

# FY19 BUDGET OVERVIEW

Presented to the  
Selectboard  
February 22, 2018

# Key Revenue Items

- Increase Tax Levy as allowed under Proposition 2.5
- State Aid Funded at Governor's Level
- Local Receipts Increase consistent to FY17 actual and YTD Trend
- Free Cash Usage is consistent with FY18's usage
- No Usage of Stabilization Account – 6<sup>th</sup> year in row

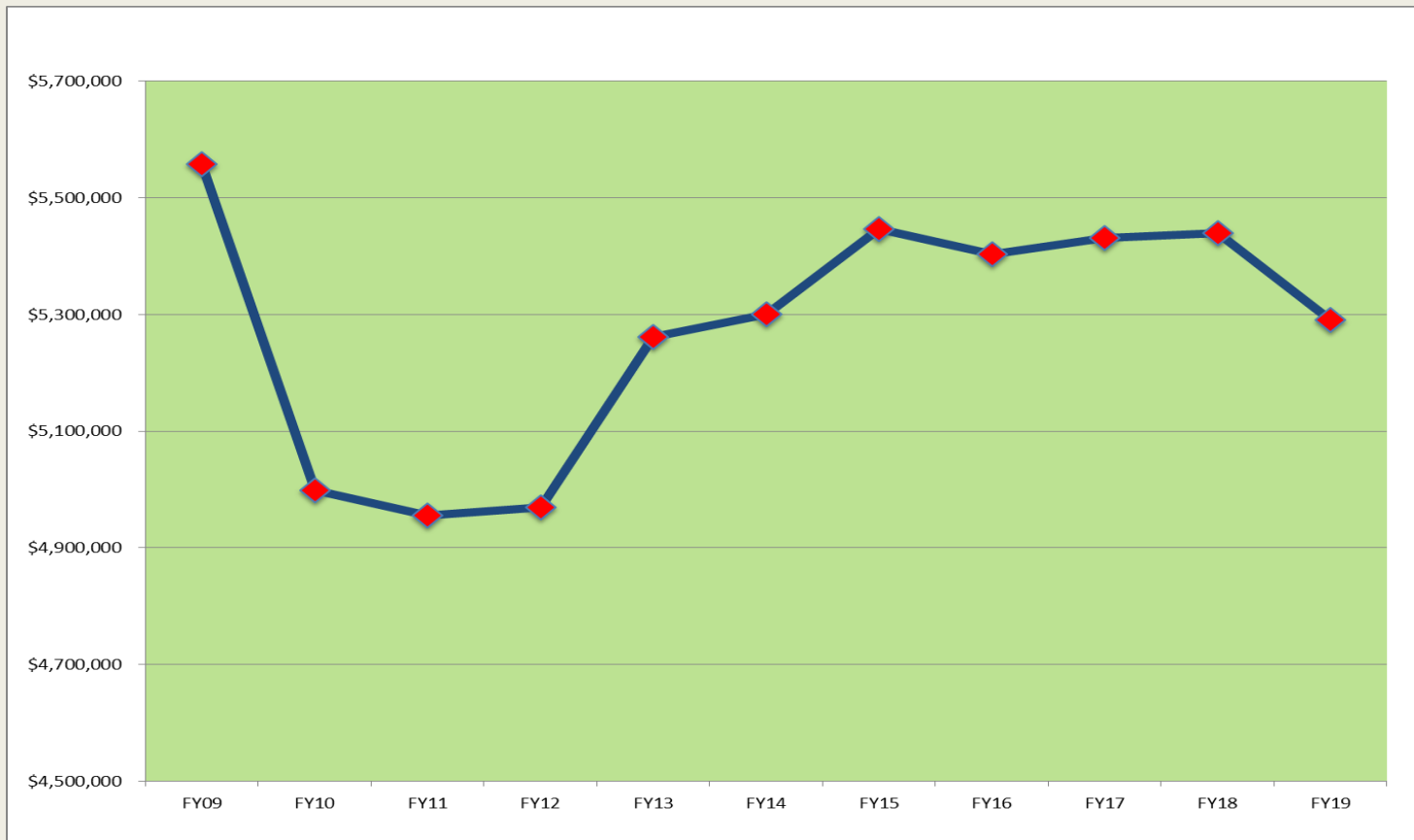
# Property Tax History

| Fiscal Year  | Base Levy         | 2 1/2 Statutory Increase | New Growth     | Debt Exclusion (High School) | Total Levy        | Dollar Change  | Percent Change |
|--------------|-------------------|--------------------------|----------------|------------------------------|-------------------|----------------|----------------|
| 2009         | 20,491,268        | 512,282                  | 241,341        | 489,127                      | 21,734,018        | 696,071        | 3.31%          |
| 2010         | 21,244,891        | 531,122                  | 158,531        | 460,645                      | 22,395,189        | 661,171        | 3.04%          |
| 2011         | 21,934,544        | 548,364                  | 201,382        | 461,039                      | 23,145,329        | 750,140        | 3.35%          |
| 2012         | 22,684,290        | 567,107                  | 93,380         | 517,306                      | 23,862,083        | 716,754        | 3.10%          |
| 2013         | 23,344,777        | 583,619                  | 117,969        | 497,038                      | 24,543,403        | 681,320        | 2.86%          |
| 2014         | 24,057,213        | 601,430                  | 135,611        | 486,563                      | 25,280,817        | 737,414        | 3.00%          |
| 2015         | 24,794,254        | 619,856                  | 106,308        | 470,775                      | 25,991,193        | 710,376        | 2.81%          |
| 2016         | 25,513,140        | 637,829                  | 127,795        | 457,650                      | 26,736,414        | 745,221        | 2.87%          |
| 2017         | 26,286,223        | 657,156                  | 203,027        | 417,623                      | 27,564,029        | 827,615        | 3.10%          |
| 2018         | 27,146,406        | 678,660                  | 215,337        | 400,950                      | 28,441,353        | 877,324        | 3.18%          |
| <b>2019*</b> | <b>28,040,403</b> | <b>701,010</b>           | <b>215,337</b> | <b>392,450</b>               | <b>29,349,200</b> | <b>907,847</b> | <b>3.19%</b>   |

# Net State Aid – FY09-FY19

| Fiscal Year      | Receipts         | Assessments      | Net              | Dollar Change    | Percentage   |
|------------------|------------------|------------------|------------------|------------------|--------------|
| 2007             | 6,727,396        | 1,468,618        | 5,258,778        | 333,823          | 6.8%         |
| 2009             | 6,811,245        | 1,253,532        | 5,557,713        | 159,721          | 3.0%         |
| 2010             | 5,980,963        | 982,787          | 4,998,176        | (559,537)        | -10.1%       |
| 2011             | 5,716,743        | 761,118          | 4,955,625        | (42,551)         | -0.9%        |
| 2012             | 5,696,955        | 727,916          | 4,969,039        | 13,414           | 0.3%         |
| 2013             | 5,875,638        | 614,660          | 5,260,978        | 291,939          | 5.9%         |
| 2014             | 5,996,686        | 695,433          | 5,301,253        | 40,275           | 0.8%         |
| 2015             | 6,104,596        | 657,642          | 5,446,954        | 145,701          | 2.7%         |
| 2016             | 6,171,577        | 768,616          | 5,402,961        | (43,993)         | -0.8%        |
| 2017             | 6,383,064        | 951,603          | 5,431,461        | 28,500           | 0.5%         |
| 2018             | 6,448,334        | 1,009,137        | 5,439,197        | 7,736            | 0.1%         |
| <b>2019 -Est</b> | <b>6,517,685</b> | <b>1,226,599</b> | <b>5,291,086</b> | <b>(148,111)</b> | <b>-2.7%</b> |

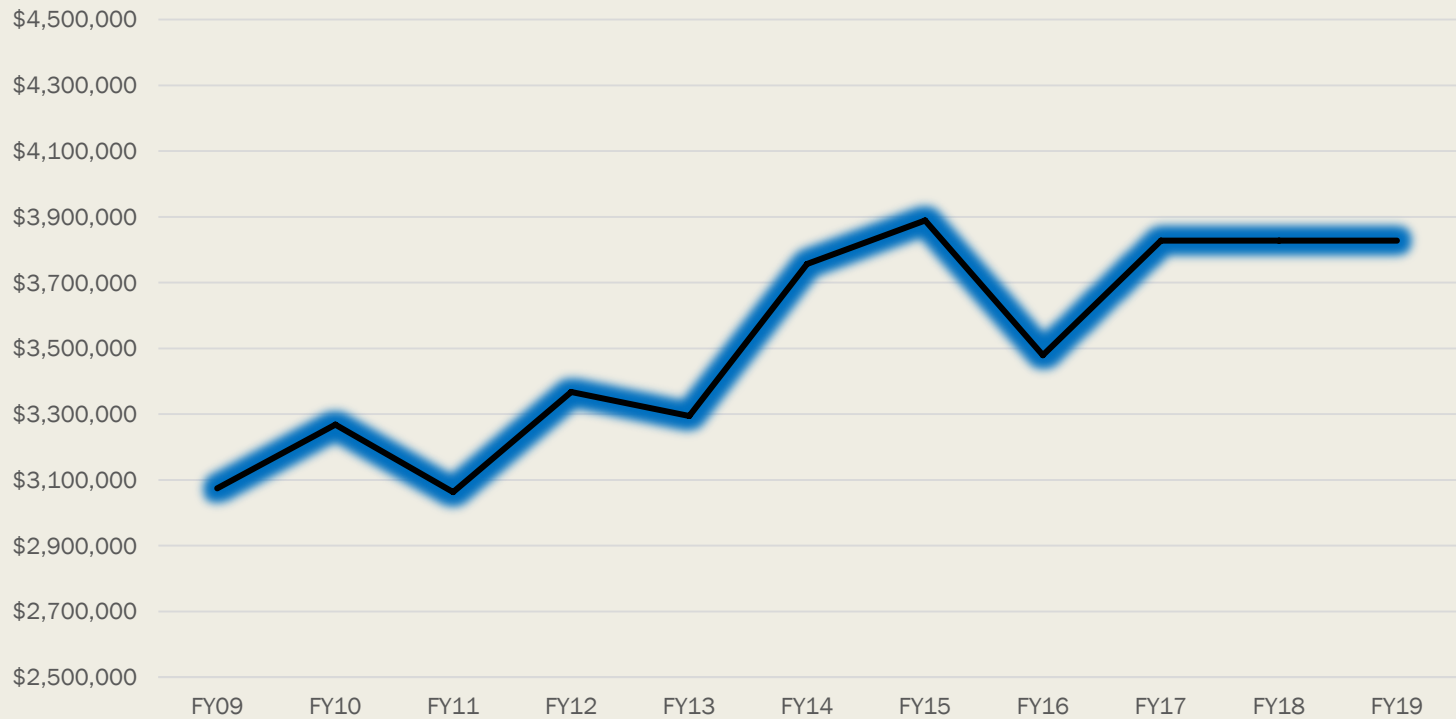
# Net State Aid FY09 – FY19



# Estimated Receipt History

|   | FY2009           | FY2010           | FY2011           | FY2012           | FY2013           | FY2014           | FY2015           | FY2016           | FY2017           | FY2018           | FY2019           |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|   | Actual           | Actual           | Actual           | Actual           | Actual           | Actual           | Actual           | Actual           | Actual           | Budget           | Budget           |
| Motor vehicle excise                        | 986,504          | 977,426          | 1,022,582        | 1,015,648        | 1,076,569        | 1,174,213        | 1,254,659        | 1,294,567        | 1,401,150        | 1,262,275        | 1,393,444        |
| Meals & Room Tax                            | 0                | 0                | 0                | 0                | 93,159           | 307,739          | 339,998          | 356,946          | 345,531          | 340,000          | 340,000          |
| Penalties and interest on taxes and excises | 207,771          | 383,502          | 208,405          | 346,617          | 232,015          | 342,311          | 444,035          | 414,574          | 288,154          | 235,000          | 250,000          |
| Payments in lieu of taxes                   | 165,008          | 165,008          | 165,008          | 425,008          | 220,008          | 200,958          | 240,008          | 246,008          | 246,008          | 245,000          | 245,000          |
| Charges for Services - water                | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                |                  |                  |                  |
| Charges for Services - sewer                | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                |                  |                  |                  |
| Charges for Services - hospital             | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                |                  |                  |                  |
| Charges for Services - trash disposal       | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                |                  |                  |                  |
| Other charges for services                  | 11,252           | 23,810           | 14,061           | 25,420           | 19,419           | 9,095            | 20,438           | 27,361           | 32,398           | 32,000           | 30,000           |
| Fees  | 452,775          | 448,596          | 171,721          | 28,408           | 26,065           | 33,553           | 34,796           | 33,966           | 23,309           | 20,000           | 30,000           |
| Rentals                                     | 26,855           | 24,805           | 23,801           | 39,805           | 49,478           | 70,133           | 59,630           | 55,430           | 38,200           | 35,000           | 35,000           |
| Departmental revenue - Schools              | 0                | 0                | 0                | 0                | 0                | 0                | 1,420            | 101              | 0                | 0                | 0                |
| Departmental revenue - Libraries            | 1,052            | 1,033            | 567              | 267              | 463              | 521              | 292              | 294              | 376              | 0                | 0                |
| Departmental revenue - Cemeteries           | 17,144           | 17,490           | 21,239           | 13,733           | 12,261           | 13,595           | 13,788           | 15,954           | 22,000           | 20,000           | 20,000           |
| Departmental revenue - Recreation           | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                |                  |                  |                  |
| Other departmental revenue                  | 445,740          | 421,109          | 430,120          | 422,270          | 486,805          | 649,252          | 628,040          | 695,514          | 601,559          | 593,000          | 725,000          |
| Licenses and permits                        | 174,307          | 218,162          | 223,929          | 219,320          | 219,596          | 239,310          | 223,808          | 286,722          | 313,258          | 300,000          | 325,000          |
| Special assessments                         | 0                | 0                | 0                | 0                | 0                | 0                | -                | -                | 0                | 0                | 0                |
| Fines and forfeits                          | 114,619          | 96,299           | 124,891          | 139,874          | 141,796          | 210,139          | 109,383          | 96,236           | 98,406           | 95,000           | 105,000          |
| Investment income                           | 138,959          | 127,365          | 64,619           | 55,566           | 50,512           | 53,307           | 58,155           | 48,835           | 66,667           | 55,000           | 70,000           |
| Miscellaneous recurring                     | 270,510          | 315,538          | 292,131          | 310,995          | 334,341          | 351,365          | 346,535          | 395,689          | 397,542          | 395,000          | 425,000          |
| Miscellaneous non-recurring                 | 62,045           | 48,189           | 299,814          | 324,460          | 331,542          | 101,529          | 114,005          | 89,755           | 136,831          | 65,000           | 100,000          |
|   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Total</b>                                | <b>3,074,541</b> | <b>3,268,332</b> | <b>3,062,890</b> | <b>3,367,391</b> | <b>3,294,028</b> | <b>3,757,020</b> | <b>3,888,990</b> | <b>4,057,952</b> | <b>4,011,389</b> | <b>3,692,275</b> | <b>4,093,444</b> |

# Estimated Receipts History



# FY19 Recap - Revenue

|    | Revenue Summary                   | FY 18             | FY 19             | Dollar Change    | Percent Change |
|----|-----------------------------------|-------------------|-------------------|------------------|----------------|
| 1  | <b>Real Estate/Property Taxes</b> |                   |                   |                  |                |
| 2  | Base Tax Levy                     | 27,146,406        | 28,040,403        | 893,997          | 3.29%          |
| 3  | Statutory 2 1/2 Increase          | 678,660           | 701,010           | 22,350           | 3.29%          |
| 4  | Growth in Tax Base                | 215,337           | 215,337           | 0                | 0.00%          |
| 5  | Debt Exclusion-High School        | 400,950           | 392,450           | (8,500)          | -2.12%         |
| 6  | Excess Levy                       |                   |                   | 0                |                |
| 7  | <b>Maximum Allowable Tax Levy</b> | <b>28,441,353</b> | <b>29,349,200</b> | <b>907,847</b>   | <b>3.19%</b>   |
| 8  | <b>Intergovernmental Revenues</b> |                   |                   |                  |                |
| 9  | State Revenue Sharing             | 6,458,849         | 6,528,344         | 69,495           | 1.08%          |
| 10 | Less Offsets                      | (10,515)          | (10,659)          | (144)            | 1.37%          |
| 11 | <b>Projected Net State Aid</b>    | <b>6,448,334</b>  | <b>6,517,685</b>  | <b>69,351</b>    | <b>1.08%</b>   |
| 12 | <b>Local Receipts</b>             |                   |                   |                  |                |
| 13 | Estimated Local Receipts          | 3,662,483         | 4,093,444         | 430,961          | 11.77%         |
| 14 | Overlay Surplus                   | 150,000           | 150,000           | 0                | 0.00%          |
| 15 | Available Funds (Free Cash)       | 1,300,000         | 1,270,297         | (29,703)         | -2.28%         |
| 16 | Stabilization Fund                | 0                 | 0                 | 0                |                |
| 17 | PILOT-HRA                         | 60,000            | 60,000            | 0                | 0.00%          |
| 18 | Reserved for Appropriation        | 45,000            | 45,000            | 0                | 0.00%          |
| 19 | Transfer from Enterprise-ROB      | 263,805           | 315,000           | 51,195           | 19.41%         |
| 20 | <b>Total Local Receipts</b>       | <b>5,481,288</b>  | <b>5,933,741</b>  | <b>452,453</b>   | <b>8.25%</b>   |
| 21 | <b>TOTAL RECEIPTS</b>             | <b>40,370,975</b> | <b>41,800,626</b> | <b>1,429,651</b> | <b>3.54%</b>   |



# Revenue Summary

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# Expenditure Components

- Operational Budget
- Insurances/Pensions
- Debt
- Capital
- Intergovernmental Charges
- Overlay/Snow

# Key Expenditure Items

- Operational budget increases by **2.24%** - Level Services
- Health Insurance increases **6%**
- Capital Projects are funded at **\$315,000**
- Place-holder for FY19 snow deficit **~\$200,000**
- State assessments increase by **5.75%**
- Charter School Assessment Increases by **29.6%**

# Operational Budgets

The FY19 Operating Budget is **\$26,080,432**

- *General Government Budgets = \$10.58 million dollars or 41%*
- *The School Department Budget = \$15.49 million dollars or 59% of the operational budget*
- *The total operational budget increases by **\$570,236** or a **2.24%** increases over FY18*

| Department                 |     | FY18<br>Approp    | FY19<br>Request   | Town Manager<br>Recommends | Advisory Bd.<br>Recommends | Dollar<br>Change | Percent<br>Change |
|----------------------------|-----|-------------------|-------------------|----------------------------|----------------------------|------------------|-------------------|
| Town Manager               | 121 | 248,585           | 252,463           | 252,463                    | 0                          | 3,878            | 1.56%             |
| Selectmen                  | 122 | 118,631           | 147,595           | 147,595                    | 0                          | 28,964           | 24.42%            |
| General Government Support | 124 | 130,450           | 133,050           | 133,050                    | 0                          | 2,600            | 1.99%             |
| Advisory Board/Reserve     | 131 | 6,750             | 6,750             | 6,750                      | 0                          | 0                | 0.00%             |
| Director of Finance        | 135 | 167,544           | 172,509           | 172,509                    | 0                          | 4,965            | 2.96%             |
| Assessors                  | 141 | 199,720           | 222,067           | 222,067                    | 0                          | 22,347           | 11.19%            |
| Treasurer/Collector        | 145 | 336,302           | 342,944           | 342,944                    | 0                          | 6,642            | 1.98%             |
| Law Department             | 151 | 131,165           | 133,230           | 133,230                    | 0                          | 2,065            | 1.57%             |
| Town Clerk                 | 161 | 49,130            | 69,684            | 69,684                     | 0                          | 20,554           | 41.84%            |
| Conservation               | 171 | 102,105           | 104,120           | 104,120                    | 0                          | 2,015            | 1.97%             |
| Comm Dev & Planning        | 175 | 121,622           | 123,601           | 123,601                    | 0                          | 1,979            | 1.63%             |
| Town Buildings             | 192 | 152,536           | 155,536           | 155,536                    | 0                          | 3,000            | 1.97%             |
| Police Department          | 210 | 2,923,845         | 2,982,576         | 2,982,576                  | 0                          | 58,731           | 2.01%             |
| Fire Department            | 220 | 3,322,728         | 3,389,161         | 3,389,161                  | 0                          | 66,433           | 2.00%             |
| Building Department        | 241 | 184,933           | 188,398           | 188,398                    | 0                          | 3,465            | 1.87%             |
| Emergency Management       | 291 | 35,885            | 35,885            | 35,885                     | 0                          | 0                | 0.00%             |
| Animal Control             | 292 | 27,794            | 28,210            | 28,210                     | 0                          | 416              | 1.50%             |
| Shellfish                  | 297 | 12,984            | 13,244            | 13,244                     | 0                          | 260              | 2.00%             |
| School                     | 301 | 15,190,677        | 15,494,491        | 15,494,491                 | 0                          | 303,814          | 2.00%             |
| Public Works               | 421 | 1,132,503         | 1,155,081         | 1,155,081                  | 0                          | 22,578           | 1.99%             |
| Snow Removal               | 423 | 74,830            | 74,830            | 74,830                     | 0                          | 0                | 0.00%             |
| Park Maintenance           | 496 | 64,200            | 65,484            | 65,484                     | 0                          | 1,284            | 2.00%             |
| Board of Health            | 511 | 208,990           | 212,292           | 212,292                    | 0                          | 3,302            | 1.58%             |
| Council on Aging           | 541 | 169,447           | 172,581           | 172,581                    | 0                          | 3,134            | 1.85%             |
| Veterans' Services         | 543 | 28,799            | 29,348            | 29,348                     | 0                          | 549              | 1.91%             |
| Library                    | 610 | 315,340           | 321,646           | 321,646                    | 0                          | 6,306            | 2.00%             |
| Park and Recreation        | 650 | 52,701            | 53,656            | 53,656                     | 0                          | 955              | 1.81%             |
| <b>Department Budgets</b>  |     | <b>25,510,196</b> | <b>26,080,432</b> | <b>26,080,432</b>          | <b>0</b>                   | <b>570,236</b>   | <b>2.24%</b>      |

# Insurance & Pension

- The insurance portion of the budget increases by **\$350,351 dollars a 5.74%** increase, primarily driven by increased health insurance premiums
- Pension costs increase 3.59% from \$3.79 million dollars to \$3.92 million dollars. This reflects the extent of our obligation as required by state law

# Capital

- The FY19 budget has \$315,000 allocated for capital spending
  - *\$60,000 for Seawall Repairs*
  - *\$60,000 for School Department Technology*
  - *\$40,000 for Hydrant Repair*
  - *\$80,000 for Police vehicles*
  - *\$25,000 for General Government Technology*
  - *\$30,000 for Line Painting*

# FY19 Recap - Expenditures

| II | Expenditure Summary              | FY 18             | FY 19             | Dollar Change    | Percent Change |
|----|----------------------------------|-------------------|-------------------|------------------|----------------|
| 22 | Operational Budget               | 25,510,196        | 26,080,432        | 570,236          | 2.24%          |
| 23 | General Reserve                  | 50,000            | 50,000            | 0                | 0.00%          |
| 24 | Health Insurance                 | 5,065,971         | 5,369,930         | 303,959          | 6.00%          |
| 25 | Other Insurances                 | 987,872           | 1,034,264         | 46,392           | 4.70%          |
| 26 | Town Wide                        | 293,436           | 293,982           | 546              | 0.19%          |
| 27 | Veterans Benefits                | 350,000           | 350,000           | 0                | 0.00%          |
| 28 | Pension Total                    | 3,792,776         | 3,928,973         | 136,197          | 3.59%          |
| 29 | Debt & Interest                  | 2,150,935         | 2,111,229         | (39,706)         | -1.85%         |
| 30 | Capital Improvements-General     | 315,000           | 315,000           | 0                | 0.00%          |
| 31 | <b>Total Services Costs</b>      | <b>38,516,186</b> | <b>39,533,810</b> | <b>1,017,624</b> | <b>2.64%</b>   |
| 32 | <b>Other</b>                     |                   |                   |                  |                |
| 33 | Overlay                          | 400,000           | 350,000           | (50,000)         | -12.50%        |
| 34 | Snow Removal Deficit             | 0                 | 200,000           | 200,000          |                |
| 35 | <b>Other Total:</b>              | <b>400,000</b>    | <b>550,000</b>    | <b>150,000</b>   | <b>37.50%</b>  |
| 36 | <b>Intergovernmental Charges</b> |                   |                   |                  |                |
| 37 | State County Assessments         | 340,603           | 360,188           | 19,585           | 5.75%          |
| 38 | Charter School Assessment        | 668,534           | 866,411           | 197,877          | 29.60%         |
| 39 | Regional Dispatch                | 445,652           | 490,217           | 44,565           | 10.00%         |
| 40 | <b>Intergovernmental Total</b>   | <b>1,454,789</b>  | <b>1,716,816</b>  | <b>262,027</b>   | <b>18.01%</b>  |
| 41 | <b>TOTAL EXPENDITURES</b>        | <b>40,370,975</b> | <b>41,800,626</b> | <b>1,429,651</b> | <b>3.54%</b>   |
|    | <b>NET EXCESS/(DEFICIT)</b>      | <b>0</b>          | <b>(0)</b>        |                  |                |



# Expenditure Summary

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|----|-----------------------------|-------------------|-------------------|------------------|----------------|
| 31 | Total Services Costs        | 38,516,186        | 39,533,810        | 1,017,624        | 2.64%          |
| 35 | Other Total:                | 400,000           | 550,000           | 150,000          | 37.50%         |
| 40 | Intergovernmental Total     | 1,454,789         | 1,716,816         | 262,027          | 18.01%         |
| 41 | <b>TOTAL EXPENDITURES</b>   | <b>40,370,975</b> | <b>41,800,626</b> | <b>1,429,651</b> | <b>3.54%</b>   |
|    | <b>NET EXCESS/(DEFICIT)</b> | <b>0</b>          | <b>(0)</b>        | <b>(0)</b>       |                |

# FY19 Financials

|    | Revenue Summary             | FY18              | FY19              | Dollar Change    | Percent Change |
|----|-----------------------------|-------------------|-------------------|------------------|----------------|
| 7  | Maximum Allowable Tax Levy  | 28,441,353        | 29,349,200        | 907,847          | 3.19%          |
| 11 | Projected Net State Aid     | 6,448,334         | 6,517,685         | 69,351           | 1.08%          |
| 20 | Total Local Receipts        | 5,481,288         | 5,933,741         | 452,453          | 8.25%          |
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| 35 | Other Total:                | 400,000           | 550,000           | 150,000          | 37.50%         |
| 40 | Intergovernmental Total     | 1,454,789         | 1,716,816         | 262,027          | 18.01%         |
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|    |                             |                   |                   |                  |                |
|    | <b>NET EXCESS/(DEFICIT)</b> | <b>0</b>          | <b>(0)</b>        | <b>(0)</b>       |                |