

TRI-BOARD MEETING

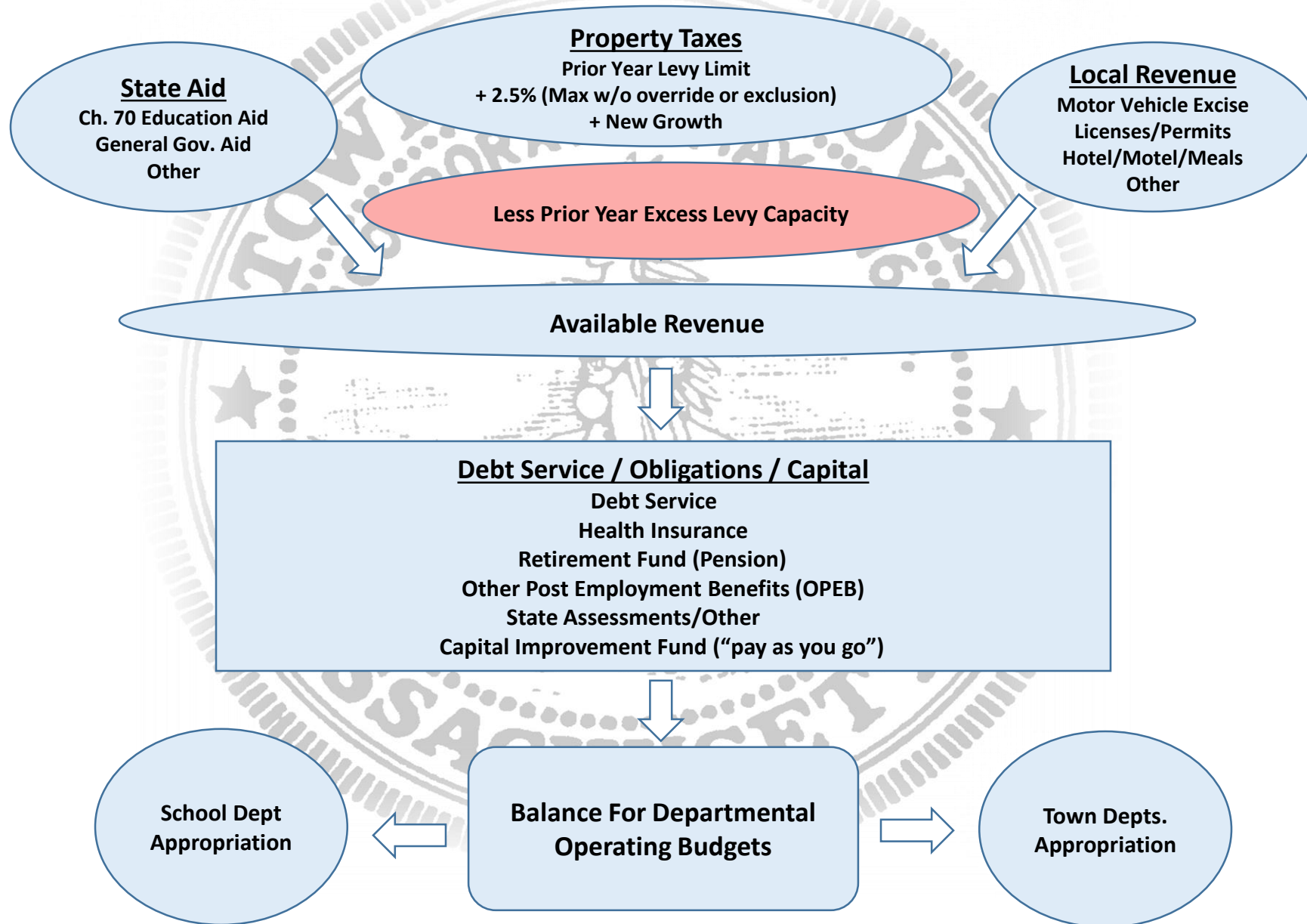
November 10, 2015

Board of Selectmen Tax Policy

- 1. Develop General Parameters for Budget Development**
- 2. Voted to Carry Forward Prior Year's Excess Levy Capacity**
- 3. Voted to use the Annual Increase of the Average Residential Tax Bill as the Metric for Calculating Growth**
- 4. Tax Rate will be set in early December**

Town of Andover Budget Model - Impact of Tax Policy

(Excluding Water/Sewer/Offset Local Receipts)



FY17 Preliminary Revenue Projections

	FY2016	FY2017	FY16-FY17	FY16-FY17
<u>TAX REVENUE</u>	<u>Budget</u>	<u>Projection</u>	<u>\$ Change</u>	<u>% Change</u>
Prior Year Levy Limit	\$119,797,140	\$124,592,069	\$4,794,929	4.0%
Annual 2.5% Increase	\$2,994,929	\$3,114,802	\$119,873	4.0%
New Growth	\$1,800,000	\$1,800,000	\$0	0.0%
Unused Levy Capacity	<u>(1,221,162)</u>	<u>(1,221,162)</u>	<u>\$0</u>	<u>0.0%</u>
Total Tax Levy	\$123,370,907	\$128,285,709	\$4,914,802	4.0%
Addtl. Taxes - Debt Exclusion	\$4,298,263	\$3,597,424	(\$700,839)	-16.3%

FY17 Preliminary Revenue Projections (cont.)

	FY2016	FY2017	FY16-FY17	FY16-FY17
<u>OTHER REVENUES</u>	<u>Budget</u>	<u>Projection</u>	<u>\$ Change</u>	<u>% Change</u>
State Aid	\$12,744,259	\$12,473,856	(\$270,403)	-2.1%
General Local Revenues	\$10,405,050	\$10,802,000	\$396,950	3.8%
Water & Sewer Enterprises	\$12,193,000	\$12,615,785	\$422,785	3.5%
Offset Dept Revenues	\$2,113,000	\$1,882,000	(\$231,000)	-10.9%
Other Avail. Funds - Budget	\$596,438	\$750,561	\$154,123	25.8%
Other Avail. Funds - Articles	\$2,115,629	\$2,233,702	\$118,073	5.6%
Free Cash	\$4,821,083	\$2,718,000	(\$2,103,083)	-43.6%
GRAND TOTAL REVENUES	\$172,657,629	\$175,359,037	\$2,701,408	1.6%

FY17 Preliminary Expenditure Projections

	FY2016	FY2017	FY16-FY17	FY16-FY17
<u>EXPENDITURES</u>	<u>Budget</u>	<u>Projection</u>	<u>\$ Change</u>	<u>% Change</u>
Health Insurance	\$17,052,416	\$18,416,609	\$1,364,193	8.0%
Debt Service	\$15,443,134	\$14,945,176	(\$497,958)	-3.2%
Retirement	\$7,946,015	\$8,568,835	\$622,820	7.8%
Water & Sewer	\$7,229,676	\$7,451,273	\$221,597	3.1%
Other Obligations	\$3,386,021	\$3,719,132	\$261,111	7.6%
Capital Projects Fund	\$2,450,000	\$2,540,000	\$90,000	3.7%
Offset Expenditures	\$2,378,000	\$2,147,000	(\$231,000)	-9.7%
Warrant Articles	\$6,150,476	\$4,311,789	(\$1,838,687)	-29.9%
TOTAL DEDUCTIONS	\$62,035,738	\$62,099,814	\$64,076	0.1%
BAL. FOR OPERATING BUDGETS	\$110,621,891	\$113,259,223	\$2,637,332	2.38%

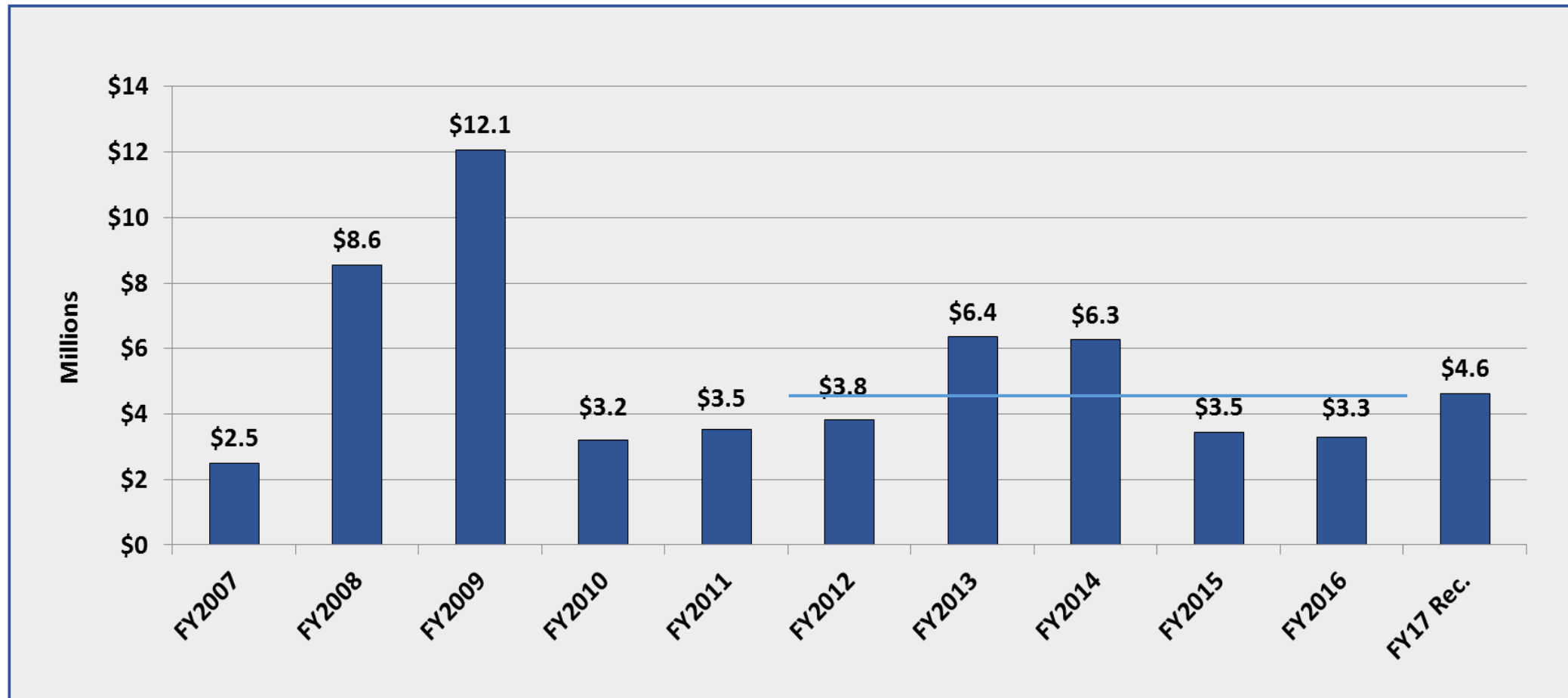
Town Manager's FY17 Recommended CIP – Funding by Source

General Fund Revenue:	\$2,540,000
Free Cash:	\$1,200,000
General Fund Borrowing:	\$4,625,000
General Fund Exempt Borrowing:	\$0
Special Dedicated Funds:	\$1,664,000
Water & Sewer Enterprise Funds:	<u>\$3,313,000</u>
Total TM's CIP Recommendation for FY17:	\$13,342,000

Town Manager's FY17 Recommended CIP – Funding by Program

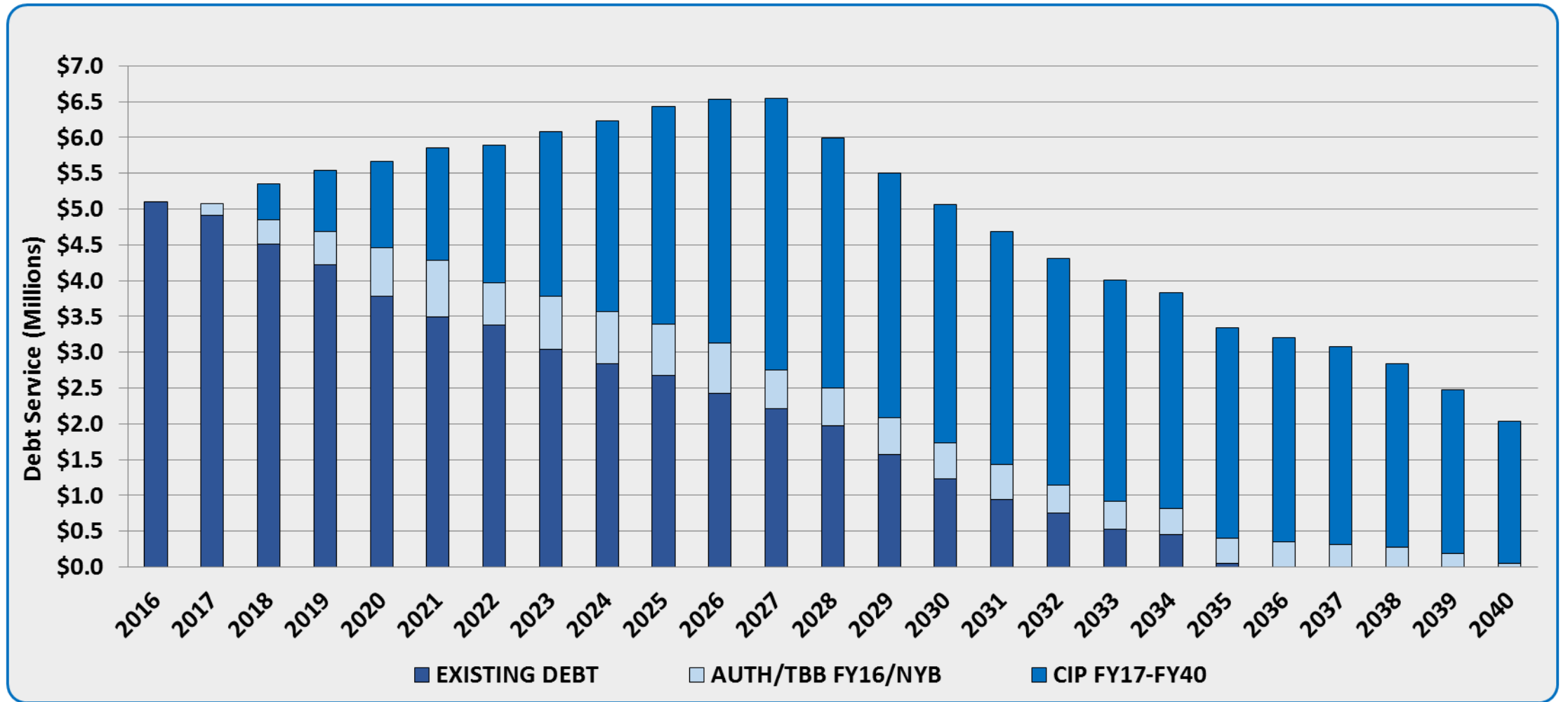
Equipment & Misc.	\$157,000
Technology	\$1,075,000
Vehicle Replacement	\$1,331,000
Building Maintenance	\$5,370,000
Facility/Site Improvements	\$670,000
Roadway Maintenance	\$1,539,000
Water Infrastructure	<u>\$3,200,000</u>
Total TM's CIP Recommendation for FY17:	\$13,342,000

Gen. Fund Borrowing Appropriation History

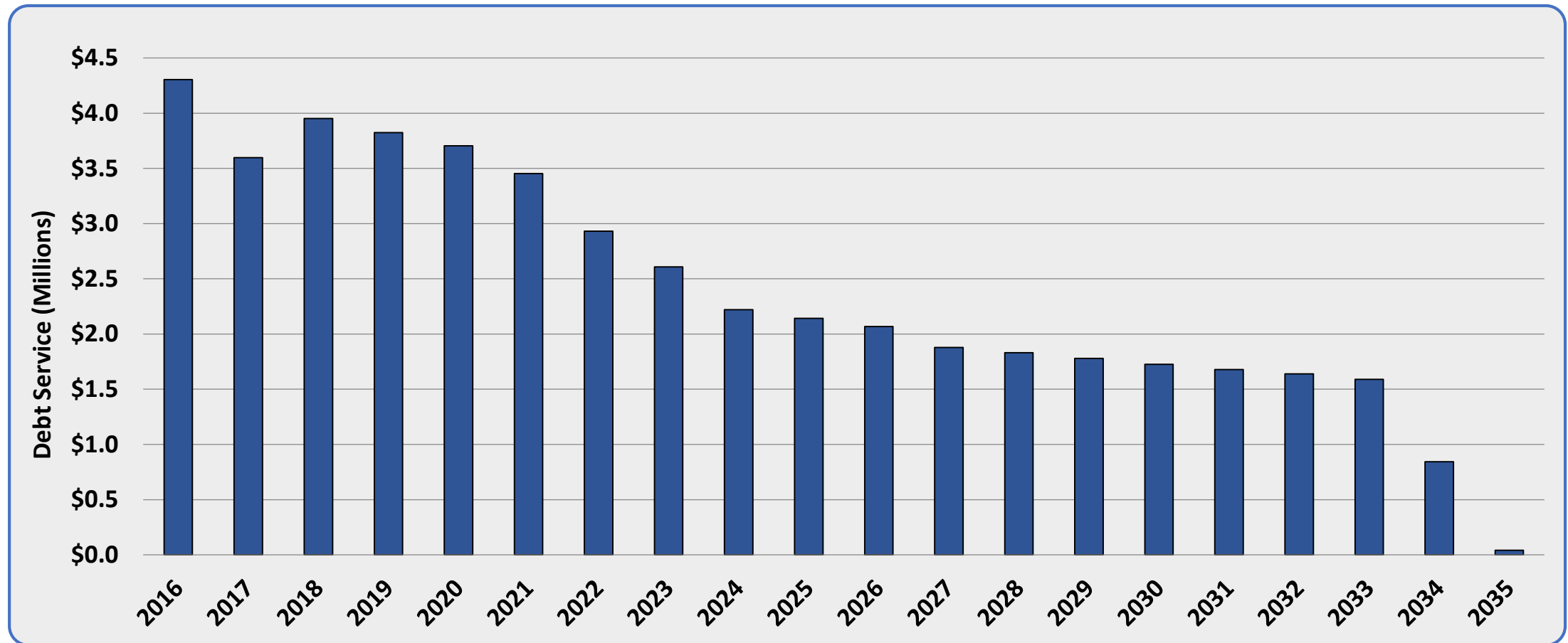


5-Yr. Avg. =
\$4.6m

General Fund (Non-Exempt) Debt



General Fund (Exempt) Debt



Major Projects & Future CIP Considerations

- 1. Collins Center Façade, Media Center/HS Improvements**
- 2. Municipal Services Facility, Ballardvale Fire Station**
- 3. School Building & Site Improvements, Early Childhood Center**
- 4. School & Town Facility Study/Analysis**
- 5. Future CIP Funding Mechanisms**
 - 1. Expanding Capacity within Limitations of Proposition 2½**
 - 2. Building Borrowing Capacity**

Questions & Comments