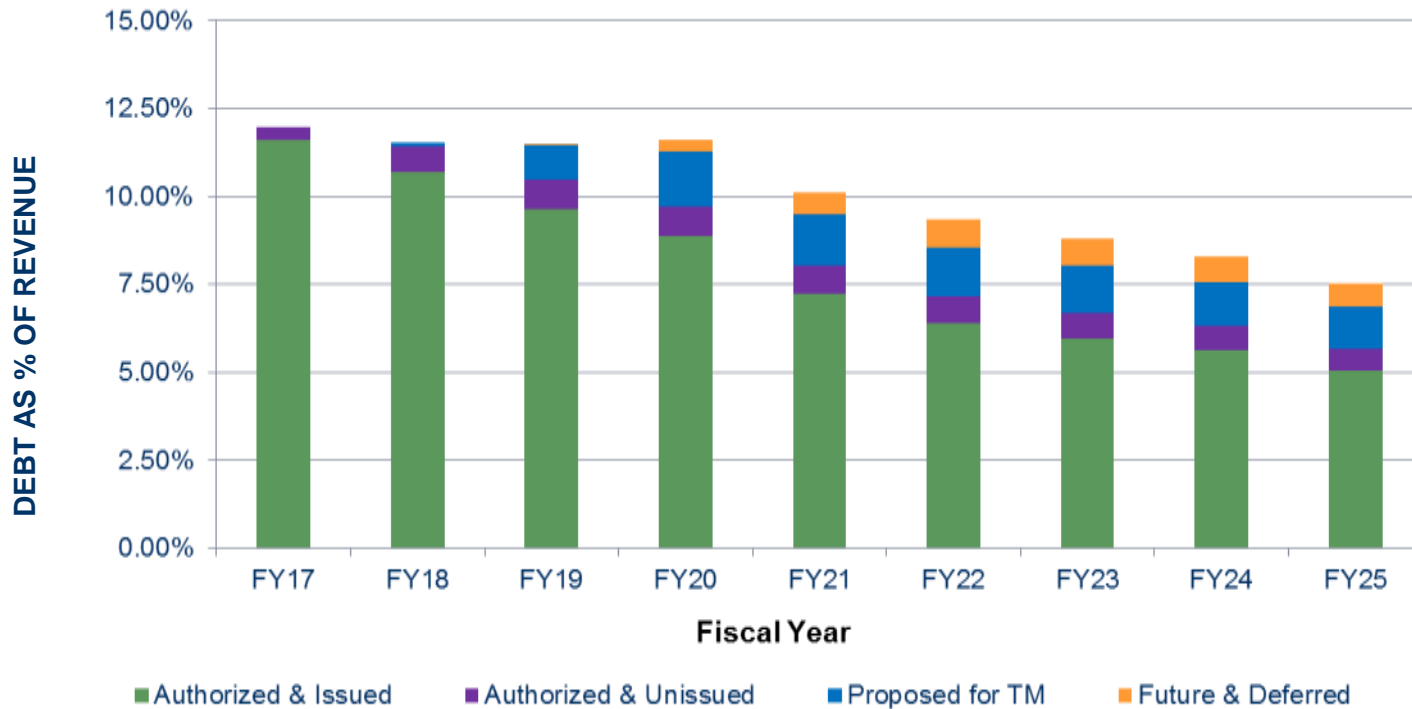
Recommended Capital Requests – Debt Funded by Borrowing

PROJECT		AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2018	FY2019
17-1	Drainage Improvements	300,000	30	1.25%	3.75%	3,750	21,250
17-2	South Side Drainage Improvements	500,000	30	1.25%	3.75%	6,250	35,417
17-3	Town Center Improvement Project*	5,638,000	15	1.25%	3.75%	0	70,475
17-4	Case Campus Master Plan	1,500,000	10	1.25%	3.75%	18,750	206,250
17-5	Proctor Field Construction	4,500,000	15	1.25%	3.75%	56,250	468,750
PROJ. NEW LEVY SUPPORTED DEBT SERV.		12,438,000				85,000	802,142

*Anticipated request for FY18 fall town meeting

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:



FISCAL YEAR

General Fund

Recommended Capital Requests – Cash & Departmental Operations

		FUNDING SOURCE	FY2018	Operating Budget	Retained Earnings
DEPARTMENT OF PUBLIC WORKS					
18-1	Roadway Improvements	Operating Budget	750,000	750,000	-
18-2	Departmental Equipment	Operating Budget	245,000	245,000	-
18-3	Sidewalk Reconstruction	Operating Budget	120,000	120,000	-
18-4	Guard Rail Improvements	Operating Budget	50,000	50,000	-
			1,165,000	1,165,000	-
FACILITIES TOWN-WIDE					
18-5	Town-Wide Facilities Improvements	Operating Budget	534,699	534,699	-
18-6	Equipment	Operating Budget	135,000	135,000	-
18-7	Irrigation Improvements	Operating Budget	90,000	90,000	-
			759,699	759,699	-
FIRE DEPARTMENT					
18-8	Equipment Replacement	Operating Budget	50,000	50,000	-
18-8	Car 3	Operating Budget	60,000	60,000	-
			110,000	110,000	-
POLICE DEPARTMENT					
18-9	Replacement Vehicles	Operating Budget	136,000	136,000	-
			136,000	136,000	-
SCHOOL DEPARTMENT					
18-10	School - Bus Replacement (3)	Operating Budget	232,551	232,551	-
			232,551	232,551	-
TOTAL GENERAL FUND			2,403,250	2,403,250	-

Enterprise Funds

Recommended Capital Requests – Cash & Departmental Operations

			FUNDING SOURCE	FY2018	Operating Budget	Retained Earnings
WATER ENTERPRISE						
18-11	Water Hydrant Rehab Program		Operating Budget	50,000	50,000	-
				50,000	50,000	-
BROOK SCHOOL APARTMENTS ENTERPRISE						
18-12	Repairs & Replacements		Operating Budget	146,768	146,768	-
18-13	Capital Improvements		Retained Earnings	100,000	-	100,000
				246,768	146,768	100,000
GRAND TOTAL				2,700,018	2,600,018	100,000

Recommended Capital Requests – Debt Funded by Water Revenues

PROJECT		AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2018	FY2019
19-1	Water Main Rehab Program	271,000	30	1.25%	3.75%	3,388	19,196
19-2	Water Wireless Meter Reading	859,050	10	1.25%	3.75%	10,738	118,119
PROJ. REVENUE (WATER) SUPPORTED DEBT SERV.		1,130,050				14,126	137,315

*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:

- \$ reserved in the free cash account
- \$3,000,000+ balance in Stabilization Fund
- \$ for Post Employment Benefits (OPEB) reserve – full amount of annual required contribution (ARC)
- Complete summary of reserves - FY18 Revenue Projection – Appendix 7

How does the FY18 Budget Support the Board of Selectmen's Stated Priorities?

Accelerate roadway maintenance.

- *\$100,000 more in this budget*
- *New position of Capital Projects Engineer proposed to support DPW infrastructure projects*

Complete Case Campus Master Plan.

- *Capital budget includes final phase of traffic and parking improvements, pending approval at Annual Town Meeting*

Plan for improvements to Town Center.

- *Construction funds are included in the capital budget, pending approval at fall Special Town Meeting*

How does the FY18 Budget Support the Board of Selectmen's Stated Priorities?

Complete Case Estates purchase and prepare for future uses of the property.

- *Increased funds in the Conservation Commission's budget for land management and additional staff hours to recognize the increased workload*
- *Consulting funds included for the Board of Health to explore the feasibility of a sewage treatment facility to help determine future use of the buildings*

Explore alternative voting methods for Town Meeting.

- *Funds included for the rental of hand held voting equipment for Special and Annual Town Meeting*

How does the FY18 Budget Support the Board of Selectmen's Stated Priorities?

Evaluate placement of solar panels on Town buildings and on parking lots.

- *\$250,000 in revenue from solar panels on the Town landfill recognized; additional offsetting revenue will be recognized later in the budget process*

Complete and submit Housing Production Plan to DHCD.

- *Completed plan calls for a large scale development on private property. Two developments currently proposed; if either or both are approved, additional inspectional services hours will be required*

Revenue & Expense Variables:

- Solar Credits higher than expected
- GIC Health Insurance Premium Increases in March
- Debt Exclusion – May
- Final State Aid – June?

Updated Projection of Future Budgets:

FY19: possible \$306,798 shortfall

FY20: possible \$982,956 shortfall

