



***Fiscal Year 2016
Budget Presentation
Joint Hearing – Advisory Board /
Board of Selectmen***

Monday, March 24, 2015



Agenda

- FY 2015 Year to Date Update
- FY 2016 Budget Recommendation
- Summary
- FY 2016 Capital Budget Summary



Fiscal Year 2015
Year to Date Update



FY 2015 Update - Expenses

- Storms
 - Blizzard Nemo - carrying \$539,000 BAN in anticipation of FEMA reimbursement
 - Expectations (hope) for federal reimbursement for Hurricane Sandy, Nemo and the Blizzard of 2015 for 75% of the eligible costs. No expectations for remaining 25% MEMA match.
- Snow and Ice Budget
 - Budgeted \$400,000
 - BOS and Advisory Board have approved authorization to spend up to \$1,800,000
 - ***Current deficit \$1,300,000***



FY 2015 Update - Expenses

- Snow and Ice Update – Through February 15th

<u>Storm</u>	<u>DPW Expense</u>
January 26 – 28 (Juno)	\$229,303
February 2 – 3	\$150,841
February 8 – 10	\$233,311
February 14 – 15	<u>\$229,922</u>
Total	\$840,377
Roof Shoveling	\$488,000



FY 2015 Update - Expenses

- Snow and Ice Update
 - From the DOR – 3 Options:
 - Pay the Fiscal 2015 deficit with available funds prior to the end of Fiscal 2015
 - Amortize the Fiscal 2015 deficit over two fiscal years – 2016 and 2017 in equal installments (not less than 50% first year)
 - Establish a special revenue fund
 - Reimbursable expenses transferred to fund
 - FEMA/MEMA reimbursement deposited to the fund without further appropriation to cover costs
 - Waiting on DLS Bulletin



FY 2015 Update - Expenses

- Other Departments likely to need a transfer:
 - General Insurance
 - Employee Health Insurance
 - Facilities
 - Police and Fire Overtime
 - Legal



Fiscal Year 2016
Projected Revenue
July 1, 2015 to June 30, 2016



FY 2016 Revenue Sources

Estimated Tax Levy

	FY15 Recap	Estimated FY16	Change from 2015	
Base Tax Levy	52,392,242	54,334,533	1,942,291	3.7%
Statutory 2 1/2 Increase	1,309,806	1,358,363	48,557	3.7%
New Growth	632,485	400,000	(232,485)	-36.8%
Levy Limit	54,334,533	56,092,896	1,758,363	3.2%
Debt Exclusion	3,069,505	4,178,906	1,109,401	36.1%
Total Allowable Levy	57,404,038	60,271,803	2,867,765	5.0%

Total New Tax Revenue = \$1,758,363 or 3.2%



FY 2016 Revenue Sources Estimated State Aid

	FY15 Recap	Estimated FY16	Change from 2015	
State Aid less Offsets	16,373,818	16,536,855	163,037	1.0%
Less Offsets	(65,295)	(67,434)	(2,139)	3.3%
Total State Aid	16,308,523	16,469,421	160,898	1.0%

- Round 1 – Governor's Budget
- Must wait for House and Senate proposals
- Final numbers to be available by June 30, 2015

Total Additional State Aid = \$160,898



FY 2016 Estimated Revenue Sources

Summary of Changes

	FY15 Recap	Estimated FY16	Change from 2015	
Tax Levy	57,404,038	60,271,803	2,867,765	5.0%
State Aid	16,308,523	16,469,421	160,898	1.0%
Local Receipts	5,780,000	5,848,632	68,632	1.2%
Free Cash	0	0	0	0.0%
MSBA Reimbursement	1,112,854	1,112,854	0	0.0%
Use of Reserved Bond Premium	463,624	528,348	64,724	14.0%
Other Sources	361,000	90,000	(271,000)	-75.1%
Enterprise Indirects	1,403,112	1,492,319	89,207	6.4%
Total Estimated Revenue	82,833,151	85,813,376	2,980,225	3.6%

**Total Revenue Change from FY2015 = \$2,980,225
(\$1,164,437 is for Debt Exclusion – Net = \$1,815,788)**



Fiscal Year 2016
Recommended Expenses
July 1, 2015 to June 30, 2016



FY 2016 General Government

- No New Positions – There will be Layoffs
 - At least one full time position
 - Most likely other personnel cuts
 - Personnel cuts = \$99,162
- All Departments funded less in Fiscal 2016 than 2015

***Total General Government recommended cut of \$115,766
or 5% less than Fiscal 2015***



FY 2016 Public Safety

- Recommended Staffing Changes:
 - Police Department – One unfilled position
 - Fire Department – Three unfilled positions
 - Most likely other personnel cuts
 - Personnel cuts = \$261,068
- Significant cuts in all departments

Total Public Safety recommended increase of \$112,827 or 1.0% increase over Fiscal 2015



FY 2016 Education

- School Department Original Request \$45,610,045 (4.62%)
- By Agreement, School Department receives 67.5% of available revenue, less 50% of fixed costs
- FY16 recommended budget \$44,137,939 (\$1,472,106 less than original request)
- Potential Operational Increases
 - Projected Contractual Salaries \$760,000
 - Out of District Tuition (Circuit Breaker) \$500,000
 - Transportation \$100,000
 - Utilities \$ 50,000
 - MHS Facilities Expenses (\$73,550 Fixed Costs - Town)



FY 2016 Education

- Projected Operational Decreases

• Staffing Based on Enrollment (7 FTE)	\$380,000
• Salary Attrition (8 Retirements)	\$195,000
• Sick Leave Reserve	\$170,000
• Legal Expense	\$ 55,000
• School Choice	\$ 50,000
• Vocational Tuition	\$ 18,260

***Total School Department recommended increase of \$539,973 or
1.2% increase over Fiscal 2015***



FY 2016 Public Works

- No New Positions – There will be Layoffs
 - At least one full time position
 - Potentially other personnel cuts
 - Personnel cuts = \$70,965
 - Administrative staff personnel costs apportioned with Enterprise Funds
- Requested increases cut

***Total Department of Public Works recommended **cut of \$47,543**
or **1.8% less** than Fiscal 2015***



FY 2016 Health & Human Services

- No New Positions –
 - Most likely personnel cuts
 - Potential cuts = \$21,981
- Two of Three Departments funded less in Fiscal 2016 than 2015
 - Expenses cut = \$18,097

Total Health & Human Services recommended **cut of \$39,574** or **4.3% less** than Fiscal 2015



FY 2016 Culture & Recreation

- Library budget reduced
 - Increase provided in Fiscal 2015 cut
 - Although cut is proportionate with other departments, may need to seek a waiver to maintain membership in the Library Network and receive state aid
- Veterans Memorial increased to assume responsibility for maintenance from DPW

Total Culture & Recreation recommended **cut of \$22,897** or **3.1% less** than Fiscal 2015



FY 2016 Fixed and Other Costs

- Fixed costs budgeted with current information
 - General and Employee Health Insurances
 - Mayflower Municipal Health Group meeting on April 9th – expecting vote on Fiscal 2016 rates
 - Any additional revenue will be added to the Reserve Fund and Unemployment Account as primary thought
- Other non-Departmental Costs:
 - State Assessments and County Assessments from the Cherry Sheet increased \$34,467 or 3.9%



FY 2016 Proposed Expenses Summary of Recommendations

	FY15 Appropriation	FY16 Recommended	Change from 2015	
General Government*	2,329,020	2,213,254	(115,766)	-4.97%
Public Safety	10,144,911	10,257,738	112,827	1.11%
School	43,597,966	44,137,939	539,973	1.24%
DPW*	2,704,533	2,656,990	(47,543)	-1.76%
Health & Human Services	921,014	881,440	(39,574)	-4.30%
Culture & Recreation	739,668	716,771	(22,897)	-3.10%
Total Fixed Costs	12,621,801	13,420,229	798,428	6.33%
Debt Total	7,993,767	9,805,999	1,812,232	22.67%
Assessment Total	876,300	910,767	34,467	3.93%
Utilities	473,536	362,249	(111,287)	-23.50%
Overlay	426,060	450,000	23,940	5.62%
Total FY2016 Recommend	82,828,576	85,813,376	2,984,800	3.60%

*Includes Elected Officials



FY 2016 Summary

	FY15 Recap	Estimated FY16	Change from 2015	
Tax Levy	57,404,038	60,271,803	2,867,765	5.0%
State Aid	16,308,523	16,469,421	160,898	1.0%
Local Receipts	5,780,000	5,848,632	68,632	1.2%
Other Sources	3,340,590	3,223,521	(117,069)	0.0%
Total Estimated Revenue	82,833,151	85,813,376	2,980,225	3.60%
	FY15 Appropriation	FY16 Recommended	Change from 2015	
Town - All Department	16,839,146	16,726,193	(112,953)	-0.67%
School	43,597,966	44,137,939	539,973	1.24%
Total Fixed Costs	12,621,801	13,420,229	798,428	6.33%
Debt Total	7,993,767	9,805,999	1,812,232	22.67%
Assessment Total	876,300	910,767	34,467	3.93%
Utilities	473,536	362,249	(111,287)	-23.50%
Overlay	426,060	450,000	23,940	5.62%
Total Recommendation	82,828,576	85,813,376	2,984,800	3.60%
Rev-Exp Surplus/(Deficit)	4,575	0		



FY 2016 Summary

- Budget is balanced, but
 - Town will have layoffs, possible other personnel cuts and open positions will remain unfilled
 - School could also potentially have layoffs
 - A level dollar budget is a reduced budget
 - Some Town Hall offices will be closed during employee breaks and illnesses
 - No one will be happy with service cuts staff or public
- State Budget – Not complete
 - Current net 0.8% increase after assessments
 - Included in recommended budget – but could decrease



FY 2016 Summary

- Hold your breath on the snow.....(remember April 1, 1997)
- New revenue sources are needed; further cuts impact staffing, negotiations are ongoing with collective bargaining units
- All municipal services impacted throughout organization - employees always will do their best with resources provided



FY 2016 Summary

- Monitoring options with fixed cost increases - stabilize increases or make them more predictable; pension, proposed OPEB changes, Health Insurance.
- Considering all options to fund deficits as noted



FY 2016 Capital Budget Summary

- Capital Budget Committee has voted not to fund a Capital Budget for FY 16. The Chair Greg Caille will address the capital budget.



Thank you