

# **FY2012 TOWN MANAGER'S RECOMMENDED BUDGET & FINANCING PLAN**



Donna S. VanderClock  
Town Manager

Sarah F. Johnson  
Finance Director/  
Treasurer & Collector

**TOWN OF WESTON**

**January 13, 2011**

# FY12 Budgetary Goals

- Deliver current levels of service.
- Address increased demand for services in certain areas.
- Plan for the Town's future financial stability by adding to reserves.

# FY12 Budget Status - Balanced

<b>Estimated Revenue:</b>	<b>\$64,831,909</b>	<b>4.54%</b>
<b>Recommended Budget:</b>	<b>\$64,780,154</b>	<b>4.46%</b>

# FY12 Revenue Projection

	FY2011 Estimated	FY2012 Projected	DOLLAR CHANGE FY11 - 12	PERCENT CHANGE FY11 - 12
PROPERTY TAX LEVY	\$53,136,633	\$55,972,078	\$2,835,445	5.3%
STATE AID - CHERRY SHEET	\$4,269,484	\$3,209,377	(\$1,060,107)	-24.8%
LOCAL RECEIPTS	\$3,973,542	\$4,201,574	\$228,032	5.7%
PRIOR YEAR BALANCES/OTHER	\$2,896,000	\$3,021,000	\$125,000	4.3%
<b>TOTAL PROJECTED REVENUES</b>	<b>\$64,275,659</b>	<b>\$66,404,029</b>	<b>\$2,128,370</b>	<b>3.3%</b>
REDUCTIONS IN REVENUES	(2,694,063)	(2,003,897)	\$690,166	-25.6%
OTHER REVENUES	432,973	431,777	(1,196)	-0.3%
<b>AVAILABLE FOR APPROPRIATION</b>	<b>\$62,014,569</b>	<b>\$64,831,909</b>	<b>\$2,817,340</b>	<b>4.5%</b>

# FY12 Budget Summary

	FY11 Budget	Recommended FY12 Budget	\$ Change	% Change
Schools	32,452,490	33,399,776	947,286	2.9%
Unclassified & Fixed Costs	13,682,003	14,812,568	1,130,565	8.3%
General Government	14,186,087	14,604,664	418,577	3.0%
Town-Wide Facilities	1,183,989	1,230,396	46,407	3.9%
Separate Articles & Capital	<u>510,000</u>	<u>732,750</u>	<u>222,750</u>	43.7%
<b>Total Budget</b>	<b>\$62,014,569</b>	<b>\$64,780,154</b>	<b>\$2,765,585</b>	<b>4.5%</b>

# FY12 Increase Summary

		<b>FY12 Change</b>
<b>Appropriation</b>		
Schools (Superintendent's Budget)		
Salaries	1,193,102	
Special Education	(7,018)	
Supplies, Services, Other	(88,048)	
Offsets	(198,755)	
Utilities	(25,000)	
Program Improvements	44,360	
Enrollment	28,645	
Total School Budget Increase	<u>                    </u>	947,286
Health Insurance & Medicare Tax		900,220
General Government Salaries		431,999
Contribution to OPEB Trust Fund		409,000
Middlesex Retirement System		302,304
Unemployment & Workers' Compensation Insurance		(110,000)
Pension Stabilization Fund		(200,000)
All Other Changes - Net		84,776
<b>Total Increase from FY11 to FY12</b>		<b>\$2,765,585</b>

# FY12 Budget Requests – Recommended

## General Fund (in priority order)

<i>Ranking</i>	<i>Departmental Budget Items</i>	<i>Amount</i>	<i>Cumulative Amount</i>
1	Fire Department - 2 Civilian Dispatchers (offset by ambulance revenue)	130,112 (130,112)	130,112 0
2	Municipal Share of New Town-Wide IT Position + Full Cost of Benefits	10,000 23,187	10,000 33,187
3	Stormwater Engineer (if Stormwater By-law is approved) (offset by new stormwater fees)	83,767 (83,767)	116,954 33,187
4	Additional Hours to Support Planning & Land Use	17,625	50,812
5	Administrative Support - Town Manager's Office (offset by savings from reorganization of Finance staff)	5,000 (22,625)	55,812 33,187
6	COA Volunteer Coordinator	9,003	42,190
7	Senior Service Program	3,000	45,190
8	Benefits for New School Positions	67,029	112,219
	<b>Total Net General Fund</b>	<b>112,219</b>	
	<b>Total Net New Municipal Budget Requests</b>	<b>22,003</b>	

# FY12 Budget Requests – *Not Recommended*

Town of Weston  
FY12 Town Manager's Proposed Budget

New Budget Requests - Not Recommended

<i>Budget Item</i>	<i>Amount</i>
Automated Water Meter Reading System	615,500
<b>Total</b>	<b>615,500</b>



# Recommended Capital Requests – Debt Funded by Borrowing

	PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2011	FY2012
1	Middle School Roof Replacement	300,000	20	2.50%	4.5%		3,750
2	High School Boiler Replacement	500,000	20	2.50%	4.5%		6,250
3	Drainage Improvements	300,000	30	2.50%	4.5%		3,750
4	High School Science Lab Project	13,000,000	20	2.50%	4.5%		162,500
	<b>PROJ. NEW LEVY SUPPORTED DEBT SERV.</b>	<b>14,100,000</b>					<b>176,250</b>
<b>APPROVED/ PROPOSED LEVY SUPPORTED DEBT SERV.</b>						<b>FY2011</b>	<b>FY2012</b>
<b>Summary</b>	<b>Approved Levy Supported Debt Service</b>					<b>61,017</b>	<b>86,668</b>
<i>Subtotal</i>	Projected New Levy Supported Debt Service					-	176,250
<b>TOTAL</b>	<b>PROPOSED LEVY SUPPORT DEBT SERVICE</b>					<b>61,017</b>	<b>262,918</b>
<i>* Includes two projects approved at November, 2010 Special Town Meeting; to be voted as excluded debt at May, 2011 Annual Town Election.</i>							
<b>APPROVED AND PROPOSED EXCLUDED DEBT SERVICE</b>						<b>FY2011</b>	<b>FY2012</b>
<i>Subtotal</i>	Approved and Issued Excluded Supported Debt Service (net of SBAB)					6,810,118	4,994,435
<i>Subtotal</i>	Approved and Unissued Excluded Debt Service (assumes full cost of Case Estates)					-	2,592,216
<b>TOTAL</b>	<b>Approved Excluded Debt Service</b>					<b>6,810,118</b>	<b>7,586,651</b>
<i>Subtotal</i>	Pending May 2011 Debt Exclusion Approval (November, 2010 Special Town Meeting capital items)					-	27,750
<i>Subtotal</i>	Proposed Excluded Debt Service (new capital items)					-	176,250
<b>TOTAL</b>	<b>APPROVED AND PROPOSED EXCLUDED DEBT SERVICE</b>					<b>6,810,118</b>	<b>7,790,651</b>

# Recommended Capital Requests – Cash & Departmental Operations

	<u>Operating Budget</u>	<u>Cash</u>
<b>DEPARTMENT OF PUBLIC WORKS</b>		
Roadway Improvements	200,000	
Sidewalk Reconstruction	120,000	
Guard Rail Improvements	25,000	
Linwood Cemetery Road Paving	45,000	
Departmental Equipment		235,000
Transfer Station Paving		222,000
School Zone Speed Signs		30,000
Case's Corner Roundabout Design		75,000
Wellesley/Brown Intersection		30,000
<b>SCHOOL DEPARTMENT</b>		
School Bus Replacements		226,399
<b>FIRE DEPARTMENT</b>		
Equipment	45,000	
Brush Truck		70,000
<b>POLICE DEPARTMENT</b>		
Replacement Cruiser(s)	114,500	
Portable Radios/Communication Equipment	44,000	
<b>TECHNOLOGY</b>		
Fiber Network Improvements/Expansions		112,541
<b>FACILITIES TOWN-WIDE</b>		
Town-Wide Facilities Improvements	399,000	
<b>TOTAL</b>	<b>\$ 992,500</b>	<b>\$ 1,000,940</b>

# Recommended Capital Requests – Debt Funded by Water Revenues

	PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BAN INT. RATE	EST. BOND INT. RATE	FY2011	FY2012
1	Water - Main Rehabilitation Program	216,000	20	2.50%	4.5%		2,700
	<b>PROJ. REVENUE (WATER) SUPPORTED DEBT SERV.</b>	<u>216,000</u>					<u>2,700</u>
<b>APPROVED REVENUE SUPPORTED DEBT SERV.</b>						<b>FY2011</b>	<b>FY2012</b>
<i>Subtotal</i>	Approved and Issued Revenue Supported Debt Service					236,544	192,073
<i>Subtotal</i>	Approved and Unissued Revenue Supported Debt Service					-	305,769
<b>Summary</b>	<b>Approved Revenue Supported Debt Service</b>					<b>236,544</b>	<b>497,842</b>
<i>Subtotal</i>	Projected New Revenue Supported Debt Service					-	2,700
<b>TOTAL</b>	<b>PROPOSED REVENUE SUPPORTED DEBT SERVICE</b>					<b>236,544</b>	<b>500,542</b>

# Planning for the Unexpected and for Financial Stability

- \$700,000 reserved in the free cash account
- \$250,000 for Stabilization Fund
- \$469,000 for Post Employment Benefits (OPEB) reserve

# 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
- New Requests

# Updated Projection of Future Budgets

**FY13:** \$1,000,000 shortfall

**FY14:** \$2,300,000 shortfall

