Town of Billerica Budget Presentation Fiscal Year 2016

John C. Curran
Town Manager

FY 2016 Budget Presentation
Budget 101

The Salary Accounts are self explanatory:

- Personnel
- Permanent Part Time
- Overtime

The Salary accounts make up a significant portion of the budget –Municipal Government is a service Industry.

FY 2016 Budget Presentation
Budget 101

Other Common Accounts:

- Contractual Obligations
- Contract Services/Leases
- Supplies & Expenses
- Capital Outlay

FY 2016 Budget Presentation
Budget 101

Contractual Obligations – *This is Salary Account* used for Contract negotiated benefits.

Contract Services/Leases– *This is an expense account* used for items or expenses that require a Contract.

FY 2016 Budget Presentation
Budget 101

Supplies & Expenses – These accounts are used for annual expenses that are not contracted for the year.

Capital Outlay – These are smaller capital outlays such as Police Cruisers. Most capital outlays will be handled through the capital line item.

FY 2016 Budget Presentation
Budget 101

Snow and Sand

Why is this appropriation so low and why does it never change?

- If you appropriate less – you cannot raise any deficit in the following year.
- If you appropriate too high – you cut into other budgetary needs and transfers are very restrictive.

FY 2016 Budget Highlights

- The budget has increased by 3.97%
- The Town side of the budget meets the Selectmen's goal of a guideline of 2.00%
- Fixed Expenses increased by 7.64%
- BPS increased by 2.14%
- Shawsheen Tech increased by 11.57%
- The Budget is funded exclusively by reoccurring revenue sources.

FY 2016 Budget Highlights

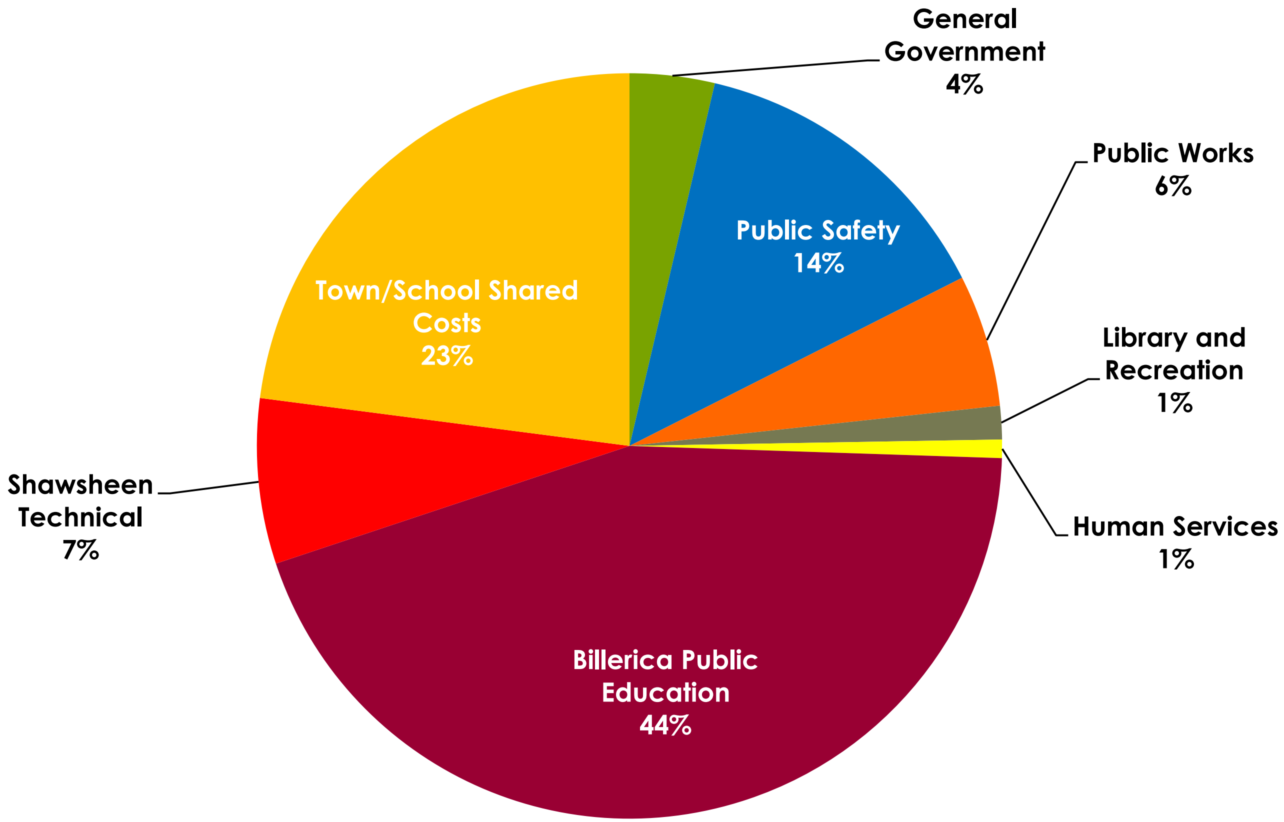
The Town Manager and the Board of Selectmen recommend the adoption of the Finance Committee's Budget at $143,190,651.

FY 2016 Budget Summary

SUMMARY	FY2014 BUDGET	FY2015 BUDGET	FY2016 BUDGET	$ INC/DEC	% INC/DEC
General Government	$ 4,710,287	$ 4,911,872	$ 4,915,694	$ 3,822	0.08%
Public Safety	16,972,582	17,298,482	17,893,763	595,281	3.44%
Public Works	13,757,284	14,110,282	14,162,029	51,747	0.37%
Library and Recreation	1,747,601	1,814,045	1,870,704	56,659	3.12%
Human Services	963,054	967,259	1,026,652	59,393	6.14%
	38,150,808	39,101,940	39,868,842	766,902	1.96%
Billerica Public Education	54,191,260	56,041,260	57,241,260	1,200,000	2.14%
Shawsheen Technical	7,703,613	8,289,987	9,249,000	959,013	11.57%
Town/School Shared Costs	34,299,501	34,215,887	36,831,549	2,615,662	7.64%
TOTAL	**$ 134,345,182**	**$ 137,649,074**	**$ 143,190,651**	**$ 5,541,577**	**4.03%** *
Revenue Offsets (Ambulance and Veterans)			**$ (73,750)**		
Net Budget Impact	**$ 134,345,182**	**$ 137,649,074**	**$ 143,116,901**	**$ 5,467,827**	**3.97%**
Accounting For Debt Stabilization	**$ 135,253,999**	**$ 137,649,074**	**143,303,448.00**	**$ 5,654,374**	**4.11%**

Source: Billerica Budget Documents

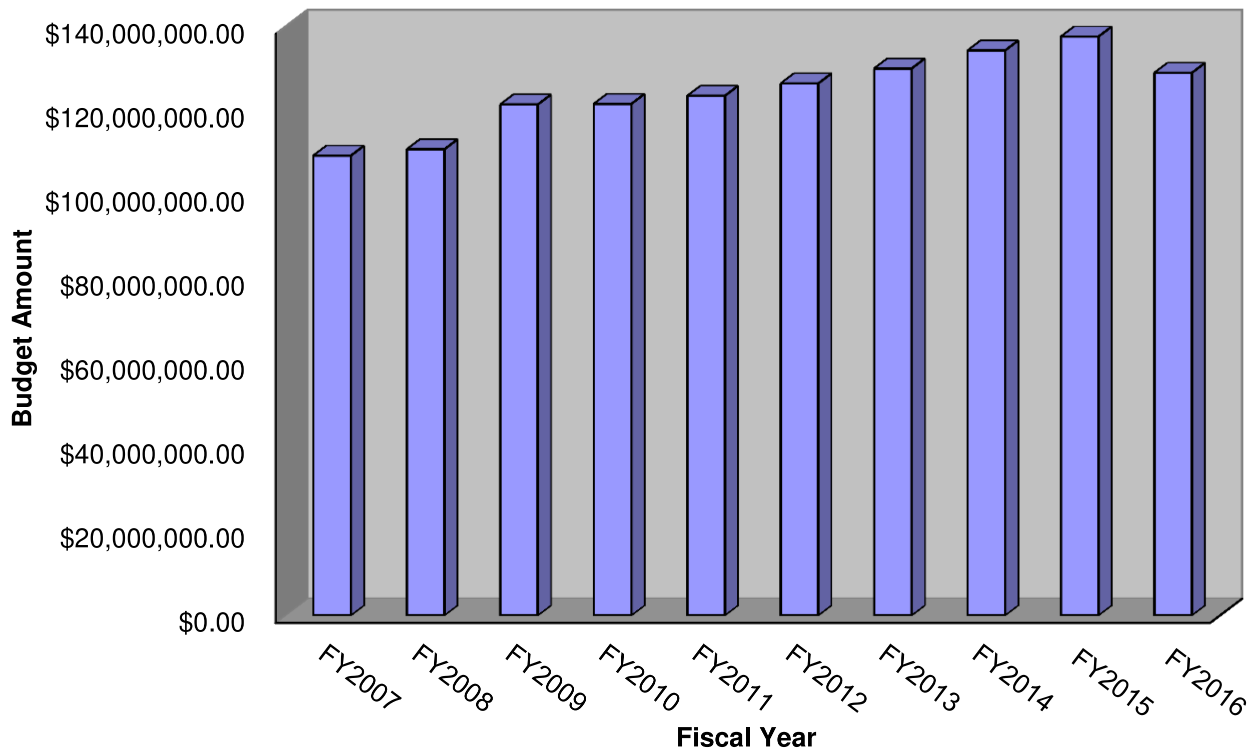
FY 2016 Allocation of Resources



Source: Billerica Budget Documents

FY 2016 Budget History

How does this compare with previous budgets?



Between FY2008 – 2009 Contractual obligations, 5 Million plus in schools, and shared costs in Health and pension over $2.2 Million. FY2016 is lower due to creation of Water and Sewer Enterprise Funds

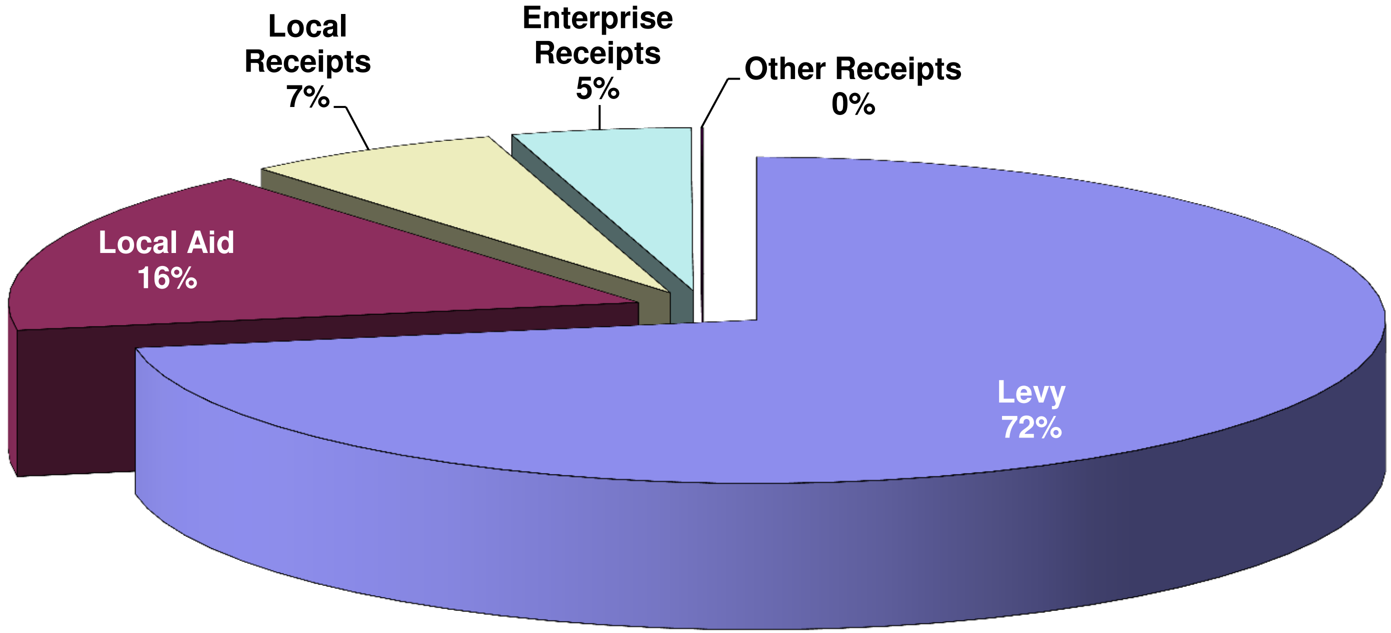
Source: Billerica Budget Documents

FY 2016 Budget Presentation

The Town Revenues have five categories

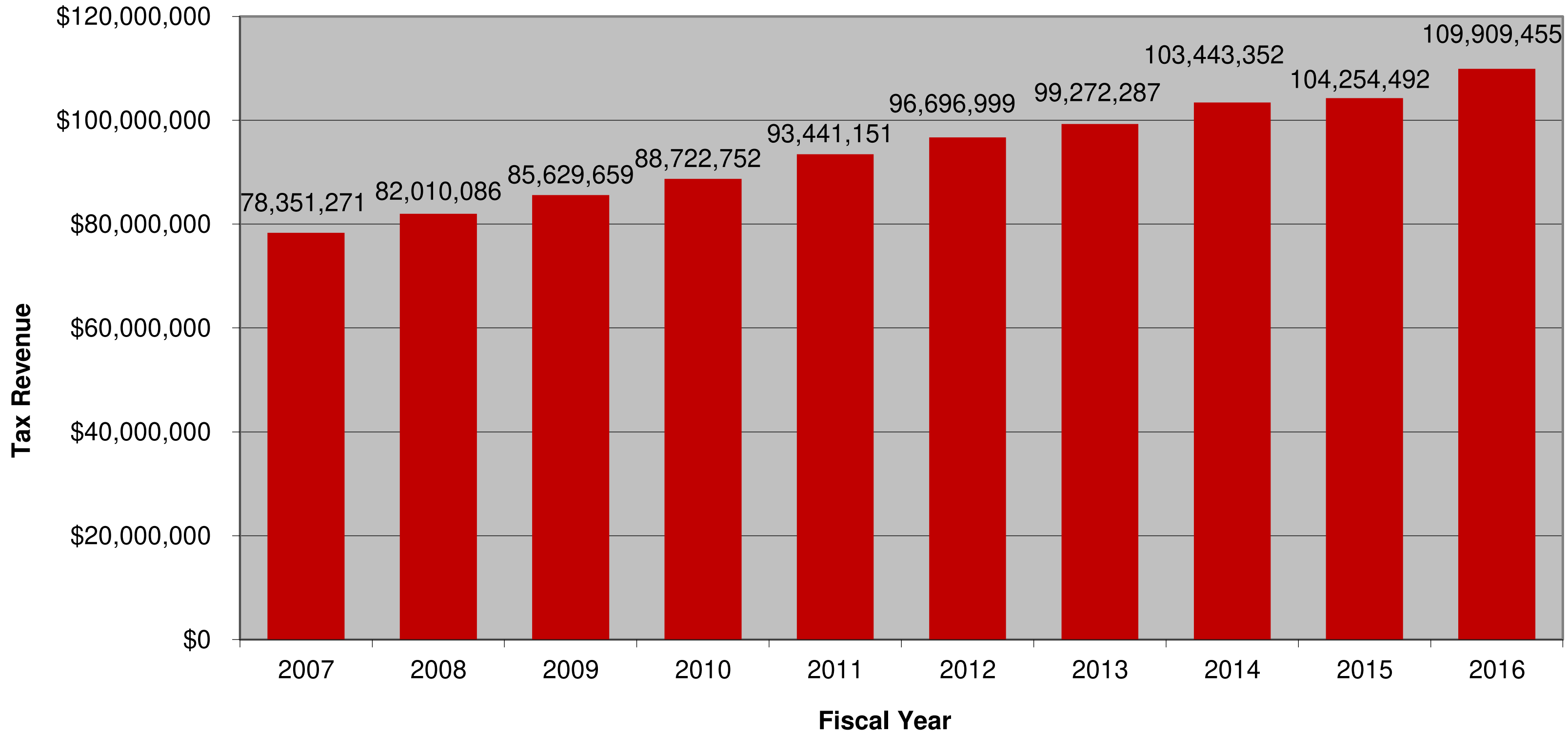
1. Real Estate Taxes.
2. Local Aid.
3. Local Receipts
4. Enterprise Funds
5. Other Available Funds

FY 2016 Revenue Analysis



Source: Billerica Budget Documents

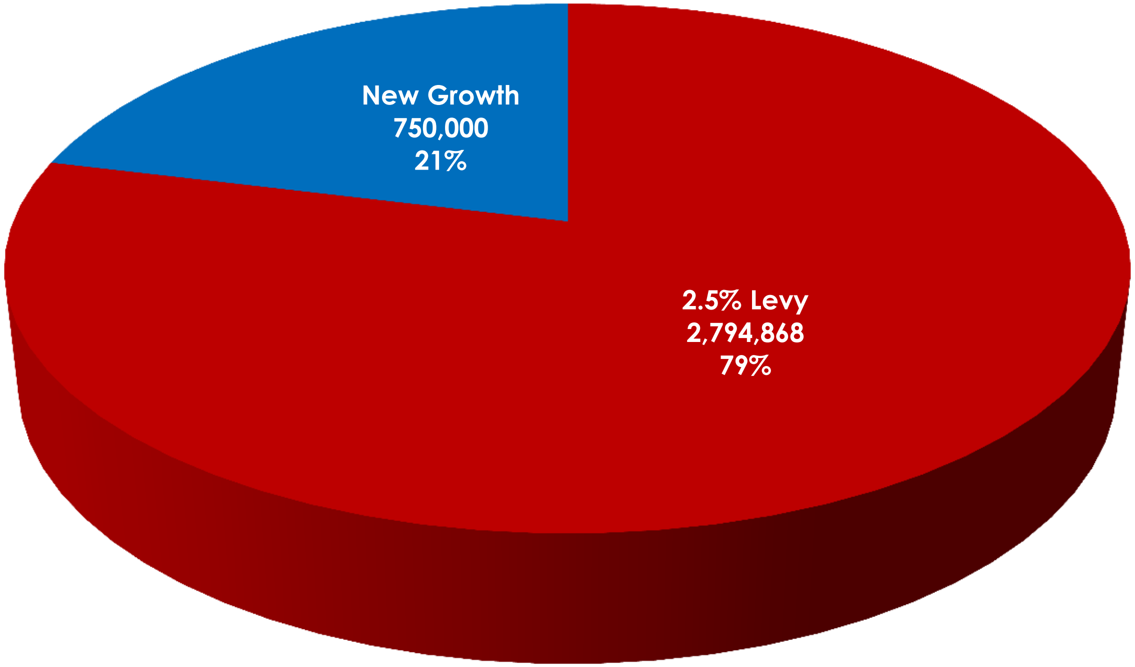
Historical Tax Revenue Trends



Total Projected FY2016 Tax Revenues: $109,909,455

Source: Billerica Budget Documents

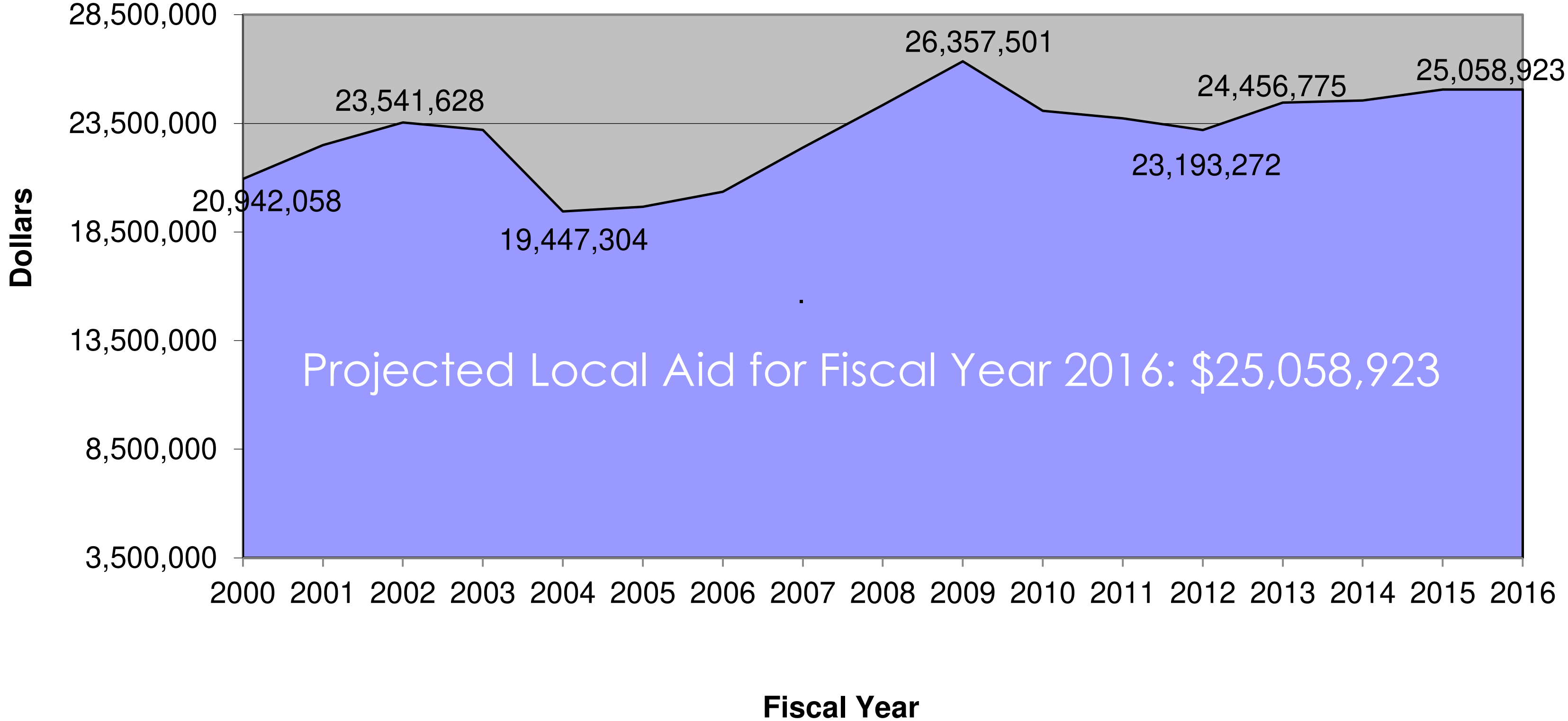
Tax Revenue Increase



Total New Tax Revenue for FY2016: $3,544,868

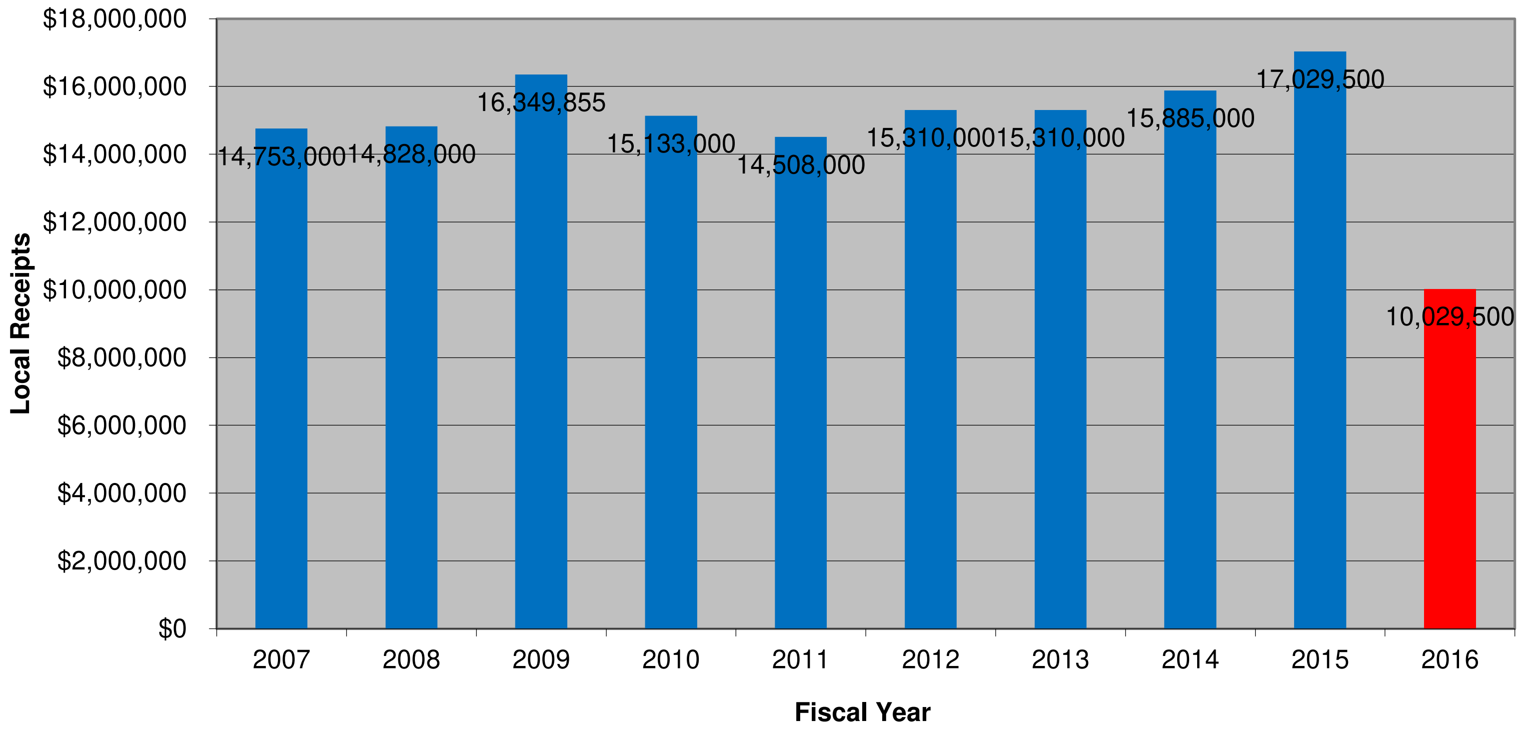
Source: Billerica Budget Documents

Local Aid



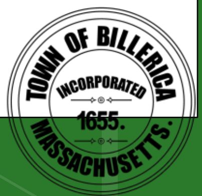
Source: Billerica Budget Documents

Local Receipts



The Local Receipts for FY2016 decreased by $7 million. This was caused by the reallocation of the water and sewer fees to the new Enterprise Funds

Source: Billerica Budget Documents



Fiscal Year 2016 Revenue Summary

Levy	$	109,909,455	72%
Local Aid		25,058,923	16%
Local Receipts		10,029,500	7%
Enterprise Receipts		7,000,000	5%
Other Receipts		83,594	0%
Total Projected Revenue	**$**	**152,081,472**	100%

Source: Billerica Budget Documents

Fiscal Year 2016 Budget Presentation

The Budget Picture

Fiscal Year 2016 Major Budget Changes

Department	Reason	Change
123 - Town Manager	Economic Development Consultant/Substance	$ 5,471.00
125 - Systems Admin.	Discontinued Munis Modules	(21,821)
131 - Finance Committee	Split Reserves b/w three funds	(166,000)
192 - Town Hall	Utility Savings - net metering	(17,500)
910 - Town Wide Systems	Utility Savings - net metering/Legal Contract	(32,500)
210 - Police Department	One less vehicle/fuel savings plus contracts	75,529
220 - Fire Department	Delayed hiring/ 3 vacancies	273,773
231 - Ambulance	Four new hires/ 2 24/7 ambulances	165,627
433 - Solid Waste	Fuel Costs	(99,776)
441 - Sewer Department	Removed	(2,984,899)
450 - Water Division	Removed	(3,752,362)
543 - Veterans Services	Demand for Services	48,849
Total Town Major Changes		**$(6,505,609)**

Source: Billerica Budget Documents

Fiscal Year 2016 Town Side Minor Contractual Changes

Department	Change
122 - Board of Selectmen	3,481
141 - Assessor	(1,801)
135 - Town Accountant	7,051
145 - Treasurer/Collector	31,291
161 - Town Clerk	5,273
162 - Election Department	5,277
163 - Board of Registrars	1,770
171 - Conservation Commission	11,647
175 - Planning Board	5,155
176 - Board of Appeals	1,029
241 - Building Department	9,203
244 - Sealer Weights and Measures	-
291 - Emergency Management	466
292 - Animal Control	6,940
510 - Board of Health	10,742
421 - Public Works Administration	27,621
422 - Highway Department	43,810
410 - Engineering	23,618
491 - Cemetery Parks/Trees	23,258
610 - Public Library	43,908
630 - Recreation Department	12,751
541 - Council on Aging	10,544
Total Town Minor/Contractual Changes	**$ 283,034**
Total Town Changes	**$ (6,222,575)**

Source: Billerica Budget Documents

TOWN OF BILLERICA INCORPORATED 1655. MASSACHUSETTS.

Fiscal Year 2016 Budget Changes Summary

Education Changes

Education	$	1,200,000
Shawsheen		959,013
Total Education Changes		**2,159,013**

Town/School Shared Cost Changes

Capital		(100,000)
Health Care		500,000
Debt		(5,738,935)
Worker's Comp		50,000
Medicare		18,500
Retirement		663,286
OPEB		-
Total Town/School Shared Cost Changes	**$**	**(4,607,149)**
Total Budget Changes	**$**	**(8,670,711)**

Source: Billerica Budget Documents

TOWN OF BILLERICA INCORPORATED 1655. MASSACHUSETTS.

Fiscal Year 2016 Old Budget Breakdown

SUMMARY	FY2014 BUDGET	FY2015 BUDGET	FY2016 BUDGET	$ INC/DEC	% INC/DEC
General Government	$ 4,710,287	$ 4,911,872	$ 4,915,694	$ 3,822	0.08%
Public Safety	16,972,582	17,298,482	17,893,763	595,281	3.44%
Public Works	13,757,284	14,110,282	14,162,029	51,747	0.37%
Library and Recreation	1,747,601	1,814,045	1,870,704	56,659	3.12%
Human Services	963,054	967,259	1,026,652	59,393	6.14%
	38,150,808	39,101,940	39,868,842	766,902	1.96%
Billerica Public Education	54,191,260	56,041,260	57,241,260	1,200,000	2.14%
Shawsheen Technical	7,703,613	8,289,987	9,225,999	936,012	11.29%
Town/School Shared Costs	34,299,501	34,215,887	36,831,549	2,615,662	7.64%
TOTAL	**$ 134,345,182**	**$ 137,649,074**	**$ 143,167,650**	**$ 5,518,576**	**4.01%**
Revenue Offsets (Ambulance and Veterans)			**$ (73,750)**		
Net Budget Impact	**$ 134,345,182**	**$ 137,649,074**	**$ 143,093,900**	**$ 5,444,826**	**3.96%**
Accounting For Debt Stabilization	**$ 135,253,999**	**$ 137,649,074**	**143,280,447.00**	**$ 5,631,373**	**4.09%**

Includes two enterprise budgets for apples to apples comparison.

Source: Billerica Budget Documents

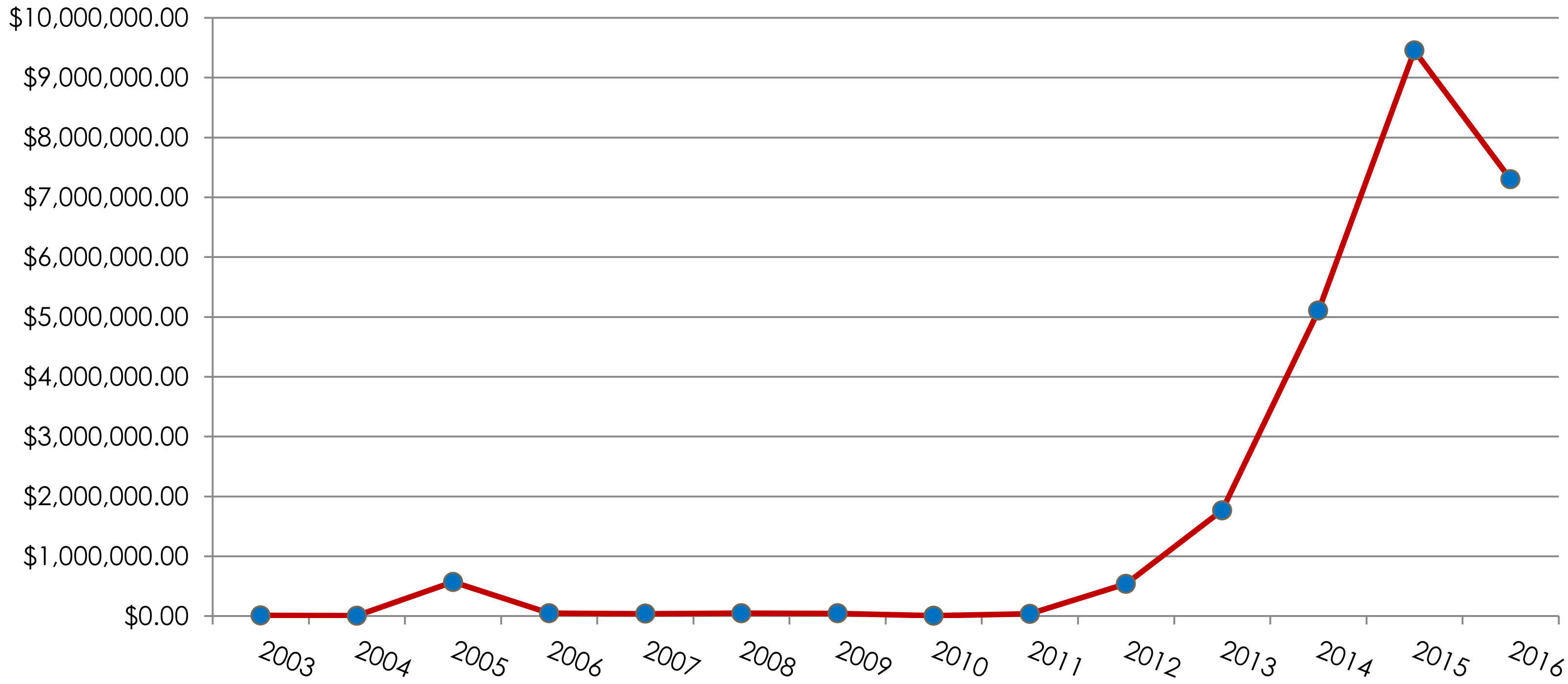
TOWN OF BILLERICA INCORPORATED 1655. MASSACHUSETTS.

Fiscal Year 2016 New Budget Breakdown

SUMMARY		FY2014 BUDGET		FY2015 BUDGET		FY2016 BUDGET		$ INC/DEC	% INC/DEC
General Government	$	4,710,287	$	4,911,872	$	4,749,969	$	(161,903)	-3.30%
Public Safety		16,972,582		17,298,482		17,893,763		595,281	3.44%
Public Works		13,757,284		14,110,282		7,391,552		(6,718,730)	-47.62%
Library and Recreation		1,747,601		1,814,045		1,870,704		56,659	3.12%
Human Services		963,054		967,259		1,026,652		59,393	6.14%
		38,150,808		39,101,940		32,932,640		(6,169,300)	-15.78%
Billerica Public Education		54,191,260		56,041,260		57,241,260		1,200,000	2.14%
Shawsheen Technical		7,703,613		8,289,987		9,225,999		936,012	11.29%
Town/School Shared Costs		34,299,501		34,215,887		29,608,738		(4,607,149)	-13.46%
TOTAL	**$**	**134,345,182**	**$**	**137,649,074**	**$**	**129,008,637**	**$**	**(8,640,437)**	**-6.28%**
Net Budget Impact	**$**	**134,345,182**	**$**	**137,649,074**	**$**	**129,008,637**	**$**	**(8,640,437)**	**-6.28%**
Accounting For Debt Stabilization	**$**	**135,253,999**	**$**	**137,649,074**		**129,121,434.00**	**$**	**(8,527,640)**	**-6.20%**

Source: Billerica Budget Documents

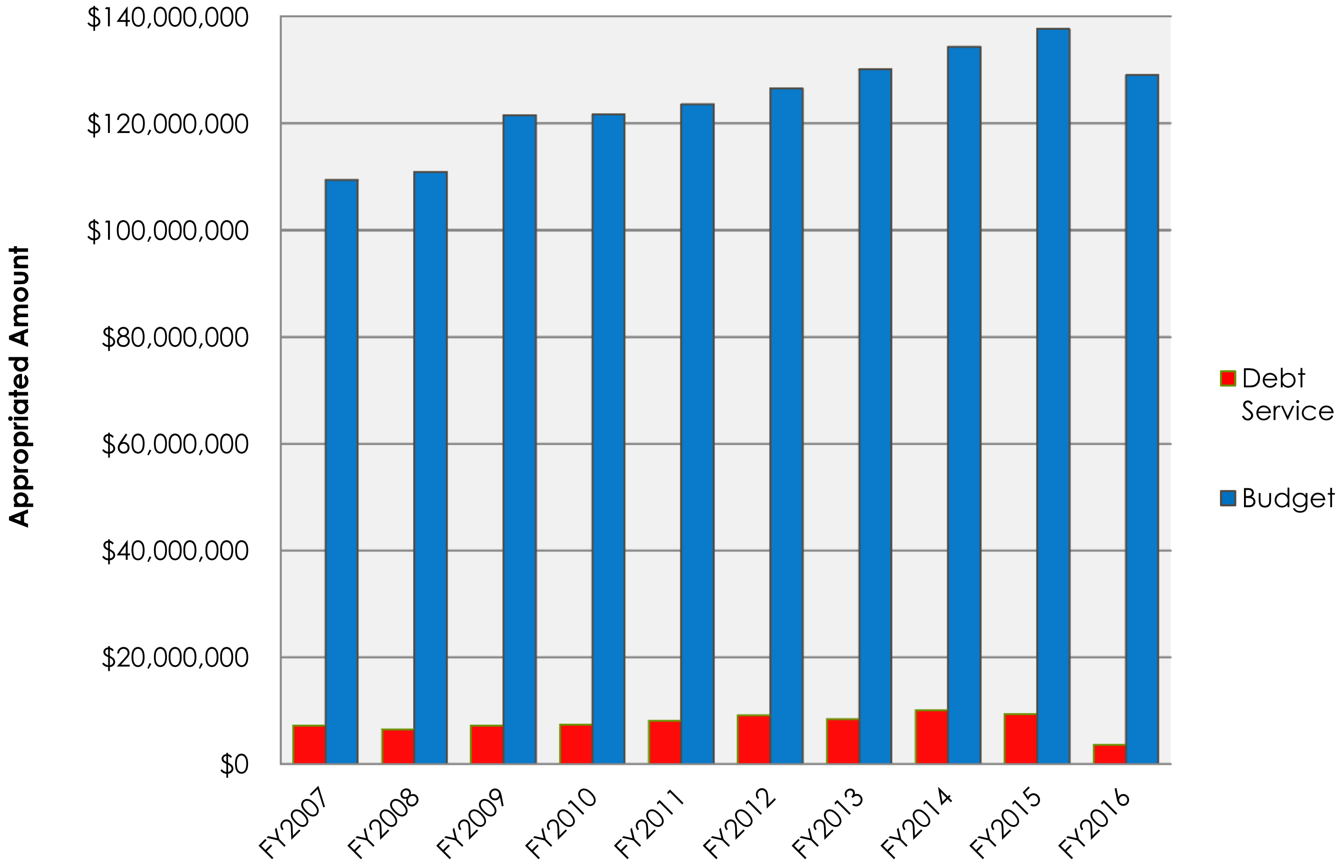
Fiscal Year 2016 Budget Analysis
Excess Levy Capacity



Source: Town of Billerica Budget Documents

TOWN OF BILLERICA INCORPORATED 1655. MASSACHUSETTS.

Fiscal Year 2016 Debt Service Analysis

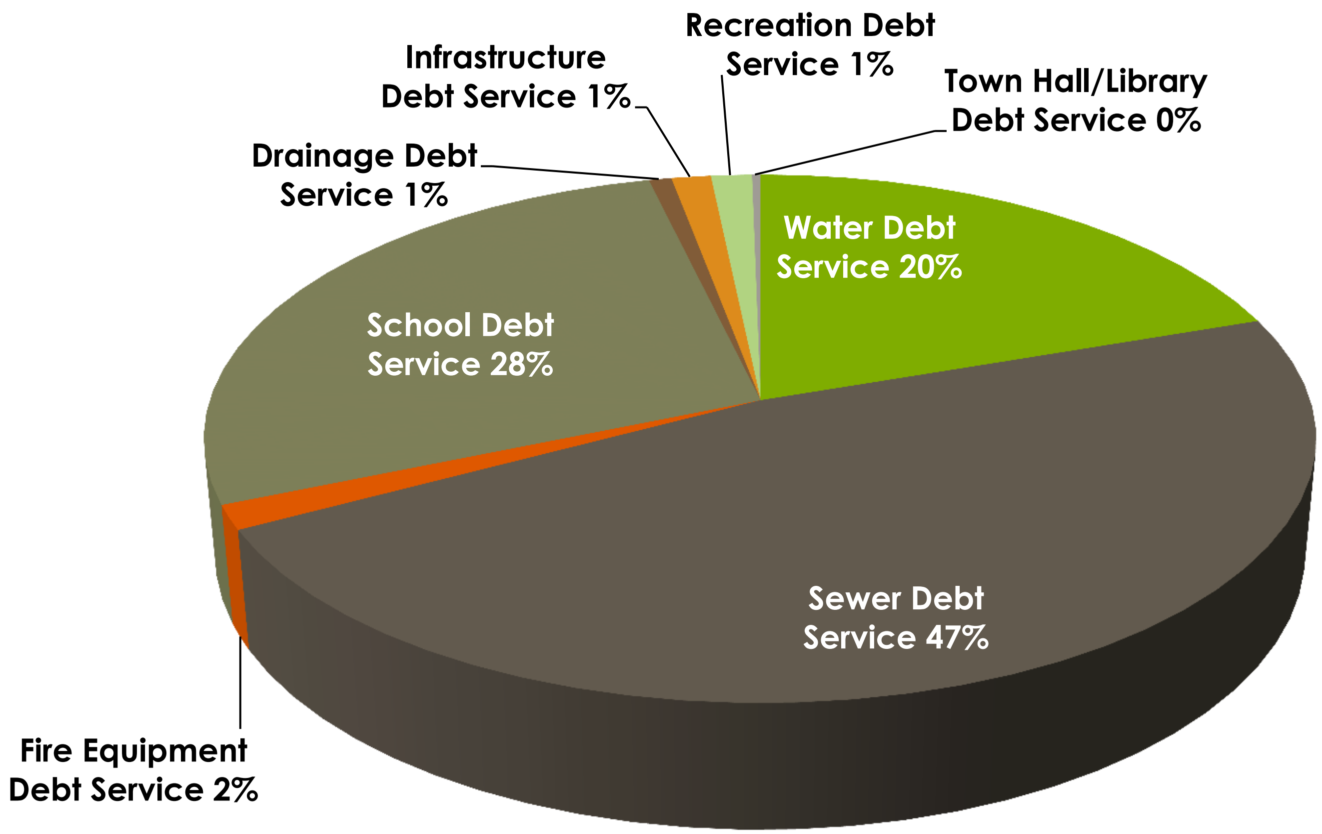


The Town's debt service is currently at 3% of the annual budget. Over the past ten years it has fluctuated between 6-8%. This number should not exceed 10% of the budget. It has decreased this year due to debt being moved to the Enterprise Funds

Source: Billerica Budget Documents

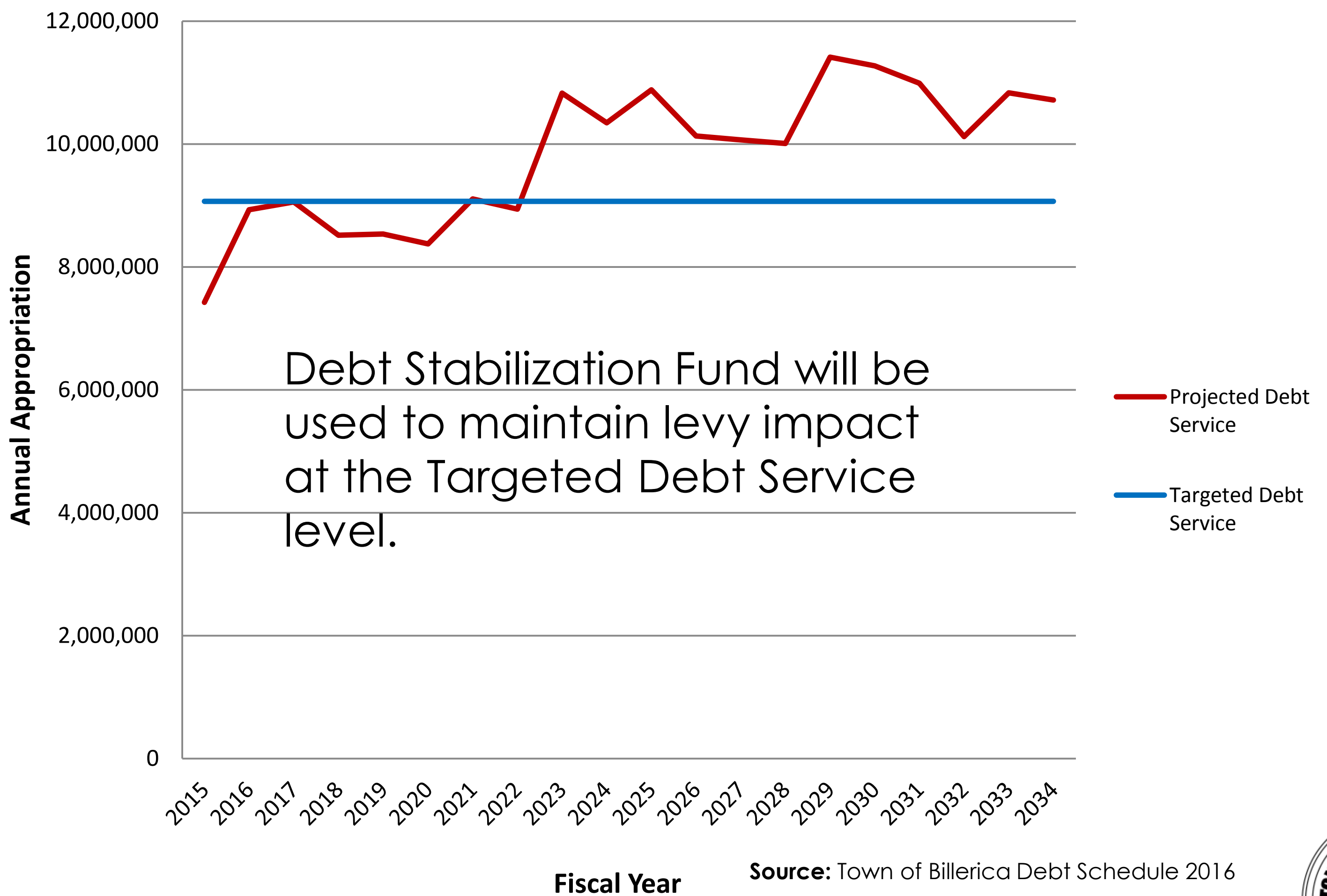
Fiscal Year 2016 Debt Service Breakdown

Source: Town of Billerica Debt Schedule 2016



Total Long Term Debt Service: $10,238,173

Fiscal Year 2016 Projected Debt Service Schedule



Source: Town of Billerica Debt Schedule 2016

Fiscal Year 2016 FTE's

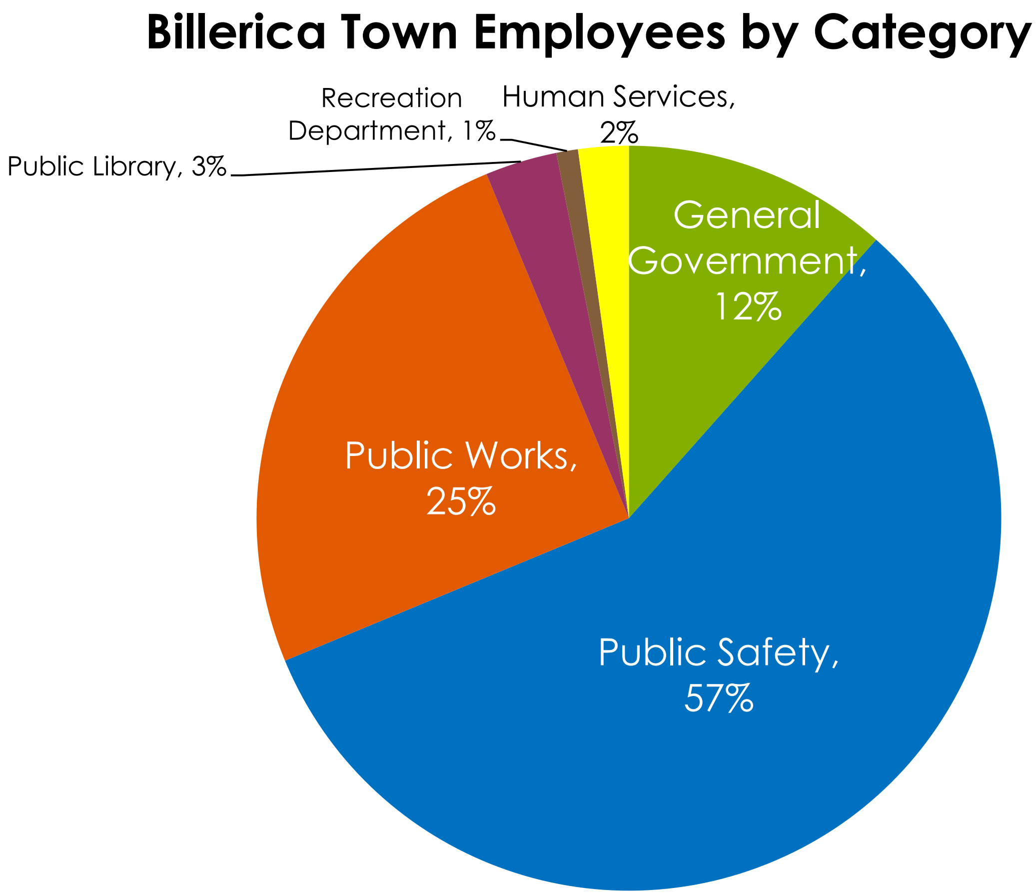
Town of Billerica
Number of FTEs

	School	Town	Total
2015	741.00	322.00	1,063.00
2016	741.00	320.00	1,061.00
Total	1,482.00	642.00	2,124.00

Billerica Town Employees by Category
Fiscal Year 2016

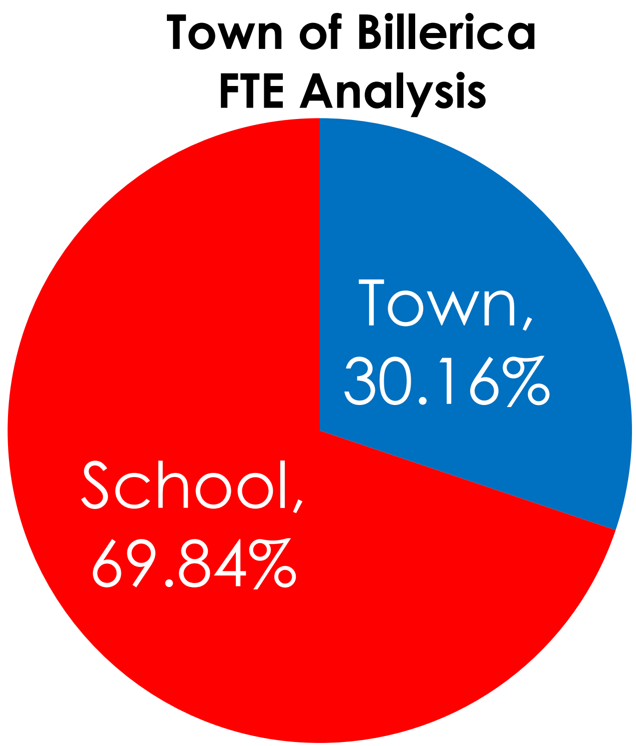
	FTEs	Percentage
General Government	37	12%
Public Safety	183	57%
Public Works	80	25%
Public Library	10	3%
Recreation Department	3	1%
Human Services	7	2%
Total	320	100%

Fiscal Year 2016 FTE's



Source: FY2016 Billerica Budget Documents

Fiscal Year 2016 FTE's



FY2016 Total
Full Time
Employees: 1,061

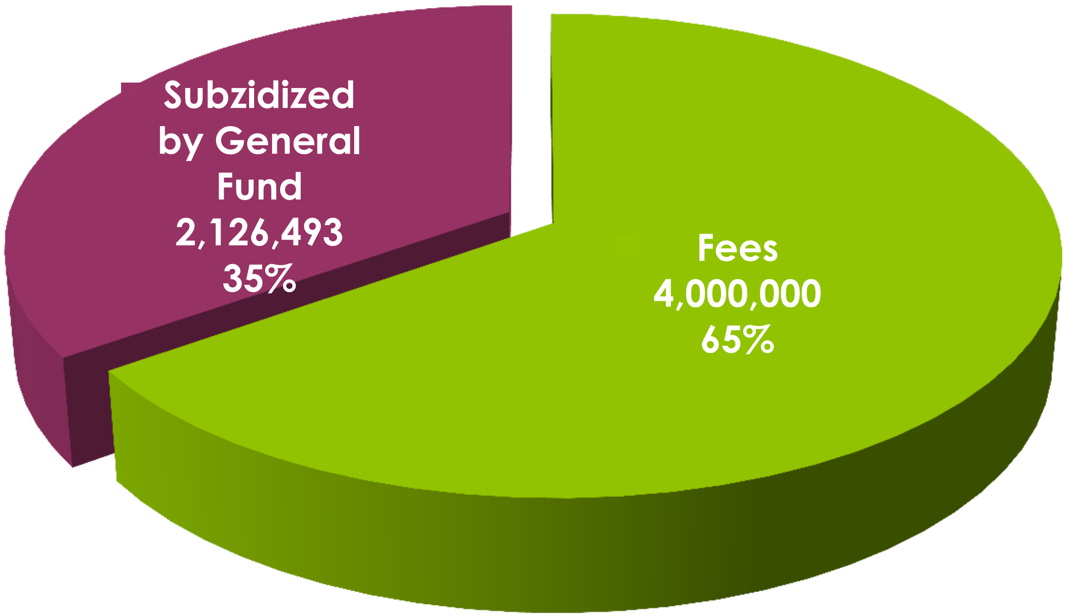
Source: FY2016 Billerica Budget Documents

Fiscal Year 2016
Water and Sewer Enterprise
Budget Analysis

	Water	Sewer
Operations Budget	3,863,198	3,073,279
Debt Service	2,263,295	4,959,516
Total Costs	6,126,493	8,032,795
Fees	4,000,000	3,000,000
Subzidized by General Fund	2,126,493	5,032,795
Total Revenues	6,126,493	8,032,795

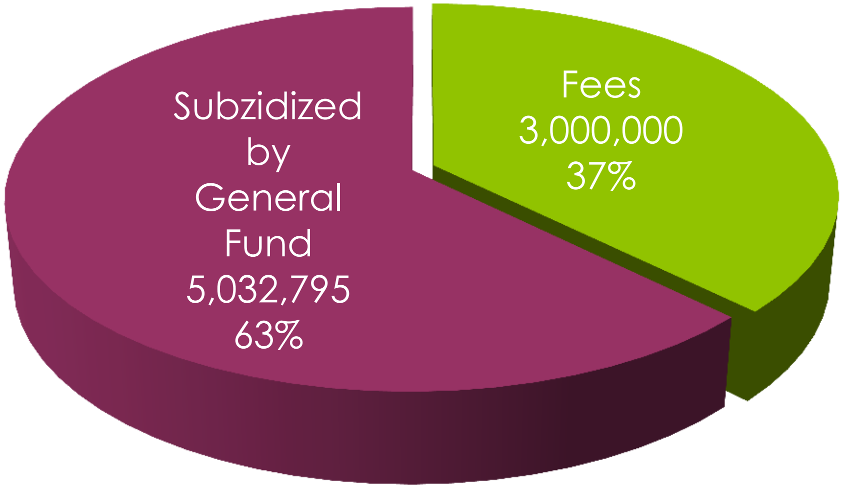
Source: Billerica Budget Documents

Fiscal Year 2016
Water Enterprise
Revenue Resources



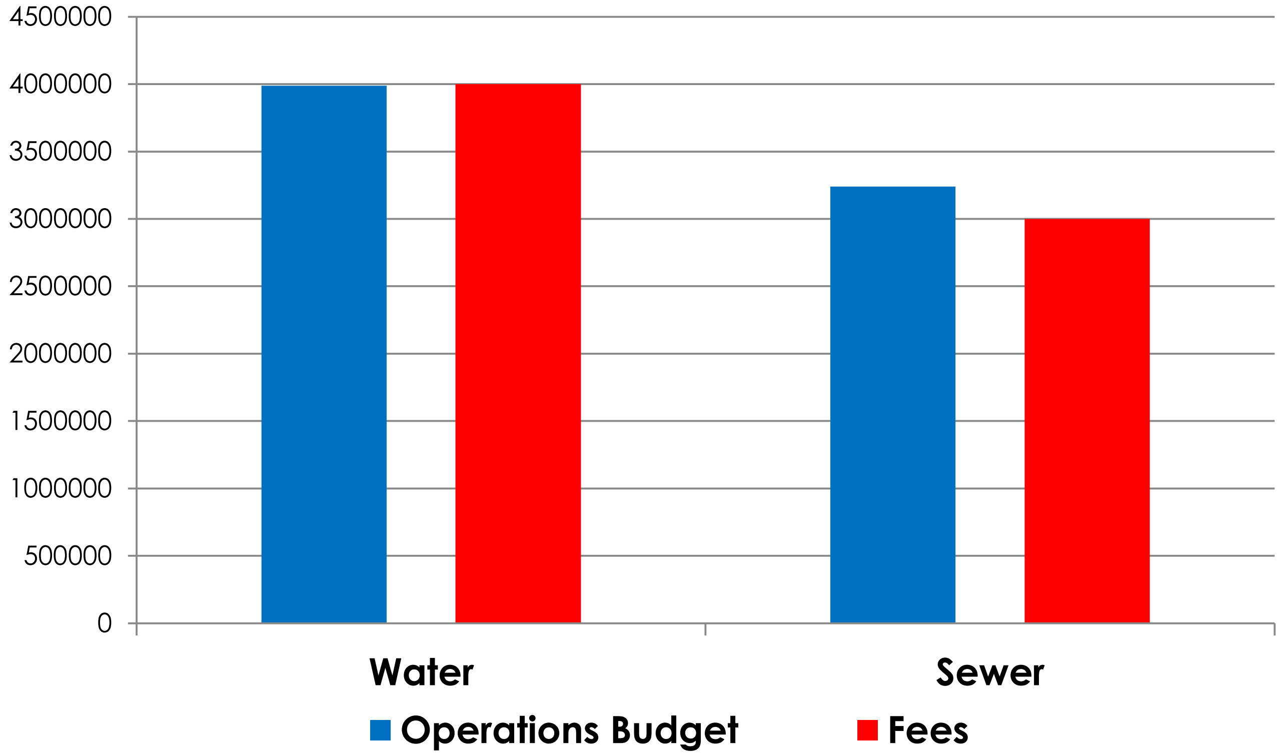
Source: Billerica Budget Documents

Fiscal Year 2016
Sewer Enterprise
Revenue Resources



Source: Billerica Budget Documents

Fiscal Year 2016 Water and Sewer Enterprise Operations Costs vs. Water and Sewer Fees



Source: Billerica Budget Documents

Fiscal Year 2016 Water Enterprise Budget

FY2016	FY2012 EXPENDED	FY2013 EXPENDED	FY2014 EXPENDED	FY2015 BUDGETED	FY2016 DEPT REQ	FY2016 TM REC	FY2016 FIN COM REC
Personnel Services							
Full Time	$ 1,091,129	$ 1,064,788	$ 1,122,563	$ 1,153,037	$ 1,255,396	$ 1,255,396	$ 1,255,396
Part Time/Seasonal	$ 47,040	$ 84,175	$ 85,827	$ 87,286	$ 92,628	$ 92,628	$ 92,628
Seasonal	$ 15,120	$ -	$ 9,720	$ -	$ -	$ -	$ -
Flushing/Inspection	$ 27,450	$ 83,202	$ 159,450	$ 159,450	$ 159,450	$ 159,450	$ 159,450
Overtime	$ 297,000	$ 291,926	$ 316,706	$ 317,000	$ 297,000	$ 297,000	$ 297,000
Contractual Obligations	$ 53,409	$ 55,169	$ 56,309	$ 86,826	$ 56,959	$ 56,959	$ 56,959
Total	$ 1,531,148	$ 1,579,260	$ 1,750,576	$ 1,803,598	$ 1,861,434	$ 1,861,434	$ 1,861,434
Expenses							
Supplies and Expenses	$ 1,250,737	$ 1,027,755	$ 898,389	$ 983,109	$ 983,109	$ 983,109	$ 983,109
Contract Services/Leases	$ 253,669	$ 246,885	$ 299,886	$ 342,655	$ 369,635	$ 342,655	$ 342,655
Utilities	$ 546,801	$ 568,921	$ 614,112	$ 623,000	$ 593,000	$ 593,000	$ 593,000
Capital Outlay		$ -	$ -	$ -	$ -	$ -	$ -
Reserve					$ 83,000	$ 83,000	$ 83,000
Total Expenses	$ 2,051,207	$ 1,843,561	$ 1,812,387	$ 1,948,764	$ 2,028,744	$ 2,001,764	$ 2,001,764
Debt Service							
Short - Term Interest					$ 25,000	$ 25,000	$ 25,000
Long - Term Principal					$ 1,839,585	$ 1,839,585	$ 1,839,585
Long - Term Interest					$ 398,710	$ 398,710	$ 398,710
Total Debt Service	$ -	$ -	$ -	$ -	$ 2,263,295	$ 2,263,295	$ 2,263,295
TOTAL BUDGET	**$ 3,582,355**	**$ 3,422,821**	**$ 3,562,963**	**$ 3,752,362**	**$ 6,153,473**	**$ 6,126,493**	**$ 6,126,493**

Source: Billerica Budget Documents

Fiscal Year 2016 Sewer Enterprise Budget

FY2016	FY2012 EXPENDED	FY2013 EXPENDED	FY2014 EXPENDED	FY2015 BUDGETED	FY2016 DEPT REQ	FY2016 TM REC	FY2016 FIN COM REC
Personnel Services							
Full Time	$ 1,076,670	$ 1,081,089	$ 1,023,073	$ 1,099,460	$ 1,037,299	$ 1,037,299	$ 1,037,299
Part Time/Seasonal	$ 11,156	$ 128,758	$ 11,974	$ -	$ -	$ -	$ -
Overtime	$ 124,430	$ 10,129	$ 150,510	$ 70,000	$ 90,000	$ 90,000	$ 90,000
Contractual Obligations	$ 50,506	$ 49,397	$ 109,952	$ 78,639	$ 50,380	$ 50,380	$ 50,380
Total	$ 1,262,762	$ 1,269,373	$ 1,295,510	$ 1,248,099	$ 1,177,679	$ 1,177,679	$ 1,177,679
Expenses							
Supplies and Expenses	$ 460,936	$ 472,721	$ 443,679	$ 528,300	$ 574,600	$ 574,600	$ 574,600
Contract Services/Leases	$ 830,092	$ 746,338	$ 823,298	$ 844,500	$ 823,500	$ 823,500	$ 823,500
Utilities	$ 464,004	$ 432,937	$ 448,864	$ 364,000	$ 414,500	$ 414,500	$ 414,500
Capital Outlay					$ -		$ -
Reserve					$ 83,000	$ 83,000	$ 83,000
Total Expenses	$ 1,755,032	$ 1,651,996	$ 1,715,841	$ 1,736,800	$ 1,895,600	$ 1,895,600	$ 1,895,600
Debt Service							
Short - Term Interest					$ 150,000	$ 150,000	$ 150,000
Long - Term Principal					$ 3,842,436	$ 3,842,436	$ 3,842,436
Long - Term Interest					$ 967,080	$ 967,080	$ 967,080
Total Debt Service	$ -	$ -	$ -	$ -	$ 4,959,516	$ 4,959,516	$ 4,959,516
TOTAL BUDGET	**$ 3,017,794**	**$ 2,921,369**	**$ 3,011,351**	**$ 2,984,899**	**$ 8,032,795**	**$ 8,032,795**	**$ 8,032,795**

Source: Billerica Budget Documents