

Town Manager's FY2013 Budget Recommendation

As updated January 31, 2012

Non-discretionary Budgets

Increases to “Level-Funded” Directive:

• Health Insurance	Reform Savings	\$(379,488)	
•	Mitigation (25%)	\$ 94,872	
•	School Retirees	\$ <u>279,266</u>	
•			\$ (5,350)
• Pension Assessment	Pension Fund	\$142,654	
•	Early Retirement	\$102,500	
•	Pension Reserve	<u>\$(30,114)</u>	
•			\$ 215,040
• Worker’s Compensation	3 Year Experience	\$24,000	
•	Special Assessment	\$ <u>9,450</u>	
•			\$ 33,450
• Technical Contracts	Police - Various	\$ 3,500	
•	System Software	\$13,750	
•	Alt-Tech	\$14,500	
•	County Dispatch	\$76,000 (deleted 1/31)	
•	CMED	<u>\$7,500</u> (amended down \$1,500 on 1/31)	
•			\$ 115,250

Non-discretionary continued

- *Increases to “Level-Funded” Directive:*

• Liability Insurance	Property	\$45,000	
•	EPL (Library)		<u>\$10,000</u>
			\$55,000
• Sewer Operating Costs			
• Electricity	\$	44,700	
• Plant Maintenance	\$	12,000	
• Gas Heat	\$	3,500	
• Solid Waste disposal	\$	1,000	
• Contract Services	\$235,000 (reduced \$112,500 on 1/31)		
• Equipment Maint	\$	1,500	
• Testing	\$	7,000	
• Various	\$	<u>300</u>	
•			\$305,000

Non-discretionary Budgets

- Retirements/Pensions : 6% increase = \$142,654; Early Retirement Initiative (ERI) in FY11 = additional \$102,000
- Liability and Workers Compensation Insurance: 63% (based on 3 year experience) = \$50,000
- Elections budget, up 66% due to the Presidential Primary and General Elections both of which occur in FY2013
- The County Sheriff instituted a new charge for dispatch services and CMED calls which impacted the Fire Department budget in FY2013 even as we explore Regional Dispatching which may be 2-3 years out
- Utilities: 42% increase in FY13; However Solar Projects in FY14
- WWTF: Fully Operational at an increase of 25.5% to FY12 (1/17/12 increase was 41%)

Changes from Jan 17, 2012

- School Budget Presented 1/25 down \$300,000
- Fire Dept. - County Dispatch Deferred (\$85,000)
- Governor's Preliminary Budget Released
 - Cherry Sheet Revenues \$190,277 (same as forecasted)
 - Cherry Sheet Assessments \$650,694 (SAF)
 - Offset Items \$8,960 (vs. FY12 = \$1,2m)
- Light House Beach –elimination of staffing on boat
- Quint – Consider Debt Exclusion 5 years instead of Capital Exclusion = see next slide
- Water Capital (paid by Water Revenues) \$2,350,000
- Sewer Department Budget < by \$112,500

Quint – Capital vs. Debt Exclusion

- Capital Exclusion – purchase through an increase to tax rate of .14¢ for one year only (FY2013)
 - \$850,000 cost with no interest paid
- Debt Exclusion – 5 year borrowing for \$850,000 would increase the tax rate by .03¢ per year for 5 years.
 - \$850,000 principal plus \$115,600 interest = \$965,600

Policy Decisions

- Deferred County Dispatch: Reduction of \$163,000 (one-time capital costs of \$85,000+ \$78,000 oper. cost)
- Light House Beach Boat Operator: Reduction of \$8,064
- Reinstating Town Landing Officer: Add: \$7,800
- Capital Funding Sources
- Use of “Regional School Savings”
 - Offset Debt (excluded, but impact to tax rate)
 - Funding Capital Plan
 - Transfer to Stabilization (Overlay surplus)
 - Maintaining services

FY2013 Budget-1/31

OPERATING BUDGET SUMMARY - FY12		FY13 Dept. Requested	FY13 Proposed	FY13 Revised	\$ change from 1/17/12
I.	General Government	\$1,843,121	\$1,929,316	1,929,316	\$0
II.	Public Safety	5,227,245	5,456,721	5,365,803	-85,697
III.	Community Development	661,100	668,987	695,823	\$0
IV.	Health & Environment	815,635	824,060	823,039	-1,021
V.	Public Works	3,913,246	4,222,170	4,068,848	-112,500
VI.	Human & Public Services	961,523	1,008,870	962,163	-8,525
VII.	Debt Service	5,740,691	7,450,668	7,450,668	\$0
VIII.	Employee Benefits	3,854,468	4,302,212	4,100,000	\$0
IX.	Undistributed/Reserve	351,097	401,135	401,135	\$0
X.	Public Schools	<u>10,261,778</u>	<u>9,007,708</u>	<u>8,704,032</u>	--303,676
	Total, I-X	\$ 33,629,992	\$ 35,271,847	\$34,500,827	-511,419

FY2013 Balanced Budget

- Levy Limit - \$28,415,092
- Available Funds - \$7,568,748 (operating budget only, non-water)

Total: \$35,983,840

- Proposed Budget – \$34,500,827
- Other Amounts to Raise - \$1,044,654 (overlay, state assessments)

- Total: \$35,545,481

- Available – \$438,359 - supplement free cash of \$582,374 to fund Capital Plan

What “Level Funded” Means in FY2013 – on Jan 31, 2012

- Operating Budget increase: \$870,835
- Non-Discretionary items: \$621,126
- Step Increases (contractual): \$115,000
- Re-Organization: \$ 34,723
- Optional
 - Landing Officer \$ 7,800
 - Electricity Increases \$ 50,000
 - “Other”* \$ 42,186
 - *about 0.125% of the operating budget

Tax Rate Breakdown

