

FY2015 Preliminary Financial Forecast

Presented to:
Board of Selectmen

October 1, 2013

Agenda

- Calendar
- Preliminary Financial Forecast
- Assumptions
- Next Steps

Calendar _ Key Dates

- Capital Improvement Committee meetings scheduled through November
- October 1st _ Presentation to Selectmen
- October 22nd _ Kick-off; Selectmen issue policy statement/guidelines

Calendar _ Key Dates (cont.)

- December 31st _ Departmental budgets, CIC and CPC recommendations, financial articles due to Town Manager
- Before February 1st _ School budget public hearing held; Budget submitted
- February 25th _ Town Manager submits budget to Selectmen

Calendar – Key Dates (cont.)

- March 11th – Selectmen submit budget to Appropriation Committee
- Before April 25th – Appropriation Committee closes public hearing/publishes recommendations
- May 5th – Annual Town Meeting starts

Preliminary Financial Forecast: Summary 2014-2019

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Operating Budget	67,635,838	69,327,672	70,608,731	72,589,985	74,677,050	77,157,992
Capital, CPA, Other Articles	2,414,054	2,793,929	2,799,052	2,804,277	2,809,606	2,815,043
Other Amounts To Be Raised	143,740	546,700	546,700	546,700	546,700	546,700
State/County	563,953	563,953	563,953	563,953	563,953	563,953
Overlay	450,000	450,000	450,000	450,000	450,000	450,000
TOTAL TO BE RAISED	71,207,585	73,682,254	74,968,436	76,954,915	79,047,309	81,533,688

Preliminary Financial Forecast: Summary 2014-2019

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Total To Be Raised	71,207,585	73,682,254	74,968,436	76,954,915	79,047,309	81,533,688
Local Revenue	3,001,549	3,107,092	3,107,092	3,107,092	3,107,092	3,107,092
State Aid	6,905,724	6,905,724	6,905,724	6,905,724	6,905,724	6,905,724
Other Revenue/ Available Funds	10,392,969	9,817,623	9,910,577	10,010,083	10,112,699	10,220,546
Total Revenue	20,300,242	19,830,439	19,923,393	20,022,899	20,125,515	20,233,362
Variance (Tax Levy)	\$50,907,343	53,851,816	55,045,042	56,932,015	58,921,795	61,300,326

Preliminary Financial Forecast: Projected Tax Impact

Preliminary Financial Forecast: Excess Levy Capacity

	FINAL FY2013	FISCAL 2014 PROJ	FISCAL 2015 PROJ	FISCAL 2016 PROJ	FISCAL 2017 PROJ	FISCAL 2018 PROJ
MAXIMUM ALLOWABLE TAX LEVY CALCULATION:						
Base	45,309,403	47,401,641	49,686,682	52,278,849	54,585,821	56,950,466
Maximum allowable tax levy increase (2 1/2%)	1,132,735	1,185,041	1,242,167	1,306,971	1,364,646	1,423,762
New Growth	959,503	1,100,000	1,350,000	1,000,000	1,000,000	1,000,000
Overrides						
Capital Outlay Exclusions	50,000					
Debt Exclusions Current	2,487,560	3,251,028	2,588,566	1,968,162	1,804,746	1,528,422
Debt Exclusions Authorized/Unissued			154,000	149,600	145,200	140,800
MAXIMUM ALLOWABLE TAX LEVY	49,939,201	52,937,710	55,021,415	56,703,583	58,900,412	61,043,450
ACTUAL LEVY	48,668,271	50,907,343	53,851,816	55,045,042	56,932,015	58,921,795
EXCESS LEVY CAPACITY	1,270,930	2,030,367	1,169,599	1,658,540	1,968,397	2,121,655
Tax Levy % Increase	3.47%	4.60%	5.78%	2.22%	3.43%	3.50%
Tax Levy(net of new growth)	47,708,768	49,807,343	52,501,816	54,045,042	55,932,015	57,921,795
Tax Impact (net of new growth)	1.43%	2.34%	3.13%	0.36%	1.61%	1.74%

Preliminary Financial Forecast: Current Assumptions

- Operating budget % increase
 - Municipal – Level plus allowance for strategic initiatives in FY2015
 - School - 4.4% based on uniform pattern of fixed costs, contracts, special education, transportation
 - Exceptions made for known obligations (e.g. - debt, pension)
- New Growth (including Legacy Farms) \$1.35 million in 2015; \$1million in 2016
- Level State Aid

Preliminary Financial Forecast: Key Variables

- Financing strategy for capital (long-term commitments; some FY2015 impact)
- Pension/OPEB _ incorporate into reserve strategy
- Contracts expiring 6/30/14

Preliminary Financial Forecast:

Key Variables

- New Growth _ Firmer FY2014 numbers available by mid-October; anticipate upward adjustment
- Health insurance _ Develop long-term strategy
- Town due to permanently bond appropriations from May TM (FY15 savings likely)

Next Steps

- Board provides initial feedback to staff
- Selectmen discuss and approve budget policy statement at October 22nd meeting
- Distribute budget instructions/templates in early November

Questions?

Tuesday, October 1, 2013