

Town of Andover



Overview of Town Manager's Recommended FY17 Operating Budget & Capital Improvement Program

February 27, 2016

FY 2017 Budget Goals

- Develop a FY 2017 budget that is within the limitations of Proposition 2 ½ and in compliance with Town and Board of Selectmen financial policies;
- Maintain a level service budget, while identifying opportunities to improve service delivery through efficiency and a commitment to collaboration and innovation;
- Maintain employee compensation in a manner that provides opportunities for equity through modest adjustments and is consistent with the Town's long term financial planning efforts;
- Continue to aggressively manage employee benefits and associated impacts, both short and long term;

FY 2017 Budget Goals (cont.)

- Continue towards developing a long term financial model that provides for predictability and the opportunity to plan for sustainability of operations;
- Establish a capital program that is based on an annual spending target for cash and debt appropriations that provides the Town with the ability to expand capital capacity and fund investments in both infrastructure and facilities within the limitations of Proposition 2 ½ ; and
- Develop a budget document consistent with the recommended guidelines and best practices set forth by the Government Finance Officers Association (GFOA).

FY 2017 Revenue Assumptions

- **Tax Levy** to increase by the 2.5% (less Excess Levy Capacity) as allowed by Proposition 2 ½ plus New Growth.
- **New Growth (\$1,800,000)** and **Local Receipt (\$10,802,000)** estimates are based on five year averages of actual growth and collections.
- **State Aid** projections have been adjusted to reflect the Governor's Budget (H1).
- **Free Cash (\$3,718,000)** to be appropriated only for one time capital expenditures while maintaining a balance that will provide for a stable amount of Free Cash in future years.

FY 2017 Expenditure Assumptions

- **Town and School Operating Budgets** to increase only by the amount of funds available after meeting the funding requirements of all obligations.
- **Retirement** contribution to increase by 8% from current budget per the existing funding schedule.
- General Fund **Other Post Employment Benefit (OPEB)** funding will be based on a percentage of budget; with a target set of 0.5%.
- **Employee Health Insurance** expense to increase by 8%.
- Total appropriation to fund **Capital Expenditures** (cash and non-exempt debt) will be based on a percentage of budget and increase by approximately 0.6% over FY 2016.

Compensation Fund

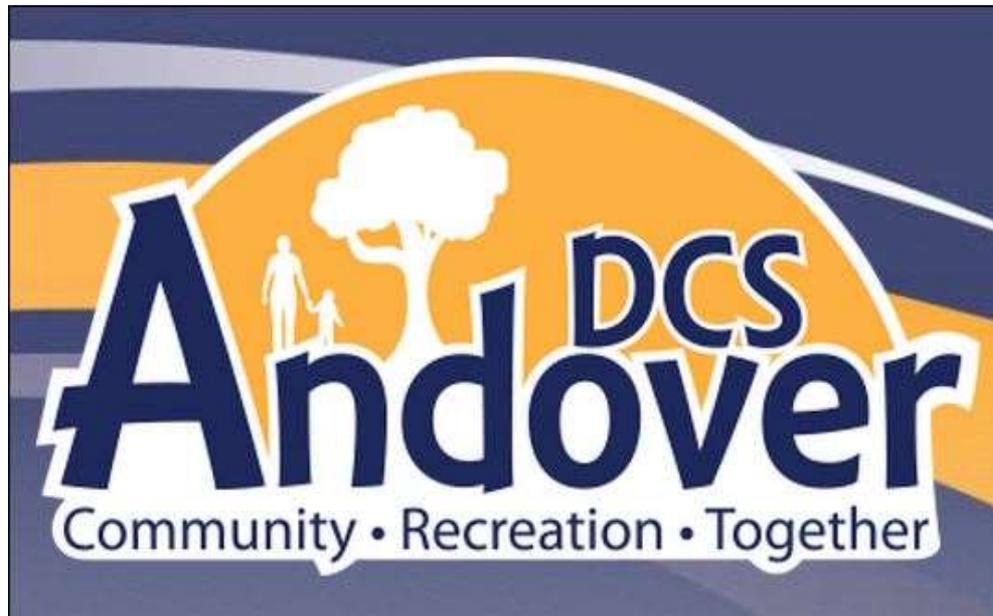
FY 2016	
FY 2016 Appropriation	\$950,000
Departmental Adjustments for FY 15 & FY 16 Settlements	(\$268,500)
Adjusted Balance	\$681,500
FY 2017	
FY 2016 Carry Forward	\$681,500
Recommended Amount for FY 2017 Adjustments	\$428,500
Total Recommended FY 2017 Appropriation	\$1,110,000

- Department Adjustments for FY 15 & FY 16 reflect settlements with both police bargaining units
- AFSCME has recently settled for FY 15 & FY 16. No Department Adjustments have been made as of 2/27/16
- Any additional settlements for FY 15 & FY 16 will reduce the Recommended FY 2017 Appropriation to the Compensation Fund and increase Departmental Budgets

Community Services

Kim Stamas, Director

FY17 Budget Request *(Pages 53 – 58)*



Community Services FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$454,048	\$490,879	\$36,831
Expenses:	\$247,170	\$247,170	\$0
Sale of Service: (Revenue)	\$520,000	\$550,000	-\$30,000
TOTAL:	\$181,218	\$188,049	\$6,831

Community Services Personnel Summary

FTEs	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Gen. Fund FTEs:	3.0	3.0	0.0
Revolving Fund:	2.0	2.0	0.0
TOTAL FTEs:	5.0	5.0	0.0

Community Services CIP FY17 Town Manager's Recommended Projects

	FY17 Dept. Request	FY17 TM Rec.
DCS-1* Pomps Pond Improvements	\$50,000	\$50,000

*Source: General Fund Revenue (Capital Projects Fund)

TM Comments: Supports department's request for FY17

Elder Services

Katherine Urquhart, Director

FY17 Budget Request *(Pages 64 – 69)*



Elder Services

FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$574,027	\$571,294	-\$2,733
Expenses:	\$153,770	\$153,990	\$220
Federal Grants:	(\$59,000)	(\$59,000)	\$0
Sale of Service: (Revenue)	(\$38,000)	(\$38,000)	\$0
TOTAL:	\$630,797	\$628,284	-\$2,513

Elder Services Personnel Summary

FTEs	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Gen. Fund FTEs:	9.75	9.75	0.0
Revolving Fund:	2.05	2.05	0.0
TOTAL FTEs:	11.80	11.80	0.0

Youth Services

William Fahey, Director

FY17 Budget Request (Pages 59 – 63)



Youth Services

FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$350,472	\$357,305	\$6,833
Expenses:	\$118,410	\$122,410	\$4,000
TOTAL:	\$468,882	\$479,715	\$10,833

Youth Services Personnel Summary

FTEs	FY16 Budget Approved	FY17 TM' s Budget Rec.	FY16 - FY17 FTE +/-
Gen. Fund FTEs:	4.0	4.0	0.0
Revolving Fund:	1.0	1.0	0.0
TOTAL FTEs:	5.0	5.0	0.0

Memorial Hall Library

Beth Mazin, Director

FY17 Budget Request *(Pages 70 – 75)*



Memorial Hall Library

FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$2,011,983	\$1,996,922	-\$15,061
Expenses:	\$669,359	\$671,575	\$2,216
TOTAL:	\$2,681,342	\$2,668,497	-\$12,845

Memorial Hall Library Personnel Summary

FTEs	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Full-Time:	20.0	21.0	1.0
Part-Time:	6.6	5.6	-1.0
TOTAL:	26.6	26.6	0.0

Memorial Hall Library CIP FY17 Town Manager's Recommended Projects

	FY17 Dept. Request	FY17 TM Rec.
LIB-1* Library Renovations	\$25,000	\$25,000

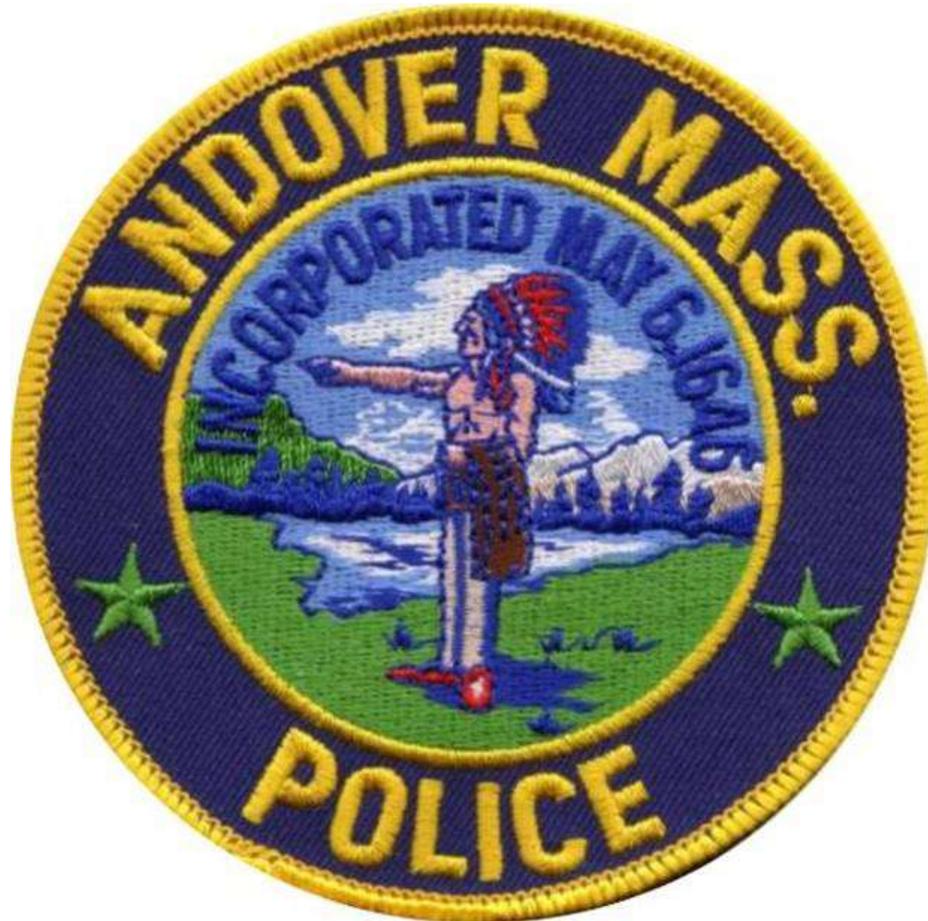
*Source: General Fund Revenue (Capital Projects Fund)

TM Comments: Supports department's request for FY17

Police Department

Patrick E. Keefe, Police Chief

FY17 Budget Request *(Pages 76 – 86)*



Police Department FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$7,029,772	\$7,328,601	\$298,829
Expenses:	\$1,094,976	\$1,119,526	\$24,550
Detail Fees	\$80,000	\$75,000	\$5,000
Parking Rcpts.	\$210,000	\$210,000	\$0
TOTAL:	\$7,834,748	\$8,163,127	\$328,379

Police Department Personnel Summary

FTEs	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Sworn	53	53	0
Dispatch	11	11	0
Civilian*	6	6	0
Alternative Sent/New Horizons	.5	.5	0
Animal Control	1	1	0
Parking	1.5	1.5	0
TOTAL FTE	73.0	73.0	0

*Assumes Community Support Coordinator will be filled in FY16

**Police Department
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
POL-1* Police Vehicle Replacement	\$275,000	\$195,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports \$195k for this purpose for FY17

Fire-Rescue

Michael B. Mansfield, Fire Chief

FY17 Budget Request *(Pages 87 – 95)*



Fire Rescue FY17 Budget Summary



	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$6,984,897	\$6,998,718	\$13,821
Expenses:	\$495,700	\$498,338	\$2,638
Sale of Service: (Revenue)	\$1,300,000	\$1,250,000	\$50,000
TOTAL:	\$6,180,597	\$6,247,056	\$66,459

Fire Rescue Personnel Summary



FTEs	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Full- Time:	72.0	72.0	0.0
Part- Time:	0.0	0.0	0.0
TOTAL FTEs:	72.0	72.0	0.0

**Fire Rescue
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
FR-1* Fire Apparatus Replacement – Engine 4	\$575,000	\$575,000

*Source: General Fund Borrowing

TM Comments: Supports the use of \$575K of GFB for this purpose for
FY17

**Fire Rescue
CIP FY17
Town Manager's Recommended Projects**

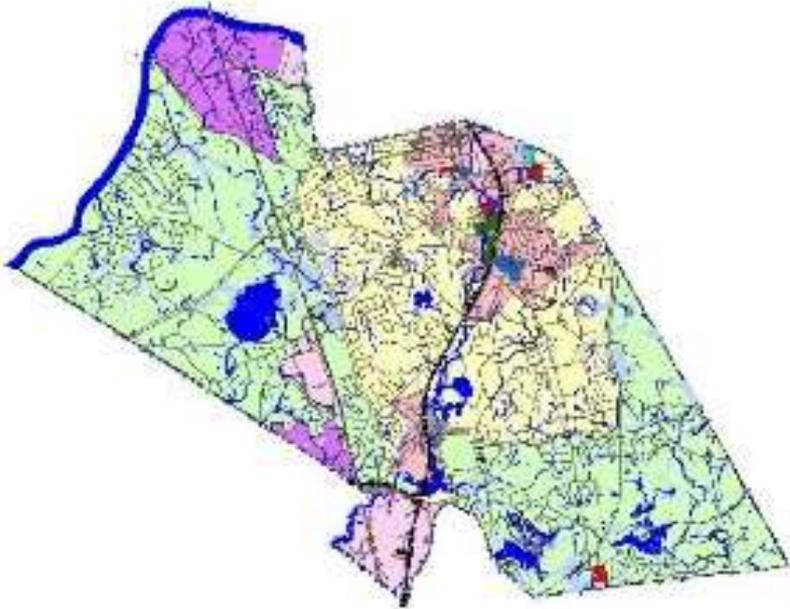
	FY17 Dept. Req.	FY17 TM Rec.
FR-2* Emergency Services Call Box for Shawsheen Fields	\$20,000	\$20,000

*Source: General Fund Revenue (capital Projects Fund)

TM Comments: Supports department's request for FY17

Community Development & Planning

FY17 Budget Request *(Pages 44 – 52)*



Thomas Carbone, Director of
Public Health

Paul Materazzo, Director of
Planning

Robert Douglas, Director of
Conservation

Christopher Clemente, Inspector
of Buildings

Community Development & Planning FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$1,495,275	\$1,517,518	*\$22,243
Expenses:	\$170,270	\$174,495	\$4,225
Salaries: (From Reserve Funds)	(\$25,000)	(\$25,000)	\$0
TOTAL:	\$1,640,545	\$1,667,013	\$26,468

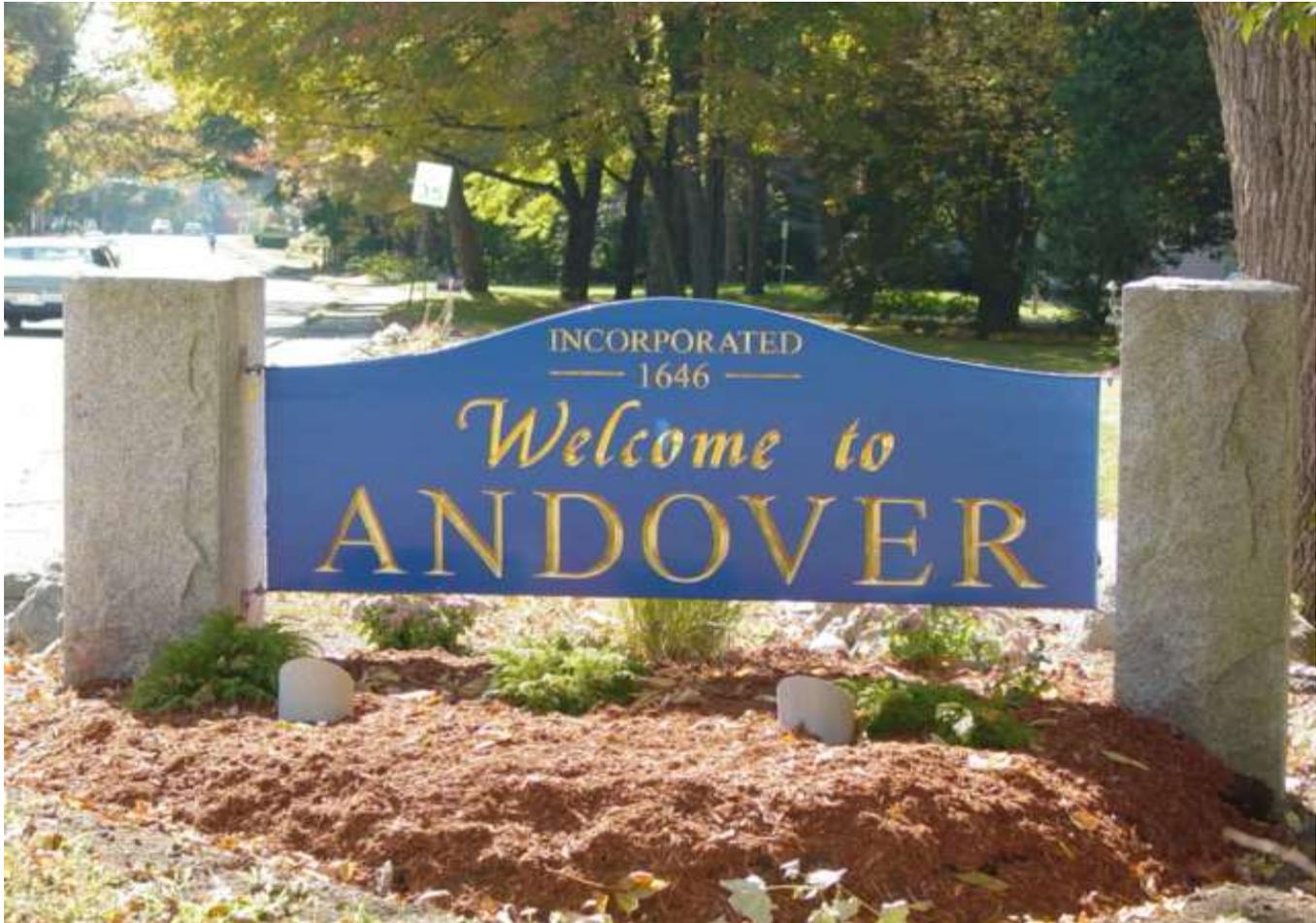
**** Includes combining 2 PT positions into 1 FT Office Asst. position (\$7,478)***

Community Development & Planning Personnel Summary

FTEs	FY16 Approved	FY17 TM's Rec.	FTE +/- FY16 - FY17
Full-Time:	17.0	*18.0	1.0
Part-Time:	2.7	1.7	-1.0
TOTAL:	19.7	19.7	0.0
<i>*Includes combining 2 PT positions into 1 FT Office Asst. position</i>			

General Government

FY17 Budget Request *(Pages 13 – 39)*



General Government

FY17 Operating Budget Summary

	FY16 <u>Budget</u>	FY17 <u>TM Rec.</u>	<i>FY16-FY17 \$ Change</i>
Town Moderator	\$250	\$250	\$0
Board of Selectmen	\$32,650	\$32,650	\$0
Town Manager's Office	\$411,533	\$406,654	(\$4,879)
Town Counsel	\$470,000	\$420,000	(\$50,000)
Commission on Disabilities	\$6,600	\$6,600	\$0
Finance Committee	\$26,900	\$26,900	\$0
Finance Administration	\$284,224	\$302,534	\$18,310
Collector/Treasurer	\$435,331	\$435,981	\$650
Assessing Office	\$397,171	\$378,646	(\$18,525)
Central Purchasing	\$124,795	\$127,524	\$2,729
Central Services	\$100,350	\$103,450	\$3,100
Town Accountant	\$515,886	\$524,703	\$8,817
Town Clerk	\$401,641	\$442,483	\$40,842
Veterans Services	\$212,619	\$213,043	\$424
Patriotic & Civic Celebrations	\$29,216	\$29,216	\$0
Damages to Property	\$2,000	\$2,000	\$0
Employee Benefits	<u>\$791,908</u>	<u>\$842,161</u>	<u>\$50,253</u>
	\$4,243,074	\$4,294,795	\$51,721

General Government Personnel Summary

Office	FY16 Budget Approved	FY17 TM's Budget Rec.	FY16 - FY17 FTE +/-
Town Manager	3	3	0
Town Counsel	0	1	1
Finance Admin.	2	2	0
Collector/Treasurer	5	5	0
Assessing	5	5	0
Central Purchasing	1.6	1.6	0
Town Accountant	6	6	0
Town Clerk	4	4	0
Veterans	1	1	0
TOTAL	27.6	28.6	1

**General Government – Town Clerk
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
TC-1* Election Voting Booths	\$37,000	\$37,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department’s request for FY17

General Government – Finance
CIP FY17
Town Manager's Recommended Projects

	FY17 Dept. Req.	FY17 TM Rec.
FIN-1* MUNIS Software	\$35,000	\$35,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department's request for FY17

**General Government – Town Manager
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
TM-1* New Deyermund Fields Lighting	\$200,000	\$200,000

***Source: Free Cash**

**TM Comments: Supports the use of \$200k of Free Cash for this purpose
for FY17**

**General Government – Town Manager
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
TM-2* Town Yard/Municipal Services Facility Design	\$900,000	\$900,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Recommends request for FY17

**General Government – Town Manager
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
TM-3* Purchase 5 Campanelli Dr. for Municipal Services Facility	\$2,250,000	\$2,250,000

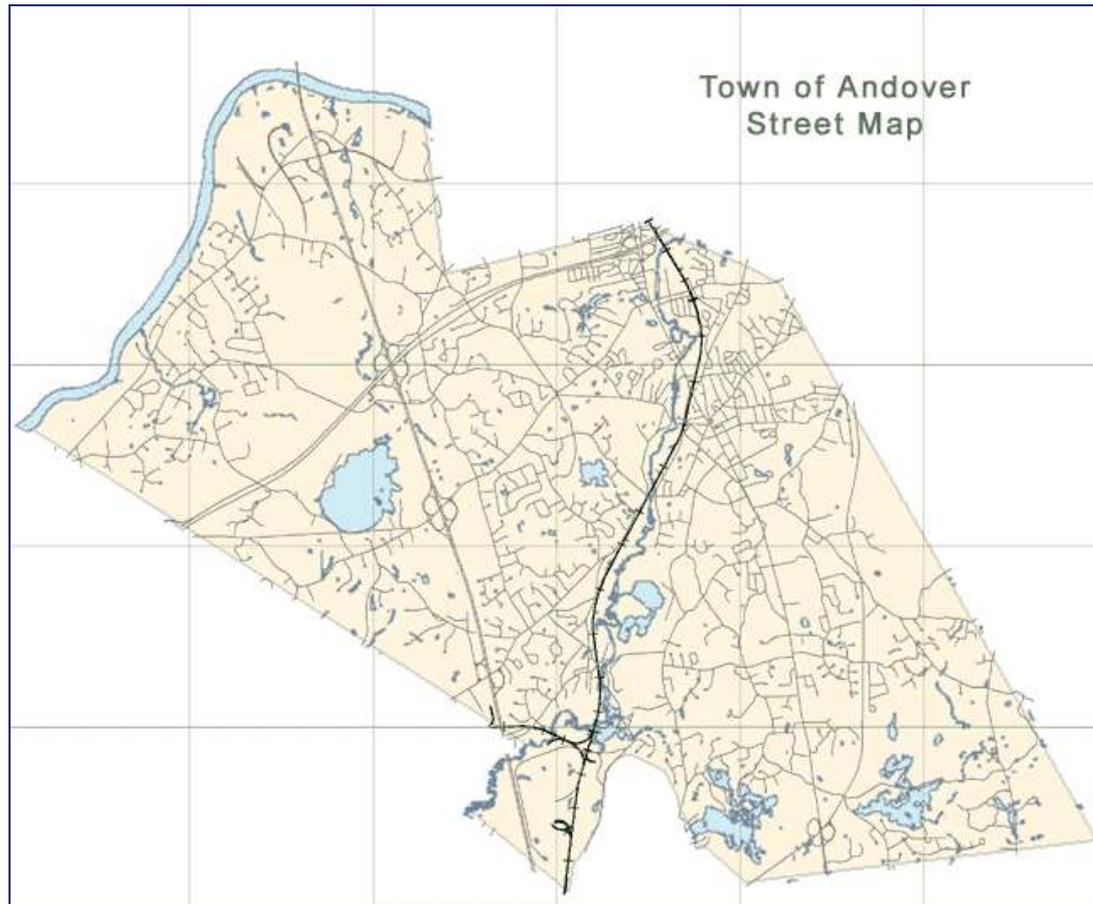
***Source: Free Cash**

**TM Comments: Supports the use of \$2.25m of Free Cash for this purpose
for FY17**

Municipal Services

Christopher M. Cronin, Director

FY17 Budget Request *(Pages 96 – 118)*



Municipal Services

FY17 Budget Summary

	FY16 Budget	FY17 TM's Rec.	FY16-FY17 \$ +/-
Personal Services:	\$5,164,649	\$5,228,929	\$64,280
Expenses:	\$5,668,309	\$5,927,979	\$259,670
Sale of Service: (Revenue)	\$127,000	\$106,000	\$21,000
TOTAL:	\$10,705,958	\$11,050,908	\$344,950

Municipal Services Personnel Summary

FTEs (Gen. Fund Budget)	FTEs FY2016	TM REC FY2017	FY16-17 + / -
PW ADMIN	3.0	3.0	0.0
ENGINEERING	3.0	3.0	0.0
HIGHWAY	15.0	15.0	0.0
FORESTRY	4.0	4.0	0.0
SPRING GROVE CEMETERY	3.0	3.0	0.0
PARKS & GROUNDS	7.0	7.0	0.0
P&F ADMIN	7.6	7.6	0.0
FACILITIES SERVICES	8.9	9.4	+0.5
BUILDING MAINTENANCE	6.5	6.5	0.0
MECHANICAL/ELECTRICAL	9.0	9.0	0.0
VEHICLE MAINTENANCE	4.0	4.0	0.0
TOTAL FTEs	71.0	71.5	+0.5

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-1* Major Annual Road Maintenance (CH.90)	\$1,389,000	\$1,389,000

***Source: Special Dedicated Funds**

TM Comments: Supports department's request from Ch. 90 funding

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-2* Minor Sidewalk Repairs	\$100,000	\$100,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department's request for FY17

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-5* Drainage Infrastructure Inspection	\$50,000	\$50,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department's request for FY17

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-7a* Public Works Vehicles - Small	\$288,000	\$100,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports \$100k for this purpose for FY17

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-7b* Public Works Vehicles – Large	\$350,000	\$350,000

***Source: General Fund Borrowing**

**TM Comments: Supports the use of \$350k of GFB for this purpose for
FY17**

**Municipal Services – Public Works
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-28* Spring Grove Cemetery Improvements	\$20,000	\$20,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department's request for FY17

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-1* Town Projects - Buildings	\$275,000	\$275,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department’s request for FY17

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-2* Town Projects – Mechanical & Electrical	\$170,000	\$170,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department’s request for FY17

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-4a* Town Vehicle Replacement	\$78,000	\$78,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department’s request for FY17

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-6* Major Town Projects	\$750,000	\$700,000

***Source: General Fund Borrowing**

**TM Comments: Supports \$700k of GF Borrowing for this purpose for
FY17**

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-7* Town & School Energy Initiatives	\$487,500	\$400,000

***Source: Free Cash**

**TM Comments: Supports the use of \$400k of Free Cash for this purpose
for FY17**

**Municipal Services – Plant & Facilities
CIP FY17
Town Manager’s Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
P&F-9* Time Keeping System – Town & School	\$80,000	\$80,000

***Source: General Fund Revenue (Capital Projects Fund)**

TM Comments: Supports department’s request for FY17

**Municipal Services – Water & Sewer
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-12* Water & Sewer Vehicles (WER)	\$207,500	\$33,000

***Source: Water & Sewer Enterprise Funds**

**TM Comments: Supports the use of \$33k from WER for this purpose for
FY17**

**Municipal Services – Water & Sewer
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-14* Water Main Replacement Projects (WEB&R)	\$1,500,000	\$1,500,000

***Source: Water & Sewer Enterprise Funds**

TM Comments: Supports the use of \$1.5m for this purpose for FY17

**Municipal Services – Water & Sewer
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-18* Water Main Treatment GAC Replacement (WER)	\$250,000	\$250,000

***Source: Water & Sewer Enterprise Funds**

TM Comments: Supports department's request for FY17

**Municipal Services – Water & Sewer
CIP FY17
Town Manager's Recommended Projects**

	FY17 Dept. Req.	FY17 TM Rec.
DPW-20* Water Storage Tanks Rehabilitation (WEB)	\$1,450,000	\$1,450,000

***Source: Water & Sewer Enterprise Funds**

TM Comments: Supports department's request for FY17

Municipal Services – Water & Sewer CIP FY17 Town Manager's Recommended Projects

	FY17 Dept. Req.	FY17 TM Rec.
DPW-26* WTP Window Replacement (WER)	\$80,000	\$80,000

*Source: Water & Sewer Enterprise Funds

TM Comments: Supports department's request for FY17