

FY2013 TOWN MANAGER'S RECOMMENDED BUDGET and FINANCING PLAN



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TOWN OF WESTON

January 19, 2012

FY13 Budgetary Goals

- Deliver current levels of service.
- Plan for the Town's future financial stability by adding to reserves.

FY13 Budget Status - Balanced

		<u>% Change</u>
Recommended Budget:	\$67,375,562	3.6%
Estimated Revenue:	\$67,424,322	3.6%

FY13 Revenue Projection

	FY2012 Estimated	FY2013 Projected	DOLLAR CHANGE FY12 - 13	PERCENT CHANGE FY12 - 13
PROPERTY TAX LEVY	\$55,972,078	\$58,291,576	\$2,319,498	4.1%
STATE AID - CHERRY SHEET	\$3,624,442	\$3,483,150	(\$141,292)	-3.9%
LOCAL RECEIPTS	\$4,219,205	\$4,461,080	\$241,875	5.7%
PRIOR YEAR BALANCES/OTHER	\$3,021,000	\$2,851,000	(\$170,000)	-5.6%
TOTAL PROJECTED REVENUES	\$66,836,725	\$69,086,806	\$2,250,081	3.4%
REDUCTIONS IN REVENUES	(2,089,457)	(2,098,340)	(\$8,883)	0.4%
OTHER REVENUES	450,455	435,856	(14,599)	-3.2%
AVAILABLE FOR APPROPRIATION	\$65,197,723	\$67,424,322	\$2,226,599	3.4%

FY13 Budget Summary

	FY12 Budget	Recommended FY13 Budget	\$ Change	% Change
Schools	33,347,661	34,230,142	882,481	2.6%
School Bus Mechanic Transfer to DPW	-	213,608	213,608	
Unclassified & Fixed Costs	14,260,859	15,087,769	826,910	5.8%
General Government	14,741,076	14,975,075	233,999	1.6%
Town-Wide Facilities	1,235,082	1,262,968	27,886	2.3%
Stabilization & OPEB Trust Funds	<u>1,469,000</u>	<u>1,606,000</u>	<u>137,000</u>	9.3%
Total Budget	\$65,053,678	\$67,375,562	\$2,321,884	3.6%

FY13 Increase Summary

Appropriation		FY13 Change
Schools (Superintendent's Budget)		
Salaries	1,035,982	
Program Improvements	176,483	
Special Education	78,371	
Supplies, Services, Utilities, Other	(7,898)	
Enrollment	(143,866)	
Offsets	(256,591)	
Total School Budget Increase		882,481
Health Insurance & Medicare Tax		719,439
General Government Salaries		292,725
Transfer School Bus Mechanics to DPW		213,608
Middlesex Retirement System		153,607
Contribution to OPEB Trust Fund		137,000
Roadway Improvements		100,000
All Other Changes - Net		(176,976)
Total Increase from FY12 to FY13		\$2,321,884

FY13 Budget Requests – Recommended

Town of Weston
FY13 Town Manager's Proposed Budget
New Budget Requests - Recommended
General Fund
(in priority order)

<i>Ranking</i>	<i>Departmental Budget Items</i>	<i>Amount</i>	<i>Cumulative Amount</i>
1	Inspectional Services - Sheet Metal Permitting Support (offset by permit fee revenue)	23,275 (23,275)	23,275 (23,275)
2	Construction/Reconstruction of Public Ways	100,000	100,000

Total Net New Budget Requests 100,000

Recommended Capital Requests – Debt Funded by Borrowing

TABLE I: FY2013 RECOMMENDED PROJECTS - GENERAL FUND DEBT

PROJECT		AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2012	FY2013	FY2014
17-1	Drainage Improvements	300,000	30	2.50%	4.5%		3,750	23,500
17-2	Case's Corner Roundabout	535,000	20	2.50%	4.5%		6,688	50,825
17-3	Shady Hill/Ledgewood Drainage Improvements	450,000	30	2.50%	4.5%		5,625	35,250
PROJ. NEW LEVY SUPPORTED DEBT SERV.		<u>1,285,000</u>					16,063	109,575
APPROVED/ PROPOSED LEVY SUPPPORTED DEBT SERV.						FY2012	FY2013	FY2014
<i>Subtotal</i>	Approved and Issued Levy Supported Debt Service *					58,918	47,492	41,146
<i>Subtotal</i>	Approved and Unissued Levy Supported Debt Service *					9,700	9,700	9,700
Summary	Approved Levy Supported Debt Service					68,618	57,192	50,846
<i>Subtotal</i>	Projected New Levy Supported Debt Service					-	16,063	109,575
TOTAL	PROPOSED LEVY SUPPORT DEBT SERVICE					68,618	73,255	160,421
APPROVED AND PROPOSED EXCLUDED DEBT SERVICE						FY2012	FY2013	FY2014
<i>Subtotal</i>	Approved and Issued Excluded Supported Debt Service (net of SBAB)					7,410,596	6,739,884	6,412,340
<i>Subtotal</i>	Approved and Unissued Excluded Debt Service (assumes full cost of Case Estates)					-	1,424,509	2,012,293
TOTAL	Approved Excluded Debt Service					7,410,596	8,164,393	8,424,633
<i>Subtotal</i>	Proposed Excluded Debt Service (new capital items)					-	16,063	109,575
TOTAL	APPROVED AND PROPOSED EXCLUDED DEBT SERVICE					7,410,596	8,180,456	8,534,208

Recommended Capital Requests – Cash & Departmental Operations

	<u>Operating Budget</u>	<u>Cash</u>
DEPARTMENT OF PUBLIC WORKS		
Roadway Improvements	300,000	
Departmental Equipment		218,000
Sidewalk Reconstruction	120,000	
Guard Rail Improvements	50,000	
Linwood Cemetery Road Paving	45,000	
BPR/Rte 20 Traffic Study		30,000
Transfer Station Bridge Replacement		293,000
High School/Middle School Traffic Study		30,000
SCHOOL DEPARTMENT		
School - Bus Replacement (3)	241,877	
FIRE DEPARTMENT		
Replacement Vehicle		50,000
POLICE DEPARTMENT		
Replacement Equipment	148,100	
TECHNOLOGY		
Fiber Network Improvements/Expansion		120,000
FACILITIES TOWN-WIDE		
Town-Wide Facilities Improvements	418,950	
TOTAL	\$ 1,323,927	\$ 741,000

Recommended Capital Requests – Debt Funded by Water Revenues

TABLE III: FY2013 RECOMMENDED PROJECTS - WATER DEBT

PROJECT		AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2012	FY2013	FY2014
19-1	Water Main Rehab Program	213,000	20	2.50%	4.5%		2,663	20,235
PROJ. REVENUE (WATER) SUPPORTED DEBT SERV.		<u>213,000</u>					2,663	20,235
APPROVED REVENUE SUPPORTED DEBT SERV.						FY2012	FY2013	FY2014
<i>Subtotal</i>	Approved and Issued Revenue Supported Debt Service					479,868	431,162	413,909
<i>Subtotal</i>	Approved and Unissued Revenue Supported Debt Service					-	50,964	75,283
Summary	Approved Revenue Supported Debt Service					479,868	482,126	489,192
<i>Subtotal</i>	Projected New Revenue Supported Debt Service					-	2,663	20,235
TOTAL	PROPOSED REVENUE SUPPORTED DEBT SERVICE					479,868	484,789	509,427

Planning for the Unexpected and for Financial Stability

- \$422,000 reserved in the free cash account
- \$250,000 for Stabilization Fund
- \$1,356,000 for Post Employment Benefits (OPEB) reserve – full amount of annual required contribution (ARC)

The Importance of Reserves

- Reserves are essential to maintaining the Town's Aaa credit rating.

“The rating also recognizes the town's well-managed and stable financial position, with improved but still narrow reserve levels, sustained by sound financial policies and solid voter support.” *Moody's 1/10*
- “Municipalities maintain reserves in order to provide budgetary flexibility for unexpected events, to withstand financial emergencies and to protect ...from the usual unevenness in revenue-expenditure patterns.” *Town of Weston Reserve Policy 1/06*

Revenue & Expense Variables

- State Aid
- GIC Health Insurance Premium Increases
- Debt Exclusion

Updated Projection of Future Budgets

FY14: \$560,000 shortfall

FY15: \$605,000 shortfall



Other Requests

- Brook School Apartments Enterprise Fund
 - Transfer up to \$500,000 from retained earnings to create capital reserve
- Recreation Enterprise Fund – from retained earnings
 - Transfer up to \$28,000 for purchase of new truck
 - Transfer \$10,000 for engineering to install generator in Community Center
- School Department - \$150,000 for Arsenic Remediation behind Field School