FY07 Budget Update

Board of Selectmen Meeting

January 23, 2006

FY07 Budget Update -FY07 Available Budget Funds

Change in Revenue FY06 to FY07		
Taxes – per Proposition 2 1/2	\$1,275,000	
New Growth	\$300,000	
Increased Tax Money	\$1,575,000	
Local Receipts	\$0	
State Aid	\$0	
Available Funds	\$0	
Free Cash	(\$135,000)	
Total Increase in Revenue	\$1,440,000	

Increases in Fixed Costs For all School and Municipal Employees		
Benefit/Employment Costs	\$650,000	
Insurance/Reserve	\$25,000	
(10.5% increase) Total	\$675,000	

Note: Current Estimate is \$822,000

Due to 17% pension assessment increase.

Net New Revenue – \$765,000

Available for school and municipal operating budgets.

To balance budget today:

- 2% increase to school and municipal operating budgets.
 - Capital budget level funded.

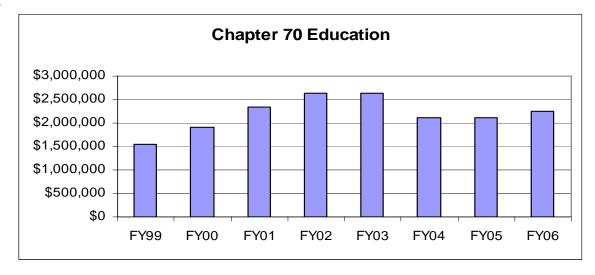
FY07 Budget Update - Review of State Aid

Governor's budget – end of January. Final state budget – June, 2006.

Two major categories of State aid:

- Chapter 70 Education.
- Lottery.

Chapter 70		
FY99	\$1,539,577	
FY00	\$1,908,727	
FY01	\$2,345,177	
FY02	\$2,635,628	
FY03	\$2,635,628	
FY04	\$2,108,502	
FY05	\$2,108,502	
FY06	\$2,250,702	

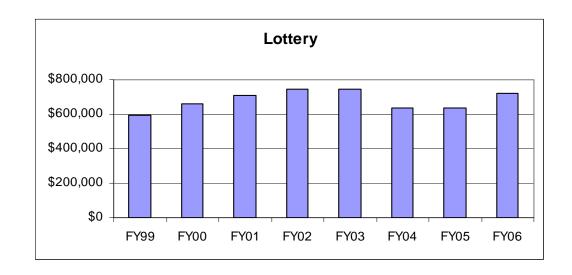


Chapter 70 Education

- FY06 included \$50 per pupil increase approximately \$142,000.
- FY07 ?
 - Assume \$50/per pupil.
 - Will there be more?

FY07 Budget Update - Review of State Aid

Lottery		
FY99	\$596,949	
FY00	\$658,858	
FY01	\$711,529	
FY02	\$747,149	
FY03	\$747,149	
FY04	\$635,077	
FY05	\$635,077	
FY06	\$721,560	



Lottery aid:

- Initial remarks indicate 17% increase?
- For Westwood, \$122,000.

Update - FY07 Available Budget Funds

Net New Revenue - \$765,000 - Available for school and municipal operating budgets.

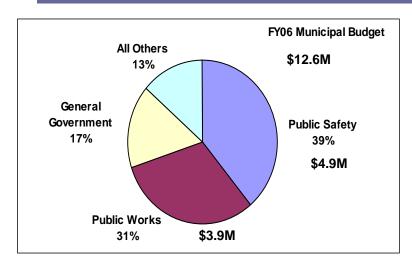
To balance budget today:

- 2% increase to school and municipal operating budgets.
 - Capital budget level funded.

	Current available funds within Proposition 2 ½ can fund:			
FY06 Budget		FY07 Budget	\$ Increase	% Increase
\$26,060,095	FY07 School Operating Budget	\$26,581,296	\$521,201	2%
\$12,688,282	FY07 Municipal Operating Budget	\$12,942,047	\$253,765	2%
\$406,000	FY07 School Capital Budget	\$406,000	\$0	0%
\$417,000	FY07 Municipal Capital Budget	\$417,000	\$0	0%

 Assuming Chapter 70 funds increase at \$50/per pupil, School budget could be \$27,001,296, a \$941,201 or 3.6% increase.

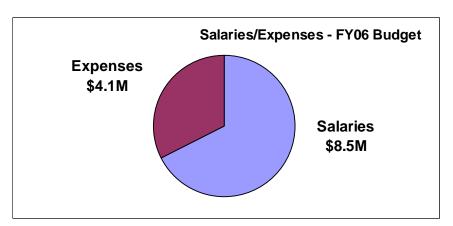
Municipal Budget Today.....



What we do:

FY06 Municipal Budget \$12.6M 70% or \$9M provides for:

- Police and Fire public safety protection.
- Ambulance services.
- Public Works services.
- Trash/recycling.



Salary is 68% of budget.

FY07 Municipal Budget Detail.....

	Expended FY2005	Current FY2006 Budget	FY2007 Budget	\$ Change FY07 vs. FY06	% Change FY07 vs. FY06
Salaries	\$8,445,048	\$8,574,704	\$8,941,831	\$367,127	4.3%
Expenses	\$4,455,033	\$4,113,578	\$4,234,956	\$121,378	3.0%
Total	\$12,900,081	\$12,688,282	\$13,176,787	\$488,505	3.9%

Major Salary Changes				
Department	Item	Amount		
All departments	Salary/COLA increases	\$258,000		
All departments	Salary step/other increases	\$82,000		
Police	State funded education incentive	\$10,000		
Personnel	Increase to full time Director requested	\$16,000		
	Total Major Salary Increases	\$366,000		

Major Expense Changes			
	Amount		
Utilities – estimated increase	\$100,000		
Town Clerk – election cycle	\$13,050		
Public Works expense – budget reduction	(\$30,100)		
Trash disposal	\$42,500		
Total	\$125,450		

FY07 Municipal Budget Issues.....

Current increase \$488,505
 Without utilities increase \$388,505
 3.9%
 3.9%

- \$46,000 of increase will be funded with increased fees/revenue (ambulance, recreation, State funded police education account).
- Current budget proposal does not restore reductions taken in FY06 budget:
 - 1 Police position
 - 1 Fire position
 - Reduction to IS staffing

- 1 part-time Assessors Office position
- Town funding Housing Authority staff
- Library services

- Current municipal budget gap \$189,000 (including utilities).
 - Potential to restore 1 Fire position ambulance fees
 - Additional State aid
 - Increase fees hazardous waste day
 - Alternative funding of utilities

- Approve increase to Personnel Department?
- Approve restoring FY06 cut to COA expense budget?