

# Town Meeting Review

Budget Articles

# Article 37: Prior Year Bills

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- LIUNA Pension \$84,318.06
  - The Laborers International Union of North America (LIUNA) audited pension payments from January 2004 to February 2007
- J.E.Guertin \$21,791.03
  - Payment to be made for repairs to fire alarm cabling that was damaged by Liddell Bros. during work completed by them.
- Massachusetts Interlocal Insurance Agency (MIIA) \$50,000
  - Insurance deductible for Wayside Civil Rights litigation
- Kelley and Ryan Associates \$629.85
  - Invoice for first half of FY08 lockbox services included the month of June 2007

# Article 38: FY08 Budget Adjustments

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- Transfers will include funds to pay a portion of the prior year civil rights case deductible.
- Transfers will likely be made once collective bargaining contracts are settled.
- A plan for resolution of the snow and ice deficit is underway.

## Article 39: FY08 Water Budget Adjustments

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- The CFO's office anticipates that funds will need to be appropriated from retained earnings to fund the prior year bill for the LIUNA pension under payments identified in the recent audit (see prior year bills article). We estimate the amount to be \$22,279. Collective bargaining increases could impact the FY08 budget enough to require a transfer from retained earnings, however agreements are not finalized, so the amount cannot be determined.

## Article 40: FY08 Sewer Budget Adjustments

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- The CFO's office anticipates that funds will need to be appropriated from retained earnings to fund the prior year bill for the LIUNA pension under payments identified in the recent audit (see prior year bills article). We estimate the amount to be \$17,442. Collective bargaining increases could impact the FY08 budget enough to require a transfer from retained earnings, however agreements are not finalized, so the amount cannot be determined.

## Article 41: Rescind Authorized but Unissued Borrowings

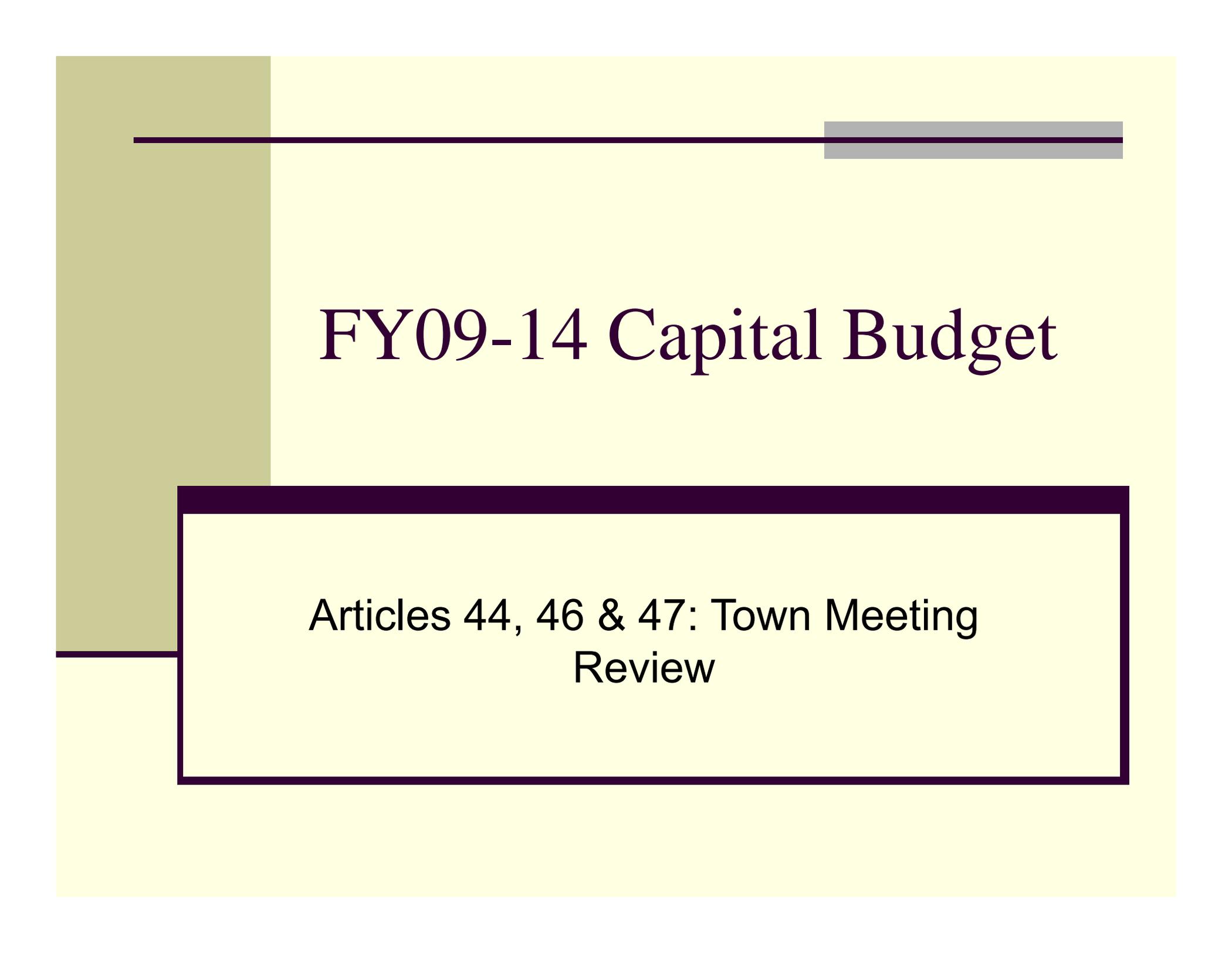
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- ATM 04 A27 Boiler Replacement – Walsh School  
\$23,000 Project Completed
- STM 10/03 A10 Tercentennial Park Phase 2  
\$250,000 Portion funded by grant, grant was received
- ATM 07 A4900 Fuller Auditorium Ceiling \$297,155  
Second authorization voted as part of capital budget in error.
- ATM 07 A49PP McCarthy School \$41,000 Project completed
- ATM 06 A30T Final Stage Boiler replacements, 5 schools \$48,000 Project completed

## Article 42: Appropriation of Off-site Mitigation Funds

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- At this time, no off site mitigation funds have been received that require appropriation. However, the CFO's Office will wait to withdraw this article until Town Meeting in the event receipts are received.



# FY09-14 Capital Budget

Articles 44, 46 & 47: Town Meeting  
Review

# Total Projects by Fund

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## ■ Recommended

- General Fund
  - \$12.4 million
- Sewer Fund
  - \$8.7 million
- Water Fund
  - \$21.2 million

## ■ Requested

- General Fund
  - \$24.6 million
- Sewer Fund
  - \$8.7 million
- Water Fund
  - \$21.2 million

# Projects by Department

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## ■ Recommended

- Fire: \$530,000
- Town Mgr/School: \$358,700
- Library: \$195,436
- Parks & Rec: \$7,993,450
- Police: \$237,973
- Engineering: \$450,000
- Highway: \$600,000
- Sanitation: \$219,780
- School: \$1,194,623
- Tech Services: \$618,782

## ■ Requested

- Building Services: \$385,000
- Fire: \$567,272
- Town Mgr/School: \$358,700
- Library: \$250,501
- Parks & Rec: \$9,192,330
- Police: \$344,939
- Engineering: \$1,897,800
- Highway: \$6,210,544
- Sanitation: \$279,780
- School: \$3,523,487
- Tech Services: \$929,977

**FY2009-2014 Capital Improvement Plan**  
**FY2009-2014 General Fund Debt Impact**

General Fund	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
General Fund Estimated Revenue	\$ 203,044,937	\$ 213,806,319	\$ 225,138,054	\$ 237,070,371	\$ 249,635,101	\$ 262,865,761
<i>Average increase based on issued 5 year forecast</i> 5.3%						
Debt Limit 5%	\$ 10,152,247	\$ 10,690,316	\$ 11,256,903	\$ 11,853,519	\$ 12,481,755	\$ 13,143,288
Existing General Fund Debt Totals:	\$ 7,624,362	\$ 7,328,454	\$ 6,545,912	\$ 5,924,845	\$ 5,395,633	\$ 4,741,758
Authorized but Unissued Totals:	\$ 699,362	\$ 785,063	\$ 821,880	\$ 798,397	\$ 774,916	\$ 722,294
<b>Total Existing General Fund Debt</b>	<b>\$ 8,323,724</b>	<b>\$ 8,113,517</b>	<b>\$ 7,367,792</b>	<b>\$ 6,723,242</b>	<b>\$ 6,170,549</b>	<b>\$ 5,464,052</b>
Current Available Debt within Debt Limit	<b>\$ 1,828,523</b>	<b>\$ 2,576,799</b>	<b>\$ 3,889,111</b>	<b>\$ 5,130,277</b>	<b>\$ 6,311,206</b>	<b>\$ 7,679,236</b>
Debt Service for Projects Planned in FY2009 Capital Improvement Plan	\$ 159,089	\$ 1,003,498	\$ 1,245,687	\$ 1,267,090	\$ 1,229,421	\$ 1,235,530
Debt Service for Projects Planned in FY2010 Capital Improvement Plan		\$ 513,896	\$ 3,022,030	\$ 2,842,542	\$ 2,752,806	\$ 2,663,061
Debt Service for Projects Planned in FY2011 Capital Improvement Plan			\$ 353,739	\$ 1,826,006	\$ 1,725,339	\$ 1,675,011
Debt Service for Projects Planned in FY2012 Capital Improvement Plan				\$ 368,686	\$ 1,871,798	\$ 1,769,698
Debt Service for Projects Planned in FY2013 Capital Improvement Plan					\$ 324,269	\$ 1,471,066
Debt Service for Projects Planned in FY2014 Capital Improvement Plan						\$ 342,497
Debt Issuance Costs	\$ 40,000					
<b>Subtotal Future Debt Service:</b>	<b>\$ 199,089</b>	<b>\$ 1,517,394</b>	<b>\$ 4,621,456</b>	<b>\$ 6,304,324</b>	<b>\$ 7,903,633</b>	<b>\$ 9,156,863</b>
<b>New Debt Service</b>	<b>\$ 8,522,813</b>	<b>\$ 9,630,911</b>	<b>\$ 11,989,248</b>	<b>\$ 13,027,565</b>	<b>\$ 14,074,182</b>	<b>\$ 14,620,915</b>
Available Debt for Future Projects (Gross):	\$ 1,629,434	\$ 1,059,405	(732,345)	(1,174,047)	(1,592,427)	(1,477,627)
Percentage of Operating Budget	4.2%	4.5%	5.3%	5.5%	5.6%	5.6%
Percentage Net School Construction Reimbursement	2.9%	3.3%	4.2%	4.4%	4.6%	4.6%
Available Debt Net School Construction Reimbursement	\$ 4,351,517	\$ 3,781,488	\$ 1,989,738	\$ 1,548,036	\$ 1,129,656	\$ 1,244,456

**FY2009-2014 Capital Budget**  
**FY2009-2014 Enterprise Fund Debt Impact**

		FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
<b>WATER ENTERPRISE FUND</b>	Recommended Water Enterprise Budget Excluding Indirect Costs	\$ 12,906,316	\$ 13,938,822	\$ 15,053,927	\$ 16,258,242	\$ 17,558,901	\$ 18,963,613
	<i>Uniform increase assumed per year: 8%</i>						
	Debt Target* 10%	\$ 1,290,632	\$ 1,393,882	\$ 1,505,393	\$ 1,625,824	\$ 1,755,890	\$ 1,896,361
	Existing Fund Debt	\$ 1,413,539	\$ 1,450,894	\$ 1,406,482	\$ 1,297,823	\$ 1,168,961	\$ 1,132,138
	Authorized but Unissued	\$ 832,531	\$ 793,607	\$ 774,142	\$ 754,680	\$ 735,218	\$ 715,755
	<b>Total Existing Fund Debt</b>	<b>\$ 2,246,070</b>	<b>\$ 2,244,501</b>	<b>\$ 2,180,624</b>	<b>\$ 2,052,503</b>	<b>\$ 1,904,179</b>	<b>\$ 1,847,893</b>
	Current Available Debt within Debt Target*	<b>\$ (955,439)</b>	<b>\$ (850,619)</b>	<b>\$ (675,231)</b>	<b>\$ (426,679)</b>	<b>\$ (148,289)</b>	<b>\$ 48,469</b>
	Debt Service for Projects Planned in FY2009 Capital Budget	\$ 419,245	\$ 2,088,083	\$ 1,985,941	\$ 1,934,866	\$ 1,883,794	\$ 1,832,721
	Debt Service for Projects Planned in FY2010 Capital Budget		\$ 1,158,739	\$ 5,042,416	\$ 4,797,172	\$ 4,674,549	\$ 4,551,928
	Debt Service for Projects Planned in FY2011 Capital Budget			\$ 247,453	\$ 1,389,121	\$ 1,323,441	\$ 1,290,600
	Debt Service for Projects Planned in FY2012 Capital Budget				\$ 336,268	\$ 1,556,246	\$ 1,476,711
	Debt Service for Projects Planned in FY2013 Capital Budget					\$ 293,269	\$ 1,343,861.00
	Debt Service for Projects Planned in FY2014 Capital Budget						\$ 234,360.00
	Debt Issuance Costs	\$ -					
<b>Subtotal Future Debt Service:</b>	<b>\$ 419,245</b>	<b>\$ 3,246,822</b>	<b>\$ 7,275,810</b>	<b>\$ 8,457,427</b>	<b>\$ 9,731,299</b>	<b>\$ 10,495,821</b>	
<b>New Debt Service</b>	<b>\$ 2,665,315</b>	<b>\$ 5,491,323</b>	<b>\$ 9,456,434</b>	<b>\$ 10,509,930</b>	<b>\$ 11,635,478</b>	<b>\$ 12,343,714</b>	

**FY2009-2014 Capital Budget**  
**FY2009-2014 Enterprise Fund Debt Impact**

		FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	
<b>SEWER ENTERPRISE FUND</b>	Recommended Sewer Enterprise Budget Excluding Indirect Costs	\$ 14,420,566	\$ 15,574,211	\$ 16,820,148	\$ 18,165,760	\$ 19,619,021	\$ 21,188,543	
	<i>Uniform increase assumed per year: 8%</i>							
	Debt Target* 10%	\$ 1,442,057	\$ 1,557,421	\$ 1,682,015	\$ 1,816,576	\$ 1,961,902	\$ 2,118,854	
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	Existing Fund Debt	\$ 1,444,706	\$ 1,437,752	\$ 1,201,404	\$ 1,155,532	\$ 1,096,371	\$ 1,084,383	
	Authorized but Unissued	\$ 1,908,795	\$ 1,820,116	\$ 1,775,777	\$ 1,731,436	\$ 1,687,097	\$1,450,475	
	Total Existing Fund Debt	<b>\$ 3,353,501</b>	<b>\$ 3,257,868</b>	<b>\$ 2,977,181</b>	<b>\$ 2,886,968</b>	<b>\$ 2,783,468</b>	<b>\$ 2,534,858</b>	
	<hr/>							
	Current Available Debt within Debt Target*	<b>\$ (1,911,445)</b>	<b>\$ (1,700,447)</b>	<b>\$ (1,295,166)</b>	<b>\$ (1,070,392)</b>	<b>\$ (821,566)</b>	<b>\$ (416,004)</b>	
	<hr/>							
	Debt Service for Projects Planned in FY2009 Capital Budget	\$ 166,468	\$ 841,722	\$ 797,849	\$ 775,913	\$ 753,975	\$ 732,040	
	Debt Service for Projects Planned in FY2010 Capital Budget		\$ 1,058,624	\$ 4,548,743	\$ 4,329,908	\$ 4,220,492	\$ 4,111,073	
	Debt Service for Projects Planned in FY2011 Capital Budget			\$ 462,087	\$ 1,957,893	\$ 1,864,858	\$ 1,818,341	
	Debt Service for Projects Planned in FY2012 Capital Budget				\$ 455,361	\$ 1,959,543	\$ 1,865,149	
	Debt Service for Projects Planned in FY2013 Capital Budget					\$ 443,058	\$ 2,255,270	
Debt Service for Projects Planned in FY2014 Capital Budget						\$ 350,272.00		
Debt Issuance Costs	\$ -							
<b>Subtotal Future Debt Service:</b>	<b>\$ 166,468</b>	<b>\$ 1,900,346</b>	<b>\$ 5,808,679</b>	<b>\$ 7,519,075</b>	<b>\$ 9,241,926</b>	<b>\$ 10,781,873</b>		
<b>New Debt Service</b>	<b>\$ 3,519,969</b>	<b>\$ 5,158,214</b>	<b>\$ 8,785,860</b>	<b>\$ 10,406,043</b>	<b>\$ 12,025,394</b>	<b>\$ 13,316,731</b>		

# Assessing Previously Issued Debt

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- Bonded Projects with Transferable Balances
  - General Fund: \$130,323
  - Sewer Fund: \$74,093
  - Water Fund: \$62,451
- Rescinding Authorized But Unissued Debt
  - General Fund: \$652,000
  - Affect on FY09 Debt Service: \$183,000
- The amounts above are assumed in the debt summary charts.

# Highlights of Some Specific Projects

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- Roadway Improvements included for partial funding second year in a row
- First joint School/Town project, will focus on Memorial Building and Maynard Building
  - Includes assessment of efficient utilization and combining construction projects.
- District-wide School security addressed
- Saxonville levee accreditation project is recommended subject to outcome of risk analysis project

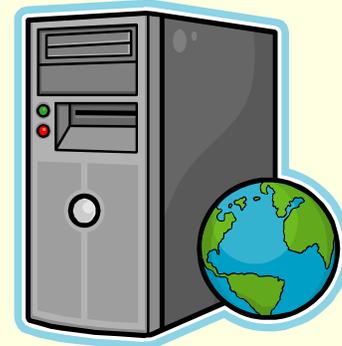
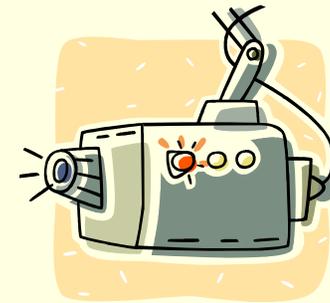
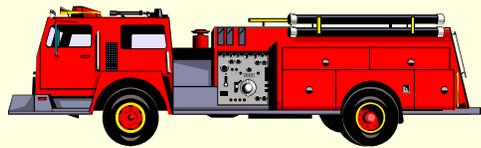
# Highlights of Some Specific Projects

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- Bowditch debt service is staged to follow cash flow needs of project.
  - Based on how we would actually borrow
  - Does not tie up debt in authorized but unissued for 18-24 months
  - Speeds up completion of project by not phasing project authorization
  - Creates room within operating budget debt service amount to include other departmental projects

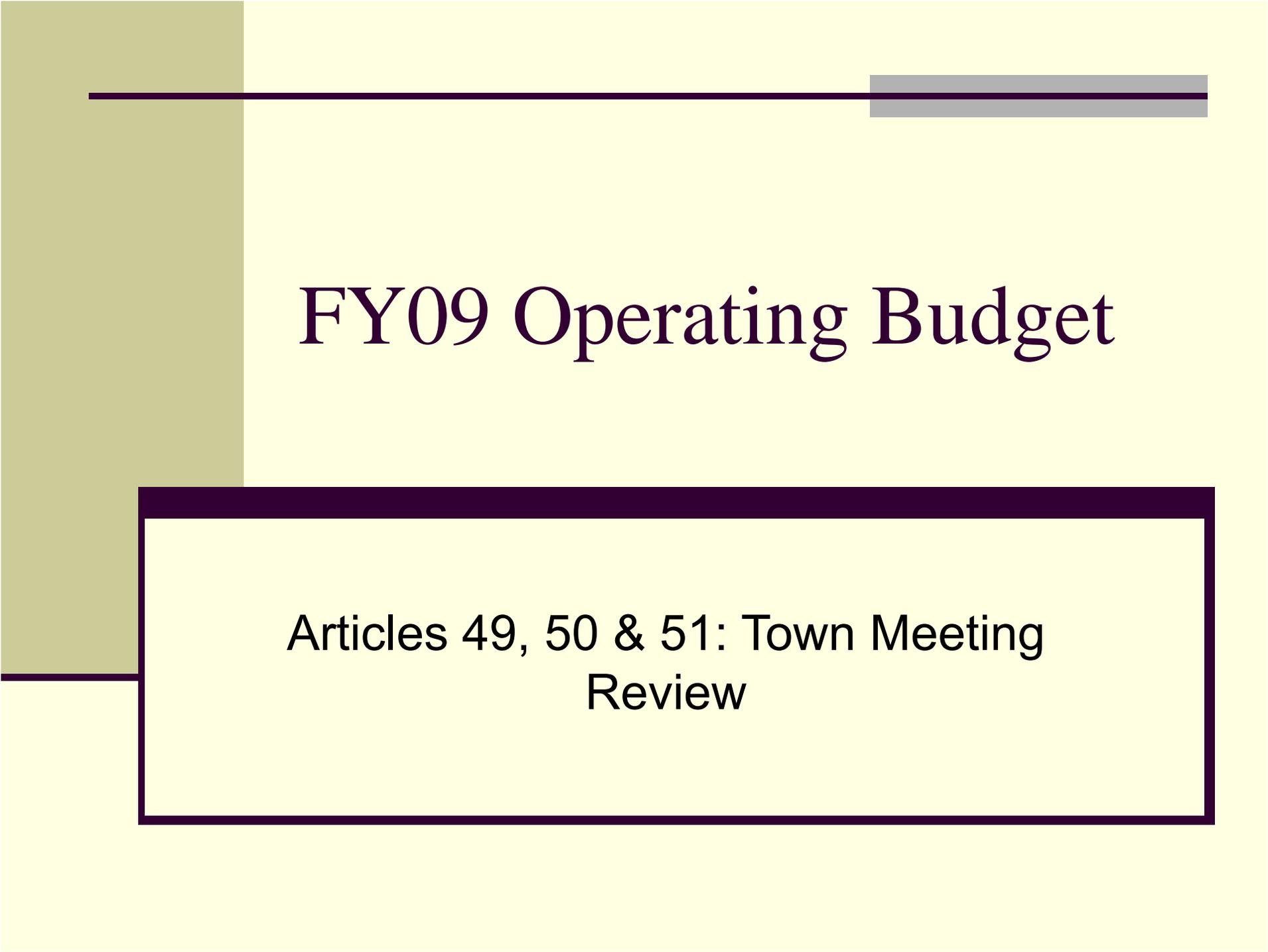
# Questions?

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# Article 48: Reauthorize Revolving Funds

	<i>Danforth and Memorial Building (for the year ended June 30, 2007)*</i>	<i>Maynard Building (for the year ended June 30, 2007)</i>	<i>Cushing Chapel (for the year ended June 30, 2007)</i>	<i>Concerts on the Common (for the year ended June 30, 2007)</i>	<i>School Bus Fees (for the year ended June 30, 2007)**</i>	<i>Wetland Protection Fund (for the year ended June 30, 2007)</i>	<i>Pavement (New Excavation) Management Fund (for the year ended June 30, 2007)</i>	<i>Vaccine Administration Fund (as of December 31, 2007)</i>	<i>Fluorescent Lamp/Mercury Recycling Fund (as of December 31, 2007)</i>
Spending Limit	\$ 40,000	\$ 175,000	\$ 20,000	\$ 4,000	\$ 280,000	\$ 8,000	\$ 50,000	\$ 20,000	\$ 5,000
<b>Revenues and Carryforwards</b>									
Rentals/Receipts (net of refunds)	\$ 48,060	\$ 85,859	\$ 2,250	\$ -	\$ 202,539	\$ 20,371	\$ 11,855	\$ -	\$ 229
Prior year carryforward	54,988	22,423	1,000	7,506	103,215	27,653	-	-	-
<b>Funding Availability</b>	<b>103,048</b>	<b>108,281</b>	<b>3,250</b>	<b>7,506</b>	<b>305,754</b>	<b>48,024</b>	<b>11,855</b>	<b>-</b>	<b>229</b>
<b>Expenditures</b>									
Personal Services	13,369	34,982	-	-	-	3,484	-	-	-
Utilities	309	71,320	-	-	-	-	-	-	-
Maintenance	63,388	-	-	-	-	-	-	-	-
Services	-	-	-	-	276,000	1,001	-	-	-
Supplies	3,580	-	-	-	672	-	-	-	-
<b>Total Expenditures</b>	<b>80,646</b>	<b>106,302</b>	<b>-</b>	<b>-</b>	<b>276,672</b>	<b>4,485</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>\$22,401</b>	<b>\$ 1,979</b>	<b>\$ 3,250</b>	<b>\$ 7,506</b>	<b>\$ 29,081</b>	<b>\$ 43,539</b>	<b>\$ 11,855</b>	<b>\$ -</b>	<b>\$ 229</b>



# FY09 Operating Budget

Articles 49, 50 & 51: Town Meeting  
Review

# FY09 Operating Budget Summary

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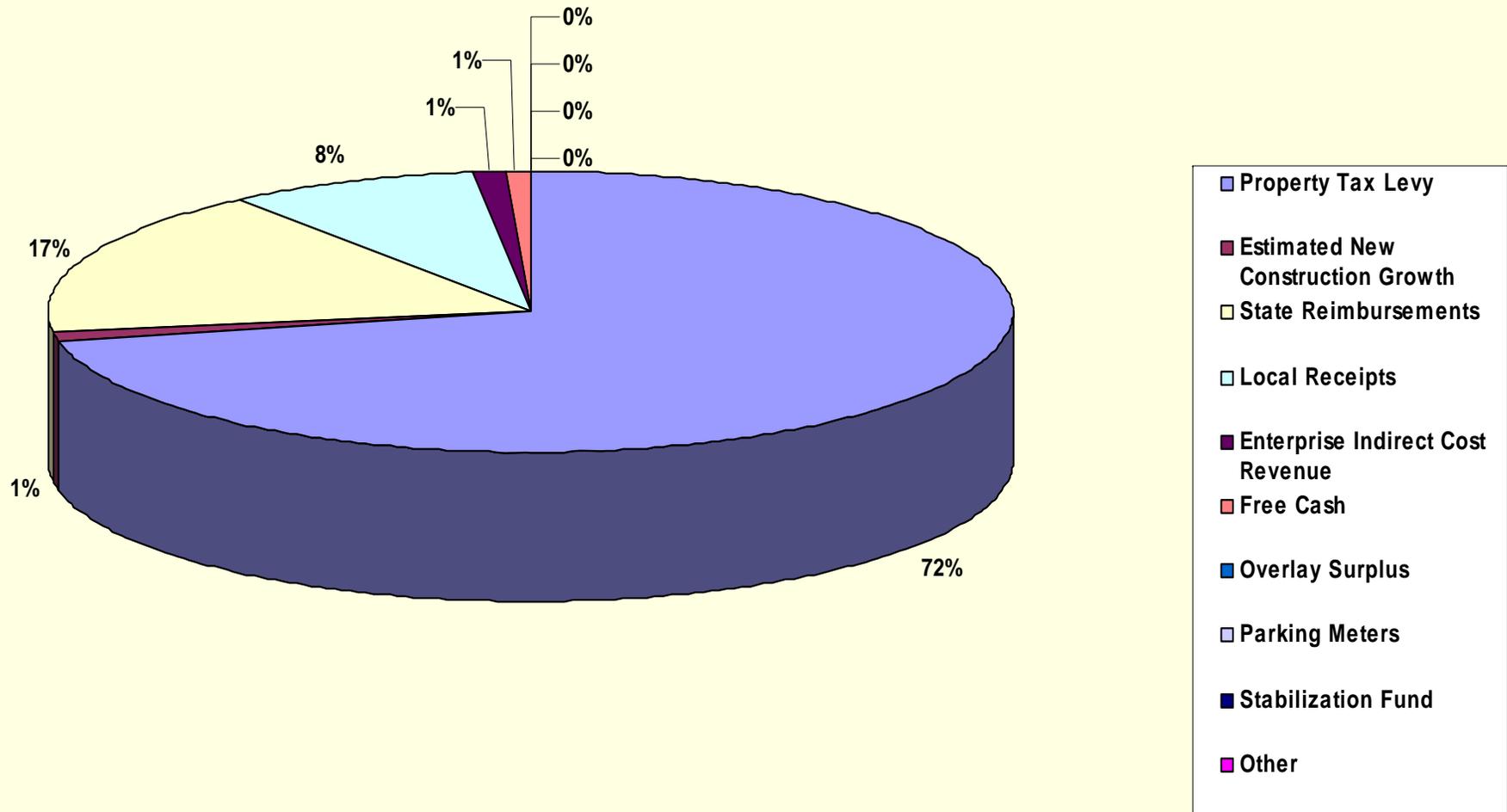
- FY09 Recommended Spending:  
\$202,773,419
- FY09 Estimated Revenue:  
\$202,773,497
- Difference: \$78

# FY09 Operating Budget Summary

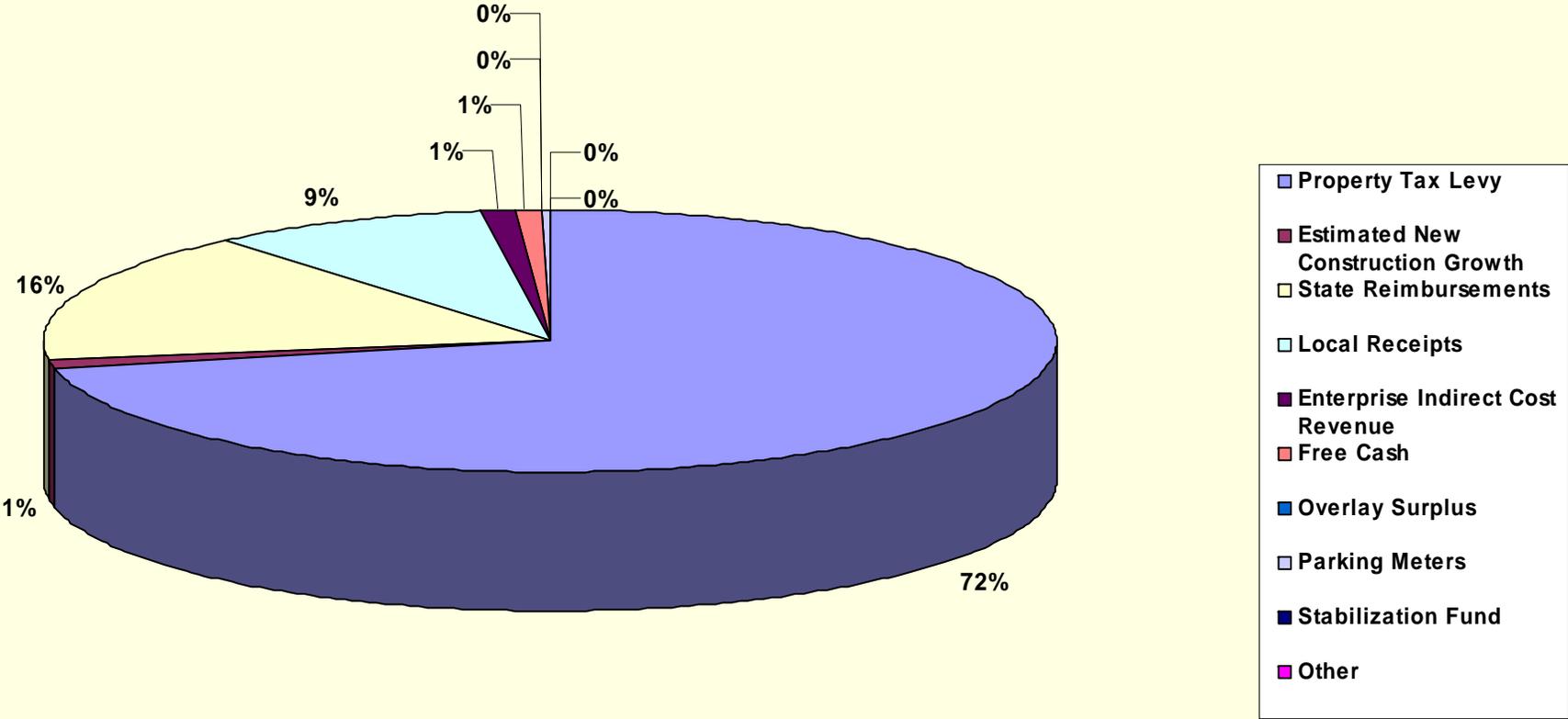
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- Tax revenue: \$146,601,066
  - New growth \$2.2 million
- State aid: \$34.2 million
  - legislative local aid resolution
- Local receipts: \$18.1 million
- Enterprise Indirect: \$2.3 million
- Free cash: \$1,246,510
- Other: \$277,548
- No telecommunications loophole revenue

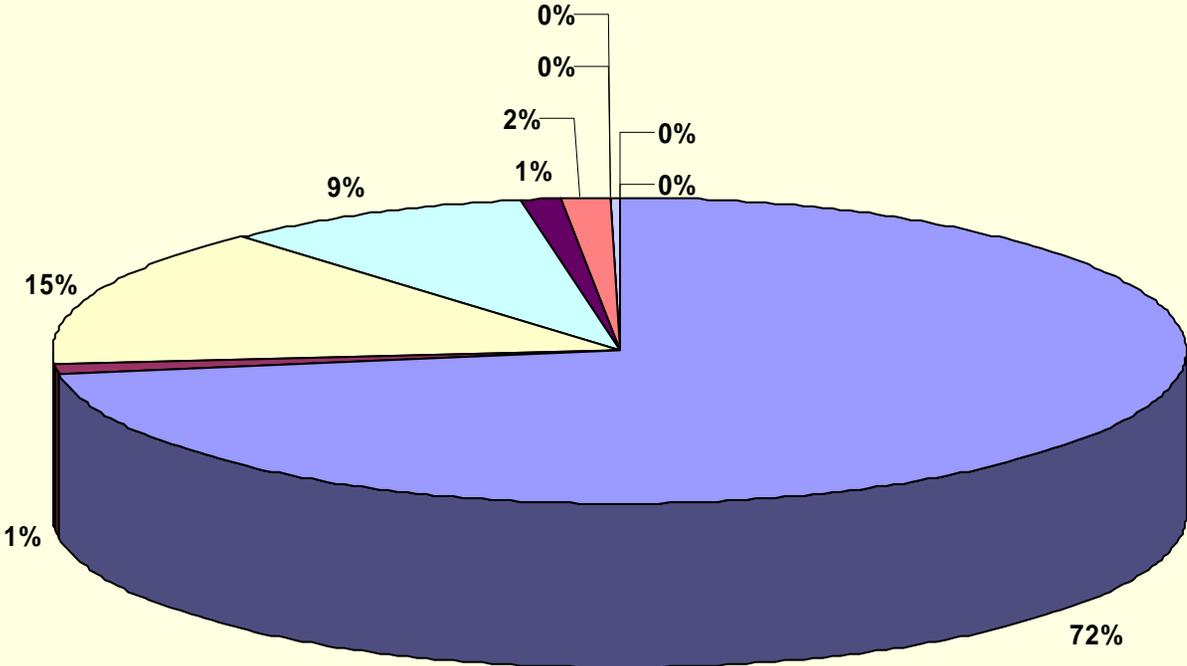
FY09 Revenue by Type



FY08 Revenue by Type



FY07 Revenue by Type



- Property Tax Levy
- Estimated New Construction Growth
- State Reimbursements
- Local Receipts
- Enterprise Indirect Cost Revenue
- Free Cash
- Overlay Surplus
- Parking Meters
- Stabilization Fund
- Other

# FY09 Operating Budget Summary

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- Operating budget totals \$202,773,419, a 4.7% increase over FY08.
- Personnel costs are \$102,212,650, an increase of \$3.9 million or 4% over FY08
- Operating costs are \$94,663,828, a 5.3% increase
- Energy costs are \$5,313,928, an increase of \$334,700 or 6.8%
- Small capital increases \$115,96 or 26.8%

# FY09 Operating Budget Summary

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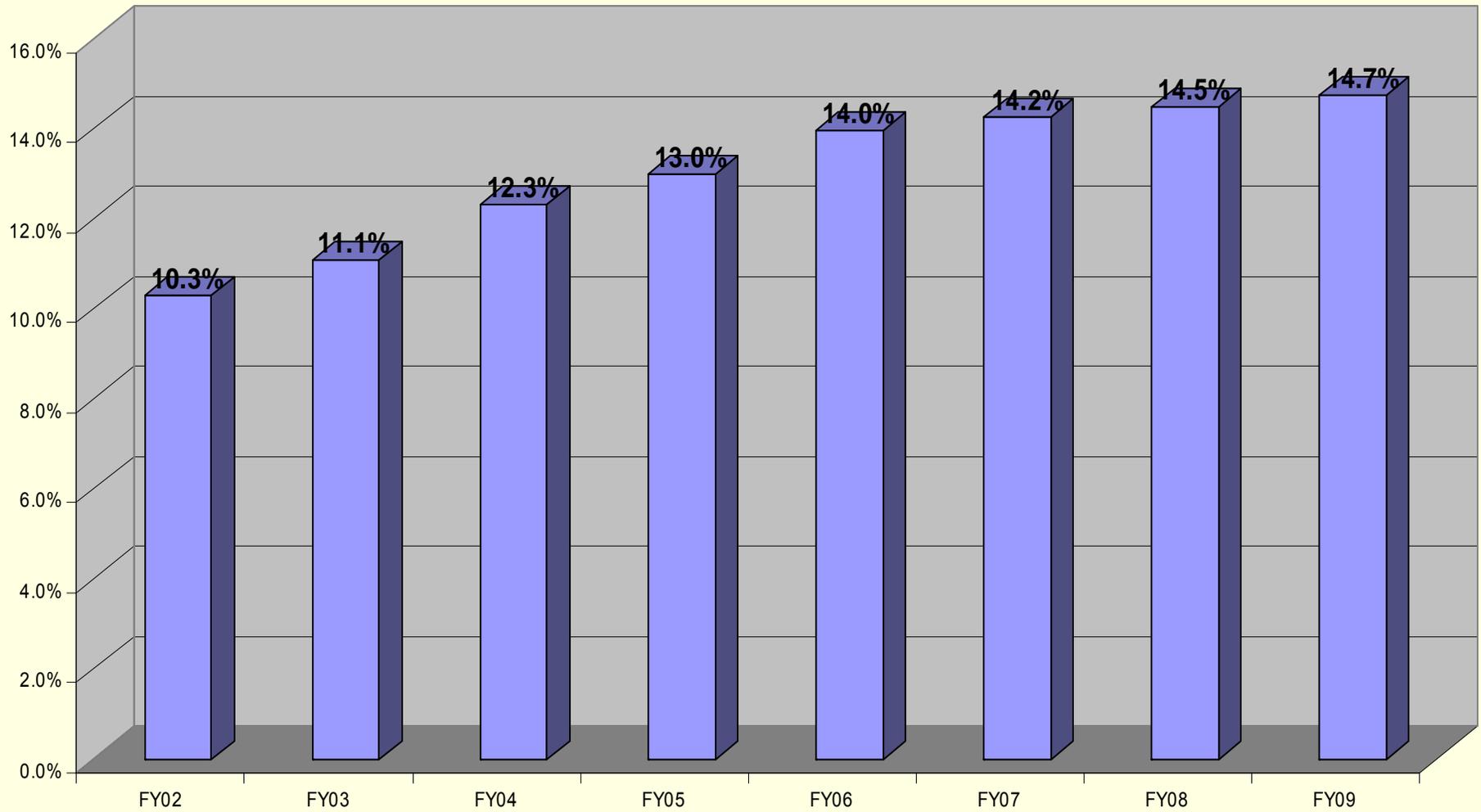
- School budget recommended at \$87,146,829, a \$4.2 million increase or 5.1%.
- Keefe Tech recommended at \$8,864,252, a 4.7% increase
  - Amounts have changed since background material book was printed, amended pages on side table ←
  - Keefe Tech reduced by \$177,000, funds moved to Framingham School Dept.
  - Contributory retirement reduced by \$29,000; \$14,000 moved to FPS

# FY09 Operating Budget Summary

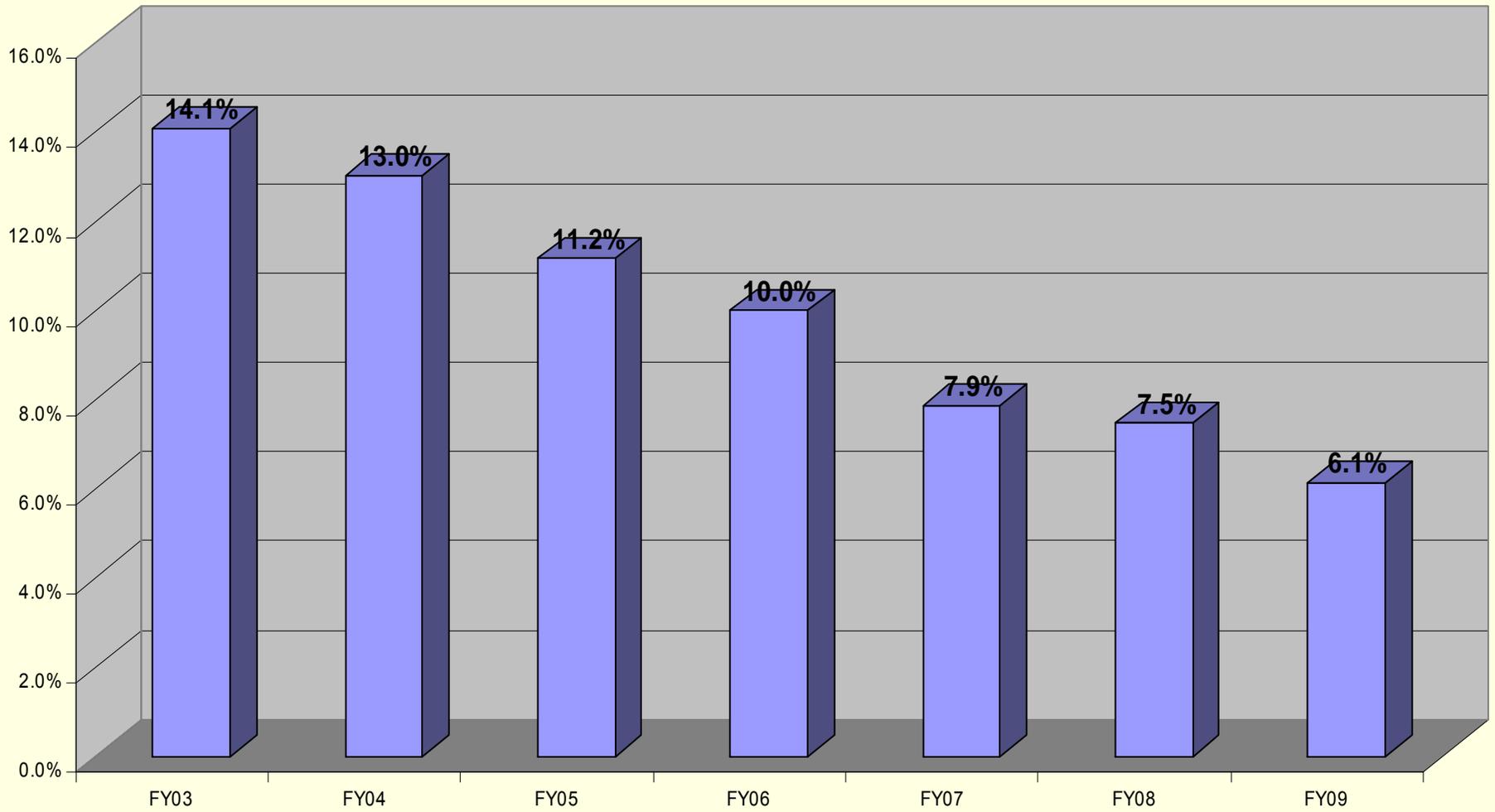
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- Health Insurance base increase of 7.5% reduced by stop loss insurance savings of \$410,000.
  - Net increase is 6.1%
- Liability Insurance increases 10%, or \$80,000
  - Continued aggressive credit pursuit
- Reserve Fund level at \$400,000
- No contribution to the Stabilization Fund
  - Free cash amount not sufficient to allocate

**Health Insurance as a % of Total Budget**



**Annual % Growth of Health Insurance**



# FY09 Operating Budget Summary

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- New Contingency Fund of \$420,000
  - Pool for a number of anticipated costs that could materialize during FY09
- Contributory retirement increases 5.4%
  - Non-contributory decreases 18%
- Debt Service increases 7.0%
  - Principal and interest on bonds increases 8.1%, or \$636,761, based on FY09 capital budget recommendation

# FY09 Operating Budget Detail

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- Department Budgets
- Changes range from a 42% decrease to a 36% increase
- Total increase in department budgets is \$1,104,545 or 2.3%
- No reclassifications in budget; funded a job classification study in Human Resources

# FY09 Operating Budget Detail

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- Building Inspection
  - continues funding for inspectors added last year
- Building Services
  - does not add positions, but assumes positions funded from Maynard revenues will be primarily funded by General Fund
- Communities and Development
  - eliminates funds for LIFT transferred to RTA, adds Town marketing consultant

# FY09 Operating Budget Detail

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- Conservation Commission
  - transferred to DPW, .5 FTE increased to .8 FTE funded from Wetland Permit revenue
- DPW Engineering
  - Requested 2 new FTEs for new trench mandate partially funded from Pavement revolving fund. Recommended one contracted position. New interns funded.
- Sanitation
  - Significant savings in trash removal which help funds additional hours for recycling center public access.

# FY09 Operating Budget Detail

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- Elections
  - Funds presidential election plus town election
- Emergency Management
  - Fully funds Connect CTY system and IP phone switch for system
- Human Resources
  - Funds job classification study for all departments and divisions; HR positions reorganized, no cost.

# FY09 Operating Detail

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- Parks & Recreation
  - Increased park maintenance costs and small field improvements
- Council on Aging
  - .5 FTE activities coordinator added
- Police Department
  - Small increase in overtime and 5 replacement cruisers. Org chart increased by 1 Sgt. and 1 Lt. offset by savings in overtime.

# FY09 Operating Budget Detail

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## ■ Technology Services

- 15.9% increase in total budget, no new positions
- 21.6% increase in operating budget due to increases in hardware and software maintenance. Town wide IT maintenance is paid via Tech Services budget.
- Small capital increases by \$46,401

## ■ Treasurer/Collector

- Savings realized from reduction of staff due to streamlining

# FY09 Operating Budget Detail

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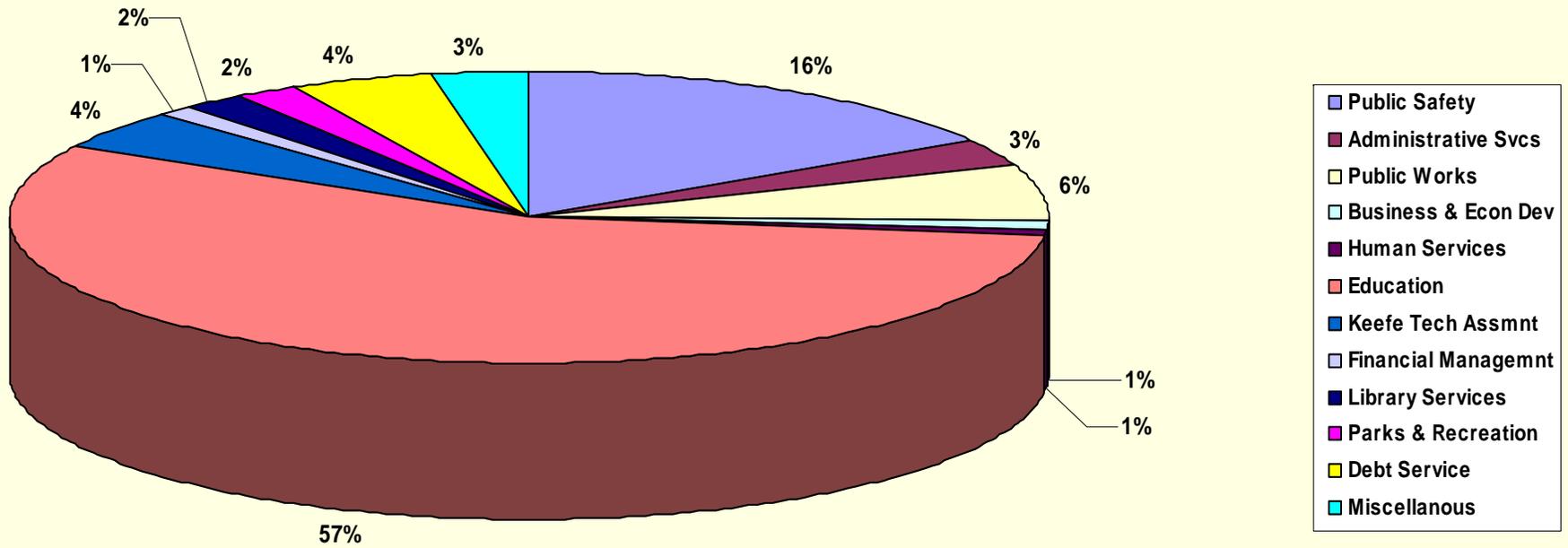
- Veterans Services

- \$10,000 increase in veterans benefits (up to 75% reimbursable)

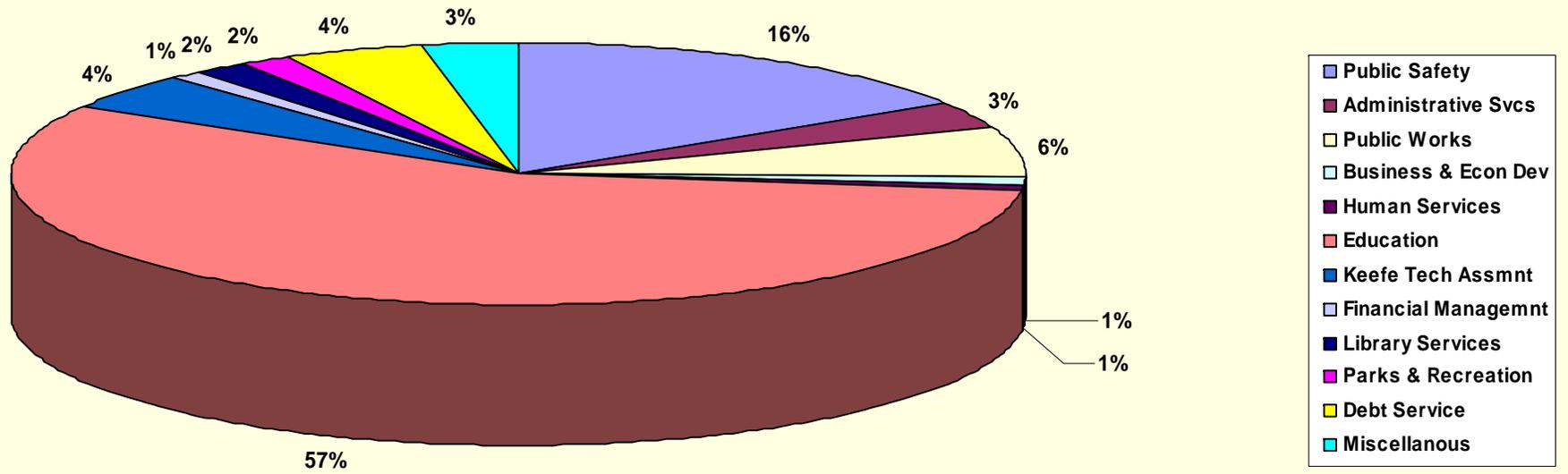
- Weight & Measures

- Decrease in small capital, additional part time inspection hours added.

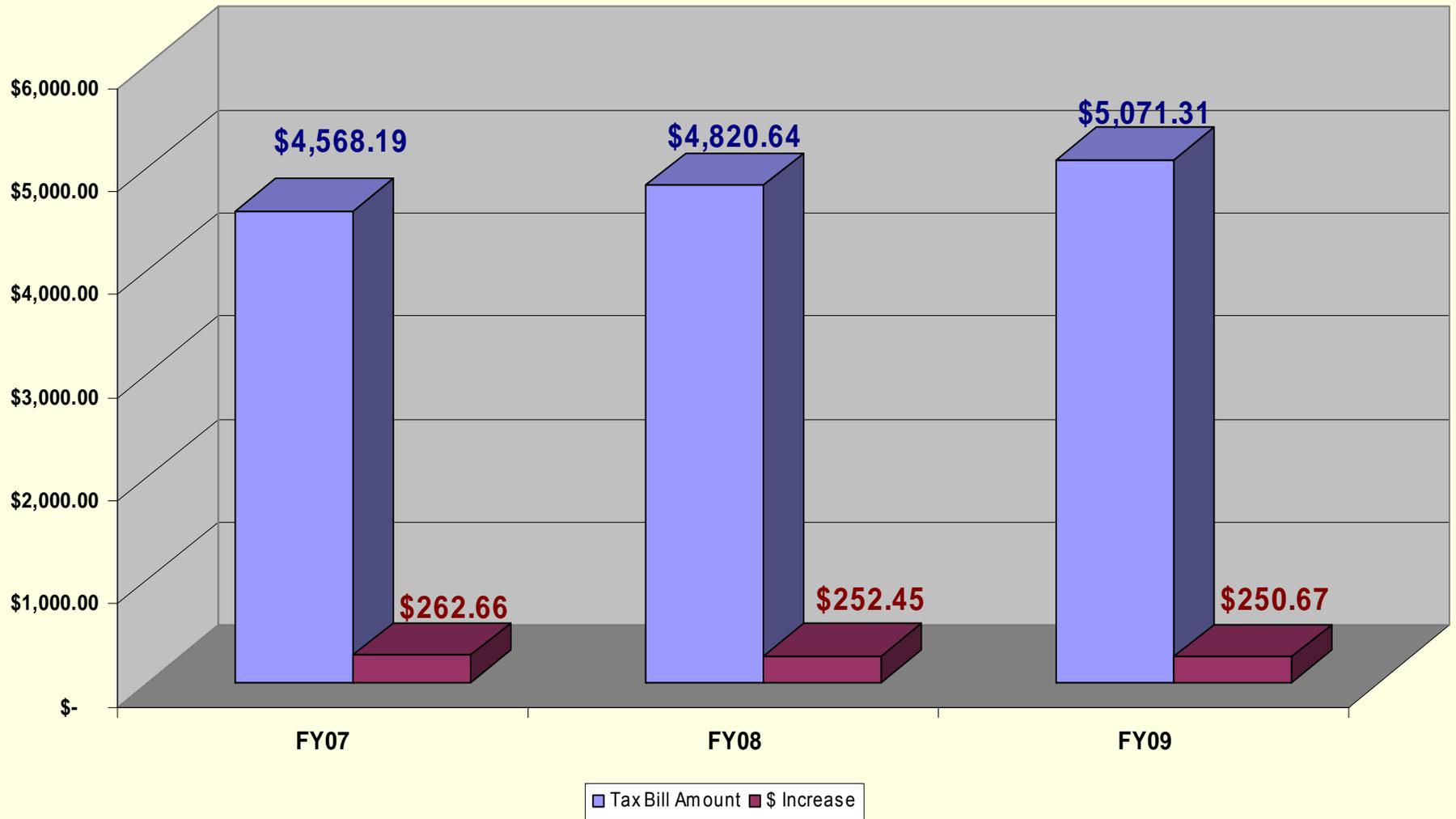
### FY09 Recommended Spending by Service Type



FY08 Budgeted Spending by Service Type



### Average Single Family Home Tax Bill



# FY09 Water and Sewer Budgets

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- Water Department Budget: 11.7% increase
  - 5.2% increase in personnel costs
  - \$75,000 increase in overtime, ½ pump station electrician, ¼ dispatcher position
  - 29.6% increase in energy costs (reall)
  - 5.3% increase in operating costs; includes MWRA preliminary assessment
  - 8.4% increase in small capital
  - 51% increase in debt service
  - 8.5% increase in indirect charge

# FY09 Water and Sewer Budgets

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- Sewer Department Budget: 9.4% increase
  - 10% increase in personnel costs includes ½ pump station electrician, wastewater tech, meo and \$10,000 in overtime
  - 11% decrease in energy costs
  - 1.3% decrease in operating cost (including MWRA preliminary assessment)
  - 203% increase (\$62,000) in small capital
  - 131% increase in debt service
  - 9% increase in indirect charge

# Operating budget savings initiative

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## Section 18 Medicare Eligible Retirees

- Approximately 500 retirees affected
- \$1,932,000 gross savings switching to Medicare
- \$491,990 penalty to be paid by Town
- \$311,000 to subsidize cost of Medicare Part B for those switched from active plans
- \$966,000 net savings to health insurance budget in FY2010