



Town of Milton 2009 Special Town Meeting

"They can't do this in mid-year can they?"

A Financial Review

FY2001 - FY2009

FY2009 Budget (Passed at May 08 ATM)

	\$MM
Discretionary Revenue Available for FY09	0.8
Set Asides (Fire & Police FY08 only)	(0.2)
Increase in Departmental Requests over FY08 (Some dept. requests below level service)	(2.0)
Revenue/ Expense Variance	(1.4)
Final FY09 reduced requests/cuts in Level \$ funding	1.4

FY2009 Budget amendments needed at Feb 09 STM

	\$MM
January 2009 State Aid Cuts	(0.39)
Reserve Fund Applied to cut	0.06
Cuts to department appropriations	0.23
Total STM reductions in spending/application of reserves	0.29
Balance to be funded from free cash at ATM	0.10
	0.39

Snow & Ice

(Why can't we use more free cash to reduce State Aid Cuts?)

\$

Deficit (As of Feb 3 2009)	(425,000)
Estimated Additional Spending (4 Events @ \$31,675 ea)	(126,700)
Estimated FY09 Deficit	<hr/> <u>(551,700)</u>
Free Cash	373,073
Reserve Fund	75,000
FY10 Set Aside	103,627
	<hr/> <u>551,700</u>

Pressures on FY2010 Budget

- Steep Reductions in Estimated Revenue
 - State Aid: \$770k - \$1.2M+
 - Local Receipts: \$600k
- Union/Non Union Pay Settlements
 - Police, Fire, DPW, Parks, Cemetery, SPEA, Ch. 13
 - FY09 Set Asides: \$270k
 - FY10 Set Asides: \$470k
- Debt Service
 - 18% increase over FY09
- Fixed Cost Increases
 - Insurance: 10%
 - Retirement: 6%
 - Health Insurance: 9%

FY2010 Budget

- Level \$ funding of department budgets requires approximately \$1.3M of additional revenue
- A balanced budget requires approximately \$1.3M cuts from FY09 appropriations
- Both the balanced and level \$ budgets will result in significant losses of personnel and service across the town.

FY10 Budget

- Level \$ Funding would mean the following
 - Closure of one fire station
 - Closure of one branch library
 - Closure of one school
 - Loss of 42 school positions (18 teachers)
 - Loss of five firemen
 - Loss of five police officers
 - Reductions in personnel and hours across Town Hall
 - No yard waste pickup
 - 50% of street lights off
- The balanced budget is less than level \$ funding

FY2010 Budget

- Level service funding of department budgets requires approximately \$5.6M of additional revenue

Overrides?

- Any override for the FY10 budget will need to start at around \$1.3M just to make up the revenue losses.
- An override less than around \$5.6M will provide for less than level services.
- Tax bills will rise by \$344 in FY10 regardless of any override.
- Each \$1M in an override adds around \$116 to tax bills.

Overrides?

Override Options	\$2.5MM	\$3.6MM	\$5.6MM
FY10 Shortfall	1.3	1.3	1.3
Schools / Town	1.2	2.3	4.3
FY10 Tax Increases	\$2.5MM	\$3.6MM	\$5.6MM
Current	\$344	\$344	\$344
Override	\$350	\$431	\$664
Total Tax Bill	\$694	\$775	\$1008

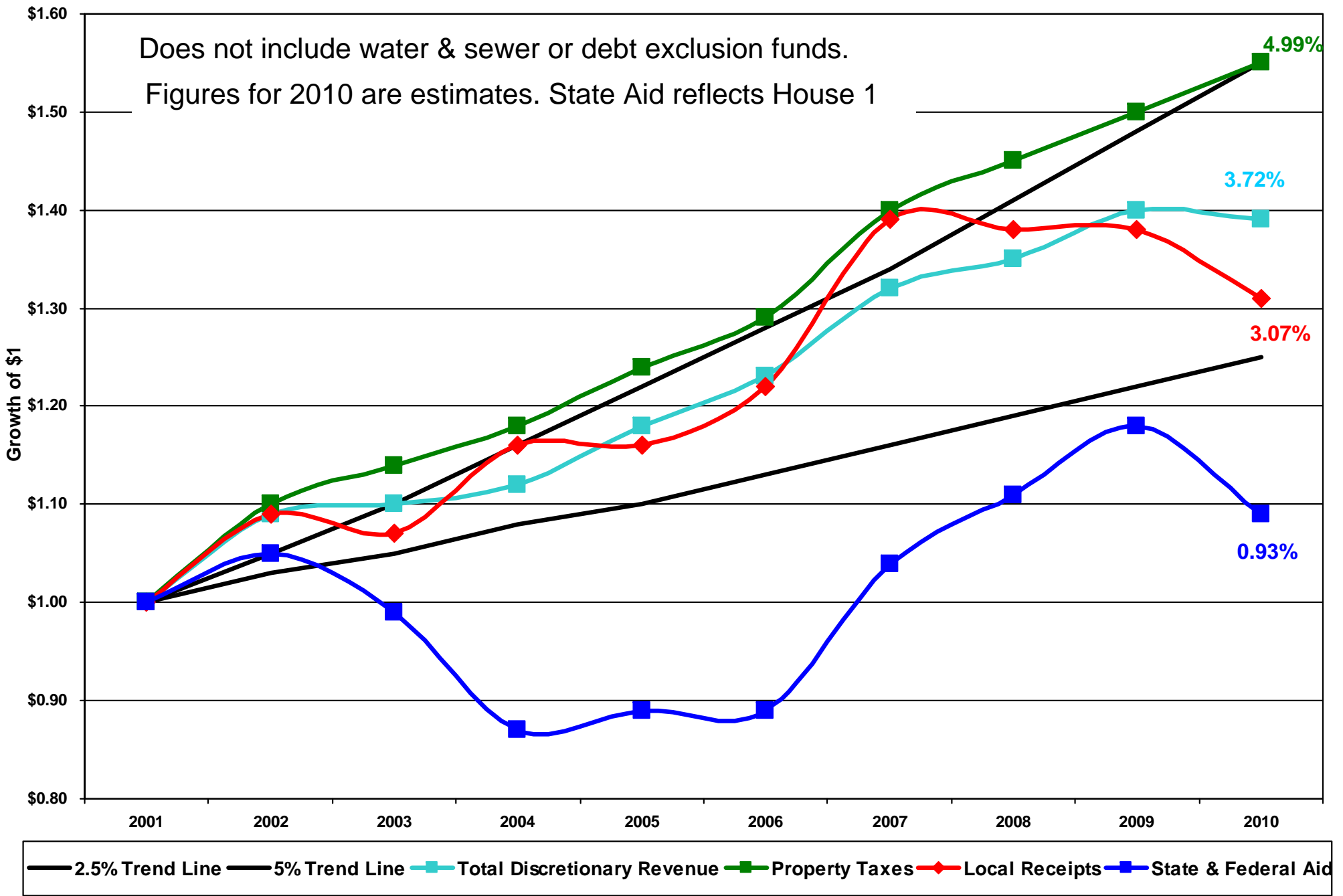
The numbers above are for **illustrative purposes only** and **do not** reflect the voted opinion of the Warrant Committee, the Board of Selectmen or the School Committee.

Next Steps

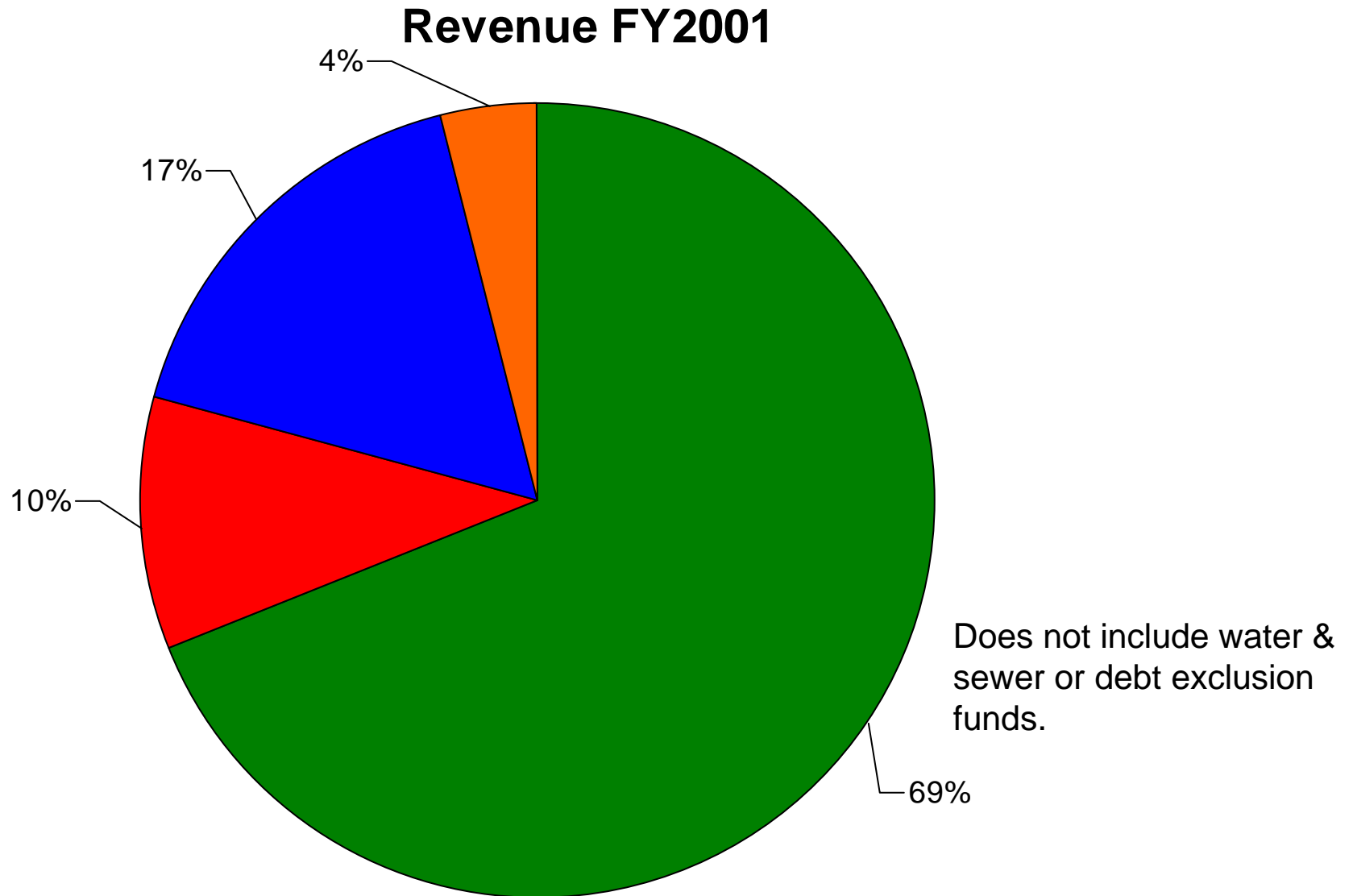
- March 7th – Warrant Committee completes preliminary balanced budget
- Warrant Committee continues to work on a contingent number
- Selectmen, Schools and departments discuss the impacts of the balanced budget and how it relates to an override number
- Annual Town Meeting debates the merits of contingent budgets presented to it.

Financial Charts

Annualized Revenues: 2001-2010



Revenue Breakdown FY2001-FY2010



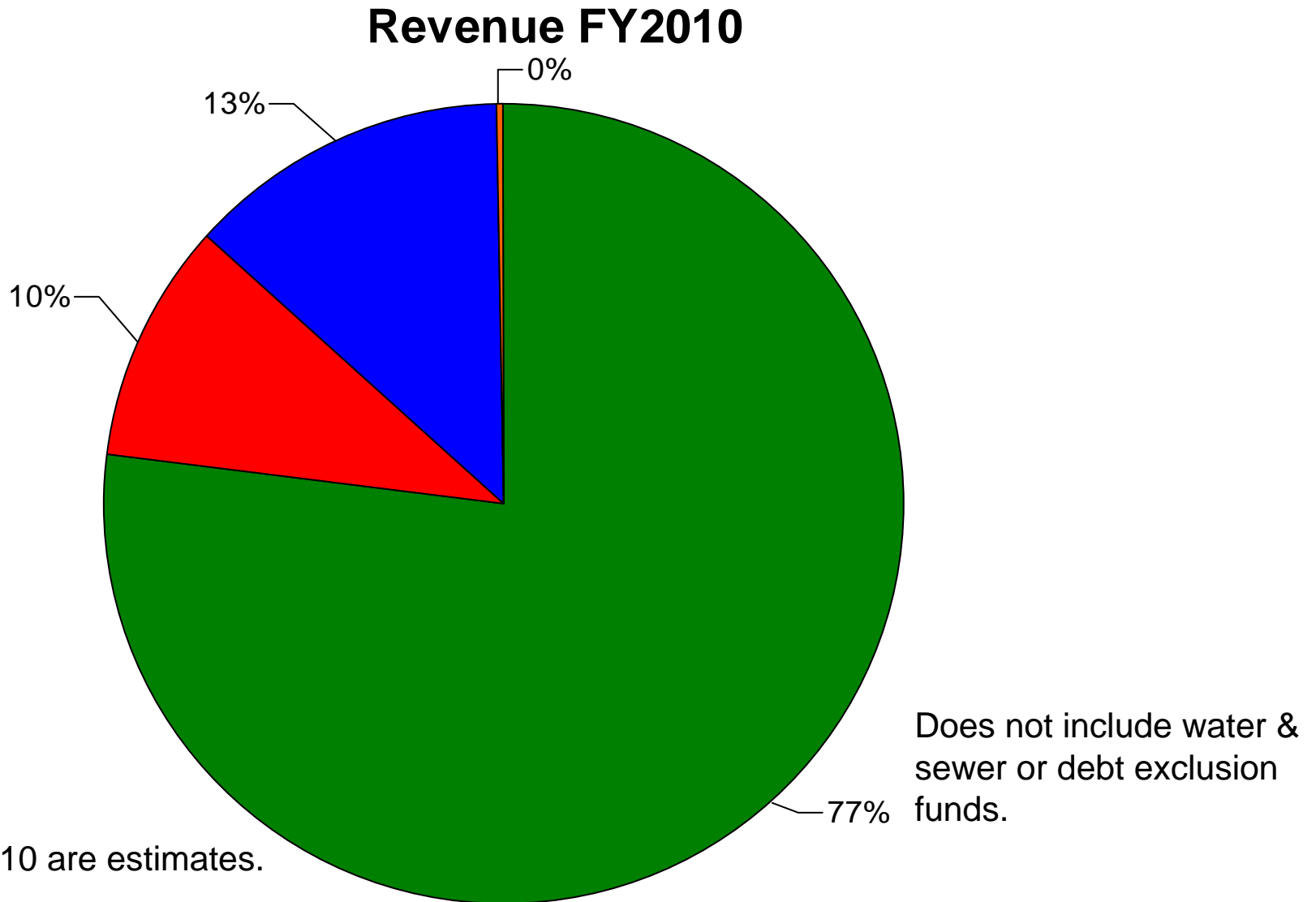
■ Property Taxes

■ Local Receipts

■ State Aid

■ Available Funds

Revenue Breakdown FY2001-FY2010

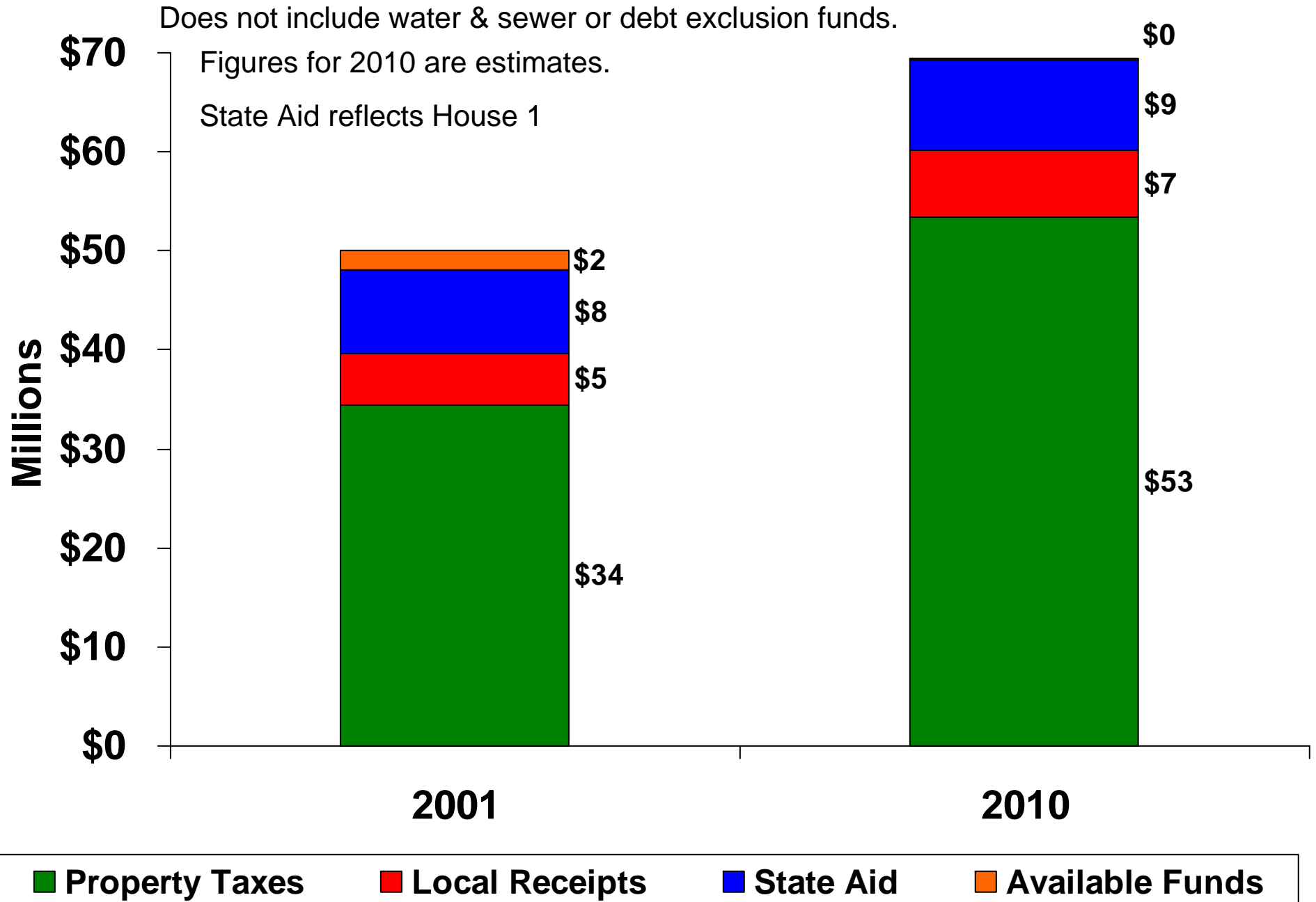


Figures for 2010 are estimates.

State Aid reflects House 1

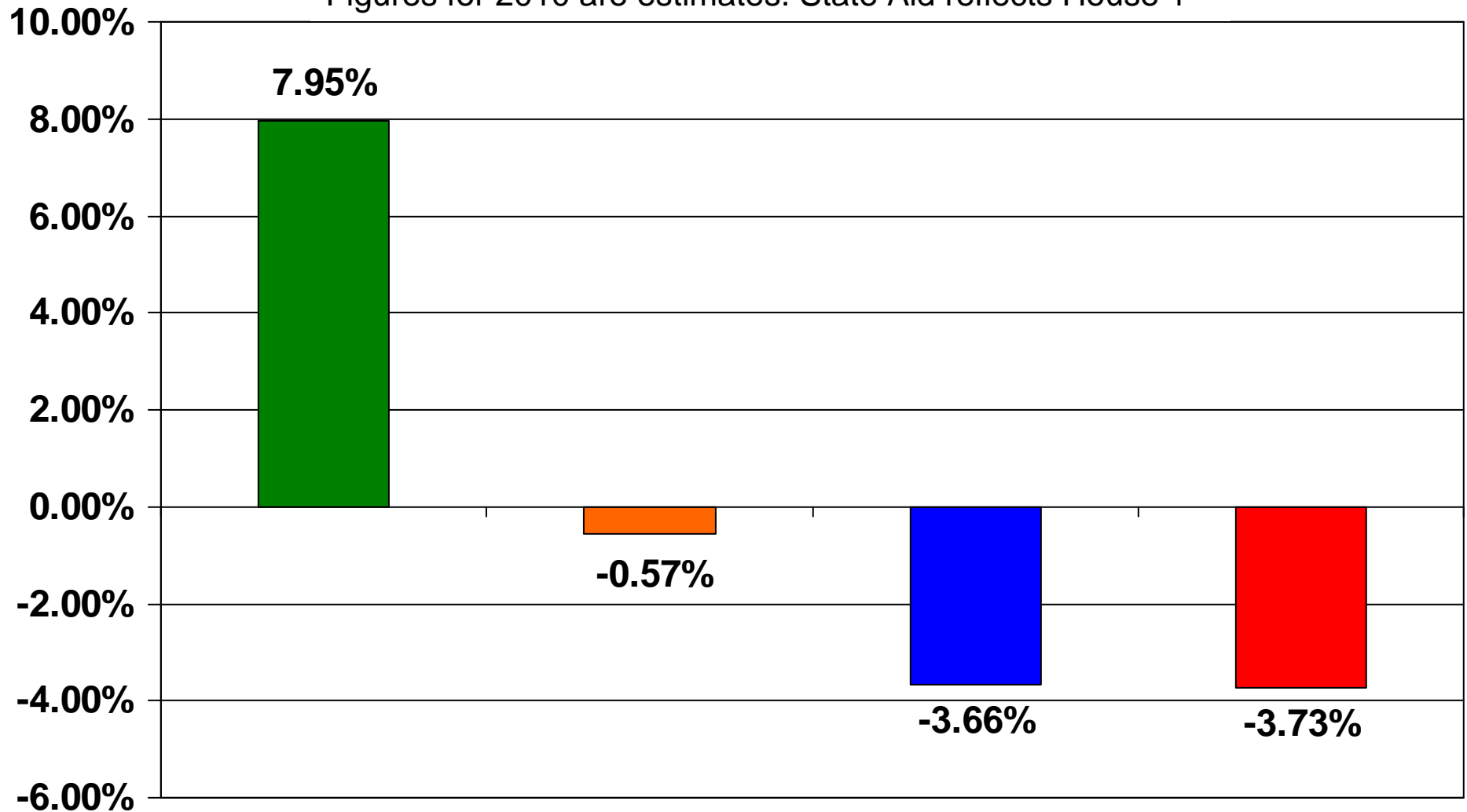


Revenue Breakdown FY2001-FY2010



Revenue Breakdown % Change FY01-FY10

Figures for 2010 are estimates. State Aid reflects House 1



■ Property Taxes

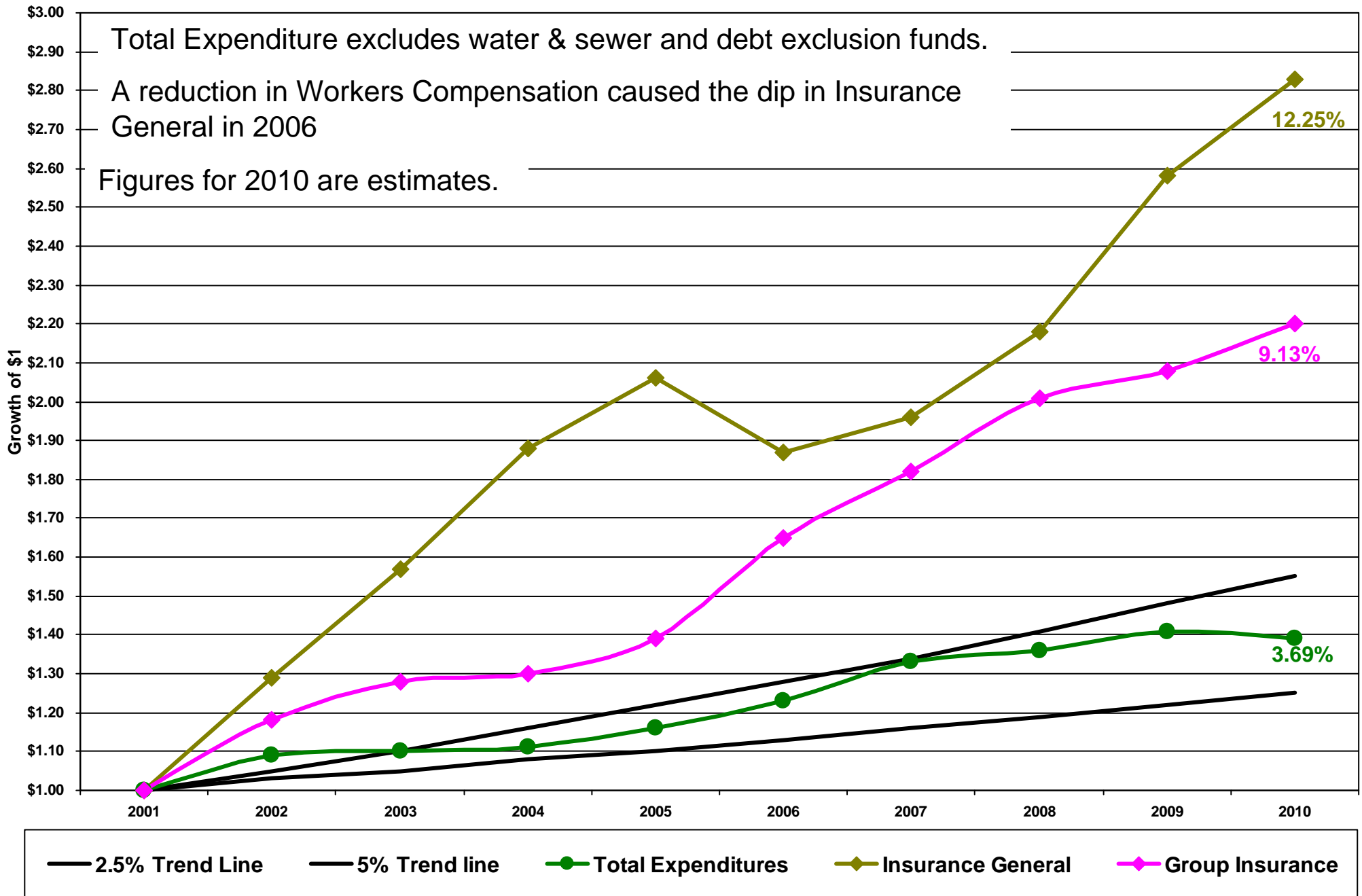
■ Local Receipts

■ State Aid

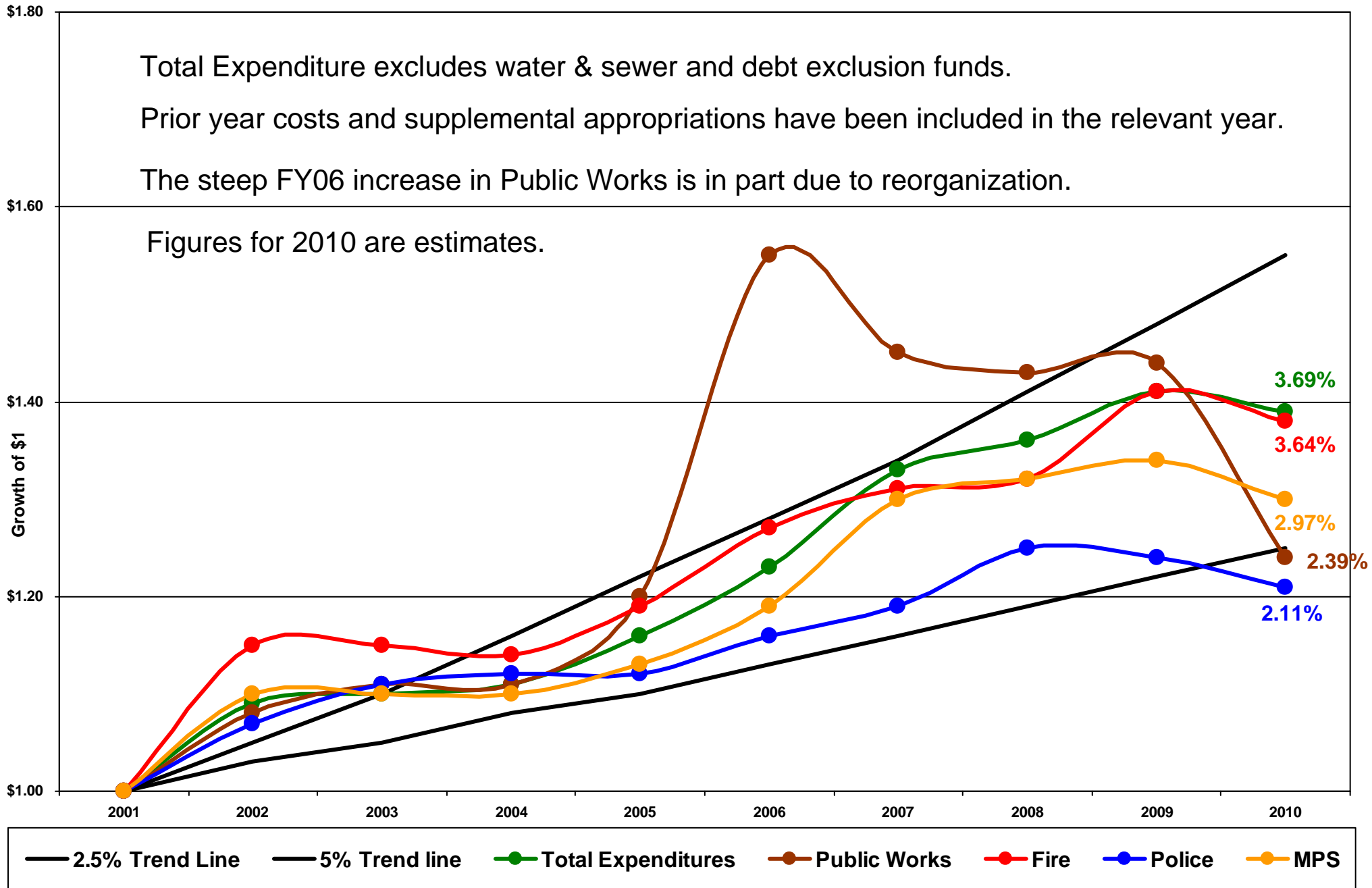
■ Available Funds

Does not include water & sewer or debt exclusion funds.

Annualized Expenditures: Budget Busters

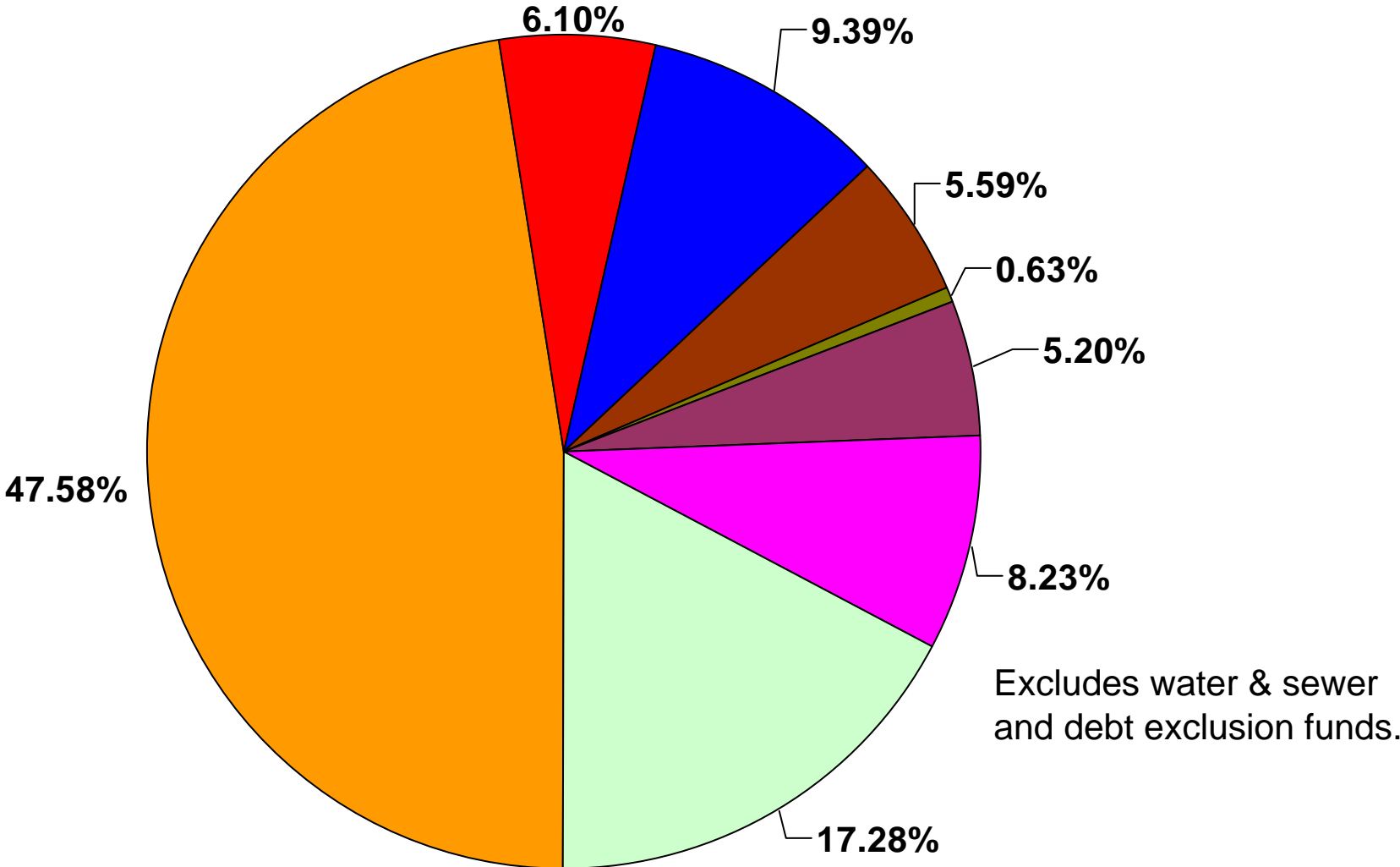


Annualized Expenditures: Largest Four Budgets



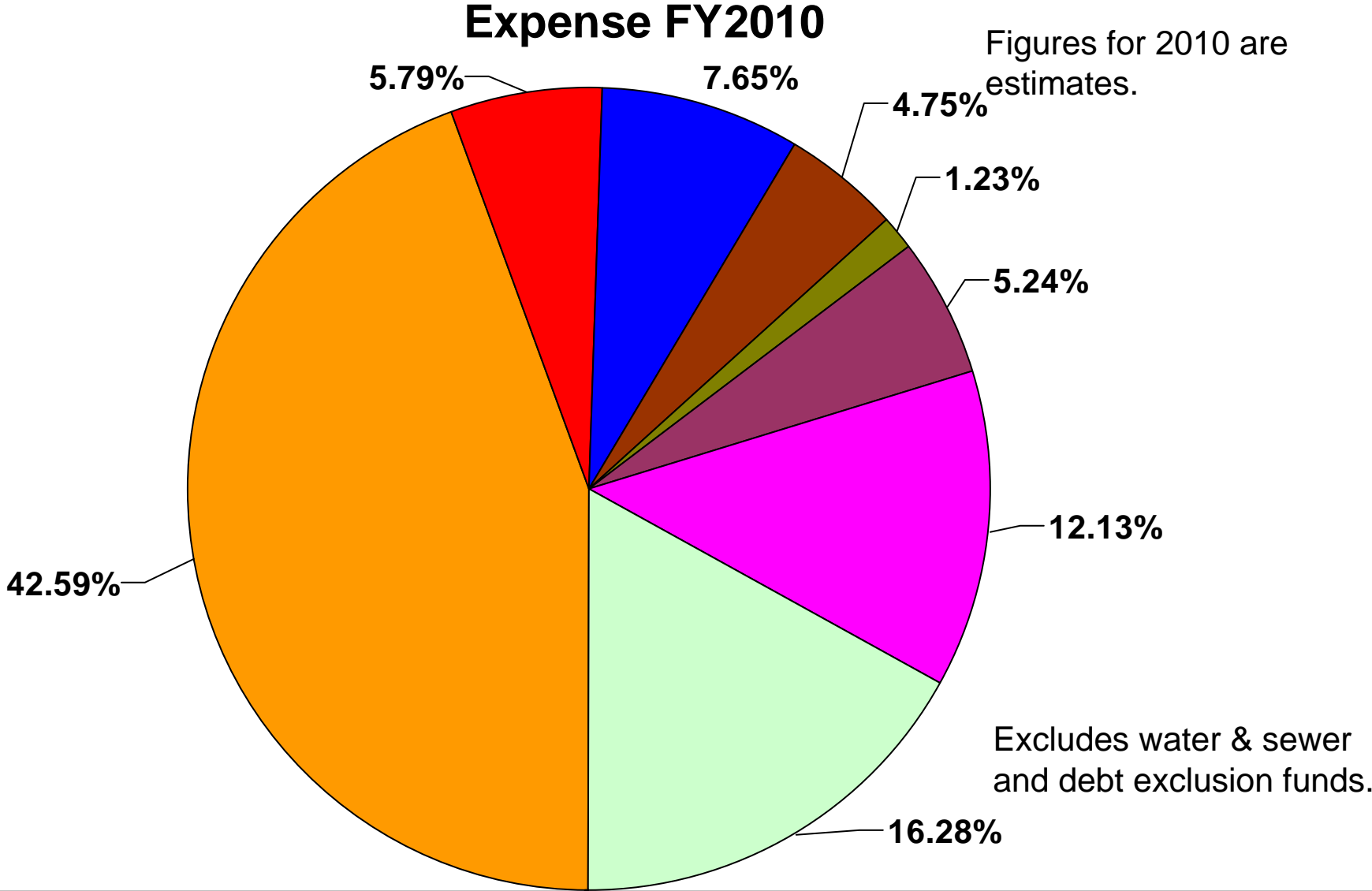
Departmental Allocations FY2001-FY2010

Expense FY2001



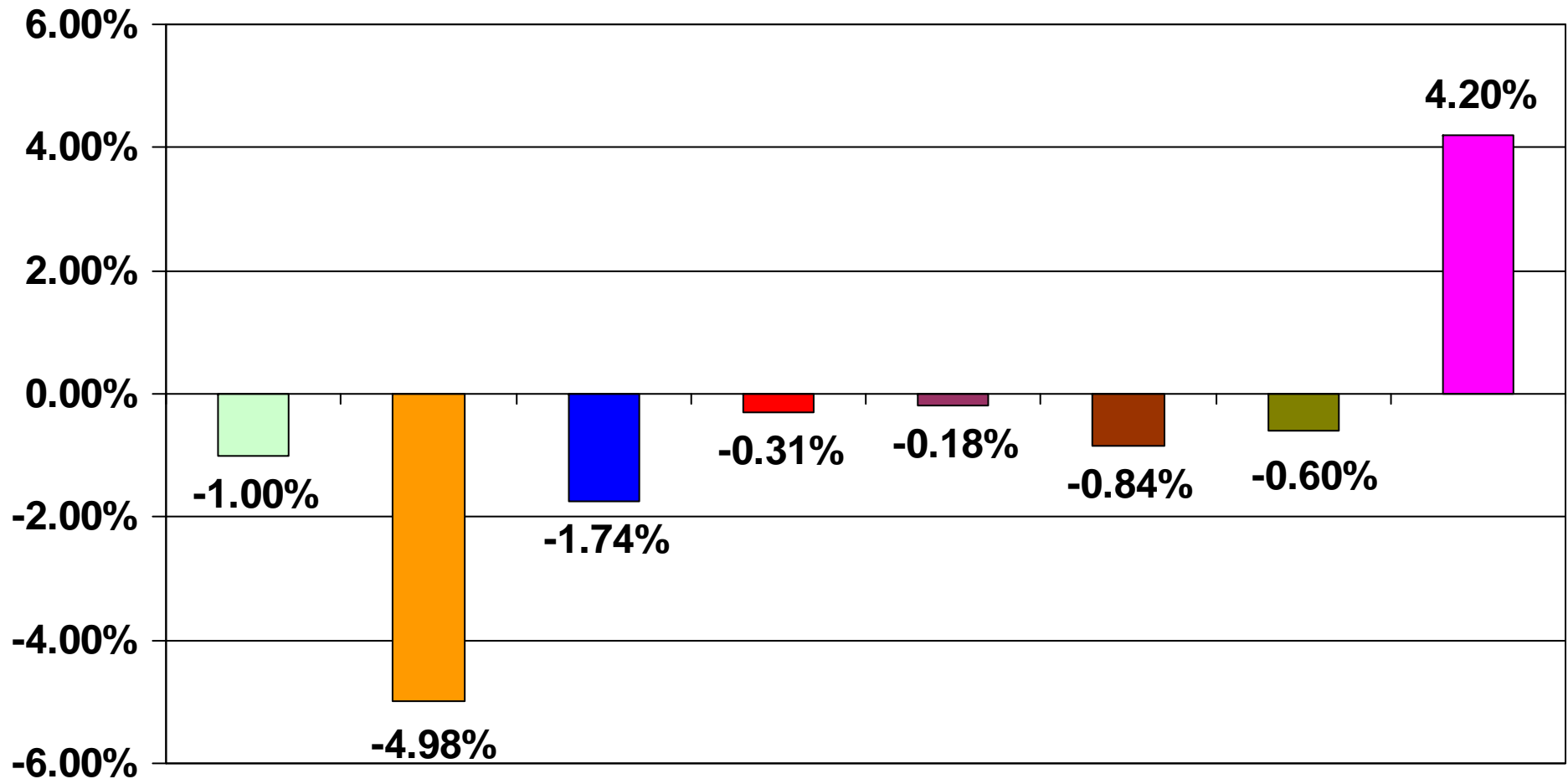
- School Department
- Public Works
- Group Insurance
- Fire
- Insurance General
- All Other
- Police/Youth
- Retirement

Departmental Allocations FY2001-FY2010



- | | | |
|-------------------|-------------------|--------------|
| School Department | Fire | Police/Youth |
| Public Works | Insurance General | Retirement |
| Group Insurance | All Other | |

% Change in Departmental Allocations FY01-FY10



Other Departments

School Department

Police/Youth

Fire

Retirement

Public Works

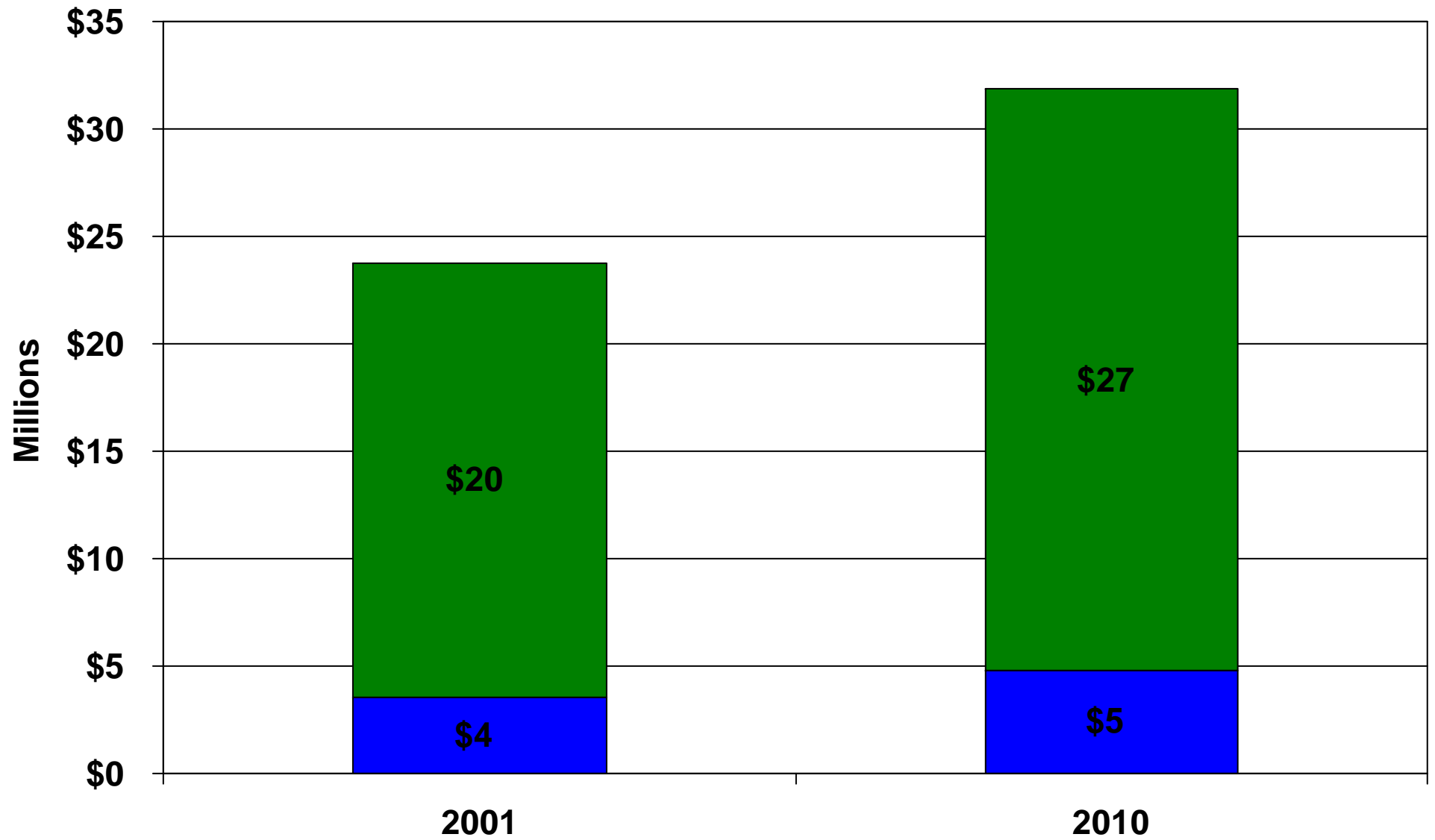
Insurance General

Group Insurance

Excludes water & sewer and debt exclusion funds.

Figures for 2010 are estimates.

Sources of School Department Funding



Figures for 2010 are estimates.

■ Chapter 70 ■ Tax Levy