



Town of Wayland Massachusetts

Finance Committee

Paul Grasso
Thomas Greenaway
David J. Gutschenritter
Cherry C. Karlson (Chair)
Sam H. Peper
Richard M. Stack
Bill Steinberg

Finance Committee Meeting Minutes April 5, 2012

Attendance: C. Karlson (Chair), B. Steinberg, T. Greenaway, D. Gutschenritter, & R. Stack
Absent: S. Peper, P. Grasso & M. DiPietro (Finance Director)

The meeting was called to order at 7:05 P.M. in the Selectmen's Hearing Room of Town Building.

1. Public Comment

- Kim Cook asked that the Committee reconsider Article 27, Authorize the Sale of Town-Owned Land at 24 and 26 Lakeshore Drive. Ms. Cook stated her opinion that the Town is not following the steps required to sell these two pieces of property. She also noted that the Recreation Commission voted to recommend that Article 27 be passed over. She further expressed her opinion that this process is representative of operational management issues within the Town in addition to financial management issues.
- Donna Bouchard spoke to an email she had sent to the Committee on the topic of OPEB (email dated 4/4/2012). Her primary concern was to be sure the correct amounts of health care premiums are collected from the various parties responsible for making the contributions. Based on the information available to her, it was not clear to her that they were.

2. ATM 2012 discussion:

C. Karlson opened the discussion on the Annual Town Meeting (ATM). T. Greenaway commented that the Committee had responded to all of the items in the email referenced in Public Comment listed above. He voiced his appreciation of the work done by Ms. Bouchard to provide the additional information for the Committee's consideration.

The Committee reviewed new information from the Board of Assessors (the Assessors). On April 2, 2012, the Assessors voted to release \$1,348,000 to Overlay Surplus. The Committee had estimated \$420,000 would be released to Overlay Surplus and available as a funding source for the FY 2013 Budget. The Committee discussed the various uses of this additional funding source within the context of projected future budgets based on certain high level assumptions. At this point in the meeting, the sense of the Committee was to use the additional funding from the Overlay Surplus to reduce the amount of money raised through taxation.

The Committee next reviewed new information from the Finance Director clarifying the rules pertaining when a debt exclusion vote is needed. This new information clarifies that the Town can borrow to finance the Middle School Roof without a debt exclusion vote. It was noted that from a procedural standpoint, the full amount of the Roof project must be appropriated, even with the expectation of reimbursement from the MSBA. Since reimbursement comes as the project progresses, the Town will borrow/spend only the money required, not all that is appropriated.

The Committee was informed that the School Committee requested that that the Capital Budget motion be amended to say the following: Motion:.....and, to provide for these appropriations, the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow \$1,055,000. pursuant to the provisions of Massachusetts General Laws Chapter 44, Sections 7 and 8, \$535,000 from taxation, \$1,720,000 from general fund unreserved fund balance, \$1,110,000 from water surplus, and \$ 500,000 from water revenues, **provided that no funds so appropriated for the Middle School Roof Repairs under Line 19 shall be expended unless and until the Massachusetts School Building Authority makes a written determination that the project is eligible for funding under its Repair Program.**

While the new information enables the Town to borrow to fund the Roof, the Committee discussed whether it was supportive of borrowing. In this situation, two guiding philosophies were suggesting two different approaches. The Committee discussed the philosophy of using one time sources of free cash to fund certain capital items (like the Roof) versus the philosophy of borrowing money for long life capital projects (like the Roof). Also discussed was how either decision would factor into the Town's financial position if/when the new DPW facility is approved and funded.

A motion was made and seconded to amend the Capital Budget as follows : Motion:.....and, to provide for these appropriations, the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow \$1,055,000. pursuant to the provisions of Massachusetts General Laws Chapter 44, Sections 7 and 8, \$535,000 from taxation, \$1,720,000 from general fund unreserved fund balance, \$1,110,000 from water surplus, and \$ 500,000 from water revenues, **provided that no funds so appropriated for the Middle School Roof Repairs under Line 19 shall be expended unless and until the Massachusetts School Building Authority makes a written determination that the project is eligible for funding under its Repair Program.** The motion did not carry by a vote of 0-5.

A motion was made and seconded to reopen the FY 2013 Capital Budget. Motion carried 5-0.

A motion was made and seconded to amend the FY 2013 Capital Budget by changing the funding source for line 19, Middle School Roof Repairs to borrowing from free cash. Motion carried 3-2.

A motion was made and seconded to increase the amount of free cash to be applied to the Operating Budget from \$3,300,000 to \$4,800,000 and to increase the amount appropriated from the Overlay Surplus from \$420,000 to \$1,720,000. Motion carried 4-0-1 (C. Karlson abstained).

A motion was made and seconded to accept the Finance Committee Supplemental Budget Report as amended. Motion carried 5-0.

3. FinCom FAQ Project discussion:

The Committee next discussed the Pension FAQ.

A motion was made and seconded to post the Pension FAQ to the Town Website. Motion carried 5-0

No action was taken on the OPEB FAQ.

4. Chairman's Update:

The Committee next discussed the logistics and timing of Annual Town Meeting.

5. FinCom Members' and Finance Director reports and concerns:

None noted.

6. Adjourn:

The meeting adjourned at 9:18 pm.

Respectfully submitted,

David Gutschenritter

Documents:

Email from Donna Bouchard

Budget projection draft 1A

Budget projection draft 2A

Budget Projection draft 3A

Dear Cherry, Sam, Richard, David, Paul, Bill and Tom,

During the discussion regarding line item "Unclassified - Insurance 32B" at the March 28th meeting of the Finance Committee, the Finance Director indicated that the remaining balance in this line item closes to OPEB versus Free Cash at the end of each fiscal year. This information is concerning and has raised new questions about the annual cost of health care as well as the contributions made to the OPEB trust fund.

To explain these questions, I have attached:

1. An analysis document titled "Health Insurance Account and OPEB"
2. The FY'11 MUNIS Detail Report "General Fund FY11 Details" (please see pages 217 to 221 for all general ledger health insurance transactions)

3. The Journal Entries for this account in FY'11 (please see pages 2 and 7 for employee contribution journal entries and pages 1, 3, 5 and 6 for OPEB journal entries)

The general ledger MUNIS year end Period 13 report for FY'11 shows that **\$7,348,140** was expended from Health Insurance (page 217). Due to the accounting practices of the finance department, the general ledger fails to show the correct expenditures and transfers out of Health Insurance which actually total **\$ 12,370,869**.

The \$5,022,729 variance results from an infusion of "cash receipts/employee deductions" through transfers into this **expenditure account**. This accounting method - capturing both revenues and expenditures in an expenditure account - prevents the accurate reporting of the actual cost of health insurance on the general ledger because "receipts" are being commingled with expenditures, thereby creating the inaccurate expenditure number of \$7,348,140.

On the analysis page attached, please note that **\$5,022,729** was transferred into the Insurance 32B expenditure account. \$4,429,000 of this total was from employee health insurance payroll deductions that were first deposited into a segregated account but then commingled into this expenditure account. Initially, it's difficult to distinguish the percentage of the health insurance cost paid by the employees versus the percentage paid by taxpayers.

\$3,150,000 was subtracted from the line item total of \$12,370,869 (the amount transferred to the OPEB Trust Fund in FY'11). The total amount transferred to OPEB was made as four separate transfers which are documented on the four related journal entries attached. Please note, there are no signatures on these four journal entries authorizing these transfers. Additionally, as you already know, there was no recorded vote of town meeting to authorize the transfer of \$3,150,000 to the OPEB Trust Fund. After adjusting for the transfer of funds to OPEB, the remaining \$9,220,869 represents the actual annual cost to the Town in FY'11 for health insurance.

Of the \$9,220,869 for health care insurance, \$4,429,000 was contributed through the transfer of employee deductions to the Health Insurance account. This cost represents 48% of the total annual cost for health insurance. This percentage contradicts the health insurance percentages outlined in the collective bargaining agreements for Wayland's union employees.

If the actual percentage cost of health insurance in FY'11 was deducted from the \$4,429,000 after this money was transferred to the Health Insurance account, and all of the remaining balance in this account then closed to OPEB (versus Free Cash), this would mean that the remaining employee contributions that were transferred to the Insurance 32B account would have also closed to OPEB. There is no language in the collective bargaining agreements for Wayland's union employees to fund OPEB.

Using FY'11, thank you for your help to please advise, through a full accounting and report:

1/ Why was the line item for Health Insurance, an expenditure account, infused with \$5,022,729 in revenues/receipts that then resulted in understating the expenditure number reported in MUNIS by \$5,022,729? Did the reports sent to the D.O.R. also understate the actual cost of health insurance?

2/ Why was there no vote of town meeting to authorize the contribution of \$3,150,000 to fund OPEB (an amount more than what was required or identified in the Finance Committee's financial management plan detailed in the "Report of the Finance Committee" from the 2011 Annual Town Meeting Warrant)?

3/ Why are the four journal entry transfers to OPEB missing the required signatures to authorize the transfer of money and why is there no vote of the legislative body attached to the journal entries? Who authorized the transfer of \$3,150,000 to fund OPEB?

4/ Could you please provide accounting and reporting to demonstrate compliance or noncompliance with the collective bargaining agreements. Was there a balance of \$1,748,000 of employee deductions that were not used for health insurance, per the FY'11 employee deduction account?

5/ \$551,958 was transferred from the school revolving fund staff (indirect costs) to the Health Insurance account (page 4 of the journal entry attachment). This transfer should simply have been recorded as an interfund transfer to the general fund as a financing source for employee health insurance (to reimburse the taxpayer for the cost). Since the transfer became a "cash receipt" in the health insurance expenditure account and the account closed to OPEB at year end, it appears that the school revolving fund transfer funded OPEB instead of simply reimbursing/refunding the taxpayer for the indirects (health insurance) in the general fund. Is this assumption correct and if not, could you please provide accounting and reporting to demonstrate how this transfer reimbursed/refunded taxpayers.

6/ With regard to the \$551,958 that was transferred from the school revolving fund staff (indirect costs) to the Health Insurance account, please provide the transfer documentation for the retirement assessment that is part of the indirect costs. Again, this transfer should simply have been recorded as an interfund transfer to the general fund, the financing source for employee retirement, to reimburse the taxpayer for the cost. Please provide documentation for the portion of the \$551,958 that should have offset the cost of the retirement assessment funded by the taxpayer that appears to have been transferred directly into the health insurance expenditure account which closed to OPEB at year end.

7/ There are also discrepancies between the Melanson & Heath Audited Financial Statements and the Segal Actuarial Study. The Segal Group, Inc. report, on page 12 (page 15 in Word count), shows different annual contributions on Chart 3 in Column (e) "Actual Contribution Amount":

2008 was \$ 0 (variance - Finance Director reported \$750,000)

2009 was \$3,034,164 (variance - Finance Director reported \$1,110,319)

2010 was \$3,994,270 (variance - Finance Director reported \$1,860,319)

2011 was \$5,235,998 (variance - Finance Director reported \$3,150,000)

The Finance Director's total at the close of fiscal year 2011, **\$6,870,638**, correlates with Melanson & Heath's Audited Financial Statements (with the exception of the interest earned, bringing the total to **\$6,921,160**). The annual contributions on Chart 3 in Column (e) "Actual Contribution Amount" from The Segal Group, Inc. report shows contributions totaling **\$12,264,432** (column 'e' in that chart also shows

that the 2012 contribution was not included in this total number). Thank you for your help to obtain the necessary documentation to explain these variances.

8/ What is the actual annual cost of health insurance budgeted for FY 13 (excluding OPEB) and what is the actual Town (employer) share of this cost versus the actual employee share of this cost. Thank you for your help to obtain the source documents used to calculate this number.

Please confirm that the information requested above (numbers 1-7) can also be provided for the current fiscal year, FY'12. The current FY'12 information is "net" and includes receipts and is therefore also understated. Additionally, please confirm the FY'12 B.A.S.E., The Children's Way and School Lunch transfer will be made as an interfund transfer to the general fund (the correct method) to ensure that the practice of embedding this cost in the health insurance account is terminated. Currently there is no clear accounting to represent that taxpayers are offset for the cost of fee-based funded health insurance and retirement costs. Lastly, it is my understanding that all interfund transfers must be budgeted and require a vote of town meeting.

Please feel free to contact me should you require any additional information or clarification. Thank you for your attention to the above questions as this accounting situation is very confusing and concerning and your prompt oversight and reply is greatly appreciated.

Respectfully,

Donna Bouchard

#80

DATE: 8/4/10			
SUBJECT: TRANSFER			
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INSURANCE 32 B	1,900,000.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
83970300	43299	OPEB	1,900,000.00
EXPLANATION: RECORD TRANSFER TO OPEB			
SUBMITTED BY:			
DEPARTMENT HEAD			DATE

238

DATE: 11/17/10			
SUBJECT: TRANSFER			
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INSURANCE 32 B	250,000.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
83970300	43299	OPEB	250,000.00
EXPLANATION: RECORD TRANSFER TO OPEB			
SUBMITTED BY:		DEPARTMENT HEAD	DATE

236

TO:	KATHY BUTTERS - FINANCE DEPARTMENT		
FROM:			
DATE:	09/30/10		
SUBJECT:	TRANSFER		
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
	10 21501	INS W/H	2,407,570.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
24135200	43299	FLEX ADMIN	7,570.00
10945002	51903	INS 32B	2,400,000.00
EXPLANATION:			
SUBMITTED BY:			
	DEPARTMENT HEAD		DATE

Approved by: [Signature] Date: 10/1/10

#63

DATE: 2/4/11			
SUBJECT: TRANSFER			
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
25709160	55630	3112 CHILDREN'S WAY - FRINGE	158,983.00
25798540	55630	3120 FOOD SERVICE - FRINGE	222,054.00
25709260	55630	3110 BASE FRINGE	170,921.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INSURANCE - 32B	551,958.00
EXPLANATION:			
SUBMITTED BY: <i>J. Bridgelyons</i>			2-4-11
DEPARTMENT HEAD			DATE

391

DATE: 3/28/11			
SUBJECT: TRANSFER			
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INSURANCE 32 B	500,000.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
83970300	43299	OPEB	500,000.00
EXPLANATION: RECORD TRANSFER TO OPEB			
SUBMITTED BY:			
DEPARTMENT HEAD			DATE

#431

DATE: 4/25/11			
SUBJECT: TRANSFER			
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INSURANCE 32 B	500,000.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
83970300	43299	OPEB	500,000.00
EXPLANATION: RECORD TRANSFER TO OPEB			
SUBMITTED BY:			
DEPARTMENT HEAD		DATE	

548

FROM:	SUSAN SHAW - FINANCE DEPT		
DATE:	6/29/11		
SUBJECT:	TRANSFER		
PLEASE MAKE THE FOLLOWING TRANSFER:			
ACCOUNTS TO BE CHARGED OR FUNDS REDUCED (DEBIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10	21501	W/H GROUP INSURANCE	2,029,000.00
ACCOUNTS TO BE INCREASED (CREDIT):			
<u>ORG</u>	<u>OBJECT</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
10945002	51903	INS 32B	2,029,000.00
EXPLANATION:			
SUBMITTED BY:			
DEPARTMENT HEAD			DATE

HEALTH INSURANCE ACCOUNT AND OPEB:

***\$7,348,140** - FY'11 Period 13 (total reported expenditure - MUNIS Account 10945002 51903 –
Unclassified Insurance 32B)

(*The actual amount expended from this EXPENDITURE account is much greater - please see details below)

The Finance Department is also booking receipts to this account. The infusion of REVENUES in an expenditure account does not adhere to normal accounting practices as this method of accounting prevents the actual expenditure from being reported. As a result, determining the actual cost of health insurance requires ADDING \$5,022,729 of “cash receipts” that were commingled in this expenditure account and offset the true cost.

1/ Total amount budgeted from Appropriation (FY’11): \$7,466,000.

Total amount expended from Appropriation (FY’11): \$7,348,140. (however this number is incorrect)

2/ Add the cash infusion of Employee Deductions transfers to the account (offset real costs in account 10945002 51903):

10/28/10: \$2,400,000

06/29/11: \$2,029,000

Total transferred into Insurance 32B account

from Employee Deduction account: **\$4,429,000**

3/ Add the cash infusion of other “cash receipts” transfers to the account (offset real costs in account 10945002 51903):

08/23/2010: \$ 5,028

08/25/2010: \$ 175

10/28/2010: \$ 2,122

11/15/2010: \$ 79

07/31/2010: \$ 679

02/04/2011: \$ 551,958

12/07/2010: \$ 501

07/26/2010: \$ 28,759

05/20/2011: \$ 666

06/16/2011: \$ 777

06/08/2011: \$ 1,222

05/05/2011: \$ 65

08/04/2010: \$ 1,680

Total transferred into Insurance 32B account \$ 593,729

From other "cash receipts" transfers

4/ Total "cash receipts" added to Insurance 32B

account (added from lines 2. + 3.) \$5,022,729

5/ (A) represents the Total expenditure in MUNIS

Insurance 32B which is net of the \$5,022,729 of receipts

into this expenditure account (added from lines 1. + 4.) \$7,348,140

\$12,370,869 (A)

6/ (B) represents the amount subtracted

(amount paid to OPEB trust fund
of all payments)

(\$3,150,000) (B) (detailed chart below)

7/ Annual FY'11 TOTAL cost of health insurance

(A) MINUS (B) = actual health insurance cost

(excludes the \$3,150,000 transfer to OPEB
balance to page 2)

\$9,220,869 (please note carry of this

8/ Annual FY'11 TOTAL cost of health insurance
insurance)

\$9,220,869 (total cost of health

9/ Employee contribution cost to health insurance

(total is taken from the transfer detailed

in line 2. on page one, above):

10/28/10: \$2,400,000

06/29/11: \$2,029,000

\$4,429,000 (employee contribution)

10/ Variance from TOTAL cost (line 8) versus

employee contribution cost (line 9): **\$4,791,869 (variance represents taxpayer contribution)**

11/ Heath insurance contribution

as a **percent** of total cost:

Taxpayer cost: 52%

Employee cost: 48% ()**

(**) Employee cost percentage of 48% is not representative of collective bargaining agreements

This represents a preliminary analysis as a full accounting, for FY'11, FY'12 and the FY'13 plan is being requested.

Details for line item "Unclassified - Insurance 32B" payments to OPEB:

08/04/2010: \$1,900,000

11/18/2010: \$ 250,000

03/28/2011: \$ 500,000

04/25/2011: \$ 500,000

Total Insurance 32B

appropriation transferred

to OPEB trust fund in FY'11 **\$3,150,000**

For Planning Purposes
All Estimates

Budget Projection FY 15 As voted by Finance March 28

1A

DRAFT

As approved
March 28

BUDGET PROJECTION	12 BUDGET	13 BUDGET	14 BUDGET	15 BUDGET
11 TOTAL AMOUNT TO BE RAISED	73,047,931 7.08%	72,950,377 -0.13%	74,024,810 1.47%	75,170,293 1.55%
REVENUES				
12 STATE AID	4,384,008	4,067,106	4,067,106	4,067,106
13 LOCAL RECEIPTS	4,150,000	4,175,000	4,279,375	4,386,359
14 WATER REVENUE	3,483,133	3,500,334	3,500,334	3,500,334
15 ENTERPRISE REVENUE	601,408	667,967	667,967	667,967
16 FREE CASH	4,500,000	3,300,000	2,700,000	1,250,000
17 TAX LEVY	53,215,452	55,258,285	57,189,742	59,169,466
18 ALLOWANCE 2.5%	1,330,386	1,381,457	1,429,744	1,479,237
19 NEW GROWTH	712,447	550,000	550,000	550,000
20 DEBT EXCLUSION BOND PREMIUM	5,687,099 (125,182)	5,918,176 (119,384)	5,918,176 (111,748)	5,918,176 (111,748)
21 UNUSED LEVY CAPACITY	(5,306,002)	(6,647,948)	(6,625,000)	(6,150,000)
22 OVERRIDE				
23 TOTAL REVENUES	72,562,749	72,050,993	73,565,696	74,726,917
24 (SHORTFALL)	(485,182)	(899,384)	(459,114)	(443,376)
25 AVAILABLE FUNDS				
SALE OF REAL ESTATE				
AMBULANCE RECEIPTS	360,000	360,000	360,000	360,000
BOND PREMIUM	125,182	119,384	111,748	111,748
OVERLAY SURPLUS		420,000		
26 REVISED SHORTFALL	0	0	12,634	26,372
	0	0	12,634	15,738
JULY 1 FREE CASH CERTIFICATION	8,536,596	10,304,704	6,770,619	5,370,619
BUDGET APPROPRIATION	(2,010,000)	(10,191,000)	(2,700,000)	(1,250,000)
CURRENT YEAR TRANSFERS	(369,020)	(29,585)	(400,000)	(400,000)
BALANCE END OF TOWN MEETING	6,157,576	84,119	3,670,619	3,720,619
REVENUE & MISC ADJ SURPLUS PROJ	1,619,532	4,136,500	400,000	400,000
UNUSED APPROP PROJ	2,527,596	2,550,000	1,300,000	1,300,000
PROJECTION JULY 1	10,304,704 14.92%	6,770,619 9.84%	5,370,619 7.69%	5,420,619 7.63%

projection estimates subject to significant variation for all years
onetime grant reimb - FEMA/INS MISC 750k & 350k T/S in yr 12
overlay surplus 425k, ch9D 300k, cap 180k, sch cap 210k, H.S. repair 225k
additional overlay surplus 1.35m
unused approp includes sch revolving 550k

Estimated Change (tax rate)	→	0.50%	2.50%	3.35%
		+ 0.09	+ 0.50	+ 0.65
new est. rate	→	+ 19.10	+ 19.60	+ 20.25

For Planning Purposes
All Estimates

Budget Projection FY 13-use more inventory a

2 A

DRAFT

BUDGET PROJECTION	12 BUDGET	13 BUDGET	14 BUDGET	15 BUDGET
11 TOTAL AMOUNT TO BE RAISED	73,047,931 7.08%	72,989,377 -0.13%	74,024,810 1.47%	75,170,293 1.55%
REVENUES				
12 STATE AID	4,394,000	4,067,106	4,067,106	4,067,106
13 LOCAL RECEIPTS	4,150,000	4,175,000	4,279,375	4,386,359
14 WATER REVENUE	3,403,133	3,500,334	3,500,334	3,500,334
15 ENTERPRISE REVENUE	601,408	667,967	667,967	667,967
16 FREE CASH	4,500,000	3,300,000	1,500,000	1,200,000
17 TAX LEVY	53,215,452	55,258,285	57,189,742	59,169,486
18 ALLOWANCE 2.5%	1,330,386	1,381,457	1,429,744	1,479,237
19 NEW GROWTH	712,447	550,000	550,000	550,000
20 DEBT EXCLUSION BOND PREMIUM	5,687,099 (125,182)	5,918,176 (119,384)	5,918,176 (111,748)	5,918,176 (111,748)
21 UNUSED LEVY CAPACITY	(5,306,002)	(7,947,948)	(5,400,000)	(6,075,000)
22 OVERRIDE				
23 TOTAL REVENUES	72,562,749	70,750,993	73,590,696	74,751,917
24 (SHORTFALL)	(485,182)	(2,199,384)	(434,114)	(418,376)
25 AVAILABLE FUNDS				
SALE OF REAL ESTATE				
AMBULANCE RECEIPTS	360,000	360,000	360,000	360,000
BOND PREMIUM	125,182	119,384	111,748	111,748
OVERLAY SURPLUS		1,720,000		
26 REVISED SHORTFALL	0	0	37,634	53,372
	0	0	37,634	15,738
JULY 1 FREE CASH CERTIFICATION	8,536,596	10,304,704	5,470,619	5,270,619
BUDGET APPROPRIATION	(2,010,000)	(10,191,000)	(1,500,000)	(1,200,000)
CURRENT YEAR TRANSFERS	(369,020)	(29,585)	(400,000)	(400,000)
BALANCE END OF TOWN MEETING	6,157,576	84,119	3,570,619	3,670,619
REVENUE & MISC ADJ SURPLUS PROJ	1,619,532	2,836,500	400,000	400,000
UNUSED APPROP PROJ	2,527,596	2,550,000	1,300,000	1,300,000
PROJECTION JULY 1	10,304,704 14.92%	5,470,619 7.95%	5,270,619 7.54%	5,370,619 7.56%

Apply
+1.3 million
overlay

projection estimates subject to significant variation for all years
onetime grant reimb - FEMA/INS MISC 750k & 350k T/S in yr 12
overlay surplus 425k, ch90 300k, cap 100k, sch cap 210k, H.S. repair 225k
additional overlay surplus 1.35m
unused approp includes sch revolving 550k

Estimated Change
(tax rate)

- 1.84% 7.24% 1.35%
- +0.35 +1.35 +0.27

new est. rate

+18.66 +20.01 +20.29

For Planning Purposes
All Estimates

Budget Projection FY 13-use more overlay & roof to a

3A

DRAFT

Apply
overlay +1.3m
roof +1.5m

BUDGET PROJECTION	12 BUDGET	13 BUDGET	14 BUDGET	15 BUDGET
11 TOTAL AMOUNT TO BE RAISED	73,047,931	72,950,377	74,024,810	75,170,293
	7.08%	-0.13%	1.47%	1.55%
<u>REVENUES</u>				
12 STATE AID	4,394,008	4,067,106	4,067,106	4,067,106
13 LOCAL RECEIPTS	4,150,000	4,175,000	4,279,375	4,386,359
14 WATER REVENUE	3,403,133	3,500,334	3,500,334	3,500,334
15 ENTERPRISE REVENUE	601,408	667,967	667,967	667,967
16 FREE CASH	4,500,000	4,800,000	1,500,000	1,250,000
17 TAX LEVY	53,216,452	55,258,285	57,189,742	59,169,486
18 ALLOWANCE 2.5%	1,330,386	1,381,457	1,429,744	1,479,237
19 NEW GROWTH	712,447	550,000	550,000	550,000
20 DEBT EXCLUSION BOND PREMIUM	5,687,099 (125,182)	5,918,176 (119,384)	5,918,176 (111,748)	5,918,176 (111,748)
21 UNUSED LEVY CAPACITY	(5,306,002)	(9,447,948)	(5,425,000)	(6,150,000)
22 OVERRIDE				
23 TOTAL REVENUES	72,562,749	70,750,993	73,565,696	74,726,917
24 (SHORTFALL)	(485,182)	(2,199,384)	(459,114)	(443,376)
25 AVAILABLE FUNDS				
SALE OF REAL ESTATE				
AMBULANCE RECEIPTS	360,000	360,000	360,000	360,000
BOND PREMIUM	125,182	119,384	111,748	111,748
OVERLAY SURPLUS		1,720,000		
26 REVISED SHORTFALL	0	0	12,634	28,372
	0	0	12,634	15,738
JULY 1 FREE CASH CERTIFICATION	8,536,596	10,304,704	5,470,619	5,270,619
BUDGET APPROPRIATION	(2,010,000)	(10,191,000)	(1,500,000)	(1,250,000)
CURRENT YEAR TRANSFERS	(369,020)	(29,585)	(400,000)	(400,000)
BALANCE END OF TOWN MEETING	6,157,576	84,119	3,570,619	3,620,619
REVENUE & MISC ADJ SURPLUS PROJ	1,619,532	2,636,500	400,000	400,000
UNUSED APPROP PROJ	2,527,596	2,550,000	1,300,000	1,300,000
PROJECTION JULY 1	10,304,704	5,470,619	5,270,619	5,320,619
	14.92%	7.95%	7.54%	7.49%

projection estimates subject to significant variation for all years
 overlay surplus 425k, ch90 300k, cap 100k, sch cap 210k, H.S. repair 225k
 additional overlay surplus 1.35m
 unused approp includes sch revolving 550k

Estimated Change (tax rate) → - 4.55% 10.20% 1.27%
 - +0.86 + 1.85 + 0.26
 New est. tax rate → + 18.15 + 20.00 + 20.26